

BEFORE THE

PUBLIC UTILITIES COMMISSION OF THE STATE OF

Order Instituting Rulemaking to
Based Decision Making Framework to
Safety and Reliability Programs and
the General Rate Case Plan

FILED
PUBLIC UTILITIES COMMISSION
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Opening Comments of Utility Workers Union (UWUA)

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Opening Comments of Utility Workers' Union (UWU)
Comments

A. The Revised Straw Proposal

At the outset of this proceeding the Commission suggests link service and the Commission's focus in this proceeding:

As part of our deliberate efforts to change our culture order to elevate safety, we ROP the following provisions to explicitly include a showing and scrutiny of program appropriate safety, reliability and security of the utility's systems, and not just a placeholder costs

R.13-006, at page 7

This would be a important next step on a journey... reflects the importance and advancement of safety journey... An approach that addresses one another differing advantage points and how skill sets and processes safety margins on aging infrastructure and facilities and functions that special utility services which significant advance for implementing a cooperative, effective safety culture in the by the legislature and the Commission would differentiate older litigation model and utility proposal, embodied in a cost recovery for a selected menu of programs, with reac (intervenor and QRA)

The Revised Straw Proposal (RSP) reflects the Commission's aspirations is deficient in several respects.

Comments

1 Report of the 2010 Review Panel, June 15, 2011 footnote 67 omitted and encl. 13, page 10.12
2 Natural Gas Pipeline Safety Act of 2001, Public Law 107-153, Pub. Util. Code section 961 and 963.
3 Gas Safety ROP, encl. 11 February 25, 2011

(1) The Commission shall address risks from the viewpoint of those who are concerned about the reliability of the service. Instead, the Commission shall measure risks in terms of potential and actual injuries. The Commission invites the substitution of considerations for the operating considerations adequate service including safety and the reliability of the service and the law requirements be addressed.

The proceeding should explicitly address questions about the probability of injurious consequences and their severity of the public, the customers, the stakeholders whose interests are explicitly and specifically protected by the Legislature.

451 places an affirmative obligation on utilities:

Every public utility shall furnish and maintain such and reasonable service, instrumentalities, equipment, and telephone facilities, as defined in Section 54 of the necessary to promote the safety, health, comfort, and patrons, employees, and the public (emphasis added)

Commission

Customer-focused risks include

- explosions, fires and other casualties caused by utility
- loss of service and identification of the causes
- interruption of service and service information of
- timely restoration of service when the emergency response and response
- inability to acquire service in a timely manner;
- abatement of health risks (e.g., gas leaks, power malfunctions)
- compromise of customer information
- placement on the correct rate to which the customer medical baseline, commercial rates

Commission

These types of harm focus on service outcomes. Commission has already established standards and metrics for such as electric service reliability. Utilities have, Commission, established internal standards and procedures for

Commission

managing, but not necessarily about the utility's risks and the public is concerned about in terms of risks and a public manner is at the heart of GRC reform.

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(2) The RevSP fails to recognize that utility operational system involving both physical facilities and human resources provides the public with vital services. It focuses primarily on incremental capital projects and funding for asset management, instead of focusing on the expenses for maintaining and continually improving of ongoing operational performance.

For the gas industry, the Legislature has specifically called adequate workforce as a condition for safe and sound safety outcomes. Code section 961(d)(10). As indicated below, the achievement of an element of the safety priority in the gas industry Util. Code section 3(b)(6) is no place in the RevSP issues.

An inadequate workforce and increased costs because of maintenance and substandard maintenance reduces the usefulness of facilities. For example, a robust system of cathodic protection increases steel pipe (and depreciation expense) and reduces repair and of reduced corrosion and consequent leaks. Frequent checks possible by a fully staffed field workforce, addresses this safety place for this type of consideration in its current iteration.

(3) The RevSP fails to build on or integrate the work of San Bruno, the reporting, documentation and operational safety and quality. As a result, the national regulator information risk rate process and modest in the public utility has been identified by utility management addressing comprehensive of

...the technical state of the utility system, giving a operational system

¶

inform the utilities' programs for reducing risks and hazards, on a concrete basis for the estimates.

The RevSP should take them into account and make a new safety proceeding assessment and review, informed dialogue among stakeholders will create operations that raise safety foundation for the making process. The RevSP defers to setting the agenda on with that revision of the RevSP, and this would potentially lead to the work of the past

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(4) the above findings of the RevSP with the for CPUC ratemaking established by the Legislature. Under Commission is empowered to create subjects to the due process..." Cal. Const. Art. XIII, section 12 has granted a statutory procedure for risk assessment in dimensions of reduction and operational competency. Ch. 52 (Leno), enacting Pub. Util. Code This section shall explain CPUC's power and responsibility to establish just and reasonable safety goals.

(3) It is the policy of the state that the commission shall take all reasonable and appropriate actions necessary to carry out the safety priority of this paragraph consistent with the principle of just reasonable cost.

The obligation to take and appropriate action to the safety priority surely utilizing the RC. The requirement is to actually safety priority policy by achieving the outcomes specified in

the utility and minimize the systemic risks in order to prevent accidents, explosions, and other dangerous conditions in the public and the gas corporation workforce.

(2) The utility will be held responsible for including adequate documentation of the gas pipeline facility history and capability.

(3) Provide adequate data storage capability and safely

deliver gas to all customers and to ensure the commissioning of the core and ancillary and curtailment, in order to provide expansion, placement, preventive maintenance, and reactive maintenance of its regulated gas pipeline facility.

(4) Provide for and enforce inspection of the gas pipeline facility to ensure that the facility is maintained in accordance with the applicable standards and conditions and that it is repaired in a timely manner.

(5) Provide for appropriate equipment and personnel procedures to prevent explosions, fires, and other conditions.

(6) Provide for a timely and appropriate response by the gas pipeline facility to hazardous conditions and emergency situations, including connection and fighting procedures.

(7) Include appropriate engineering and operating pressures on relevant pipeline segments, necessary documentation affecting the calculation of allowable operating pressures.

(8) Prevent damage to, or the failure of, any major equipment.

(9) Meet the standards of the Commission's design, installation, operation, and maintenance of gas distribution facilities prescribed by the applicable authority, the Uniform Distribution of Gas in Transportation in Part 192 with Section 192.1 of Title of Federal Regulations.

(10) Ensure that the pipeline facility design and construction workforce to carry out the plan.

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Note that this subpart (10) specifically requires ensuring an adequate carry out the plan. This argues for inclusion and expansion in any safety proceeding.

Operating under the Legislature's direction, the CPUC has comprehensive code of practice and outage dolelectric generation facilities;⁵ and for construction and operation, including safety reports and underground distribution facilities. These existing authorities are

⁵ SB 39XX (2002), Burton and Spitzer, 163 Cal. App. 4th 117 (2008), Gene implementing that statute.

⁶ Pub. Util. Code sections 8001 through 8057 and 128 (underground).

- ✓ Service Adequacy phase includes hearings, but include discovery and workshops to define adequate service, with direct interaction of utility proponent and other parties
- ✓ Service Adequacy Phase reflects ongoing reporting by staff and parties concerning service quality issues include and service effectiveness and timeliness.
- ✓ IOU's application presents data on electric and/or gas operating issues and risks liability, security, reliability and responsiveness of service functions.

- IOU's present service activities including hazard identification, mitigation, preventive maintenance and aspirational levels of reliability, effectiveness, each on the proper rate credit; security of personal information, etc.), and service (connection, disconnection, outage and restoration management, response and fair Commission rate relate to revenue IOUs report capital investment programs for evaluation including financial plans.
- Evaluated using metrics IOUs already required to report relevant metrics

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- SB 705 Safety Plan performance
- GO-112 and PHMSA reports events, incidents, and
- Electric reliability metrics
- Service quality metrics including call center performance customer accounts and personal information, placement correct tariffs
- Selection of metrics should evolve over time in SED/ORCA consultant report, analysis and proposals from Commission identification and analysis hazards potentially causing probability/high consequence events including mitigation and preventive

✓ Sets service adequacy framework for Revenue Phase

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(2) Revenue Requirement Phase

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The Commission may retain or eliminate the NOI as Case Plan, but the applicability examination of utility records documenting operations. The records should be coordinated the Safety Phase.

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- ✓ The Commission determines how to fund achievement of established service quality levels including safety improvements based on historic actual expenditures, projected and measured changes such as workforce expansion, negotiated wage and
- ✓ Application, testimony and decision mapped to Uniform based on most recent year prior to Test Year; Forms 1 and 2 for prior year on March 31; proceeds.
- ✓ Staff and intervenor evaluation of revenue proposals taken with Service Adequacy Phase, retaining the functionality of
- ✓ RR model validation, pursuant to PUC Code 85, is
- ✓ End the use of speculative forecasts in setting test year actuals reflected in Uniform System of Accounts known and measurement changes to base plan safety, reliability and quality standards, objectives and goals

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• **Timing**

- ✓ Application filed in December, with a concurrent SED/O&E service quality
- ✓ Application/Safety and Reliability Phase begins in March, with a Phase Decision.
- ✓ Revenue Requirement Phase begins in October of Year December ends the second quarter Year 2 with a Phase
- ✓ Rate index begins in June of Year 2

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C. **Conclusion**

For the foregoing reasons, the Revised **Final** proposal modified. The CCUE/UWUA **Alternative** adopted as part Case **11**

Respectfully submitted

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