

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Consider
Revisions to Electric Rule 20 and Related
Matters.

Rulemaking 17-05-010
(Filed May 11, 2017)

**REPLY COMMENTS OF THE CALIFORNIA STATE ASSOCIATION OF COUNTIES
ON THE ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING**

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The California State Association of Counties (CSAC) respectfully submits these Reply Comments in response to the Assigned Commissioner’s Scoping Memo and Ruling (Scoping Memo), issued in this Rulemaking (R.) 17-05-010 (Electric Rule 20) on August 16, 2022. These Reply Comments are timely filed and served pursuant to the Commission’s Rules of Practice and Procedure and the instructions contained in the Scoping Memo.

**I.
CSAC AGREES WITH PARTIES WHO SUPPORT ENGAGEMENT WITH LOCAL
GOVERNMENTS**

The Scoping Memo stated that one of the issues to be considered in Phase 2 of this proceeding is “[w]hether the Commission or utilities should enhance engagement with local governments to inform utility investments in undergrounding for safety, resilience, or emergency-related purposes.”¹ CSAC agrees with parties who support inclusion of this issue in Phase 2 of this proceeding.

Coordination with local governments on this issue is essential because, in part, as the League of California Cities (Cal Cities) states it will protect public welfare and advance the development of much-needed housing in California.² Similarly, the Rural County Representatives of California (RCRC) correctly states that:

¹ Scoping Memo, at p. 2.

² Cal Cities Opening Comments, at pp. 4-6.

Enhanced engagement with local governments can better inform both local government and utility decision-making, provide advanced notice of potential projects, and identify similar or overlapping public works projects within the undergrounding plan implementation horizon in order to reduce expenses, minimize environmental impacts, and avoid complications.³

Furthermore, CSAC supports County of Sonoma who argues that “[t]he benefits of the remaining work credits could be maximized if the Commission and utilities engage with local governments to understand their needs with respect to electric infrastructure.”⁴ CSAC also agrees with RCRC that enhanced coordination with local governments can lead to greater reliability and resilience, particularly for those customers in greatest need.⁵

As such, determination about reallocation of unused Rule 20A work credits should be made by the local governments, in coordination, if necessary, with the investor-owned utility (IOU). If a jurisdiction does not wish to use or does not have the capacity to use their existing Rule 20A work credits, it would be fair to redistribute them to jurisdictions who have the capacity. However, as RCRC notes, some jurisdictions may find that it is premature to redirect or reallocate unused Rule 20A work credits from inactive communities when there is so much uncertainty about whether wildfire safety, resilience, and emergency-related projects will be eligible for Rule 20A funding.⁶ CSAC concurs with the City of Laguna Beach that “unused Rule 20A credits should remain with the rate payers of the community unless forfeited by the community...”⁷

Different communities have different needs and are at different phases of undergrounding, as such these local governments should determine how, or if, to reallocate these work credits.

³ RCRC Opening Comments, at p. 4.

⁴ County of Sonoma Opening Comments, at p. 2.

⁵ RCRC Opening Comments, at p. 5.

⁶ *Id.*, at p. 6.

⁷ City of Laguna Beach Opening Comments, at p. 2.

II.
**THERE ARE NUMEROUS BARRIERS TO THE CONVERSION OF RULE 20A
PROJECTS WITH INSUFFICIENT WORK CREDITS TO RULE 20B OR 20C
PROJECTS**

Converting Rule 20A projects to Rule 20B or Rule 20C projects would be burdensome not only to jurisdictions who are currently unable to underground, as well as jurisdictions who have the capacity to deliver undergrounding projects but do not have sources of additional funding. Another key barrier is obtaining funding from property owners required for their share of the project (under Rule 20B) or the entirety of the project (under Rule 20C). Yet another barrier is that it will increase the cost to the applicant, in that they will not only pay more of the power utility costs but will also pay the telecommunication costs.

As such, CSAC agrees with RCRC that “local governments rarely have discretionary funding available to undertake utility undergrounding projects themselves.”⁸ Furthermore, the County of San Diego argues that “[i]f Rule 20A projects were to be converted to Rule 20B or Rule 20C projects, the County [of San Diego] would need to obtain alternative funding for undergrounding, making it less likely that undergrounding would actually occur.”⁹

One option is for redistributed funds to remain Rule 20A funds. These funds could then be used to augment existing projects that need additional funds or fund new projects within underserved or disadvantaged communities. At a minimum, CSAC agrees with RCRC that “the Commission seriously consider alternative pathways for local governments to secure undergrounding projects.”¹⁰ CSAC also supports RCRC’s recommendation that:

If the Commission permanently discontinues work credit allocations and effectively suspends the Rule 20A program, we urge it to consider establishing a process through which local governments can petition the Commission (or IOU)

⁸ RCRC Opening Comments, at p. 7.

⁹ County of San Diego Opening Comments, at p. 4.

¹⁰ RCRC Opening Comments, at p. 8.

to undertake and fund specific utility undergrounding projects, along with a justification of the need for the project.¹¹

Lastly, CSAC agrees with the County of Sonoma that the Commission should direct the utilities to work with local governments to meet any funding-related project milestones.¹²

**III.
DETERMINATIONS ABOUT THE FUTURE OF THE RULE 20D PROGRAM SHOULD
BE LEFT TO THE LOCAL GOVERNMENTS**

Again, decisions about the future of Rule 20D should be made by the local governments who use Rule 20D. As recommended by the City of Laguna Beach, rather than having unused Rule 20A credits reallocated, the jurisdictions using those credits should have the option to direct inactive credits towards any other Rule 20 project.¹³

**IV.
CONCLUSION**

CSAC appreciates the opportunity to submit these Reply Comments.

Respectfully submitted,

September 26, 2022

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¹¹ RCRC Opening Comments, at p. 8.

¹² County of Sonoma Opening Comments, at p. 3.

¹³ City of Laguna Beach Opening Comments, at p. 3.