

APPENDIX A

CONSENSUS PROPOSED RULE CHANGES

**PHASE 2 JOINT PARTIES' WORKSHOP REPORT
FOR WORKSHOPS HELD JANUARY – AUGUST, 2010**

APPENDIX A

CONSENSUS PROPOSED RULE CHANGES

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APPENDIX A

CONSENSUS PROPOSED RULE CHANGES

I. INTRODUCTION

Each of the proposed rules or rule changes (PRCs) for which consensus was achieved in the Phase 2 workshops is presented in Appendix A. Each consensus PRC is accompanied by a consensus rationale and detailed justifications.¹

This workshop report does not reflect all rationales presented by parties at the workshops in support of these PRCs. Parties will have an opportunity to file briefs following the issuance of this workshop report.

¹ The voting templates reflecting the consensus votes have not been included in this Appendix A, but have been retained for future reference.

II. GENERAL ORDER 95, RULE 18

A. Consensus Proposed Rule Change: General Order 95, Rule 18-A, Term “Nonconformance”

(1) Current Rule

18 Reporting and Resolution of Safety Hazards Discovered by Utilities

A. Resolution of Safety Hazards And General Order 95 Violations

Each company (including utilities and CIPs) is responsible for taking appropriate corrective action to remedy safety hazards and GO 95 violations posed by their facility. Upon completion of the corrective action, the company records shall show the nature of the work, the date and identity of persons performing the work. Prior to the work being completed, the company shall document the current status of the safety hazard, including whether the safety hazard is located in an Extreme and Very High Fire Threat Zone in Southern California, and shall include a scheduled date of corrective action. These records shall be preserved by the company for at least five years, and shall be of sufficient detail to allow Commission staff during an audit, if any, to determine that the safety hazard has been remedied. The records shall be made available to Commission staff immediately upon request. Additionally, for any work completed after the initial scheduled date of corrective action, the company shall document the reason or reasons that the work was not completed by the original scheduled date of corrective action.

For purposes of this rule, “safety hazard” means a condition that poses a significant threat to life or property, including, but not limited to, the ignition of a wildland or structure fire. “Extreme and Very High Fire Threat Zones” are defined in the Commission decision issued in Phase I of R.08-11-005. “Southern California” is defined as the following: Santa Barbara, Ventura, San Bernardino, Riverside, Los Angeles, Orange, and San Diego Counties.

Companies that have existing General Order 165 auditable inspection and maintenance programs that are consistent with the purpose of Rule 18 shall continue to follow their General Order 165 programs. All companies shall establish an auditable maintenance program for their facilities and lines. Further, all companies must include a timeline for corrective actions to be taken following the identification of a safety hazard or violation of General Orders 95 or 128 on the companies’ facilities.

The auditable maintenance program should be developed and implemented based on the following principles.

(1) Priorities shall be assigned based on the specifics of the safety hazard or violation as related to direct impact and the probability for impact on safety or reliability using the following factors:

- Type of facility or equipment;
- Location;
- Accessibility;
- Climate;

- Direct or potential impact on operations, customers, electrical company workers, communications workers, and the general public;
- Whether the safety hazard or violation is located in an Extreme or Very High Fire Threat zone.

(2) There will be three priority levels, as follows:

(a) Level 1:

- Immediate safety and/or reliability risk with high probability for significant impact.
- Take action immediately, either by fully repairing the condition, or by temporarily repairing and reclassifying the condition to a lower priority.

(b) Level 2:

- Variable (non-immediate high to low) safety and/or reliability risk.
- Take action to correct within specified time period (fully repair, or by temporarily repairing and reclassifying the condition to a lower priority).
- Time period for correction to be determined at the point of identification by a qualified company representative:
 - Overhead: 0-59 months
- Where communications company actions result in electric utility GO violations, the electric utility's remedial action will be to transmit a single documented notice of identified violations to the communications company for compliance.

(c) Level 3:

- Acceptable safety and/or reliability risk.
- Take action (re-inspect, re-evaluate, or repair) at or before the next detailed inspection.

(d) Exceptions (Levels 2 and 3 only) – Correction times may be extended under reasonable circumstances, such as:

- Third party refusal
- Customer issue
- No access
- Permits required
- System emergencies (e.g. fires, severe weather conditions)

(3) Upon completion of the corrective action, the company's records shall show the nature of the work, the date, and the identity of persons performing the work. These records should be preserved by the company for at least five years.

(4) The company shall prioritize implementing this maintenance plan within the Extreme and Very High Fire Threat Zones of Southern California. With the exception of a safety hazard or violation requiring immediate correction, a company must correct a violation or safety hazard within 30 days of discovering or being notified of a violation or safety hazard, if the violation or safety hazard violates a clearance requirement listed in columns E, F, or G of Table 1 in this General Order, or violates a pole overloading requirement in Rule 44.3 of this General Order, and is located in an Extreme and Very High Fire Threat Zone in Southern California. The

company must correct a violation or safety hazard within 30 days if the utility is notified that the violation must be corrected to alleviate a significant safety risk to any utility's employees.

(2) Strikeout/Redlined Proposed Changes

18 Reporting and Resolution of Safety Hazards Discovered by Utilities

A. Resolution of Safety Hazards And General Order 95 ~~Nonconformances~~Violations

Each company (including utilities and CIPs) is responsible for taking appropriate corrective action to remedy safety hazards and GO 95 ~~nonconformances~~violations posed by their facility. Upon completion of the corrective action, the company records shall show the nature of the work, the date and identity of persons performing the work. Prior to the work being completed, the company shall document the current status of the safety hazard, including whether the safety hazard is located in an Extreme and Very High Fire Threat Zone in Southern California, and shall include a scheduled date of corrective action. These records shall be preserved by the company for at least five years, and shall be of sufficient detail to allow Commission staff during an audit, if any, to determine that the safety hazard has been remedied. The records shall be made available to Commission staff immediately upon request. Additionally, for any work completed after the initial scheduled date of corrective action, the company shall document the reason or reasons that the work was not completed by the original scheduled date of corrective action.

For purposes of this rule, "safety hazard" means a condition that poses a significant threat to life or property, including, but not limited to, the ignition of a wildland or structure fire. "Extreme and Very High Fire Threat Zones" are defined in the Commission decision issued in Phase I of R.08-11-005. "Southern California" is defined as the following: Santa Barbara, Ventura, San Bernardino, Riverside, Los Angeles, Orange, and San Diego Counties.

Companies that have existing General Order 165 auditable inspection and maintenance programs that are consistent with the purpose of Rule 18 shall continue to follow their General Order 165 programs. All companies shall establish an auditable maintenance program for their facilities and lines. Further, all companies must include a timeline for corrective actions to be taken following the identification of a safety hazard or ~~nonconformance~~violation of General Orders 95 or 128 on the companies' facilities.

The auditable maintenance program should be developed and implemented based on the following principles.

(1) Priorities shall be assigned based on the specifics of the safety hazard or ~~nonconformance~~violation as related to direct impact and the probability for impact on safety or reliability using the following factors:

- Type of facility or equipment;
- Location;
- Accessibility;

- Climate;
- Direct or potential impact on operations, customers, electrical company workers, communications workers, and the general public;
- Whether the safety hazard or nonconformanceviolation is located in an Extreme or Very High Fire Threat zone.

(2) There will be three priority levels, as follows:

(a) Level 1:

- Immediate safety and/or reliability risk with high probability for significant impact.
- Take action immediately, either by fully repairing the condition, or by temporarily repairing and reclassifying the condition to a lower priority.

(b) Level 2:

- Variable (non-immediate high to low) safety and/or reliability risk.
- Take action to correct within specified time period (fully repair, or by temporarily repairing and reclassifying the condition to a lower priority).
- Time period for correction to be determined at the point of identification by a qualified company representative:
 - Overhead: 0-59 months
- Where communications company actions result in electric utility GO nonconformancesviolations, the electric utility's remedial action will be to transmit a single documented notice of identified nonconformancesviolations to the communications company for compliance.

(c) Level 3:

- Acceptable safety and/or reliability risk.
- Take action (re-inspect, re-evaluate, or repair) at or before the next detailed inspection.

(d) Exceptions (Levels 2 and 3 only) – Correction times may be extended under reasonable circumstances, such as:

- Third party refusal
- Customer issue
- No access
- Permits required
- System emergencies (e.g. fires, severe weather conditions)

(3) Upon completion of the corrective action, the company's records shall show the nature of the work, the date, and the identity of persons performing the work. These records should be preserved by the company for at least five years.

(4) The company shall prioritize implementing this maintenance plan within the Extreme and Very High Fire Threat Zones of Southern California. With the exception of a safety hazard or nonconformanceviolation requiring immediate correction, a company must correct a nonconformanceviolation or safety hazard within 30 days of discovering or being notified of a nonconformanceviolation or safety hazard, if the nonconformanceviolation or safety hazard fails

~~to fully comply with~~~~violates~~ a clearance requirement listed in columns E, F, or G of Table 1 in this General Order, or ~~violates~~ a pole overloading requirement in Rule 44.3 of this General Order, and is located in an Extreme and Very High Fire Threat Zone in Southern California. The company must correct a ~~nonconformanceviolation~~ or safety hazard within 30 days if the utility is notified that the ~~nonconformanceviolation~~ must be corrected to alleviate a significant safety risk to any utility's employees.

(3) Proposed Final

18 Reporting and Resolution of Safety Hazards Discovered by Utilities

A. Resolution of Safety Hazards And General Order 95 Nonconformances

Each company (including utilities and CIPs) is responsible for taking appropriate corrective action to remedy safety hazards and GO 95 nonconformances posed by their facility. Upon completion of the corrective action, the company records shall show the nature of the work, the date and identity of persons performing the work. Prior to the work being completed, the company shall document the current status of the safety hazard, including whether the safety hazard is located in an Extreme and Very High Fire Threat Zone in Southern California, and shall include a scheduled date of corrective action. These records shall be preserved by the company for at least five years, and shall be of sufficient detail to allow Commission staff during an audit, if any, to determine that the safety hazard has been remedied. The records shall be made available to Commission staff immediately upon request. Additionally, for any work completed after the initial scheduled date of corrective action, the company shall document the reason or reasons that the work was not completed by the original scheduled date of corrective action.

For purposes of this rule, "safety hazard" means a condition that poses a significant threat to life or property, including, but not limited to, the ignition of a wildland or structure fire. "Extreme and Very High Fire Threat Zones" are defined in the Commission decision issued in Phase I of R.08-11-005. "Southern California" is defined as the following: Santa Barbara, Ventura, San Bernardino, Riverside, Los Angeles, Orange, and San Diego Counties.

Companies that have existing General Order 165 auditable inspection and maintenance programs that are consistent with the purpose of Rule 18 shall continue to follow their General Order 165 programs. All companies shall establish an auditable maintenance program for their facilities and lines. Further, all companies must include a timeline for corrective actions to be taken following the identification of a safety hazard or nonconformance of General Orders 95 or 128 on the companies' facilities.

The auditable maintenance program should be developed and implemented based on the following principles.

(1) Priorities shall be assigned based on the specifics of the safety hazard or nonconformance as related to direct impact and the probability for impact on safety or reliability using the following factors:

- Type of facility or equipment;
- Location;
- Accessibility;
- Climate;
- Direct or potential impact on operations, customers, electrical company workers, communications workers, and the general public;
- Whether the safety hazard or nonconformance is located in an Extreme or Very High Fire Threat zone.

(2) There will be three priority levels, as follows:

(a) Level 1:

- Immediate safety and/or reliability risk with high probability for significant impact.
- Take action immediately, either by fully repairing the condition, or by temporarily repairing and reclassifying the condition to a lower priority.

(b) Level 2:

- Variable (non-immediate high to low) safety and/or reliability risk.
- Take action to correct within specified time period (fully repair, or by temporarily repairing and reclassifying the condition to a lower priority).
- Time period for correction to be determined at the point of identification by a qualified company representative:
 - Overhead: 0-59 months
- Where communications company actions result in electric utility GO nonconformances, the electric utility's remedial action will be to transmit a single documented notice of identified nonconformances to the communications company for compliance.

(c) Level 3:

- Acceptable safety and/or reliability risk.
- Take action (re-inspect, re-evaluate, or repair) at or before the next detailed inspection.

(d) Exceptions (Levels 2 and 3 only) – Correction times may be extended under reasonable circumstances, such as:

- Third party refusal
- Customer issue
- No access
- Permits required
- System emergencies (e.g. fires, severe weather conditions)

(3) Upon completion of the corrective action, the company's records shall show the nature of the work, the date, and the identity of persons performing the work. These records should be preserved by the company for at least five years.

(4) The company shall prioritize implementing this maintenance plan within the Extreme and Very High Fire Threat Zones of Southern California. With the exception of a safety hazard or nonconformance requiring immediate correction, a company must correct a nonconformance or

safety hazard within 30 days of discovering or being notified of a nonconformance or safety hazard, if the nonconformance or safety hazard fails to fully comply with a clearance requirement listed in columns E, F, or G of Table 1 in this General Order, or a pole overloading requirement in Rule 44.3 of this General Order, and is located in an Extreme and Very High Fire Threat Zone in Southern California. The company must correct a nonconformance or safety hazard within 30 days if the utility is notified that the nonconformance must be corrected to alleviate a significant safety risk to any utility's employees.

(4) Consensus Rationale

There have been additional changes proposed to Rule 18-A, which are presented in MAPs contained in Appendix B. Whether or not the Commission adopts either of the MAPs for Rule 18-A presented in Appendix B, the parties agreed that Rule 18-A should be modified such that the term “nonconformance” is used in lieu of “violation” in the pertinent provisions of the rule.

Revising Rule 18-A to refer to “nonconformances” in lieu of “violations” may help facilitate timely and appropriate corrective action of all conditions that do not fully conform to the requirements of G.O. 95 in a manner consistent with priorities established through uniform application of the criteria set forth in Rule 18-A. Importantly, the term “nonconformances” includes not just “safety hazards” as defined in Rule 18-A and “violations” as this term has been used in recent decisions of the Commission, but also other nonconforming conditions. This change may also help mitigate unnecessary risks and costs incurred by investor-owned utilities and CIPs by eliminating the implication that any condition addressed by an investor-owned utility or CIP through corrective action undertaken in accordance with a maintenance plan established pursuant to Rule 18-A necessarily constitutes a violation for which the utility or CIP may be liable.

(5) Justifications

- The specific electric utilities, CIPs, and others affected by the PRC.

This proposal would affect electric utilities and communications entities subject to CPUC jurisdiction.

- The current text of the affected General Order(s), if any.

See II. A (1) above.

- New and/or revised text for the affected General Order(s), if applicable, showing (i) proposed revisions in strikeout/underline form, and (ii) the final proposed rule.

The intent of the parties in approving this consensus PRC is to revise Rule 18-A, in whatever form ultimately adopted by the Commission in this proceeding, to refer to “nonconformances” in lieu of “violations.” The proposed revisions are shown in strikeout/redline format in II. A(2) above and in final form in II. A(3) above, relative to the current rule. The consensus proposal voted on and approved by workshop participants was

formatted, however, as a revision to another PRC regarding Rule 18-A that was not approved as a consensus PRC. The proposed revisions have been shown in II. A(2) and II.A(3) above in relation to the current rule, rather than the PRC voted on in the workshop, in order to avoid confusion and for consistency with the discussion of other consensus PRCs in this workshop report.

- The specific fire hazard(s) addressed by the PRC and/or other objectives accomplished by the PRC.

This proposal addresses in general respects all conditions that do not conform fully to the requirements of G.O. 95.

- How the PRC reduces or otherwise addresses the fire hazard(s) and/or achieves other objectives.

Adoption of this proposal may facilitate timely and appropriate corrective action of all conditions that do not fully conform to the requirements of G.O. 95 in a manner consistent with priorities established through uniform application of the criteria set forth in Rule 18-A.

- The anticipated costs of the PRC, including, if available, costs incurred by investor-owned utilities, POU's, CIPs, and customers.

The adoption of this proposal is not expected to have any significant impact on the costs incurred by investor-owned utilities or CIPs for inspection, maintenance or corrective action to remedy safety hazards, violations of G.O. 95 or other nonconforming conditions. It may, however, help mitigate unnecessary risks and costs incurred by investor-owned utilities and CIPs by eliminating the implication that any condition addressed by an investor-owned utility or CIP through corrective action undertaken in accordance with a maintenance plan established pursuant to Rule 18-A necessarily constitutes a violation for which the utility or CIP may be liable.

- The anticipated benefits of the PRC.

Adoption of this proposal may facilitate timely and appropriate corrective action of all conditions that do not fully conform to the requirements of G.O. 95 in a manner consistent with priorities established through uniform application of the criteria set forth in Rule 18-A. It may also help mitigate unnecessary risks and costs incurred by investor-owned utilities and CIPs.

- Whether and how the costs will be recovered from customers.

Adoption of this proposal is not expected to increase costs and may mitigate unnecessary costs for investor-owned utilities and CIPs. Should costs be incurred, the rate-of-return regulated utilities are seeking an order in this proceeding, like the statement in the Phase 1 Decision (D.09-08-029 at p. 43), that approves the recovery of any incremental costs prudently incurred to comply with the rules adopted in Phase 2. In addition, the rate-of-return regulated utilities seek an order approving the process to be used for the recovery of costs of complying with any rules adopted in either Phase 1 or Phase 2 of these proceedings. Proposed language for the cost recovery process is included in Appendix B as MAP 15. Companies that are not rate-of-return

regulated may recover costs in any legally permissible manner, including through line-item charges or increased fees for services.

- Whether and how costs will be shared among electric utilities, CIPs, and others.

Not applicable.

- Why it is in the public interest to adopt the PRC.

The proposal will ensure that corrective action to address all nonconforming conditions is considered and prioritized according to a consistent set of principles while potentially mitigating unnecessary costs and risks to investor-owned utilities and CIPs.

- If the PRC applies to electric transmission, why the rule does not conflict with other federal or state regulations.

This PRC clarifies an existing General Order 95 rule, which currently complements and poses no conflict with existing federal or state regulations.

- Whether the PRC is exempt from CEQA and/or NEPA and, if so, why. Any assertion that CEQA and NEPA do not apply must cite the relevant statutes and/or regulations where the exemption is listed. Conversely, any assertion that CEQA and/or NEPA do apply must (1) cite the relevant statutes and/or regulations that show this, and (2) list the steps that need to occur under CEQA and/or NEPA before the PRC can be adopted.

This proposal is exempt from environmental review under Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it is not a “project” under CEQA and will not have any potentially significant impact on the environment. NEPA does not apply because adoption of the proposed rule change does not constitute action by a federal agency within the meaning of 42 USC § 4332.

B. Consensus Proposed Rule Change: General Order 95, Rule 18B, Notification of Safety Hazards

(1) Current Rule

B. Notification of Safety Hazards

If a company, while inspecting its facilities, discovers a safety hazard on or near a communications facility, electric transmission or distribution facility involving another company, the inspecting company shall notify the other company and/or facility owner of such safety hazard no later than 10 business days after the discovery. The inspecting company shall also provide a copy of the notice to the pole owner(s). The inspecting company shall include in such notice whether the safety hazard which requires corrective action is located in a designated Extreme and Very High Fire Threat Zone in Southern California. To the extent the inspecting company cannot determine the owner/operator of other company, it shall contact the pole

owner(s), who shall be responsible for promptly notifying the company owning/operating the facility with the safety hazard. The notification shall be in writing and must be preserved by all parties for at least five years. It is the responsibility of each pole owner to know the identity of each entity using or maintaining equipment on its pole.

(2) Strikeout/Redlined Proposed Changes

B. Notification of Safety Hazards

If a company, while performing inspections of ~~inspecting~~ its facilities, discovers a safety hazard(s) on or near a communications facility; or transmission or distribution electric facility involving another company, the inspecting company shall notify the other company and/or facility owner of such safety hazard(s) no later than 10 business days after the discovery. ~~The inspecting company shall also provide a copy of the notice to the pole owner(s). The inspecting company shall include in such notice whether the safety hazard which requires corrective action is located in a designated Extreme and Very High Fire Threat Zone in Southern California.~~ To the extent the inspecting company cannot determine the facility owner/operator ~~of other company~~, it shall contact the pole owner(s), who shall be responsible for promptly notifying the company owning/operating the facility with the safety hazard(s), normally not to exceed five business days after being notified of the safety hazard. The notification shall be ~~in writing~~ documented and such documentation must be preserved by all parties for at least five years. ~~It is the responsibility of each pole owner to know the identity of each entity using or maintaining equipment on its pole.~~

Note: Each pole owner must be able to determine all other pole owners on poles it owns. Each pole owner must be able to determine all authorized entities that attach equipment on its portion of a pole.

(3) Proposed Final

B. Notification of Safety Hazards

If a company, while performing inspections of its facilities, discovers a safety hazard(s) on or near a communications facility or electric facility involving another company, the inspecting company shall notify the other company and/or facility owner of such safety hazard(s) no later than 10 business days after the discovery. To the extent the inspecting company cannot determine the facility owner/operator, it shall contact the pole owner(s), who shall be responsible for promptly notifying the company owning/operating the facility with the safety hazard(s), normally not to exceed five business days after being notified of the safety hazard. The notification shall be documented and such documentation must be preserved by all parties for at least five years.

Note: Each pole owner must be able to determine all other pole owners on poles it owns. Each pole owner must be able to determine all authorized entities that attach equipment on its

portion of a pole.

(4) Consensus Rationale

Decision 09-08-029 added Rule 18B to G.O. 95. However, many parties believe significant aspects of Rule 18B lack sufficient clarity. The first area of concern is the final sentence of Rule 18B, which states: “It is the responsibility of each pole owner to know the identity of each entity using or maintaining equipment on its pole.” The Scoping Ruling for Phase 2 of Rulemaking 08-11-005 recognized this concern, stating “Phase 2 may clarify if Rule 18B requires one joint pole owner to know the identity of every entity that another joint pole owner leases its space to, and if so, how often joint pole owners must update this information.” The PRC clarifies this requirement by putting the relevant language in a note and specifying that a company is required to be able to determine the identity of other joint pole owners and the identity of its own pole tenants.

A second area of concern is the applicability of Rule 18B. The first sentence of the current rule states that it applies when a company is “inspecting its facilities.” Parties have expressed widely varying interpretations of this phrase. The PRC seeks to provide greater clarity by replacing the phrase “while inspecting its facilities” with the phrase “while performing inspections.” The phrase “while performing inspections” is intended to mean that this rule applies during the normal course of business when companies execute their established inspection programs. It is not intended to apply in other circumstances including during emergencies, when companies patrol their facilities to rectify the emergency.

Third, the PRC adds flexibility to the notification requirements. The current rule requires that notifications be “in writing.” The PRC requires that notifications be “documented.” This terminology avoids any unintended limitation on a company’s ability to use new technology to notify another company of a safety hazard. This terminology also allows the inspecting company to meet the requirements of this rule by making a phone call and then documenting the call.

Fourth, the PRC provides greater flexibility to the notification timeline requirements for a pole owner that is notified that a safety hazard exists on the facilities of one of its tenants. The PRC states that this timeframe is “normally” not to exceed five business days. The use of the phrase “normally” reflects the fact that under certain circumstances, meeting the five business day obligation could be impossible or prohibitively expensive. Examples of these types of circumstances include situations where the pole owner must visit the facilities, and they are located on land where the land owner refuses to permit access or they are located in areas made inaccessible by weather conditions.

Fifth, the proposed rule change simplifies the term “electric transmission or distribution facility” by changing it to “electric facility.”

Finally, the PRC removes the requirement that the inspecting company must include in its notification information whether the safety hazard is located in an extreme or very high fire threat zone. This requirement was determined to be unnecessary.

(5) Justifications

- The specific electric utilities, CIPs, and others affected by the PRC.

This PRC would apply to owners of any overhead electrical supply and communications facilities that come within the jurisdiction of the Commission.

- The current text of the affected General Order(s), if any.

See II. B. (1) above.

- New and/or revised text for the affected General Order(s), if applicable, showing (i) proposed revisions in strikeout/underline form, and (ii) the final proposed rule.

See II. B. (2) and (3) above.

- The specific fire hazard(s) addressed by the PRC and/or other objectives accomplished by the PRC.

See rationale. This PRC will help to ensure effective communications among pole occupants of safety hazards.

- How the PRC reduces or otherwise addresses the fire hazard(s) and/or achieves other objectives.

See rationale. This PRC will help to ensure effective communications among pole occupants of safety hazards.

- The anticipated costs of the PRC, including, if available, costs incurred by investor-owned utilities, POU's, CIPs, and customers.

The PRC simplifies, clarifies and adds flexibility to an existing rule. Therefore, the PRC will most likely result in no significant increase in costs.

- The anticipated benefits of the PRC.

The PRC clarifies the requirements related to notifications of safety hazards and should facilitate compliance with this rule.

- Whether and how the costs will be recovered from customers.

The PRC will most likely not create significant new costs. Therefore, no significant costs will need to be recovered from customers. Should costs be incurred, however, the rate-of-return regulated utilities are seeking an order in this proceeding, like the statement in the Phase 1

Decision (D.09-08-029 at p. 43) that approves the recovery of any incremental costs prudently incurred to comply with the rules adopted in Phase 2. In addition, the rate-of-return regulated utilities seek an order approving the process to be used for the recovery of costs of complying with any rules adopted in either Phase 1 or Phase 2 of these proceedings. Proposed language for the cost recovery process is included in Appendix B as MAP 15. Companies that are not rate-of-return regulated may recover costs in any legally permissible manner, including through line-item charges or increased fees for services.

- Whether and how costs will be shared among electric utilities, CIPs, and others.

Not applicable.

- Why it is in the public interest to adopt the PRC.

The PRC simplifies and clarifies an existing rule relating to the notification of safety hazards on electrical supply and communications facilities. This will facilitate compliance with the rule and may reduce the administrative burden in implementing this rule.

- If the PRC applies to electric transmission, why the rule does not conflict with other federal or state regulations.

This PRC clarifies an existing G.O. 95 rule, which currently complements and poses no conflict with existing federal or state regulations. This PRC is not inconsistent with current notification practices that are overseen by the California Independent System Operator.

- Whether the PRC is exempt from CEQA and/or NEPA and, if so, why. Any assertion that CEQA and NEPA do not apply must cite the relevant statutes and/or regulations where the exemption is listed. Conversely, any assertion that CEQA and/or NEPA do apply must (1) cite the relevant statutes and/or regulations that show this, and (2) list the steps that need to occur under CEQA and/or NEPA before the PRC can be adopted.

This proposal is exempt from environmental review under Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it is not a “project” under CEQA and will not have any potentially significant impact on the environment. NEPA does not apply because adoption of the proposed rule change does not constitute action by a federal agency within the meaning of 42 USC § 4332.

III. GENERAL ORDER 95, RULE 35, PARAGRAPHS 1-3

A. Consensus Proposed Rule Change: Rule 35, Paragraphs 1-3

(1) Current Rule

35 Vegetation Management

Where overhead conductors traverse trees and vegetation, safety and reliability of service demand that certain vegetation management activities be performed in order to establish necessary and reasonable clearances. The minimum clearances set forth in Table 1, Cases 13 and 14, measured between line conductors and vegetation under normal conditions shall be maintained. (Also see Appendix E for tree trimming guidelines.)

When a utility has actual knowledge, obtained either through normal operating practices or notification to the utility, dead, rotten and diseased trees or portions thereof, that overhang or lean toward and may fall into a span, should be removed.

Communication and electric supply circuits, energized at 750 volts or less, including their service drops, should be kept clear of vegetation in new construction and when circuits are reconstructed or repaired, whenever practicable. When a utility has actual knowledge, obtained either through normal operating practices or notification to the utility, that any circuit energized at 750 volts or less shows strain or evidences abrasion from vegetation contact, the condition shall be corrected by reducing conductor tension, rearranging or replacing the conductor, pruning the vegetation, or placing mechanical protection on the conductor(s). For the purpose of this rule, abrasion is defined as damage to the insulation resulting from the friction between the vegetation and conductor. Scuffing or polishing of the insulation covering is not considered abrasion. Strain is present when deflection causes additional tension beyond the allowable tension of the span. Contact between vegetation and conductors, in and of itself, does not constitute a violation of the rule.

(2) Strikeout/Redlined Proposed Changes

Where overhead conductors traverse trees and vegetation, safety and reliability of service demand that certain vegetation management activities be performed in order to establish necessary and reasonable clearances. The minimum clearances set forth in Table 1, Cases 13 and 14, measured between line conductors and vegetation under normal conditions shall be maintained. (Also see Appendix E for tree trimming guidelines.) These requirements apply to all overhead electrical supply and communication facilities that are covered by this Order, including facilities on lands owned and maintained by California state and local agencies.

When a ~~utility supply or communication company~~ has actual knowledge, obtained either through normal operating practices or notification to the ~~utility company~~, ~~of that~~ dead, rotten ~~or and~~ diseased trees or ~~dead, rotten or and diseased~~ portions ~~there of~~ otherwise healthy trees that overhang or lean toward and may fall into a span of nearby supply or communication lines, said trees or portions thereof should be removed.

Communication and electric supply circuits, energized at 750 volts or less, including their service drops, should be kept clear of vegetation in new construction and when circuits are reconstructed or repaired, whenever practicable. When a utility supply or communication company has actual knowledge, obtained either through normal operating practices or notification to the utility company, that any its circuit energized at 750 volts or less shows strain or evidences abrasion from vegetation contact, the condition shall be corrected by reducing conductor tension, rearranging or replacing the conductor, pruning the vegetation, or placing mechanical protection on the conductor(s). For the purpose of this rule, abrasion is defined as damage to the insulation resulting from the friction between the vegetation and conductor. Scuffing or polishing of the insulation or covering is not considered abrasion. Strain is present when ~~deflection causes additional tension beyond the allowable tension of the span~~ vegetation contact significantly compromises the structural integrity of supply or communication facilities. Contact between vegetation and conductors, in and of itself, does not constitute a violation of the rule.

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35 Vegetation Management

Where overhead conductors traverse trees and vegetation, safety and reliability of service demand that certain vegetation management activities be performed in order to establish necessary and reasonable clearances. The minimum clearances set forth in Table 1, Cases 13 and 14, measured between line conductors and vegetation under normal conditions shall be maintained. (Also see Appendix E for tree trimming guidelines.) These requirements apply to all overhead electrical supply and communication facilities that are covered by this Order, including facilities on lands owned and maintained by California state and local agencies.

When a supply or communication company has actual knowledge, obtained either through normal operating practices or notification to the company, that dead, rotten or diseased trees or dead, rotten or diseased portions of otherwise healthy trees overhang or lean toward and may fall into a span of supply or communication lines, said trees or portions thereof should be removed.

Communication and electric supply circuits, energized at 750 volts or less, including their service drops, should be kept clear of vegetation in new construction and when circuits are reconstructed or repaired, whenever practicable. When a supply or communication company has actual knowledge, obtained either through normal operating practices or notification to the company, that its circuit energized at 750 volts or less shows strain or evidences abrasion from vegetation contact, the condition shall be corrected by reducing conductor tension, rearranging or replacing the conductor, pruning the vegetation, or placing mechanical protection on the conductor(s). For the purpose of this rule, abrasion is defined as damage to the insulation resulting from the friction between the vegetation and conductor. Scuffing or polishing of the insulation or covering is not considered abrasion. Strain is present when vegetation contact significantly compromises the structural integrity of supply or communication facilities. Contact between vegetation and conductors, in and of itself, does not constitute a violation of the rule.

B. Consensus Rationale

Paragraph 1

The PRC makes it clear that important vegetation management requirements apply to all property, including land owned by state and local agencies. This will ensure consistent and efficient vegetation management practices on all lands throughout the state. When customers (and agencies) prevent utilities from achieving tree clearances or hazard tree removal, they often do not understand the dangers or recognize the importance of vegetation management work. Nothing in the PRC is meant to suggest that the minimum clearances currently specified in Table 1, cases 13 and 14 apply to communications lines.

Paragraph 2

The revisions to G.O. 95 adopted by Decision D.09-08-029 included a minor editorial change to the second paragraph of Rule 35. The workshop participants believe additional modifications are needed to clarify that healthy trees (including trunks, limbs, and branches) that may lean toward or overhang conductors are permissible and that supply and communication companies should take the appropriate action only when they have actual knowledge that a dead, rotten or diseased tree or a dead, rotten or diseased part of a tree (e.g. limb, branch, trunk) is poised to fall into an electric or communication line.

Because the term “span” is not defined in G.O. 95, it is recommended that “span” be modified with the addition of the following phrase: “of supply or communication lines” to avoid misunderstanding and possible interpretive error.

The proposed revision will help the supply and communication companies, as well as the Commission Staff with the identification of and the appropriate actions pertaining to confirmed dead, rotten and diseased trees and dead, rotten and diseased parts of healthy trees likely to fall into a conductor.

Paragraph 3

The revisions to Rule 35 (adopted by Decision D.09-08-029) included changes to the third paragraph that sought to better describe when “strain” upon a conductor is present. The original sentence read: “Strain on a conductor is present when there is additional tension causing deflection of the conductor beyond the slack of the span.” This sentence was revised to read: “Strain on a conductor is present when deflection causes additional tension beyond the allowable tension of the span.”

Although helpful, the revision adopted in D.09-08-029 was still not completely clear as to applicability. To address this, the term “facilities” is utilized to ensure that low voltage electric conductors and communication conductors deflected by trees, but still within the support messenger’s or cable’s allowable tension tolerance should be subject to vegetation management activities in order to avert support structure damage and/or failure due to unplanned, excessive transverse loads.

The proposed revision will aid utilities and communication companies with the identification of “strain on a conductor” and affirm that electric utilities and communication companies are responsible for performing certain vegetation management activities to address strain on their facilities.

C. Justifications

- The specific electric utilities, CIPs, and others affected by the PRC.

This proposal would affect electric utilities and communication entities subject to CPUC jurisdiction. This proposal would also affect state and local agencies owning lands that contain CPUC-jurisdictional electric and communications facilities by clarifying that such facilities are subject to G. O. 95, Rule 35.

- The current text of the affected General Order(s), if any.

See III. A (1) above.

- New and/or revised text for the affected General Order(s), if applicable, showing (i) proposed revisions in strikeout/underline form, and (ii) the final proposed rule.

See III. A (2) and A (3) above.

- The specific fire hazard(s) addressed by the PRC and/or other objectives accomplished by the PRC.

This proposal specifically addresses (1) the applicability of vegetation management requirements associated with electric and communication facilities to state and local lands; (2) the circumstances under which “hazard” trees must be removed; and (3) strain from vegetation applied on electric lines and communication cables energized at 750 volts or less.

- How the PRC reduces or otherwise addresses the fire hazard(s) and/or achieves other objectives.

Clarifying where vegetation management activities must be performed, as well as under what circumstances a tree must be removed, will help electric utilities and communication companies understand and comply with the requirements of Rule 35. Performing vegetation management activities to address certain strain on electric lines and communication cables energized at 750 volts or less is expected to reduce broken or damaged facilities, including support structures.

- The anticipated costs of the PRC, including, if available, costs incurred by investor-owned utilities, POU's, CIPs, and customers.

Because this is a clarification of an existing rule, it is unclear at this time whether additional costs will be incurred.

- The anticipated benefits of the PRC.

Adoption of this proposal may decrease the number of broken/damaged lines, appurtenances and support structures, and thereby reduce the risk of fires ignited by tree-line contacts.

- Whether and how the costs will be recovered from customers.

Should costs be incurred, the rate-of-return regulated utilities are seeking an order in this proceeding (like the statement in the Phase 1 Decision D.09-08-029 at p. 43), that approves the recovery of any incremental costs prudently incurred to comply with the rules adopted in Phase 2. In addition, the rate-of-return regulated utilities seek an order approving the process to be used for the recovery of costs of complying with any rules adopted in either Phase 1 or Phase 2 of these proceedings. Proposed language for the cost recovery process is included in Appendix B as MAP 15. Companies that are not rate-of-return regulated may recover costs in any legally permissible manner, including through line-item charges or increased fees for services.

- Whether and how costs will be shared among electric utilities, CIPs, and others.

The proposed revision does not provide for cost sharing among or between entities however also does not prohibit electric and communication utilities from the sharing of costs.

- Why it is in the public interest to adopt the PRC.

The proposed revision clarifies the responsibilities of entities with facilities affixed to joint use poles. Such clarification will minimize confusion over vegetation management activities, and ensure that appropriate vegetation management activities are performed.

- If the PRC applies to electric transmission, why the rule does not conflict with other federal or state regulations.

This PRC clarifies an existing G.O. 95 rule, which currently complements and poses no conflict with existing federal or state regulations.

- Whether the PRC is exempt from CEQA and/or NEPA and, if so, why. Any assertion that CEQA and NEPA do not apply must cite the relevant statutes and/or regulations where the exemption is listed. Conversely, any assertion that CEQA and/or NEPA do apply must (1) cite the relevant statutes and/or regulations that show this, and (2) list the steps that need to occur under CEQA and/or NEPA before the PRC can be adopted.

This proposal is exempt from environmental review under Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it is not a “project” under CEQA and will not have any potentially significant impact on the environment. NEPA does not apply because adoption of the proposed rule change does not constitute action by a federal agency within the meaning of 42 USC § 4332.

IV. GENERAL ORDER 95, RULE 37, TABLE 1, CASE 14 AND FOOTNOTES (fff) -- (jjj)

A. Consensus Proposed Rule Change: General Order 95, Case 14 and associated footnotes in Rule 37, Table 1 to be retained in G.O. 95 and no longer be considered interim; correction of typos in footnote (fff).

(1) Current Rule

General Order 95 Rule 37: Minimum Clearances of Wires above Railroads, Thoroughfares, Buildings, Etc.								
[See Revisions to Relevant Excerpts of Table 1, below.]								
Case No.	Nature of Clearance	Table 1: Basic Minimum Allowable Vertical Clearance of Wires above Railroads, Thoroughfares, Ground or Water Surfaces; Also Clearances from Poles, Buildings, Structures or Other Objects (nn)(Letter References Denote Modifications of Minimum Clearances as Referred to in Notes Following This Table)						
		Wire or Conductor Concerned						
		A Span Wires (Other than Trolley Span Wires) Overhead Guys and Messengers	B Communication Conductors (Including Open Wire, Cable and Service Drops), Supply Service Drops of 0 - 750 Volts	C Trolley Contact Feeder and Span Wires, 0 - 5,000 Volts	D Supply Conductors of 0 - 750 Volts and Supply Cables Treated as in Rule 57.8	E Supply Conductors and Supply Cables, 750 - 22,500 Volts	F Supply Conductors and Supply Cables, 22.5 - 30.0 KV	G Supply Conductors and Supply Cables, 30.0 - 550 KV(mm)
14	Radial clearance of bare line conductors from vegetation in Extreme and Very High Fire Threat Zones in Southern California (aaa) (bbb) (ccc) (ddd) (lll)			18 inches (bbb)		48 inches (bbb) (ll)	48 inches (ll)	120 inches (ggg)

- (fff) Clearances in this case shall be increased for conductors operating above 88 kV, to the following:
 - 1 Conductors operating between 88kV and a 110 kV shall maintain a 60 inch clearance
 - 2 Conductors operating above 110 kV shall maintain a 120 inch clearance
- (ggg) Shall be increased by 0.40 inch per kV in excess of 500 kV
- (hhh) Extreme and Very High Fire Threat Zones are defined by California Department of Forestry and Fire Protection's Fire and Resource Assessment Program (FRAP) Fire Threat Map. The FRAP Fire Threat Map is to be used to establish approximate boundaries for purposes of this rule. The boundaries of the map are to be broadly construed, and utilities should use their own expertise and judgment to determine if local conditions require them to adjust the boundaries of the map. Southern California shall be defined as the following: Santa Barbara, Ventura, San Bernardino, Riverside, Los Angeles, Orange, and San Diego Counties.
- (iii) May be reduced to 18 inches for conductors operating less than 2.4 kV.
- (jjj) Clearances in this case shall not apply to orchards of fruit, nut or citrus trees that are plowed or cultivated. In those areas Case 13 clearances shall apply.

(2) Strikeout/Redlined Proposed Changes

General Order 95 Rule 37: Minimum Clearances of Wires above Railroads, Thoroughfares, Buildings, Etc. [See Revisions to Relevant Excerpts of Table 1, below.]								
Case No.	Nature of Clearance	Table 1: Basic Minimum Allowable Vertical Clearance of Wires above Railroads, Thoroughfares, Ground or Water Surfaces; Also Clearances from Poles, Buildings, Structures or Other Objects (nn)(Letter References Denote Modifications of Minimum Clearances as Referred to in Notes Following This Table)						
		Wire or Conductor Concerned						
		A Span Wires (Other than Trolley Span Wires) Overhead Guys and Messengers	B Communication Conductors (Including Open Wire, Cable and Service Drops), Supply Service Drops of 0 - 750 volts	C Trolley Contact, Feeder and Span Wires, 0 - 5,000 Volts	D Supply Conductors of 0 - 750 Volts and Supply Cables Treated as in Rule 57.8	E Supply Conductors and Supply Cables, 750 - 22,500 Volts	F Supply Conductors and Supply Cables, 22.5 - 300 kV	G Supply Conductors and Supply Cables, 300 - 550 kV(mm)
14	Radial clearance of bare line conductors from vegetation in Extreme and Very High Fire Threat Zones in Southern California (aaa) (bbb) (cc)			18 inches (bbb)		48 inches (bbb) (ll)	48 inches (ll)	120 inches (ggg)

- (ff) Clearances in this case shall be increased for conductors operating above ~~88~~72 kV, to the following:
- 1) Conductors operating between ~~88kV-72kV~~ and a 110 kV shall maintain a ~~60~~72 inch clearance
 - 2) Conductors operating above 110 kV shall maintain a 120 inch clearance
- (ggg) Shall be increased by 0.40 inch per kV in excess of 500 kV
- (hhh) Extreme and Very High Fire Threat Zones are defined by California Department of Forestry and Fire Protection's Fire and Resource Assessment Program (FRAP) Fire Threat Map. The FRAP Fire Threat Map is to be used to establish approximate boundaries for purposes of this rule. The boundaries of the map are to be broadly construed, and utilities should use their own expertise and judgment to determine if local conditions require them to adjust the boundaries of the map.
- Southern California shall be defined as the following: Santa Barbara, Ventura, San Bernardino, Riverside, Los Angeles, Orange, and San Diego Counties.
- (iii) May be reduced to 18 inches for conductors operating less than 24 kV.
- (jjj) Clearances in this case shall not apply to orchards of fruit, nut or citrus trees that are plowed or cultivated. In those areas Case 13 clearances shall apply.

(3) Proposed Final

General Order 95 Rule 37: Minimum Clearances of Wires above Railroads, Thoroughfares, Buildings, Etc.								
[See Revisions to Relevant Excerpts of Table 1, below.]								
Case No.	Nature of Clearance	Table 1: Basic Minimum Allowable Vertical Clearance of Wires above Railroads, Thoroughfares, Ground or Water Surfaces; Also Clearances from Poles, Buildings, Structures or Other Objects (nn) (Letter References Denote Modifications of Minimum Clearances as Referred to in Notes Following This Table)						
		Wire or Conductor Concerned						
		A Span Wires (Other than Trolley Span Wires) Overhead Guys and Messengers	B Communication Conductors (Including Open Wire, Cables and Service Drops), Supply Service Drops of 0 - 750 volts	C Trolley Contact, Feeder and Span Wires, 0 - 5,000 Volts	D Supply Conductors of 0 - 750 Volts and Supply Cables Treated as in Rule 57.8	E Supply Conductors and Supply Cables, 750 - 22,500 Volts	F Supply Conductors and Supply Cables, 22.5 - 300 kV	G Supply Conductors and Supply Cables, 300 - 550 kV (mm)
14	Radial clearance of bare line conductors from vegetation in Extreme and Very High Fire Threat Zones in Southern California (aaa) (bbb) (ccc) (ddd)			18 inches (bbb)		48 inches (bbb) (ll)	48 inches (fff)	120 inches (ggg)

(fff) Clearances in this case shall be increased for conductors operating above 72 kV, to the following:

- 1) Conductors operating between 72kV and a 110 kV shall maintain a 72 inch clearance
- 2) Conductors operating above 110 kV shall maintain a 120 inch clearance

(ggg) Shall be increased by 0.40 inch per kV in excess of 500 kV

(hhh) Extreme and Very High Fire Threat Zones are defined by California Department of Forestry and Fire Protection’s Fire and Resource Assessment Program (FRAP) Fire Threat Map. The FRAP Fire Threat Map is to be used to establish approximate boundaries for purposes of this rule. The boundaries of the map are to be broadly construed, and utilities should use their own expertise and judgment to determine if local conditions require them to adjust the boundaries of the map.

Southern California shall be defined as the following: Santa Barbara, Ventura, San

Bernardino, Riverside, Los Angeles, Orange, and San Diego Counties.

- (iii) May be reduced to 18 inches for conductors operating less than 2.4 kV.
- (jjj) Clearances in this case shall not apply to orchards of fruit, nut or citrus trees that are plowed or cultivated. In those areas Case 13 clearances shall apply.

B. Consensus Rationale

This consensus rule retains revisions adopted in the Phase 1 Decision in this proceeding and removes their status as interim measures. The revisions to footnote (fff) also correct typographical errors. The Phase 1 Decision adopted modifications to Rule 37, Table 1 Case 14, including associated footnotes in order to align the minimum clearances set forth in General Order 95 with those provided for in California Public Resource Code Section 4293. The Phase 1 Decision found that these revisions resulted in a more consistent application of minimum vegetation clearances throughout the Extreme and High Fire Threat Zones in Southern California and required the application of these clearances on a year-round basis, not just during the fire season. In addition, the Phase 1 Decision adopted an exclusion to the clearances for orchards, recognizing that in general, cultivated actively managed orchards pose less of a wildland fire hazard than other areas within the Extreme and Very High Fire Threat Zones in Southern California. These measures were adopted on an interim basis in Phase 1 pending evaluation of further vegetation management proposals in Phase 2. However, there were no proposals for further expansion or change to either these clearances or to the exclusion for orchards during the course of the workshops, and as reflected in the consensus vote the workshop participants found the removal of the “interim” status and making these changes initially approved in Phase 1 permanent to be appropriate.

C. Justifications

- The specific electric utilities, CIPs, and others affected by the PRC.

This proposed rule would apply to owners of any overhead electrical supply and communications facilities that come within the jurisdiction of this Commission, located outside of buildings, including owners of electric facilities that belong to non-electric utilities and publicly-owned utility electric supply facilities.

- The current text of the affected General Order(s), if any.

See IV. A (1) above.

- New and/or revised text for the affected General Order(s), if applicable, showing (i) proposed revisions in strikeout/underline form, and (ii) the final proposed rule.

See IV. A (2) and A (3) above.

- The specific fire hazard(s) addressed by the PRC and/or other objectives accomplished by the PRC.

As noted in the Phase 1 Decision the rules result in a more consistent application of clearance requirements throughout the Extreme and Very High Fire Threat Zones in Southern California and require the application of the clearance rules on a year-round basis, not just during the fire season.

- How the PRC reduces or otherwise addresses the fire hazard(s) and/or achieves other objectives.

See response to previous question.

- The anticipated costs of the PRC, including, if available, costs incurred by investor-owned utilities, POU's, CIPs, and customers.

These revisions were already adopted by the Commission in Phase 1 of this proceeding on an interim basis. This proposal recommends retaining the revisions as permanent. Accordingly, there should be no significant additional costs associated with this PRC.

- The anticipated benefits of the PRC.

By retaining the revisions adopted in the Phase 1 Decision and removing their interim status, these revisions will allow for continuity of implementation of measures that will promote the goals of Commission's efforts to ensure more consistent application of minimum vegetation clearances throughout the Extreme and High Fire Threat Zones in Southern California. With regard to the exclusion for orchards, as was noted in the Phase 1 Decision, generally, cultivated actively managed orchards pose less of a fire hazard than other areas within the Extreme and Very High Fire Threat Zones and, as result, the exclusion of orchards results in greater attention being given to more vulnerable areas.

- Whether and how the costs will be recovered from customers.

Should costs be incurred, the rate-of-return regulated utilities are seeking an order in this proceeding, like the statement in the Phase 1 Decision (D.09-08-029 at p. 43), that approves the recovery of any incremental costs prudently incurred to comply with the rules adopted in Phase 2. In addition, the rate-of-return regulated utilities seek an order approving the process to be used for the recovery of costs of complying with any rules adopted in either Phase 1 or Phase 2 of these proceedings. Proposed language for the cost recovery process is included in Appendix B as MAP 15. Companies that are not rate-of-return regulated may recover costs in any legally permissible manner, including through line-item charges or increased fees for services.

- Whether and how costs will be shared among electric utilities, CIPs, and others.

Not applicable.

- Why it is in the public interest to adopt the PRC.

As noted earlier, the Phase 1 Decision provided that the clearances adopted in Table 1 “promotes our goal in phase 1 of reducing risks of fires in certain areas before the upcoming fall fire season and serves to align the minimum clearances set forth in G.O. 95 with those provided for in California Public Resource Code section 4293.” (Page 31.) Greater vegetation clearances reduce the likelihood of vegetation caused outages and fires.

- If the PRC applies to electric transmission, why the rule does not conflict with other federal or state regulations.

This PRC clarifies an existing General Order 95 rule, which currently complements and poses no conflict with existing federal or state regulations.

- Whether the PRC is exempt from CEQA and/or NEPA and, if so, why. Any assertion that CEQA and NEPA do not apply must cite the relevant statues and/or regulations where the exemption is listed. Conversely, any assertion that CEQA and/or NEPA do apply must (1) cite the relevant statues and/or regulations that show this, and (2) list the steps that need to occur under CEQA and/or NEPA before the PRC can be adopted.

The rule continues provisions which were adopted in D. 09-08-029, wherein it was determined that CEQA did not apply to the measures adopted (page 7). This proposal is exempt from environmental review under Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it is not a “project” under CEQA and will not have any potentially significant impact on the environment. NEPA does not apply because adoption of the proposed rule change does not constitute action by a federal agency within the meaning of 42 USC § 4332.

V. GENERAL ORDER 95, RULES 44.1, 44.2, 44.3 & 23.0

A. Consensus Proposed Rule Change: General Order 95, Rules 44.1, 44.2, 44.3 – Clarifications to Pole Loading Rules; and Rule 23.0 Clarification to Definition of Reconstruction

(1) Current Rule

44.1 Installation and Reconstruction

Lines and elements of lines upon installation or reconstruction, shall provide as a minimum the safety factors specified in Table 4 for vertical loads and loads transverse to lines and for loads longitudinal to lines except where longitudinal loads are balanced or where there are changes in grade of construction (see Rules 47.3, 47.4 and 47.5). The design shall consider the structural loading requirements of all supply and communication facilities planned to occupy the structure. For purposes of this rule, the term “planned” applies to the facilities intended to occupy the structure that are actually known to the constructing utility at the time of design.

44.2 Additional Construction

Any utility planning the addition of facilities that materially increase the load on a structure shall perform a loading calculation to ensure that the addition of the facilities will not reduce the safety factors below the values specified by Section IV. Such utility shall maintain these pole loading calculations and shall provide such information to authorized joint use pole occupants and the Commission upon request.

All other utilities or on the subject pole shall cooperate with the utility performing the load calculations described above including, but not limited to, providing intrusive pole loading data and other data necessary to perform those calculations.

Note: Nothing contained in this rule shall be construed as allowing the safety factor of a facility to be reduced below the required values specified in Rules 44.1 and 44.3.

44.3 Replacement

Lines or parts thereof shall be replaced or reinforced before safety factors have been reduced (due to deterioration) in Grades “A” and “B” construction to less than two-thirds of the construction safety factors specified in Rule 44.1 and in Grades “C” and “F” construction to less than one-half of the construction safety factors specified in Rule 44.1. Poles in Grade “F” construction shall also conform to the requirements of Rule 81.3-A.

In no case shall the application of this be held to permit the use of structures or any member of any structure with a safety factor less than one.

Rule 23.0

Reconstruction means that work which in any way changes the identity of the pole, tower or structure on which it is performed. For exceptions see Rule 12.1.

(2) Strikeout/Redlined Proposed Changes

44.1 Installation and Reconstruction

Lines and elements of lines upon installation or reconstruction, shall provide as a minimum the safety factors specified in Table 4 for vertical loads and loads transverse to lines and for loads longitudinal to lines except where longitudinal loads are balanced or where there are changes in grade of construction (see Rules 47.3, 47.4 and 47.5). The design shall consider the structural loading and mechanical strength requirements of all supply and communication facilities planned to occupy the structure. For purposes of this rule, the term “planned” applies to the facilities intended to occupy the structure that are actually known to the constructing utility company at the time of design.

44.2 Additional Construction

Any utility supply or communication company planning the addition of facilities that materially increase the vertical, transverse or longitudinal loading on a structure shall perform a loading calculation to ensure that the addition of the facilities will not reduce the safety factors below the values specified by Rule 44.3 Section IV. Such utility company shall maintain these pole loading calculations for five years and shall provide such information to authorized joint use pole occupants and the Commission upon request.

All other utilities or companies on the subject pole shall cooperate with the utility company performing the load calculations described above including, but not limited to, providing intrusive pole loading test data results and other data necessary to perform those such calculations.

~~Note: Nothing contained in this rule shall be construed as allowing the safety factor of a facility to be reduced below the required values specified in Rules 44.1 and 44.3.~~

44.3 - Replacement

Lines or parts thereof shall be replaced or reinforced before safety factors have been reduced (due to deterioration and/or installation of additional facilities) in Grades “A” and “B” construction to less than two-thirds of the construction safety factors specified in Rule 44.1 and in Grades “C” and “F” construction to less than one-half of the construction safety factors specified in Rule 44.1. Poles in Grade “F” construction shall also conform to the requirements of Rule 81.3-A. In no case shall the application of this be held to permit the use of structures or any member of any structure with a safety factor less than one.

Rule 23.0

Reconstruction means that work which in any way changes the identity of the pole, tower or structure on which it is performed. A change in grade of construction or class of circuit is considered reconstruction. For exceptions see Rule 12.1.

[Reserved: COOPERATION]²

² In Appendix B, MAPs are presented which address the cooperation aspect of Rule 44.

(3) Proposed Final

44.1 Installation and Reconstruction

Lines and elements of lines upon installation or reconstruction, shall provide as a minimum the safety factors specified in Table 4 for vertical loads and loads transverse to lines and for loads longitudinal to lines except where longitudinal loads are balanced or where there are changes in grade of construction (see Rules 47.3, 47.4 and 47.5). The design shall consider the structural loading and mechanical strength requirements of all supply and communication facilities planned to occupy the structure. For purposes of this rule, the term “planned” applies to the facilities intended to occupy the structure that are actually known to the constructing company at the time of design.

44.2 Additional Construction

Any supply or communication company planning the addition of facilities that materially increase vertical, transverse or longitudinal loading on a structure shall perform a loading calculation to ensure that the addition of the facilities will not reduce the safety factors below the values specified by Rule 44.3. Such company shall maintain these pole loading calculations for five years and shall provide such information to authorized joint use pole occupants and the Commission upon request.

All other companies on the subject pole shall cooperate with the company performing the load calculations described above including, but not limited to, providing intrusive pole test results and other data necessary to perform such calculations.

44.3 - Replacement

Lines or parts thereof shall be replaced or reinforced before safety factors have been reduced (due to deterioration and/or installation of additional facilities) in Grades “A” and “B” construction to less than two-thirds of the construction safety factors specified in Rule 44.1 and in Grades “C” and “F” construction to less than one-half of the construction safety factors specified in Rule 44.1. Poles in Grade “F” construction shall also conform to the requirements of Rule 81.3-A. In no case shall the application of this be held to permit the use of structures or any member of any structure with a safety factor less than one.

Rule 23.0

Reconstruction means that work which in any way changes the identity of the pole, tower or structure on which it is performed. A change in grade of construction or class of circuit is considered reconstruction. For exceptions see Rule 12.1.

B. Consensus Rationale

Rules 44.1 and 44.3 specify the safety factors that lines must meet under certain specified situations. Rule 44.2, which was added by the Phase 1 Decision D.09-08-029, specifies when an entity must perform a loading calculation.

The changes to Rule 44 were made to largely clarify certain rules and to remove ambiguity with regard to what safety factors should be met under which circumstances. The specific changes are described below.

Rule 44.1

Rule 44.1 currently specifies that lines and elements of lines that are installed or reconstructed shall provide minimum safety factors pursuant to Table 4 and requires that the design consider the structural loading requirements of all planned facilities. The consensus PRC provides that design shall consider both the structural loading and mechanical strength requirements of supply and communication facilities that are planned to occupy the structure. This addition of “mechanical strength” as a specified design criterion will help ensure that mechanical strength is also considered during design calculations, which may help lead to fewer pole failures. The Rule 44.1 PRC also changes the word “utility” to “company” in the last sentence to reflect the fact that the entity doing the constructing may not be a utility.

Rule 44.2

The consensus revisions to Rule 44.2 clarify that this section applies to any “supply or communication company” planning the addition of facilities, rather than to any “utility” planning the addition of facilities. The PRC also changes “utility” to “company” in several other spots. These changes clarify that the provisions of Rule 44.2 apply to companies planning the addition of facilities on poles that may not technically be utilities. The consensus Rule 44.2 PRC clarifies that when a company is planning the addition of facilities that materially increase vertical, transverse, and longitudinal loading, it shall perform a loading calculation. This addition should help promote public safety by ensuring that all these factors are considered during load calculations for additional facilities.

The consensus Rule 44.2 PRC also changes a general reference to “Section IV” to a more specific reference to “Rule 44.3.” This clarifies which design criteria are applicable to additional construction on poles. The Rule 44.2 PRC also adds “five years” as the time that a company doing load calculations for additional construction must maintain records of such calculations. This change provides clarity regarding how long pole loading calculations need to be maintained, and is consistent with the five-year document retention requirement that the Commission adopted in Rule 19 in D.09-08-029.

To correct a potentially confusing phrase, the Rule 44.2 PRC changes “intrusive pole loading data” to “intrusive pole test results.” Intrusive testing and pole loading calculations are two different things. Finally, the consensus Rule 44.2 PRC eliminates a note that was added by D.09-08-029 stating that “Nothing contained in this rule shall be construed as allowing the safety factor of a facility to be reduced below the required values specified in Rules 44.1 and 44.3.” The workshop determined that this note is no longer necessary given the consensus changes to Rule 44.3 proposed by the workshop participants and the specific reference to Rule 44.3 that is being added to Rule 44.2.

Rule 44.3

The Rule 44.3 language adopted in D.09-08-029 provides that lines or parts thereof shall be replaced or reinforced before safety factors have been reduced below specified criteria “due to deterioration.” The consensus PRC adds “installation of additional facilities” to deterioration as a precipitating factor that would justify replacement or reinforcement. This addition is a more economical and direct way of stating the concept already embodied in the note to Rule 44.2 that was added by D.09-08-029, and allows for the elimination of the separate note.

Rule 23.0

The consensus Rule 23.0 PRC clarifies that changes in grade of construction or class of circuits is considered “reconstruction,” which is subject to Rule 44.1 safety factor criteria. This change will help provide clarity regarding what are the appropriate design criteria to use in such situations.

C. Justifications

- The specific electric utilities, CIPs, and others affected by the PRC.

The proposal would affect all electric utilities and communication companies.

- The current text of the affected General Order(s), if any.

See V. (A) (1) above.

- New and/or revised text for the affected General Order(s), if applicable, showing (i) proposed revisions in strikeout/underline form, and (ii) the final proposed rule.

See V. (A) (2) and A (3) above.

- The specific fire hazard(s) addressed by the PRC and/or other objectives accomplished by the PRC.

See below.

- How the PRC reduces or otherwise addresses the fire hazard(s) and/or achieves other objectives.

The PRC will help provide clarity regarding which design criteria are applicable to the installation, reconstruction, addition, and replacement of facilities on poles. This should promote public safety by ensuring that the correct factors are considered during pole loading calculations. The PRC also clarifies that the provisions of Rule 44.2 apply to any “supply or communication company” planning the addition of facilities to a pole, rather than to any “utility” planning the addition of facilities. This change should promote public safety by helping to ensure that all entities adding facilities to poles are complying with Rule 44.2. The addition of a five-year document retention requirement to Rule 44.2 helps ensure that pole loading calculations are retained for a reasonable amount of time.

- The anticipated costs of the PRC, including, if available, costs incurred by investor-owned utilities, POU's, CIPs, and customers.

Cost impacts from this PRC are not certain. Companies that currently do not retain pole loading calculations for five years may incur additional document retention costs. Moreover the inclusion of additional design criteria could potentially lead to more pole replacements and/or reinforcements.

- The anticipated benefits of the PRC.

See rationale above.

- Whether and how the costs will be recovered from customers.

Should costs be incurred, the rate-of-return regulated utilities are seeking an order in this proceeding, like the statement in the Phase 1 Decision (D.09-08-029 at p. 43), that approves the recovery of any incremental costs prudently incurred to comply with the rules adopted in Phase 2. In addition, the rate-of-return regulated utilities seek an order approving the process to be used for the recovery of costs of complying with any rules adopted in either Phase 1 or Phase 2 of these proceedings. Proposed language for the cost recovery process is included in Appendix B as MAP 15. Companies that are not rate-of-return regulated may recover costs in any legally permissible manner, including through line-item charges or increased fees for services.

- Whether and how costs will be shared among electric utilities, CIPs, and others.

Not applicable. It is noted that the Northern and Southern California Joint Pole Agreements provide for how costs are shared among pole owners.

- Why it is in the public interest to adopt the PRC.

See rationale above.

- If the PRC applies to electric transmission, why the rule does not conflict with other federal or state regulations.

This PRC clarifies an existing G.O. 95 rule, which currently complements and poses no conflict with existing federal or state regulations.

- Whether the PRC is exempt from CEQA and/or NEPA and, if so, why. Any assertion that CEQA and NEPA do not apply must cite the relevant statutes and/or regulations where the exemption is listed. Conversely, any assertion that CEQA and/or NEPA do apply must (1) cite the relevant statutes and/or regulations that show this, and (2) list the steps that need to occur under CEQA and/or NEPA before the PRC can be adopted.

This proposal is exempt from environmental review under Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it is not a "project" under CEQA and will not have any potentially significant impact on the environment. NEPA does not

apply because adoption of the proposed rule change does not constitute action by a federal agency within the meaning of 42 USC § 4332.

VI. GENERAL ORDER 165, SECTIONS I-IV

A. Consensus Proposed Rule Change: General Order 165, Sections I-IV

(1) Current Rule

**Appendix A
Public Utilities Commission of the State of California
Inspection Cycles for Electric Distribution Facilities**

Adopted March 31, 1997

Effective March 1, 1997

(D.97-03-070 in I.95-02-015 and R.96-11-004)

Amended August 20, 2009

(D.09-08-029 in R.08-11-005)

I. Purpose

The purpose of this General Order is to establish minimum requirements for electric distribution facilities, regarding inspection (including maximum allowable inspection cycle lengths), condition rating, scheduling and performance of corrective action, record-keeping, and reporting, in order to ensure safe and high-quality electrical service, and to implement the provisions of Section 364 of Assembly Bill 1890, Chapter 854, Statutes of 1996.

II. Applicability

As of March 31, 1997, this General Order applies to Pacific Gas and Electric Company, PacifiCorp, San Diego Gas and Electric Company, Sierra Pacific Power Company, and Southern California Edison Company.

The requirements of this order are in addition to the requirements imposed upon utilities under General Orders 95 and 128 to maintain a safe and reliable electric system. Nothing in this General Order relieves any utility from any requirements or obligations that it has under General Orders 95 and 128.

III. Definitions

For the purpose of this General Order,

A "Urban" shall be defined as those areas with a population of more than 1,000 persons per square mile as determined by the United States Bureau of the Census.

B "Rural" shall be defined as those areas with a population of less than 1,000 persons per square mile as determined by the United States Bureau of the Census.

C "Patrol" shall be defined as a simple visual inspection, of applicable utility equipment and structures, that is designed to identify obvious structural problems and hazards. Patrols may be carried out in the course of other company business.

D "Detailed" inspection shall be defined as one where individual pieces of equipment and structures are carefully examined, visually and through use of routine diagnostic test, as appropriate, and (if practical and if useful information can be so gathered) opened, and the condition of each rated and recorded.

E "Intrusive" inspection is defined as one involving movement of soil, taking samples for analysis, and/or using more sophisticated diagnostic tools beyond visual inspections or instrument reading.

F "Corrective Action" shall be defined as maintenance, repair, or replacement of utility equipment and structures so that they function properly and safely.

IV. Standards for Inspection, Record-keeping, and Reporting

Each utility subject to this General Order shall conduct inspections of its distribution facilities, as necessary, to assure reliable, high-quality, and safe operation, but in no case may the period between inspections (measured in years) exceed the time specified in the attached table.

Each utility subject to this General Order shall submit to the Commission by no later than July 1, 1997, compliance plans for the inspections and record-keeping required by this order. These compliance plans will include the proposed forms and formats for annual reports and source records, as well as the utility's plans for the types of inspections and equipment to be inspected during the coming year. For detailed and intrusive inspections, schedules should be detailed enough (in terms of the months of inspection and the circuit, area, or equipment to be inspected) to allow staff to confirm that schedule inspections are proceeding as planned. For patrol inspections, companies should explain how all required facilities will be covered during the year. Energy Division or any successor staff divisions may prescribe changes relating to data, definitions, reporting and record-keeping formats and forms when and as necessary.

Each utility subject to this General Order shall submit an annual report detailing its compliance with this General Order under penalty of perjury. The first report required under this section shall be filed with the Commission by no later than July 1, 1998. Each utility shall file subsequent annual reports for every following year by no later than July 1. The report shall identify the number of facilities, by type which have been inspected during the previous period. It shall identify those facilities which were scheduled for inspection but which were not inspected according to schedule and shall explain why the inspections were not conducted, and a date certain by which the required inspection will occur. The report shall also present the total and percentage breakdown of equipment rated at each condition rating level, including that equipment determined to be in need of corrective action. Where corrective action was scheduled during the reporting period, the report will present the total and percentage of equipment which

was and was not corrected during the reporting period. For the latter, an explanation will be provided, including a date certain by which required corrective action will occur. The report will also present totals and the percentage of equipment in need of corrective action, but with a scheduled date beyond the reporting period, classified by the amount of time remaining before the scheduled action. All of the above information shall be presented for each type of facility identified in the attached table and shall be aggregated by district.

The company shall maintain records of inspection activities which shall be made available to parties or pursuant to Commission rules upon 30 days notice. Commission staff shall be permitted to inspect such records consistent with Public Utilities Code Section 314 (a).

For all inspections, within a reasonable period, company records shall specify the circuit, area, or equipment inspected, the name of the inspector, the date of the inspection, and any problems identified during each inspection, as well as the scheduled date of corrective action. For detailed and intrusive inspections, companies shall also rate the condition of inspected equipment. Upon completion of corrective action, company records will show the nature of the work, the date, and the identity of persons performing the work.

/s/ Wesley M. Franklin

Wesley M. Franklin
Executive Director

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Appendix A

Table
Electric Company System Inspection Cycles (Maximum Intervals in Years)

	Patrol		Detailed		Intrusive	
	Urban	Rural	Urban	Rural	Urban	Rural

Transformers						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Switching/Protective Devices						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Regulators/Capacitors						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Other Equipment						
Overhead Conductor and Cables	1	2 ¹	5	5	---	---
Streetlighting	1	2	x	x	---	---
Wood Poles under 15 years	1	2	x	x	---	---
Wood Poles over 15 years which have not been subject to intrusive inspection	1	2	x	x	10	10
Wood poles which passed intrusive inspection	---	---	---	---	20	20

(1) Patrol inspections in rural areas shall be increased to once per year in Extreme and Very High Fire Threat Zones in the following counties: Santa Barbara, Ventura, Los Angeles, San Bernardino, Orange, Riverside, and San Diego. Extreme and Very High Fire Threat Zones are defined by California Department of Forestry and Fire Protection's Fire and Resource Assessment Program (FRAP) Fire Threat Map. The FRAP Fire Threat Map is to be used to establish approximate boundaries and Utilities should use their own expertise and judgment to determine if local conditions require them to adjust the boundaries of the map.

(2) Strikeout/Redlined Proposed Changes

Appendix A
Public Utilities Commission of the State of California
Inspection ~~Cycles~~ Requirements for Electric Distribution and Transmission
Facilities

Adopted March 31, 1997

Effective March 1, 1997

(D.97-03-070 in I.95-02-015 and R.96-11-004)

Amended August 20, 2009

(D.09-08-029 in R.08-11-005)

I. Purpose

The purpose of this General Order is to establish ~~minimum~~ requirements for electric distribution and transmission facilities (excluding those facilities contained in a substation) regarding inspections (including maximum allowable inspection cycle lengths), condition rating, scheduling and performance of corrective action, record-keeping, and reporting, in order to ensure safe and high-quality electrical service, ~~and to implement the provisions of Section 364 of Assembly Bill 1890, Chapter 854, Statutes of 1996.~~

II. Applicability

~~As of March 31, 1997, t~~This General Order applies to ~~Pacific Gas and Electric Company, Pacificorp, San Diego Gas and Electric Company, Sierra Pacific Power Company, and Southern California Edison Company~~ all electric distribution and transmission facilities (excluding those facilities contained in a substation) that come within the jurisdiction of this Commission, located outside of buildings, including electric distribution and transmission facilities that belong to non-electric utilities.

The requirements of this order are in addition to the requirements imposed upon utilities under General Orders 95 and 128 to maintain a safe and reliable electric system. Nothing in this General Order relieves any utility from any requirements or obligations that it has under General Orders 95 and 128.

This General Order does not apply to facilities of communication infrastructure providers.

III. Definitions Distribution Facilities

A Definitions

For the purpose of this General Order,

A1 "Urban" shall be defined as those areas with a population of more than 1,000 persons per square mile as determined by the United States Bureau of the Census.

B2 "Rural" shall be defined as those areas with a population of less than 1,000 persons per square mile as determined by the United States Bureau of the Census.

C3 "Patrol" shall be defined as a simple visual inspection, of applicable utility equipment and structures, that is designed to identify obvious structural problems and hazards. Patrols may be carried out in the course of other company business.

D4 "Detailed" inspection shall be defined as one where individual pieces of equipment and structures are carefully examined, visually and through use of routine diagnostic test, as appropriate, and (if practical and if useful information can be so gathered) opened, and the condition of each rated and recorded.

E5 "Intrusive" inspection is defined as one involving movement of soil, taking samples for analysis, and/or using more sophisticated diagnostic tools beyond visual inspections or instrument reading.

F6 "Corrective Action" shall be defined as maintenance, repair, or replacement of utility equipment and structures so that they function properly and safely.

IV. B Standards for Inspection, ~~Record-keeping, and Reporting~~

Each utility subject to this General Order shall conduct inspections of its distribution facilities, as necessary, to assure reliable, high-quality, and safe operation, but in no case may the period between inspections (measured in years) exceed the time specified in ~~the attached~~ Table 1.

~~Each utility subject to this General Order shall submit to the Commission by no later than July 1, 1997, compliance plans for the inspections and record-keeping required by this order. These compliance plans will include the proposed forms and formats for annual reports and source records, as well as the utility's plans for the types of inspections and equipment to be inspected during the coming year. For detailed and intrusive inspections, schedules should be detailed enough (in terms of the months of inspection and the circuit, area, or equipment to be inspected) to allow staff to confirm that schedule inspections are proceeding as planned. For patrol inspections, companies should explain how all required facilities will be covered during the year. Energy Division or any successor staff divisions may prescribe changes relating to data, definitions, reporting and record-keeping formats and forms when and as necessary.~~

~~Each utility subject to this General Order shall submit an annual report detailing its compliance with this General Order under penalty of perjury. The first report required~~

~~under this section shall be filed with the Commission by no later than July 1, 1998. Each utility shall file subsequent annual reports for every following year by no later than July 1. The report shall identify the number of facilities, by type which have been inspected during the previous period. It shall identify those facilities which were scheduled for inspection but which were not inspected according to schedule and shall explain why the inspections were not conducted, and a date certain by which the required inspection will occur. The report shall also present the total and percentage breakdown of equipment rated at each condition rating level, including that equipment determined to be in need of corrective action. Where corrective action was scheduled during the reporting period, the report will present the total and percentage of equipment which was and was not corrected during the reporting period. For the latter, an explanation will be provided, including a date certain by which required corrective action will occur. The report will also present totals and the percentage of equipment in need of corrective action, but with a scheduled date beyond the reporting period, classified by the amount of time remaining before the scheduled action. All of the above information shall be presented for each type of facility identified in the attached table and shall be aggregated by district.~~

C Record Keeping

The ~~company~~utility shall maintain records of inspection activities which shall be made available to parties or pursuant to Commission rules upon 30 days notice. Commission staff shall be permitted to inspect such records consistent with Public Utilities Code Section 314 (a).

For all inspections, ~~within a reasonable period, company~~ records shall specify the circuit, area, facility or equipment inspected, ~~the name of~~ the inspector, the date of the inspection, and any problems (or items requiring corrective action) identified during each inspection, as well as the scheduled date of corrective action. ~~For detailed and intrusive inspections, companies shall also rate the condition of inspected equipment. Upon completion of corrective action, company records will show the nature of the work, the date, and the identity of persons performing the work.~~

D Reporting

By July 1st each utility subject to this General Order shall submit an annual report for the previous year under penalty of perjury.

The report shall list four categorical types of inspections: Patrols, Overhead Detailed, Underground Detailed and Wood Pole Intrusive. The report shall denote the total units of work by inspection type for the reporting period and the number of outstanding (not completed) inspections within the same reporting period for each of the four categories.

Sample Report Template:

<u>Type of Inspections (1)</u>	<u>Due (2)</u>	<u>Outstanding (3)</u>
<u>Patrols</u>	<u>xxx</u>	<u>xxx</u>
<u>OH Detailed</u>	<u>xxx</u>	<u>xxx</u>
<u>UG Detailed</u>	<u>xxx</u>	<u>xxx</u>
<u>Wood Pole Intrusive</u>	<u>xxx</u>	<u>xxx</u>

Notes:

1) Each utility will define their reporting unit basis (e.g., circuit, grid, facility / equipment).

2) Total inspections due in the reporting period. (Does not include outstanding inspections from prior years.)

3) Total inspections required that were not completed in the reporting period. (Does not include outstanding inspections from prior years.)

E Changes to Requirements Herein

If, in a particular case, exemption from or modification of any of the requirements herein is desired, the Commission will consider a request for such exemption or modification when accompanied by a full statement of conditions existing and the reasons why such exemption or modification is asked and is believed to be justifiable. It is to be understood that, unless otherwise ordered, any exemption or modification so granted shall be limited to the particular case covered by the request.

IV. Transmission Facilities

Each utility shall prepare and follow procedures for conducting inspections and maintenance activities for transmission lines.

Each utility shall maintain records of inspection and maintenance activities. Commission staff shall be permitted to inspect records and procedures consistent with Public Utilities Code Section 314 (a).

/s/ Wesley M. Franklin
Paul Clanon

Wesley M. Franklin
Paul Clanon
Executive Director

Appendix A

Table 1

Electric Company System Distribution Inspection Cycles (Maximum Intervals in Years)

	Patrol		Detailed		Intrusive	
	Urban	Rural	Urban	Rural	Urban	Rural
Transformers						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Switching/Protective Devices						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Regulators/Capacitors						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Overhead Conductor and Cables						
Overhead Conductor and Cables	1	2 ¹	5	5	---	---

Streetlighting	1	2	x	x	---	---
Wood Poles under 15 years	1	2	x	x	---	---
Wood Poles over 15 years which have not been subject to intrusive inspection	1	2	x	x	10	10
Wood poles which passed intrusive inspection	---	---	---	---	20	20

(1) Patrol inspections in rural areas shall be increased to once per year in Extreme and Very High Fire Threat Zones in the following counties: Santa Barbara, Ventura, Los Angeles, San Bernardino, Orange, Riverside, and San Diego. Extreme and Very High Fire Threat Zones are defined by California Department of Forestry and Fire Protection’s Fire and Resource Assessment Program (FRAP) Fire Threat Map. The FRAP Fire Threat Map is to be used to establish approximate boundaries and Utilities should use their own expertise and judgment to determine if local conditions require them to adjust the boundaries of the map.

Note: This General Order does not apply to cathodic protection systems associated with natural gas facilities.

(3) Proposed Final

**Appendix A
Public Utilities Commission of the State of California
Inspection Requirements for Electric Distribution and Transmission Facilities**

Adopted March 31, 1997

Effective March 1, 1997

(D.97-03-070 in I.95-02-015 and R.96-11-004)

Amended August 20, 2009

(D.09-08-029 in R.08-11-005)

II. Purpose

The purpose of this General Order is to establish requirements for electric distribution and transmission facilities (excluding those facilities contained in a substation) regarding inspections in order to ensure safe and high-quality electrical service.

II. Applicability

This General Order applies to all electric distribution and transmission facilities (excluding those

facilities contained in a substation) that come within the jurisdiction of this Commission, located outside of buildings, including electric distribution and transmission facilities that belong to non-electric utilities.

The requirements of this order are in addition to the requirements imposed upon utilities under General Orders 95 and 128 to maintain a safe and reliable electric system. Nothing in this General Order relieves any utility from any requirements or obligations that it has under General Orders 95 and 128.

This General Order does not apply to facilities of communication infrastructure providers.

III. Distribution Facilities

A Definitions

For the purpose of this General Order,

1 "Urban" shall be defined as those areas with a population of more than 1,000 persons per square mile as determined by the United States Bureau of the Census.

2 "Rural" shall be defined as those areas with a population of less than 1,000 persons per square mile as determined by the United States Bureau of the Census.

3 "Patrol" shall be defined as a simple visual inspection, of applicable utility equipment and structures, that is designed to identify obvious structural problems and hazards. Patrols may be carried out in the course of other company business.

4 "Detailed" inspection shall be defined as one where individual pieces of equipment and structures are carefully examined, visually and through use of routine diagnostic test, as appropriate, and (if practical and if useful information can be so gathered) opened, and the condition of each rated and recorded.

5 "Intrusive" inspection is defined as one involving movement of soil, taking samples for analysis, and/or using more sophisticated diagnostic tools beyond visual inspections or instrument reading.

6 "Corrective Action" shall be defined as maintenance, repair, or replacement of utility equipment and structures so that they function properly and safely.

B Standards for Inspection

Each utility subject to this General Order shall conduct inspections of its distribution facilities, as necessary, to assure reliable, high-quality, and safe operation, but in no case may the period between inspections (measured in years) exceed the time specified in Table 1.

C Record Keeping

The utility shall maintain records of inspection activities which shall be made available to parties or pursuant to Commission rules upon 30 days notice. Commission staff shall be permitted to inspect such records consistent with Public Utilities Code Section 314 (a).

For all inspections records shall specify the circuit, area, facility or equipment inspected, the inspector, the date of the inspection, and any problems (or items requiring corrective action) identified during each inspection, as well as the scheduled date of corrective action.

D Reporting

By July 1st each utility subject to this General Order shall submit an annual report for the previous year under penalty of perjury.

The report shall list four categorical types of inspections: Patrols, Overhead Detailed, Underground Detailed and Wood Pole Intrusive. The report shall denote the total units of work by inspection type for the reporting period and the number of outstanding (not completed) inspections within the same reporting period for each of the four categories.

Sample Report Template:

Type of Inspections (1)	Due (2)	Outstanding (3)
Patrols	xxx	xxx
OH Detailed	xxx	xxx
UG Detailed	xxx	xxx
Wood Pole Intrusive	xxx	xxx

Notes:

- 1) Each utility will define their reporting unit basis (e.g., circuit, grid, facility / equipment).
- 2) Total inspections due in the reporting period. (Does not include outstanding inspections from prior years.)
- 3) Total inspections required that were not completed in the reporting period. (Does not include outstanding inspections from prior years.)

E Changes to Requirements Herein

If, in a particular case, exemption from or modification of any of the requirements herein is desired, the Commission will consider a request for such exemption or modification when accompanied by a full statement of conditions existing and the

reasons why such exemption or modification is asked and is believed to be justifiable. It is to be understood that, unless otherwise ordered, any exemption or modification so granted shall be limited to the particular case covered by the request.

IV. Transmission Facilities

Each utility shall prepare and follow procedures for conducting inspections and maintenance activities for transmission lines.

Each utility shall maintain records of inspection and maintenance activities. Commission staff shall be permitted to inspect records and procedures consistent with Public Utilities Code Section 314 (a).

/s/ Paul Clanon

Paul Clanon
Executive Director

Appendix A

Table 1

Distribution Inspection Cycles (Maximum Intervals in Years)

	Patrol		Detailed		Intrusive	
	Urban	Rural	Urban	Rural	Urban	Rural
Transformers						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Switching/Protective Devices						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Regulators/Capacitors						
Overhead	1	2 ¹	5	5	---	---
Underground	1	2	3	3	---	---
Padmounted	1	2	5	5	---	---
Overhead Conductor and Cables						
Overhead Conductor and Cables	1	2 ¹	5	5	---	---
Streetlighting	1	2	x	x	---	---
Wood Poles under 15 years	1	2	x	x	---	---
Wood Poles over 15 years which have not	1	2	x	x	10	10

been subject to intrusive inspection						
Wood poles which passed intrusive inspection	---	---	---	---	20	20

(1) Patrol inspections in rural areas shall be increased to once per year in Extreme and Very High Fire Threat Zones in the following counties: Santa Barbara, Ventura, Los Angeles, San Bernardino, Orange, Riverside, and San Diego. Extreme and Very High Fire Threat Zones are defined by California Department of Forestry and Fire Protection’s Fire and Resource Assessment Program (FRAP) Fire Threat Map. The FRAP Fire Threat Map is to be used to establish approximate boundaries and Utilities should use their own expertise and judgment to determine if local conditions require them to adjust the boundaries of the map.

Note: This General Order does not apply to cathodic protection systems associated with natural gas facilities.

B. Consensus Rationale

The workshop participants agreed to several changes to G.O. 165 that result in a more streamlined and effective general order. The rationales for the various changes follow:

(1) Changes to the Purpose, Applicability, and Distribution Sections

- The Inclusion of Transmission Requirements

The workshop participants recognize the oversight that the California Independent System Operator (CAISO) provides to the transmission facilities that are under its operational authority. Included in that oversight are inspection and maintenance requirements applicable to transmission facilities. The CAISO requires the Participating Transmission Owners (PTOs) to perform inspection and maintenance activities according to pre-approved plans, and submit reports to the CAISO on their performance and findings from those inspection and maintenance activities. The workshop participants agree that the Commission has an interest in ensuring that the transmission facilities in California are adequately inspected and maintained, and support a section within G.O. 165 that requires each utility to prepare and follow procedures for performing inspection and maintenance activities on transmission facilities, and that allows Commission staff to inspect the utilities’ records and procedures consistent with the requirements under Public Utilities Code section 314(a).

- Inclusion of Transmission and Distribution Facilities Belonging to Non-Electric Utilities

G.O. 165 currently applies only to five specified electric utilities. The consensus PRC would extend G.O. 165 to all electric distribution and transmission facilities located outside of buildings that come within the jurisdiction of the Commission, including electric distribution and transmission facilities belonging to non-electric utilities.

- Exclusion of Substations

The consensus G.O. 165 PRC contains a specific exclusion for facilities contained in substations because the CPSD is currently working on a separate general order that would apply to substation facilities.

- Exclusion of CIP Facilities and Cathodic Protection Systems associated with Natural Gas Facilities

As noted above, the consensus PRC would extend G.O. 165 to all electric distribution and transmission facilities located outside of buildings that come within the jurisdiction of the Commission, including electric distribution and transmission facilities belonging to non-electric utilities. It is not the intention of the workshop participants to extend G.O. 165 to either the facilities of CIPs or to cathodic protection systems associated with natural gas facilities. Accordingly, the consensus PRC specifically excludes both types of facilities from G.O. 165. The exclusion for CIP facilities is in Section II (“Applicability”). The exclusion for cathodic protection systems associated with natural gas facilities is in a note to Table 1 in Section III (“Distribution Facilities”).

- Reservation of Applicability to Publicly-Owned Utilities for Briefs

Given the legal debate regarding whether the CPUC has jurisdiction over publicly-owned utilities for the purposes of regulating their inspection and maintenance activities, the workshop participants agreed to leave the issue to be briefed by parties.

(2) Changes to Record-keeping and Reporting

To further refine and clarify the inspection and maintenance issues raised in R.08-11-005, the workshop participants propose certain changes to G.O. 165, which have been previously negotiated and agreed upon among PG&E, SCE, SDG&E and the CPSD. These changes are intended to streamline the reporting requirements in this General Order, but still provide the CPSD with the ability to audit and request utility data.

(3) Addition of Section III.E. – Changes to Requirements Herein

This new section of G.O. 165 creates a mechanism within the G.O for seeking changes to G.O. requirements that is akin to a similar mechanism found in Rule 15.1 of G.O. 95. This addition would allow entities to propose changes to maintenance and inspection programs based on available technology and advancements in the industry without having to seek a full-blown rule change proceeding at the CPUC. This addition would be especially beneficial for changes to patrol and/or inspection cycles based on a showing that justifies the change.

C. Justifications

- The specific electric utilities, CIPs, and others affected by the PRC.

All owners of electric distribution and transmission facilities located outside of buildings that come within the jurisdiction of the Commission, including non-electric utilities such as

Southern California Gas Company which owns an overhead electric distribution system at its Aliso Canyon storage field.

- The current text of the affected General Order(s), if any.

See VI. A (1) above.

- New and/or revised text for the affected General Order(s), if applicable, showing (i) proposed revisions in strikeout/underline form, and (ii) the final proposed rule.

See VI. A (2) and A(3) above.

- The specific fire hazard(s) addressed by the PRC and/or other objectives accomplished by the PRC.

This PRC streamlines G.O. 165 to make it more clear and useful to utilities and the CPSD. Clarification of compliance and reporting obligations should lead to greater efficiency and compliance. Extending G.O. 165 to additional electric distribution and transmission facilities located outside of buildings that come within the jurisdiction of the Commission should promote public safety and potentially reduce fire hazards by ensuring that these additional facilities are inspected in accordance with the requirements established by G.O. 165. Addition of a new change mechanism should promote efficiency, and enable both the utilities and CPSD to focus on inspection efforts that really matter.

- How the PRC reduces or otherwise addresses the fire hazard(s) and/or achieves other objectives.

See above.

- The anticipated costs of the PRC, including, if available, costs incurred by investor-owned utilities, POU's, CIPs, and customers.

No increase in costs is anticipated for the five electric utilities currently covered by G.O. 165. Other owners of electric distribution and transmission facilities located outside of buildings that come within the jurisdiction of the Commission, including non-electric utilities such as SoCalGas, will incur additional costs to comply with G.O. 165 requirements.

- The anticipated benefits of the PRC.

See above.

- Whether and how the costs will be recovered from customers.

Should costs be incurred, the rate-of-return regulated utilities are seeking an order in this proceeding, like the statement in the Phase 1 Decision (D.09-08-029 at p. 43), that approves the recovery of any incremental costs prudently incurred to comply with the rules adopted in Phase 2. In addition, the rate-of-return regulated utilities seek an order approving the process to be used for the recovery of costs of complying with any rules adopted in either Phase 1 or Phase 2

of these proceedings. Proposed language for the cost recovery process is included in Appendix B as MAP 15. Companies that are not rate-of-return regulated may recover costs in any legally permissible manner, including through line-item charges or increased fees for services.

- Whether and how costs will be shared among electric utilities, CIPs, and others.

Not applicable.

- Why it is in the public interest to adopt the PRC.

See above.

- If the PRC applies to electric transmission, why the rule does not conflict with other federal or state regulations.

After a full vetting of the current inspection and maintenance requirements applicable to electric transmission facilities, the workshop participants agreed that the added language addressing transmission inspection and maintenance activities in this PRC does not conflict with CAISO regulations.

- Whether the PRC is exempt from CEQA and/or NEPA and, if so, why. Any assertion that CEQA and NEPA do not apply must cite the relevant statutes and/or regulations where the exemption is listed. Conversely, any assertion that CEQA and/or NEPA do apply must (1) cite the relevant statutes and/or regulations that show this, and (2) list the steps that need to occur under CEQA and/or NEPA before the PRC can be adopted.

This proposal is exempt from environmental review under Section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it is not a “project” under CEQA and will not have any potentially significant impact on the environment. NEPA does not apply because adoption of the proposed rule change does not constitute action by a federal agency within the meaning of 42 USC § 4332.