



Susan Wengraf  
Councilmember District 6

CONSENT CALENDAR  
September 24, 2019

To: Honorable Mayor and Members of the City Council  
From: Councilmembers Wengraf, Droste and Harrison, and Mayor Arreguin  
Subject: Support for League of California Cities Resolution to CPUC

RECOMMENDATION

Adopt a Resolution in support of the League of California Cities' Resolution to the California Public Utilities Commission (CPUC) requesting that the CPUC amend Rule 20A to allow for the addition of projects in Very High Fire Hazard Severity Zones to the list of eligibility criteria and to increase funding allocations for Rule 20A projects.

FINANCIAL IMPLICATIONS

None.

BACKGROUND

In 2017, The California Public Utilities Commission opened its current Rulemaking [R.17-05-010](#) to consider changes to Electric Tariff Rule 20 in order to enhance the fair, efficient allocation of ratepayer funds to communities for the undergrounding of electric infrastructure.

Rule 20A mandates that public utilities allocate ratepayer funds to the conversion of above ground to undergrounded utility wires. The conversion must have a public benefit and meet one or more of the CPUC's narrowly defined criteria. Currently vulnerability to wildfires is not listed as an eligible criteria for Rule 20A projects. – The League resolution calls for adding wildfire risk to the criteria list for eligible projects and increasing funding for Rule 20A projects.

On February 13, 2018, The Berkeley City Council unanimously approved the following item:

**Referral to the City Manager to Submit a Filing to the CPUC Recommending Adjusting Electric Rule 20 to Better Serve the City of Berkeley and Other Communities with Very High Fire Hazard Severity Zones**

**From: Councilmembers Wengraf and Hahn, Mayor Arreguin, and Councilmember Droste**

**Recommendation:** A referral to the City Manager to submit a filing with the California Public Utilities Commission (CPUC) concerning the CPUC's current review of Electric Rule 20. The CPUC is considering, among other things, how the existing program is administered by the various utility companies operating in California and the definition of what projects are to be included in the public interest.

**Financial Implications:** Staff time

Contact: Susan Wengraf, Councilmember, District 6, 981-7160

**Action:** Approved recommendation.

In response to the Council item, the City Manager sent a letter to the President of the CPUC, Michael Picker, advocating for changes to Rule 20A (Attachment 4).

Berkeley is considered to be at very high hazard severity risk for wildfire. Two of California's most destructive fires; the 1991 Oakland/Berkeley fire ranked first as the state's largest home loss from wildfire at the time, and the 1923 Berkeley fire ranked fourth. Thirty nine percent of residences destroyed in California's 30 major wildfires were lost in the East Bay Hills.<sup>1</sup>

Councilmember Harrison will be attending the League of California Cities Annual Conference in Long Beach from October 16-October 19. Passage of this resolution will give her the authority she needs to represent Berkeley and advocate for this resolution.

ENVIRONMENTAL SUSTAINABILITY

Wildfire mitigation supports our Climate action goals.

CONTACT PERSON

Councilmember Wengraf

Council District 6

510-981-7160

Attachments:

- 1: Resolution: City of Berkeley, in support
2. Resolution: League of California Cities
3. Council Item, February 13, 2018
4. Letter from City Manager to CPUC, April 4, 2018

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<sup>1</sup> EBRPD/Background on wildfire risks

RESOLUTION NO. ##,###-N.S.

SUPPORT FOR LEAGUE OF CALIFORNIA CITIES RESOLUTION TO CPUC

WHEREAS, The League of California Cities will vote on a drafted Resolution to the California Public Utilities Commission (CPUC) on October 18, 2019, requesting Electric Rule 20A be amended to include wildfire risk as a criteria for eligible undergrounding projects and funding; and

WHEREAS, On February 13, 2018 Berkeley City Council unanimously approved an Item which requested that the City Manager to submit a filing to the CPUC recommending adjusting Electric Rule 20 to better serve the City of Berkeley and other communities with Very High Fire Hazard Severity Zones; and

WHEREAS, On April 4, 2018 the City Manager sent a letter to CPUC President Michael Picker asking the CPUC to consider recommendations prioritizing wildfire risk in 20A projects during their review and revision period; and

WHEREAS, The City of Berkeley has had two of California's most destructive fires (1991 and 1923) and is considered to be at very high severity risk for wildfire; and

WHEREAS, Undergrounding overhead utilities is a crucial part of wildfire mitigation and therefore a public benefit that should be eligible for Rule 20A funds.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City of Berkeley unanimously supports the League of California Cities' Resolution requesting the CPUC amend Rule 20A to include projects in Very High Fire Hazard Severity Zones to the list of eligibility criteria and to increase funding allocations for Rule 20A projects.

**RESOLUTION OF THE LEAGUE OF CALIFORNIA CITIES CALLING ON THE CALIFORNIA PUBLIC UTILITIES COMMISSION TO AMEND RULE 20A TO ADD PROJECTS IN VERY HIGH FIRE HAZARD SEVERITY ZONES TO THE LIST OF ELIGIBILITY CRITERIA AND TO INCREASE FUNDING ALLOCATIONS FOR RULE 20A PROJECTS**

Source: City of Rancho Palos Verdes Concurrence of five or more cities/city officials

Cities: City of Hidden Hills, City of La Cañada Flintridge, City of Laguna Beach, City of Lakeport, City of Malibu, City of Moorpark, City of Nevada City, City of Palos Verdes Estates, City of Rolling Hills Estates, City of Rolling Hills, City of Ventura

Referred to: Environmental Quality Policy Committee; Transportation, Communications, and Public Works Policy Committee

**WHEREAS**, the California Public Utilities Commission regulates the undergrounding conversion of overhead utilities under Electric Tariff Rule 20 and;

**WHEREAS**, conversion projects deemed to have a public benefit are eligible to be funded by ratepayers under Rule 20A; and

**WHEREAS**, the criteria under Rule 20A largely restricts eligible projects to those along streets with high volumes of public traffic; and

**WHEREAS**, the cost of undergrounding projects that do not meet Rule 20A criteria is left mostly or entirely to property owners under other parts of Rule 20; and

**WHEREAS**, California is experiencing fire seasons of worsening severity; and

**WHEREAS**, undergrounding overhead utilities that can spark brush fires is an important tool in preventing them and offers a public benefit; and

**WHEREAS**, brush fires are not restricted to starting near streets with high volumes of public traffic; and

**WHEREAS**, expanding Rule 20A criteria to include Very High Fire Hazard Severity Zones would facilitate undergrounding projects that would help prevent fires; and

**WHEREAS**, expanding Rule 20A criteria as described above and increasing funding allocations for Rule 20A projects would lead to more undergrounding in Very High Fire Hazard Severity Zones; and now therefore let it be,

**RESOLVED** that the League of California Cities calls on the California Public Utilities Commission to amend Rule 20A to include projects in Very High Fire Hazard Severity Zones to the list of criteria for eligibility and to increase funding allocations for Rule 20A projects.

CONSENT CALENDAR  
February 13, 2018

To: Honorable Mayor and Members of the City Council  
From: Councilmembers Wengraf, Hahn, Droste and Mayor Arreguin  
Subject: Referral to the City Manager to submit a filing to the CPUC recommending adjusting Electric Rule 20 to better serve the City of Berkeley and other communities with Very High Fire Hazard Severity Zones

RECOMMENDATION

A referral to the City Manager to submit a filing with the California Public Utilities Commission (CPUC) concerning the CPUC's current review of Electric Rule 20. The CPUC is considering, among other things, how the existing program is administered by the various utility companies operating in California and the definition of what projects are to be included in the public interest.

Electric Rule 20 governs utility undergrounding matters, including funding, priorities and strategies. Berkeley's time sensitive filing should be similar to the filing by the City of San Francisco. In addition to San Francisco's recommendations, the City of Berkeley's filing should also address our City's special needs due to its large Urban-Wildland Interface and large Very High Fire Hazard Zones which threaten the entire City. Additional considerations should be given to the following, as suggested by the Joint Subcommittee on Undergrounding Utilities:

1. Categorize all public streets and roads in an Urban-Wildland Interface Zone (Very High Fire Hazard Severity Zone) as eligible for Rule 20 funding
2. Provide a more equitable distribution of credits to cities containing Urban-Wildland Fire Danger Zones (Very High Fire Hazard Severity Zones)
3. Provide for a mechanism to utilize, borrow, loan, or trade credits among cities.
4. Provide priority status to Rule 20A projects in Urban-Wildland Interface Zones. (Very High Fire Hazard Severity Zones)

FINANCIAL IMPLICATIONS

Staff time to research, write, and send the filing.

BACKGROUND

A stated goal of the City of Berkeley, as outlined in the *General Plan, Disaster Preparedness and Safety Element*, is to ensure the City's disaster-related efforts are directed toward preparation, mitigation, response and recovery from disaster shocks. Integrating safety into all City decisions for the purpose of sustaining the community is the guiding principle of policy decision making.

The 2014 *Berkeley Hazard Mitigation Plan* states that our two greatest disaster challenges are a Hayward Fault rupture and wildland urban interface (WUI) fire. The December 2017 "Conceptual Study to Underground Utility Wires in Berkeley", jointly drafted by the Public Works, Disaster & Fire Safety, and Transportation Commissions, states:

“The history of undergrounding in Berkeley goes back at least to the 1970’s. Of the 25.6 miles of arterial streets, 12.5 miles have been undergrounded (49%). Of the 36.1 miles of collector streets, 11.3 miles have been undergrounded (31%). Funding for undergrounding projects has come primarily from the California Public Utilities Commission (CPUC) Rule 20 tariff program.”<sup>2</sup>

Predicted climate changes are forecast to produce increasingly severe periods of drought followed by very wet winters (producing heavy vegetation), dry summers, and hot easterly winds in the late summer. These conditions are known to create significant fires such as the 1991 Oakland Hills Tunnel fire and the 2017 North Bay fires renamed by Cal Fire as the October 2017 Fire Siege.

In the past, methods to reduce the threat of overhead power lines creating WUI fires have included vegetation management and other fire hardening techniques. This has not proven to be fully effective as many recent urban wildfires have been initiated by pole supported power lines and/or associated equipment such as pole mounted transformers and switches. Undergrounding this equipment along with the associated communication cables hung from the power poles is recognized as an effective response to reduce urban wildfire incidents.

Overhead power and communication lines, more so than undergrounded utilities, amplify unsafe conditions either by contributing to the disaster itself through fire initiation and/or hampering public safety efforts post disaster. Earthquakes and landslides can knock over utility poles creating a special hazard. In an earthquake, poles have a tendency to sway in opposite directions causing wires to snap and set off sparks. Live wires and wooden poles are an added fuel source for fire. Some of California’s biggest fires have started because of live wires in contact with combustible fuel.

The City’s input into the CPUC’s Electric Rule 20 revisions is intended to influence the CPUC as it considers significant revisions and rule changes. Many of the anticipated revisions will benefit the entire City of Berkeley increasing our capacity to underground utilities. The need for undergrounding action has never been stronger. The time has urgently come for the City to work cooperatively with the CPUC on this matter.

ENVIRONMENTAL SUSTAINABILITY

Undergrounding Utility Wires supports the City’s Climate Action goals.

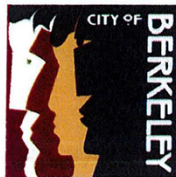
CONTACT PERSON

Councilmember Susan Wengraf Council District 6 510-981-7160

Attachments: 1: City of San Francisco CPUC filing of August 9, 2017

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<sup>2</sup> Public Works, Disaster and Fire Safety, and Transportation Commissions (2017, Dec.). *Conceptual Study to Underground Utility Wires in Berkeley* pg.3



Office of the City Manager

April 4, 2018

California Public Utilities Commission  
Michael Picker, President  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: City of Berkeley's comments on the Order Instituting Rulemaking to consider revisions to Electric Rule 20 and related matters

Dear Mr. Picker:

In accordance with Rule 6.2 of the California Public Utilities Commission (the "CPUC") Rules of Practice and Procedure, the City of Berkeley ("City") submits these comments with respect to the Order Instituting Rulemaking (OIR) to Consider Revisions to Electric Rule 20 and Related Matters.

As discussed below, Berkeley has a strong interest in and community support for utility undergrounding. Berkeley enjoys a landscape consisting of urban and wildland areas. Overhead utility facilities can be unsafe (fire danger), unreliable, and a source of urban blight. The history of undergrounding in Berkeley goes back to the 1970's. Of the 26.6 miles of arterial streets, 12.5 miles have been undergrounded (49%). Of the 36.1 miles of collector streets, 11.3 miles have been undergrounded (31%). Funding for undergrounding projects has come primarily from the CPUC Rule 20A tariff program.

#### RECOMMENDATION

The City of Berkeley submits for the CPUC's consideration the City's special needs due to its large Urban-Wildland Interface and large Very High Fire Hazard Zones, which threaten the entire City. Additional considerations should be given to the following, as suggested by the City of Berkeley's Joint Subcommittee on Undergrounding Utilities:

1. Categorize all public streets and roads in an Urban-Wildland Interface Zone (Very High Fire Hazard Severity Zone) as eligible for Rule 20 funding
2. Provide a more equitable distribution of credits to cities containing Urban-Wildland Fire Danger Zones (Very High Fire Hazard Severity Zones)
3. Provide for a mechanism to utilize, borrow, loan, or trade credits among cities.
4. Provide priority status to Rule 20A projects in Urban-Wildland Interface Zones. (Very High Fire Hazard Severity Zones)

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#### BACKGROUND

A stated goal of the City of Berkeley, as outlined in the *General Plan, Disaster Preparedness and Safety Element*, is to ensure the City's disaster-related efforts are directed toward preparation, mitigation, response and recovery from disaster shocks. Integrating safety into all City decisions for the purpose of sustaining the community is the guiding principle of policy decision making.

The 2014 *Berkeley Hazard Mitigation Plan* states that our two greatest disaster challenges are a Hayward Fault rupture and a wildland urban interface (WUI) fire. Predicted climate changes are forecast to produce increasingly severe periods of drought followed by very wet winters (producing heavy vegetation), dry summers, and hot easterly winds in the late summer. These conditions are known to create significant fires such as the 1991 Oakland Hills Tunnel fire and the 2017 North Bay fires renamed by Cal Fire as the October 2017 Fire Siege.

In the past, methods to reduce the threat of overhead power lines creating WUI fires have included vegetation management and other fire hardening techniques. This has not proven to be fully effective as many recent urban wildfires have been initiated by pole supported power lines and/or associated equipment such as pole mounted transformers and switches. Undergrounding this equipment along with the associated communication cables hung from the power poles is recognized as an effective response to reduce urban wildfire incidents.

Overhead power and communication lines, more so than undergrounded utilities, amplify unsafe conditions either by contributing to the disaster itself through fire initiation and/or hampering public safety efforts post disaster. Earthquakes and landslides can knock over utility poles creating a special hazard. In an earthquake, poles have a tendency to sway in opposite directions causing wires to snap and set off sparks. Live wires and wooden poles are an added fuel source for fire. Some of California's biggest fires have started because of live wires in contact with combustible fuel.

Berkeley also has comments on the questions proposed in the "Order Instituting Rulemaking to consider Revisions to Electric Rule 20 and Related matters" that the CPUC should address. Under the section entitled "Rule 20A Work Credits", we believe it is reasonable to have a different methodology that differentiates between urban, suburban, rural and wooded fire danger areas. The City of Berkeley currently utilizes the "Public Interest Criteria," by combining undergrounding with other public improvement projects whenever feasible, however an additional criteria is needed where the street does not currently qualify. The City of Berkeley recognizes the issue of the "Allocation Methodology/Funding". Reallocating the unspent allocation to communities with active programs would allow them to continue their activity in the undergrounding program. For Berkeley, the additional allocation could be used to underground in the high fire danger areas of the City. We also request that the CPUC review the addition of an undergrounding surcharge to the electric bills in Berkeley and other cities. Finally, in the section, entitled "Additional Rule 20 Concerns" the CPUC includes a number of questions. We support that third parties should be allowed to bid on the construction of rule 20A projects. This would



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help to reduce the cost to underground. We also support the use of incentives to manage project costs and schedule.

The City of Berkeley recommends that the CPUC find ways to facilitate undergrounding in California. This was the goal in past OIR's where criteria was added to simplify the determination of qualifying streets. The City of Berkeley understands that funding additional undergrounding will be an issue. We propose that the CPUC look to the benefits of undergrounding especially in the Urban-Wildlife Interface Zone as a means of justifying additional funding.

The City of Berkeley also suggests the following items:

- Develop a plan to underground all utility wires within twenty-five years.
- Create a transparent process that involves residents in the decision-making process.
- Seek alternative funding sources for utility undergrounding.
- Establish a policy of where extensions of overhead utility wires will not be allowed.
- Implement an undergrounding program that reduces current project timelines by 50% and project costs by 25%. Limit the amount of overrun that can be charged to the allocation to 10%.
- Establish a utility undergrounding master plan to allow for improved planning of larger scale, more efficient projects.
- Use competitively selected contractors for construction work.
- Establish more City control and quality checks of the construction process.
- Audit completed projects.

The City of Berkeley appreciates the opportunity to make these comments to the CPUC. The City maintains a strong interest for the reasons discussed. We welcome any opportunity to meet with the CPUC to discuss ways to expand utility undergrounding in Berkeley and throughout the State of California.

Sincerely,

  
Dee Williams-Ridley  
City Manager

cc: Jovan Grogan, Deputy City Manager  
Phillip Harrington, Director of Public Works  
Nisha Patel, Manager of Engineering/City Engineer

