

2015 Legislative Wrap-up



Lynn Sadler, Director

Nick Zanjani | Michael Minkus | Lori Misicka | Ivy Walker

Office of Governmental Affairs

October 22, 2015





Legislative Overview

- ❖ 143 total bills monitored
 - 85 (59%) failed or became two-year bills
 - 58 (41%) sent to the Governor
- ❖ CPUC position taken on 12 bills this year
 - 11 'Support' positions
 - 9 passed, 9 signed, 2 defeated/delayed
 - 1 'Oppose Unless Amended' position
 - 1 bill delayed





CPUC-sponsored Bill Summary

SB 348 (Galgiani) – Railroad Crossing Safety

- ❖ Exempts unsafe rail crossing closures from CEQA.
 - Final Outcome: Signed (8/7)

SB 631 (Hueso) – CPCN Fee Adjustment

- ❖ Adjusts CPCN fee from \$75 to \$500 and authorizes future adjustments based on the Consumer Price Index.
- ❖ Clarifies CPUC fee revenues be retained by the CPUC rather than the General Fund.
 - Final Outcome: Signed (9/1)

SB 697 (Hertzberg) – PUC Accountability Act of 2015

- ❖ Consolidates all ongoing CPUC reporting requirements into a single article of code.
- ❖ Extends CPUC authority to issue financing orders related to energy crisis bonds.
- ❖ Corrects the requirement for limousines to use decals.
- ❖ Authorizes the CPUC to submit reports electronically unless otherwise requested.
 - Final Outcome: Signed (10/8)





Operations & Governance Summary

CPUC trailer bill was not heard. Six bills were vetoed, with guidelines for future bills:

- Do not increase litigation
- Do not delay decision-making
- Adequately fund the CPUC
- Focus on technology improvement
- Require more meetings outside San Francisco
- Give more consideration of public comments
- Reform Section 583
- Reform Bagley-Keene
- Tighten ex parte rules
- Keep options open for energy crisis litigation settlements





Energy Bill Summary

- ❖ SB 350 (de León) requires that renewable electricity sold to retail customers be increased to 50% by December 31, 2030.
- ❖ AB 802 (Williams) requires aggressive to-code energy efficiency portfolio timelines.
- ❖ Other successful energy bills include redirecting IOU cap and trade monies to subsidize low-income solar projects and the simplification of Green Tariff billing.





Safety Bill Summary

❖ Successful bills included:

- Diablo Canyon seismic safety review panel extension
- Two-person rail crew mandate
- TNC drivers added to DMV pull notice program
- Limits on IOU executive pay from rate base for safety lapses

❖ Failed measures included:

- Prohibition on PG&E from deducting any CPUC fines from their California tax liability
- A new governance structure for preventing excavation accidents (dig-ins)





Telecom & Water Bill Summary

❖ Telecom focus areas included:

- Telecommunications facilities siting “shot clock”
- CASF consortia funding (\$5 million)
- California Electronic Communications Privacy Act (CalECPA)

❖ Water bills with impact on private water companies:

- Groundwater management
- Rate protection for low-income water consumers
- Drought response measures





2015-16 Budget Actions

The Governor's 2015-16 budget included 54.5 positions. The Legislature also removed \$5 million from the CPUC's operating budget.

*Regular BCPs	Positions	Purpose
Risk Assessment	3	Safety
Utility Safety Engineer (ORA)	3	Safety
Fiscal Audits	1	Auditing
Internal Audit Leadership	1	Auditing
Review of Balancing Accounts	2	Auditing
Enhanced Regulatory Auditing Capacity	7	Auditing
Internal Audit Unit	5	Auditing
Speech Generating Devices	4.5	Program
Rate Design Analysts (ORA)	2	Ratesetting
Total	28.5	

*Legislative BCPs	Positions	Legislation
Gas Leakage Abatement	4	SB 1371 (Leno)
Electrical Grid Security	4	SB 699 (Hill)
Modified Limos	3	SB 611 (Hill)
Mobile prepaid collection	8	AB 1717 (Perea)
Demand response	4	SB 1414 (Wolk)
San Joaquin Valley	3	AB 2672 (Perea)
Total	26	





13 Informational & Oversight Hearings

- **ASSEMBLY UTILITIES AND COMMERCE COMMITTEE HEARINGS**
 - August 17, 2015 - California Public Utilities Commission Contracting Practices
 - July 13, 2015 - California Public Utilities Commission Ex Parte Communications and Related Practices
 - March 16, 2015 - Reports on California Public Utilities Commission and Office of Ratepayer Advocates Activities in 2013 - 2014
- **SENATE ENERGY, UTILITIES & COMMUNICATIONS**
 - March 25, 2015 - CPUC and Public Safety: a Focus on Energy Infrastructure.
 - March 11, 2015 - Ex Parte Communications and the CPUC Rule Making Process.
 - March 3, 2015 - CPUC & ORA Annual Report to the Legislature and Initial Inquiry Into the Adequacy of Rules Governing Ex Parte Communication and Safety.
- **SELECT COMMITTEE HEARINGS, BUDGET SUBCOMMITTEE HEARINGS & TOWN HALLS**
 - September 25, 2015 – Diablo Canyon Nuclear Power Plant Seismic Safety Informational Town Hall
 - August 22, 2015 –Town Hall on the Power Outages in Long Beach
 - August 19, 2015 – Assembly Select Committee on California’s Clean Energy Economy
 - July 28–30, 2015 – California FirstNet Consultation
 - June 23, 2015 – Select Committee on Renewable Energy Development and Restoration of the Salton Sea
 - 10 Senate and Assembly budget subcommittee hearings
- **CONFIRMATION HEARINGS**
 - August 19, 2015 – Senate Rules Committee – Michael Picker & Liane M. Randolph





Other OGA Accomplishments 2015

- ❖ Held 13 CPUC Academy presentations
- ❖ Convened ~50 formal briefings
- ❖ Convened ~125 informal briefings
- ❖ Fielded ~500 legislative inquiries
- ❖ Participated in enterprise reforms and actions
- ❖ Briefed 5 LIOB meetings
- ❖ Hosted 3 international delegations
- ❖ Onboarded two new OGA staff members





Thank You

❖ Team Effort

- OGA staff
- OGA liaisons and division staff
- Division directors
- Legislative partners and coalitions
- Agency partners
- Governor's Office
- Commissioners and advisors





**For Additional Information and
2015 Legislative Outcomes Report:**

www.cpuc.ca.gov/PUC/legislation/

