

State of California

Public Utilities Commission  
San Francisco

**MEMORANDUM**

**Date:** July 31, 2017

**To:** The Commission  
(Meeting of August 10, 2017)

**From:** Committee on Policy and Governance (Committee) -  
Commissioner Liane M. Randolph and  
Commissioner Clifford Rechtschaffen

**Subject:** Adoption of Unity of Control Policy and Revisions to the  
Commissioner Code of Conduct

Pursuant to the Committee's charter, the Committee developed Commission-Staff Linkage 6 (CL-6) laying out the Commission's policy related to Unity of Control and revised the Commissioner Code of Conduct adopted under Governance Process 4 (GP-4). On April 26, 2017, the Committee endorsed the Unity of Control policy and revisions to the Commissioner Code of Conduct. Please see attached for your review: (1) Unity of Control, (2) redlined revision to the Commissioner Code of Conduct and (3) updated Strategic Directives, Governance Process Policies and Commission-Staff Linkage Policies to include the endorsed updates.

The Committee requests that the Commission adopt the updated Strategic Directives, Governance Process Policies, and Commission-Staff Linkage Policies.

# **ATTACHMENT 1**

**COMMISSION POLICY**

Category: <b>Commission-Staff Linkage</b>	Title: <b>Unity of Control</b>
Date of Adoption:	Policy Number: CL-6
Revision Date:	Resolution No.
	Resolution No.

Outside of proceedings, only decisions of the Commission acting as a body are binding on the Executive Director, General Counsel, the Chief ALJ, and the Internal Auditor.

1. In cases where the Commission has provided direction on an issue through a vote, such decisions are binding on the Executive Director, General Counsel, Chief ALJ, or Internal Auditor.
2. In cases where the Commission has provided direction on an issue through consensus or other means, the President is empowered to communicate the relevant direction to the Executive Director, General Counsel, Chief ALJ, or Internal Auditor. If the President communicates the consensus outside a public meeting, the Executive Director, General Counsel, Chief ALJ, or Internal Auditor may request that such direction be confirmed through a formal vote of the Commission.
3. In cases where a committee of the Commission provided direction on an issue through consensus or other means, the committee chair is empowered to communicate the relevant direction to the Executive Director, General Counsel, Chief ALJ, or Internal Auditor. If the committee chair communicates the consensus outside a public meeting, the Executive Director, General Counsel, Chief ALJ, or Internal Auditor may request that such direction be confirmed through consensus by the committee.
4. Except where specifically authorized by the Commission, decisions or instructions of individual members of the Commission are not binding on the Executive Director, General Counsel, Chief ALJ, or Internal Auditor.
5. In the case of individual members of the Commission requesting information or assistance, the Executive Director, General Counsel, Chief ALJ, or Internal Auditor may refuse such requests that require, in their opinion, an inordinate amount of staff time or funds, or are disruptive, and provide an explanation to the individual Commissioner for their refusal.
6. Individual members of the Commission may communicate directly with employees or contractors for the purpose of providing or requesting information, suggestions or

feedback, with appropriate notification to the Executive Director or the relevant industry division director. However, the Commission as a body and individual members of the Commission cannot give direction to persons who report directly or indirectly to the Executive Director, General Counsel, Chief ALJ, or Internal Auditor.

7. The Commission as a body will refrain from evaluating, either formally or informally, any staff other than the Executive Director, General Counsel, Chief ALJ, or Internal Auditor. Individual members will refrain from evaluating any staff. However, they may provide input on the performance of staff members to the Executive Director, General Counsel, Chief ALJ, or Internal Auditor. Individual members of the Commission may evaluate and provide feedback to staff working directly under them.
8. The same limitations that pertain to the Commissioners under this policy shall apply to advisors.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

# **ATTACHMENT 2**

<b>COMMISSION POLICY</b>	
Category: <b>Governance Process</b>	Title: <b>Commissioner Code of Conduct</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>GP-4</b>
Date of Revision:	Resolution No.
	Resolution No.

CPUC Commissioners are public officials defined in the California Constitution, appointed by the Governor, and subject to confirmation by the state Senate. CPUC Commissioners thus have the responsibility to conduct themselves with the highest integrity and leadership.

Commissioners are responsible to all of the people of the State of California, and not to any particular segment or group. They must act in the public interest, not their private interests or any special interest. They must strictly adhere to all legal and ethical requirements and avoid all situations where prejudice, bias, or opportunity for personal gain could influence their decisions. In both public and private interactions, Commissioners must follow carefully the Commission’s rules that are intended to ensure due process and fairness for all interested parties and the public, and encourage all others to do the same.

The primary responsibility of the Commissioners is the formulation and evaluation of policy and regulation for the industries subject to the Commission’s jurisdiction, pursuant to the Constitution and to statutory provisions enacted by the Legislature and the Governor.

**Legal Responsibilities of All Commissioners**

All Commissioners must adhere to all legal requirements for gubernatorial appointees in the State of California, including, but not limited to, the Political Reform Act, the Bagley-Keene Open Meeting Act, Government Code section 1090 (no financial interest in agency contracts), Government Code section 19990 (no incompatible activities), the statutory provisions and adopted Commission rules regarding ex parte contacts, and the Commission Rules of Practice and Procedure.

In the conduct of the Commission’s business, it is the responsibility of each Commissioner to adhere to the statutory, regulatory, and policy requirements and to seek appropriate legal advice if necessary. The Commissioner’s first priority should be

the needs of the CPUC's constituents. When a Commissioner believes he or she may have a conflict of interest, he or she shall request guidance from the General Counsel.

These legal responsibilities do not fully address, however, the importance of conducting Commission business in a responsible way that reflects the highest ideals of public service. This Code of Conduct reflects the collective view of this Commission about how Commissioners should conduct themselves as public servants.

**I. Commissioners should conduct themselves in a manner that demonstrates respect for the public, for fellow Commissioners, and for Commission staff.**

Commissioners should remain committed to observing the letter and the spirit of the law, Commission rules and procedures, and act in a manner that upholds the credibility of the Commission, while practicing civility, integrity, and decorum in discussions.

In order to govern the conduct between Commissioners and the public, among Commissioners, and between Commissioners and CPUC staff, all Commissioners commit to, at all times, the following:

1. Fully participating in Commission meetings and other public forums a Commissioner attends, while demonstrating respect, consideration, and courtesy to others.
2. Preparing in advance for Commission meetings and familiarizing themselves with issues on the agenda.
3. Actively engaging in the proceedings to which they are assigned and meeting applicable deadlines.
4. Being respectful of other people's time by staying focused and acting efficiently during public meetings, while asking well-founded questions or raising appropriate points that advance the dialogue and decision-making process.
5. Serving as a model of leadership and civility to the public and demonstrating honesty and integrity in every action and statement.
6. Participating in scheduled activities to review and increase the effectiveness of Commission procedures.

**II. Commission meetings should be opportunities for a full and respectful exchange of ideas and the responsible execution of Commission duties.**

The President will chair official meetings of the Commission, unless the President designates another Commissioner as the temporary chair. The President's

responsibilities are the following:

1. Maintain order and decorum, and ensure the fair treatment of all speakers.
2. Keep discussion and questions focused on the specific agenda item under consideration and ensuring that discussion of related items advance deliberation of the agenda item.
3. Manage the meetings in a manner that complies with statutory requirements, including the Bagley-Keene Act and constitutional principles of due process, and seek advice from Commission attorneys as necessary to ensure that compliance.
4. Ensure all agenda items are given the opportunity to be discussed and voted on by Commissioners in a manner that is fair, unbiased, and reflects the positions of all the Commissioners.

At all types of Commission meetings (Commission voting meetings, public participation hearings, evidentiary hearings, workshops, and all-party meetings), all Commissioners should:

1. Be welcoming to speakers and treat them with respect.
2. Be fair in allocating public hearing time to individual speakers, consistent with the Commission's rules.
3. Listen attentively.
4. With members of the public, request clarification or expansion of information, and avoid belligerently challenging the speaker.
5. Refrain from personal attacks of any kind, under any circumstance. Commissioners should be aware that their body language and tone of voice, as well as the words they use, are visible to the audience in the auditorium and on the webcast, and can appear intimidating or aggressive.

**III. Serving on the Commission is an honor and Commissioners should treat their colleagues at the Commission with respect for the varied backgrounds, skills and interests that each one brings.**

In public interactions, Commissioners should:

1. Practice civility and decorum in discussions and debate. Differences of opinion and debate are to be expected, but Commissioners should refrain from belligerent comments, shouting, or actions that could be construed as

threatening or intimidating.

2. Honor the President's duty to maintain order by making respectful suggestions to assist the President in maintaining order and civil discourse.
3. Engage other Commissioners in a manner that promotes a respectful dialogue and avoids personal comments.
4. Demonstrate effective problem-solving approaches.
5. Differing viewpoints are healthy in the decision-making process. Once the Commission takes action, Commission members should commit to implementing said action in accordance with their responsibilities as public officials.

In both public and private, Commissioners should:

1. Be clear about whether they are acting in their professional capacity or representing personal interests. If a Commissioner appears before or corresponds with another governmental agency or organization to give a statement, the Commissioner should indicate: 1) whether his or her statement reflects personal opinion or is the official stance of the CPUC; and 2) whether this is the majority or minority opinion of the Commission. If the Commissioner is representing the CPUC, the Commissioner should indicate the official CPUC position on an issue, as reflected in a Commission vote on an issue. If a Commissioner who did not vote with the majority on a matter wishes to speak to the reasons for his or her vote, the Commissioner should do so in a way that respectfully recognizes Commissioner deliberation and the vote of the majority.
2. Media representatives frequently contact Commissioners seeking background information or quotes. It is acceptable, and indeed preferable, that any direct contacts be channeled through the Commission's Public Information office.
3. Continue respectful behavior in private. The same level of respect and consideration of differing points of view appropriate for public discussions should be maintained in private conversations.
4. Commissioners must follow the formal rules of the CPUC, including the rules regarding ex parte contacts. Commissioners should maintain a professional level of objectivity and should act in a manner, in both private and public interactions, that promotes a culture of fairness and observance of the rules.

**IV. Commissioners are public officials who should uphold the integrity of their office at all times.**

1. Commissioners should make no promises on behalf of the Commission to parties or members of the public. Commissioners will frequently be asked to explain a Commission action or to give their opinion about an issue as they meet and talk with constituents in the community. It is appropriate to give a brief overview of Commission policy and to refer to CPUC staff for further information. It is inappropriate to promise a certain outcome from Commission action, overtly or implicitly.
2. The CPUC is committed to providing a workplace where all employees, regardless of their classification or pay status, are treated by supervisors and managers in a manner that maintains generally accepted standards of human dignity and courtesy. Unprofessional or disrespectful behavior towards staff is not acceptable. Commissioners should treat all staff as professionals and engage in clear, honest communication that respects the abilities, experience, and dignity of each individual.
3. Commissioners should develop a working relationship with the Executive Director so that current issues, concerns and CPUC initiatives can be discussed comfortably and openly.
4. Even as Commissioners are frequently active in community organizations and charitable activities, they should refrain from soliciting political, charitable, or other financial support, business, or other favors from Commission staff, employees of regulated entities, parties to Commission proceedings, or entities seeking to do business of any kind with the Commission, where such solicitations could be perceived as an attempt to influence behavior or are directly related to matters before the Commission.
5. Commissioners must comply with the Political Reform Act, which sets limitations and restrictions on gifts, honoraria, travel and loans. Before accepting any travel, lodging and/or meals, regardless of cost to the Commission, Commissioners should consider whether acceptance would give an appearance of an inappropriate relationship with a regulated utility, organizations with significant ties to a regulated utility, and other interested persons with financial interests in Commission proceedings.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

# **ATTACHMENT 3**

# California Public Utilities Commission

Strategic Directives,  
Governance Process Policies, and  
Commission-Staff Linkage Policies

August 10, 2017

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# I. Glossary

Definitions of terms used in this document

**Assure:** to make sure that another entity will get something done

**California Public Utilities Commission (CPUC):** the organization as a whole, inclusive of commissioners and staff

**Commission:** the CPUC's governing body of five commissioners

**Ensure:** to make sure that the CPUC will get something done

**Parties:** persons or entities who are deemed parties in a CPUC proceeding, in accordance with the CPUC Rules of Practice and Procedure

**Policies:** all written courses or principles of action adopted by the Commission for internal governance or external regulatory purposes, including governance process policies, Commission-staff linkage policies, Commission resolutions, and Commission decisions

**Regulated entity:** any individual, person, organization, corporation, or business entity that is subject to the regulatory jurisdiction of the CPUC, pursuant to statute

**Staff:** staff of the CPUC

**Stakeholders:** any person or group with an interest in a proceeding, enterprise, or project under the CPUC's oversight – including members of the public, employees, customers, investors, suppliers, community interest groups, government bodies, and trade associations

**Strategic Directives:** a body of statements that collectively define the universe of results a governing body expects its organization to achieve

**Utilities:** As defined in the California Constitution Article 12 and California Public Utilities Code Section 216

## II. Strategic Directives

A body of statements that collectively define the universe of results the Commission expects the CPUC to achieve

<b>COMMISSION POLICY</b>	
<p>Category: <b>Strategic Directive</b></p> <p>Date of Adoption: <b>June 23, 2016</b></p> <p>Date of Revision:</p>	<p>Title: <b>Mission</b></p> <p>Policy Number: <b>SD-01</b></p> <p>Resolution No.</p> <p>Resolution No.</p>

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
<p>Category: <b>Strategic Directive</b></p> <p>Date of Adoption: <b>June 23, 2016</b></p> <p>Date of Revision:</p>	<p>Title: <b>Safety</b></p> <p>Policy Number: <b>SD-02</b></p> <p>Resolution No.</p> <p>Resolution No.</p>

The CPUC secures health and safety with a goal of achieving zero accidents and injuries across all the entities it regulates, and within the CPUC workplace.

Within its jurisdictional authority, the CPUC will:

1. Adopt an organization-wide systematic approach to safety that focuses on:
  - a. Safety Policy: Adopting leading safety policies and standards that maximize safety in a cost efficient manner above and beyond compliance;
  - b. Risk Management: Continually identifying, assessing, and mitigating or eliminating the safety risk faced or posed by the entities the CPUC regulates;
  - c. Safety Assurance: Assuring that the entities the CPUC regulates comply with the law and have sufficient resources to ensure the safety of the public, their workers, and the environment;
  - d. Safety Promotion: Supporting efforts to assure that the public and CPUC-regulated entities, including their workers and customers, are able to make informed choices and know how to respond to unsafe situations;
2. Promote a continuously improving safety culture within the entities the CPUC regulates;
3. Promote a safety culture within the CPUC by continuously improving safety oversight and outcomes and learning from experience—including near misses, incidents investigations, audits proceedings, consumer feedback and complaints.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>	Title: <b>Reliability and Resiliency</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>SD-03</b>
Date of Revision:	Resolution No.
	Resolution No.

The CPUC assures reliable and resilient services of the entities it regulates.

Within its jurisdictional authority, the CPUC will:

1. Assure an adequate supply of regulated services and adequate infrastructure to deliver the services;
2. Assure the quality of products and services provided by regulated entities;
3. Assure that utility systems are resilient and capable of recovering from adverse events—such as accidents, natural disasters, and those related to cyber and physical security;
4. Assure regulated entities have proactive maintenance programs that are adequate, verifiable, and auditable.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>	Title: <b>Rates and Affordability</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>SD-04</b>
Date of Revision:	Resolution No.
	Resolution No.

The CPUC ensures that rates are just and reasonable.

Within its jurisdictional authority, the CPUC will:

1. Assure that essential services remain affordable for Californians, while also assuring safety and reliability;
2. Ensure that any necessary and appropriate rate changes are approved in a timely manner and are fairly amortized over time;
3. Help consumers understand services and rate changes and assure that regulated entities provide the information and tools to inform choices and minimize costs;
4. For services where the CPUC does not directly regulate prices, monitor market conditions and take appropriate action if it appears that rates are no longer just and reasonable;
5. Represent the interests of California ratepayers before the Federal Energy Regulatory Commission and the Federal Communications Commission to advance these directives.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Universal Access/Universal Service</b>  Policy Number: <b>SD-05</b>  Resolution No.  Resolution No.

The CPUC seeks to provide Californians with access to necessary services from utilities and regulated entities.

Within its jurisdictional authority, the CPUC will:

1. Promote policies and rules that provide universal service for energy, communications, water, and transportation;
2. Administer the efficient and fair collection of applicable surcharges and fees that support its public purpose programs;
3. Facilitate the expansion of equitable access to energy, communications, water, and transportation services.
4. Consider the impacts of CPUC decisions and policies on a wide range of Californians, including people with disabilities.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Consumer Protection, Education, and Assistance</b>  Policy Number: <b>SD-06</b>  Resolution No.  Resolution No.

The CPUC protects, educates, and assists consumers in their purchase and use of services from utilities and regulated entities.

Within its jurisdictional authority, the CPUC will:

1. Ensure and assure the accuracy and accessibility of consumer information;
2. Identify consumer complaints and trends and prosecute violations of law or CPUC rules, including instances of waste, fraud, and abuse;
3. Assist consumers in filing, tracking, and resolving complaints;
4. Educate and assist consumers concerning the services they use.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>	Title: <b>Compliance and Enforcement</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>SD-07</b>
Date of Revision:	Resolution No.
	Resolution No.

The CPUC monitors regulated entities' compliance with applicable law, including CPUC rules, regulations, and orders.

Within its jurisdictional authority, the CPUC will:

1. Promote compliance and deter violations of applicable laws, standards, and regulations;
2. Enforce applicable laws, rules and regulations in a fair, consistent, and timely manner;
3. Promote individual and organizational accountability within regulated entities;
4. Continually improve CPUC oversight efforts through regular periodic reviews of CPUC compliance and enforcement efforts.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
<p>Category: <b>Strategic Directive</b></p> <p>Date of Adoption: <b>June 23, 2016</b></p> <p>Date of Revision:</p>	<p>Title: <b>Climate Change</b></p> <p>Policy Number: <b>SD-08</b></p> <p>Resolution No.</p> <p>Resolution No.</p>

The CPUC promotes greenhouse gas (GHG) reductions through its decisions and leadership for the benefit of California’s residents, ecosystems, climate and economy.

Within its jurisdictional authority, the CPUC will:

1. Further California’s goal to reduce GHG emissions to 40% below 1990 levels by 2030 and 80% below 1990 levels by 2050;
2. Consider adaptation to the impacts of climate change in CPUC decisions and assure that activities by CPUC-regulated entities are so informed.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>	Title: <b>Environmental Sustainability</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>SD-09</b>
Date of Revision:	Resolution No.
	Resolution No.

The CPUC implements state and federal law and develops policies that are consistent with California's environmental sustainability laws and goals.

Within its jurisdictional authority, the CPUC will:

1. Consider the impact of CPUC decisions and policies on California's natural resources and communities;
2. Consider the environmental and public health impacts of CPUC decisions and policies on California's disadvantaged communities.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>	Title: <b>Economic Prosperity</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>SD-10</b>
Date of Revision:	Resolution No.
	Resolution No.

The CPUC promotes a strong California economy that provides jobs and general prosperity.

Within its jurisdictional authority, the CPUC will:

1. Encourage regulated entities to purchase goods and services competitively from a wide and diverse range of potential suppliers;
2. Encourage innovation, competition, and consumer choice in the services and technologies available to consumers;
3. Consider the economic impact of CPUC decisions and policies on California's disadvantaged communities and low-income individuals;
4. Analyze and seek to minimize the costs and adverse economic impacts of regulatory actions;
5. Consider the impact of CPUC decisions and policies on California jobs and employers.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>	Title: <b>Administration</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>SD-11</b>
Date of Revision:	Resolution No.
	Resolution No.

The CPUC responsibly administers the human, financial, and information resources entrusted to it.

Within its jurisdictional authority, the CPUC will:

1. Perform comprehensive workforce and succession planning;
2. Advance agency-wide recruiting, hiring, and performance management in an efficient and timely manner;
3. Provide relevant and practical training and mentoring to staff that supports the CPUC's core values and staff's job duties;
4. Maximize efficiency and effectiveness of the agency where possible;
5. Protect confidential, sensitive, or personally identifiable information;
6. Use modern technology to help CPUC employees perform their jobs effectively;
7. Establish, maintain, and test business continuity plans for operational interruptions or emergencies;
8. Ensure timely and effective contracting for outside services;
9. Be a prudent steward of public funds.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Communication and Engagement</b>  Policy Number: <b>SD-12</b>  Resolution No.  Resolution No.

The CPUC engages in open communication with staff, stakeholders, and members of the public.

Within its jurisdictional authority, the CPUC will:

1. Increase awareness of and engagement in the work of the CPUC, both internally and externally;
2. Communicate the CPUC’s role in facilitating the safe, affordable, reliable and environmentally sound delivery of services by regulated entities to diverse stakeholders;
3. Provide the public with accurate information and documents in a timely manner;
4. Support an organization-wide culture and core values through dialogue, critical thinking, learning, innovation, collaboration, and collegiality.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>	Title: <b>Decision-making Process</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>SD-13</b>
Date of Revision:	Resolution No.
	Resolution No.

The CPUC commits to a decision-making process that is impartial, fair, consistent, and transparent, maintains integrity at all levels, and adheres to the law.

Within its jurisdictional authority, the CPUC will:

1. Ensure that commissioners are actively engaged in the decision-making process;
2. Implement procedures, practices, and rules for Commission decision-making that are consistent, understandable, and accessible to the public, interested persons, and parties;
3. Enable and encourage the parties, the public, and governmental entities to participate actively in developing the record in Commission proceedings;
4. Ensure decision-making documents in the administrative record are logged and available to the public to the extent allowed by law, and that accessibility to the record is regularly assessed and enhanced.

**Monitoring Method:** General Counsel and Chief Administrative Law Judge Reports

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
<p>Category: <b>Strategic Directive</b></p> <p>Date of Adoption: <b>June 23, 2016</b></p> <p>Date of Revision:</p>	<p>Title: <b>Coordination with Other Governmental Entities</b></p> <p>Policy Number: <b>SD-14</b></p> <p>Resolution No.</p> <p>Resolution No.</p>

The CPUC collaborates and coordinates with local, state, federal, and tribal entities—as appropriate—to achieve its goals.

Within its jurisdictional authority, the CPUC will:

1. Continually seek to clarify roles with other governmental entities to assure effective and efficient regulation and delivery of services;
2. Communicate within the CPUC and to stakeholders the agreed-upon roles and responsibilities of the CPUC and its governmental partners;
3. Coordinate with governmental entities on the effective and efficient regulation and delivery of services;
4. Assess the results of governmental collaboration and continuously work to improve it;
5. Give due deference to the adopted policies and decisions of other state and federal agencies.

**Monitoring Method:** Executive Director Report

**Frequency:** Annual

<b>COMMISSION POLICY</b>	
Category: <b>Strategic Directive</b>	Title: <b>Risk Management</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>SD-15</b>
Date of Revision:	Resolution No.
	Resolution No.

The CPUC maintains a continuously improving enterprise risk management system and internal audit function.

Within its jurisdictional authority, the CPUC will:

1. Identify and characterize substantial risks to the achievement of the Commission’s goals and strategic directives, including risks the public faces with respect to entities the CPUC regulates;
2. Prioritize risks of greatest concern, in light of their likelihood, severity, and available options for their mitigation;
3. Consider risk priorities in allocating the CPUC’s resources, including budgetary funding and the time and attention of commissioners and CPUC staff;
4. Test and verify the effectiveness of the CPUC’s managerial controls and operations.

**Monitoring Methods:** Internal Auditor and Executive Director Reports

**Frequency:** Annual

# III. Governance Process Policies

Policies developed by the Commission to help assure its effective governance

<b>COMMISSION POLICY</b>	
Category: <b>Governance Process</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Commission Purpose</b>  Policy Number: <b>GP-1</b>  Resolution No.  Resolution No.

The five-member Commission is the highest-level policy setting body within the CPUC. It derives its authority from and operates under the California Constitution, the statutes of the State of California, and all other applicable statutes and laws.<sup>1</sup>

The governance purpose of the Commission, acting as a five-member body, is to:

1. Consistent with Constitutional and statutory directives and the public interest, identify, define, and set the strategic directives of the CPUC. This includes quantitative and qualitative results that the CPUC is to achieve, and communicate them in the form of strategic directives, with consultation with staff as necessary.
2. Identify and define those results or conditions that are acceptable or not acceptable and communicate them in the form of strategic directives.
3. Monitor the organization’s performance against the strategic directives that the five-member Commission, acting as a body, has established for the CPUC, and address the results as the Commission deems necessary.
4. Make certain operational decisions as designated by law.
5. Hire, direct, evaluate and, when necessary, counsel, discipline or dismiss the Executive Director, Chief Administrative Law Judge, General Counsel, and Internal Auditor, consistent with applicable law.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

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<sup>1</sup> A partial list of laws and statutes that address the governance and operations of the CPUC is located at the end of this document.

<b>COMMISSION POLICY</b>	
Category: <b>Governance Process</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Commissioner Job Description</b>  Policy Number: <b>GP-2</b>  Resolution No.  Resolution No.

The five-member California Public Utilities Commission is both the governing body for the CPUC, as well as a policy and regulatory body. Pursuant to its authority granted by the California Constitution and the Legislature, the Commission’s duties are to set rates, create policy that implements statutory mandates and policy goals, and define regulations governing regulated entities. In order to set direction and to efficiently, effectively and equitably administer these duties, the Commission may adopt delegations of its authorities to CPUC staff. In so doing, the Commission identifies and defines the values and vision of the CPUC, along with the quantitative and qualitative results that CPUC is to achieve, and communicates them in the form of policy.

CPUC Commissioners are public officials defined in the California Constitution, appointed by the Governor and subject to confirmation by the California Senate.

The Commissioners’ job duties are to:

1. Prepare for, attend, and participate in the Commission’s regular business meetings, ratesetting deliberative meetings, all party meetings, and other public functions that the CPUC uses to conduct its business.
2. Participate fully in Commission business meetings by evaluating decisions carefully and voting always with the public’s interest in mind first and foremost.
3. Act as presiding Commissioners on assigned adjudicatory, policy, regulatory and ratesetting proceedings, and develop proposed decisions within those proceedings for the full Commission’s consideration.
4. Actively monitor assigned proceedings while endeavoring to meet applicable deadlines.
5. Rigorously observe at all times the Commissioner Code of Conduct, seeking always to achieve the highest standards of personal behavior, and keep the public interest first and foremost.
6. Acting as a body, help the President to select the Executive Director, General Counsel, Chief Administrative Law Judge and Internal Auditor. Similarly, set specific expectations for Executive Director, General Counsel, Chief Administrative Law Judge, and Internal Auditor, and supervise the incumbents appropriately. Perform evaluations for these positions annually.

7. Via the Commission's strategic directives, set clear performance expectations for staff.
8. Set or refine overarching policy for the CPUC, and set clear expectations for staff implementation of statute and Commission policy.
9. Monitor the staff's efforts to accomplish the strategic directives, and evaluate changes in the CPUC's position and direction annually.
10. Provide appropriate supervision, personnel direction and policy leadership to the individual Commissioner's advisory and administrative staff.
11. Attend to organization-wide functions and initiatives, including enterprise risk management, program monitoring and assessment, internal audits, strategic planning, and employee recruitment and retention, and ensure appropriate responses on a timely basis.
12. Represent the Commission to the California Legislature, to the public, and to key groups with an interest in the actions of the Commission.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

**COMMISSION POLICY**

Category: **Governance Process**

Title: **Appointment and Role of the President**

Policy Number: **GP-3**

Date of Adoption: **June 23, 2016**

Resolution No.

Date of Revision:

Resolution No.

Pursuant to Public Utilities Code section 305, the Governor shall designate a president of the commission from among the members of the commission. The president shall direct the executive director, the general counsel, and other staff of the commission, except for the staff of the Office of Ratepayer Advocates in the performance of their duties, in accordance with Commission policies and guidelines.

The president shall preside at all meetings and sessions of the commission. For further details, see Commissioner Code of Conduct (GP-4).

**Monitoring Method: Commission Report**  
**Frequency: Annual**

<b>COMMISSION POLICY</b>	
Category: <b>Governance Process</b>	Title: <b>Commissioner Code of Conduct</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>GP-4</b>
Date of Revision: <b>August 10, 2017</b>	Resolution No.
	Resolution No.

CPUC Commissioners are public officials defined in the California Constitution, appointed by the Governor, and subject to confirmation by the state Senate. CPUC Commissioners thus have the responsibility to conduct themselves with the highest integrity and leadership.

Commissioners are responsible to all of the people of the State of California, and not to any particular segment or group. They must act in the public interest, not their private interests or any special interest. They must strictly adhere to all legal and ethical requirements and avoid all situations where prejudice, bias, or opportunity for personal gain could influence their decisions. In both public and private interactions, Commissioners must follow carefully the Commission's rules that are intended to ensure due process and fairness for all interested parties and the public, and encourage all others to do the same.

The primary responsibility of the Commissioners is the formulation and evaluation of policy and regulation for the industries subject to the Commission's jurisdiction, pursuant to the Constitution and to statutory provisions enacted by the Legislature and the Governor.

### **Legal Responsibilities of All Commissioners**

All Commissioners must adhere to all legal requirements for gubernatorial appointees in the State of California, including, but not limited to, the Political Reform Act, the Bagley-Keene Open Meeting Act, Government Code section 1090 (no financial interest in agency contracts), Government Code section 19990 (no incompatible activities), the statutory provisions and adopted Commission rules regarding ex parte contacts, and the Commission Rules of Practice and Procedure.

In the conduct of the Commission's business, it is the responsibility of each Commissioner to adhere to the statutory, regulatory, and policy requirements and to seek appropriate legal advice if necessary. The Commissioner's first priority should be the needs of the CPUC's constituents. When a Commissioner believes he or she may have a conflict of interest, he or she shall request guidance from the General Counsel.

These legal responsibilities do not fully address, however, the importance of conducting Commission business in a responsible way that reflects the highest ideals of public service. This Code of Conduct reflects the collective view of this Commission about how Commissioners should conduct themselves as public servants.

### **V. Commissioners should conduct themselves in a manner that demonstrates respect for the public, for fellow Commissioners, and for Commission staff.**

Commissioners should remain committed to observing the letter and the spirit of the law, Commission rules and procedures, and act in a manner that upholds the credibility of the Commission, while practicing civility, integrity, and decorum in discussions.

In order to govern the conduct between Commissioners and the public, among Commissioners, and between Commissioners and CPUC staff, all Commissioners commit to, at all times, the following:

7. Fully participating in Commission meetings and other public forums a Commissioner attends, while demonstrating respect, consideration, and courtesy to others.
8. Preparing in advance for Commission meetings and familiarizing themselves with issues on the agenda.
9. Actively engaging in the proceedings to which they are assigned and meeting applicable deadlines.
10. Being respectful of other people's time by staying focused and acting efficiently during public meetings, while asking well-founded questions or raising appropriate points that advance the dialogue and decision-making process.
11. Serving as a model of leadership and civility to the public and demonstrating honesty and integrity in every action and statement.
12. Participating in scheduled activities to review and increase the effectiveness of Commission procedures.

**VI. Commission meetings should be opportunities for a full and respectful exchange of ideas and the responsible execution of Commission duties.**

The President will chair official meetings of the Commission, unless the President designates another Commissioner as the temporary chair. The President's responsibilities are the following:

5. Maintain order and decorum, and ensure the fair treatment of all speakers.
6. Keep discussion and questions focused on the specific agenda item under consideration and ensuring that discussion of related items advance deliberation of the agenda item.
7. Manage the meetings in a manner that complies with statutory requirements, including the Bagley-Keene Act and constitutional principles of due process, and seek advice from Commission attorneys as necessary to ensure that compliance.
8. Ensure all agenda items are given the opportunity to be discussed and voted on by Commissioners in a manner that is fair, unbiased, and reflects the positions of all the Commissioners.

At all types of Commission meetings (Commission voting meetings, public participation hearings, evidentiary hearings, workshops, and all-party meetings), all Commissioners should:

6. Be welcoming to speakers and treat them with respect.
7. Be fair in allocating public hearing time to individual speakers, consistent with the Commission's rules.
8. Listen attentively.
9. With members of the public, request clarification or expansion of information, and avoid belligerently challenging the speaker.
10. Refrain from personal attacks of any kind, under any circumstance. Commissioners should be aware that their body language and tone of voice, as well as the words they use, are visible to the audience in the auditorium and on the webcast, and can appear intimidating or aggressive.

**VII. Serving on the Commission is an honor and Commissioners should treat their colleagues at the Commission with respect for the varied backgrounds, skills and interests that each one brings.**

In public interactions, Commissioners should:

6. Practice civility and decorum in discussions and debate. Differences of opinion and debate are to be expected, but Commissioners should refrain from belligerent comments, shouting, or actions that could be construed as threatening or intimidating.
7. Honor the President's duty to maintain order by making respectful suggestions to assist the President in maintaining order and civil discourse.
8. Engage other Commissioners in a manner that promotes a respectful dialogue and avoids personal comments.
9. Demonstrate effective problem-solving approaches.
10. Differing viewpoints are healthy in the decision-making process. Once the Commission takes action, Commission members should commit to implementing said action in accordance with their responsibilities as public officials.

In both public and private, Commissioners should:

5. Be clear about whether they are acting in their professional capacity or representing personal interests. If a Commissioner appears before or corresponds with another governmental agency or organization to give a statement, the Commissioner should indicate: 1) whether his or her statement reflects personal opinion or is the official stance of the CPUC; and 2) whether this is the majority or minority opinion of the Commission. If the Commissioner is representing the CPUC, the Commissioner should indicate the official CPUC position on an issue, as reflected in a Commission vote on an issue. If a Commissioner who did not vote with the majority on a matter wishes to speak to the reasons for his or her vote, the Commissioner should do so in a way that respectfully recognizes Commissioner deliberation and the vote of the majority.

6. Media representatives frequently contact Commissioners seeking background information or quotes. It is acceptable, and indeed preferable, that any direct contacts be channeled through the Commission's Public Information office.
7. Continue respectful behavior in private. The same level of respect and consideration of differing points of view appropriate for public discussions should be maintained in private conversations.
8. Commissioners must follow the formal rules of the CPUC, including the rules regarding ex parte contacts. Commissioners should maintain a professional level of objectivity and should act in a manner, in both private and public interactions, that promotes a culture of fairness and observance of the rules.

**VIII. Commissioners are public officials who should uphold the integrity of their office at all times.**

6. Commissioners should make no promises on behalf of the Commission to parties or members of the public. Commissioners will frequently be asked to explain a Commission action or to give their opinion about an issue as they meet and talk with constituents in the community. It is appropriate to give a brief overview of Commission policy and to refer to CPUC staff for further information. It is inappropriate to promise a certain outcome from Commission action, overtly or implicitly.
7. The CPUC is committed to providing a workplace where all employees, regardless of their classification or pay status, are treated by supervisors and managers in a manner that maintains generally accepted standards of human dignity and courtesy. Unprofessional or disrespectful behavior towards staff is not acceptable. Commissioners should treat all staff as professionals and engage in clear, honest communication that respects the abilities, experience, and dignity of each individual.
8. Commissioners should develop a working relationship with the Executive Director so that current issues, concerns and CPUC initiatives can be discussed comfortably and openly.
9. Even as Commissioners are frequently active in community organizations and charitable activities, they should refrain from soliciting political, charitable, or other financial support, business, or other favors from Commission staff, employees of regulated entities, parties to Commission proceedings, or entities seeking to do business of any kind with the Commission, where such solicitations could be perceived as an attempt to influence behavior or are directly related to matters before the Commission.
10. Commissioners must comply with the Political Reform Act, which sets limitations and restrictions on gifts, honoraria, travel and loans. Before accepting any travel, lodging and/or meals, regardless of cost to the Commission, Commissioners should consider whether acceptance would give an appearance of an inappropriate relationship with a regulated utility, organizations with significant ties to a regulated utility, and other interested persons with financial interests in Commission proceedings.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

<b>COMMISSION POLICY</b>	
Category: <b>Governance Process</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Meeting Procedures</b>  Policy Number: <b>GP-5</b>  Resolution No.  Resolution No.

*Note: This policy modifies CR-2, Commission Policies and Guidelines Regarding the Commission Public Agenda, adopted by the Commission 9/27/2002*

The Commission operates its meetings under the following meeting principles:

1. An item appearing on the public agenda shall be voted upon, withdrawn or continued to a commission meeting date certain. A list of items appearing on the public agenda that are continued to future meetings ("hold list") shall be made available to the public the day before each commission meeting along with the date of the meeting to which the items (except for executive session items) are continued. Items held at the request of an individual Commissioner shall include a statement of the reason for the hold. The hold list may be updated as a result of public discussion (or non-public discussion, in the case of executive session items) during the course of the commission meeting.
2. An item appearing on the hold list, as modified during a Commission meeting, shall be set for the public agenda on the Commission meeting date indicated on the hold list. In the event that no date is clearly designated on the hold list, the item shall be set for the next meeting and shall be so reflected in the public agenda for that meeting.
3. In addition to holds by CPUC staff, any individual Commissioner may hold any item for no more than two meetings. A majority may vote to hold an item for additional meetings.
4. Each item on the Commission's public agenda shall state the initial date the matter appeared on the public agenda, each date the item previously appeared on the agenda, and the applicable categorization.
5. All cover sheets on decisions, resolutions, memoranda, and other matters pertaining to public agenda items shall state in a consistent position (as designated by the Chief Administrative Law Judge) the current agenda placement number, the date of the meeting at which it is to be considered, the applicable categorization and its agenda identification number.
6. All decisions, draft decisions and proposed decisions shall state the name of the assigned Commissioner and administrative law judge. If the Commission makes revisions to a recommended decision from the dais or in closed session, the decision shall reflect such action.

7. Only the assigned Commissioner (as defined in Public Utilities Code §§311, 1701.1, 1701.2, and 1701.4) may place an assigned matter on the agenda for decision, except that any Commissioner may place such assigned matter on the agenda for status report and/or discussion. Any Commissioner may place any other matter (e.g., resolutions, legislative items, personnel matters, management and Commissioner reports, external agency matters, appeals, potential and actual litigation, rehearings, originating orders initiating investigations (OIs), originating orders initiating rulemaking (OIRs), assignment or reassignment of cases to Commissioners, or new matters on the agenda for discussion or action by the Commission. Placement of matters on the agenda pursuant to this section shall comport with due process requirements, the rules of the Commission, and the Bagley-Keene Open Meeting Act (Government Code §11120 et seq.). Whenever possible, non-routine matters should be brought by Commissioners to the attention of the Chief Administrative Law Judge or the General Counsel for advice and assistance on their legal form and sufficiency prior to their being placed on the agenda. Nothing in this provision shall be deemed to restrict the Commission's power to delegate to divisions or designated employees the power to place matters on the agenda.
8. Proposed Decisions or Draft Resolutions addressing matters that are complex, controversial, or of significant public interest merit voluntary special procedures to enhance transparency and sound decision-making. Where the assigned Commissioner is aware of such complexity, controversy, or significant public interest, the assigned Commissioner shall work with the administrative law judge and strive to implement the following:
  - a. State in the scoping memo that because of the nature of the case, the assigned Commissioner, working with the administrative law judge, will likely implement special procedures regarding the timing and treatment of the Proposed Decision. In the case of Draft Resolutions for which these procedures will be implemented, the Commission President will coordinate such implementation with the assigned industry division director.
  - b. Mail the Proposed Decision or Draft Resolution to the service list 45 days or more in advance of the scheduled Commission meeting at which the item is to appear on the agenda. The Commission's rules setting comment and reply deadlines shall apply. Revisions to these Proposed Decisions and Draft Resolutions to incorporate comments will be distributed no later than four business days before the Commission meeting. For a Commission meeting on a Thursday, this means the prior Friday is the distribution deadline.
  - c. In all other proceedings and matters, the Proposed Decision or Draft Resolution shall be mailed consistent with current rules and practice.
9. As soon as an agenda item is held, that information will be publicly available. The Commission will make the first draft hold list publicly available at 3 p.m. three business days before the next voting meeting. For meetings on a Thursday, this means the first draft hold list will be made publicly available the prior Monday at 3

p.m. The final hold list will be issued the day before a voting meeting. Holds by a Commissioner can only be lifted by a vote of the Commission at the voting meeting, followed by a vote on the item under consideration.

The Commission will use its website to communicate the draft and final hold lists to the public, as well as the policy that lifting a hold is subject to a vote by the Commission.

**Monitoring Method: Commission Report**

**Frequency: Annual**

<b>COMMISSION POLICY</b>	
<p>Category: <b>Governance Process</b></p> <p>Date of Adoption: <b>June 23, 2016</b></p> <p>Date of Revision:</p>	<p>Title: <b>Committee Principles</b></p> <p>Policy Number: <b>GP-6</b></p> <p>Resolution No.</p> <p>Resolution No.</p>

The Commission may establish both standing committees and ad hoc committees based on need and input from Commissioners.

Standing committees shall assist the Commission in its ongoing work and activities and shall be composed of members of the Commission only. Ad hoc committees may be created to address a specific topic of interest to the Commission.

Each committee shall have a written statement describing the committee's purpose.

Specifically:

1. All committees will ordinarily assist the Commission by gaining education, considering alternatives and implications, and preparing policy alternatives.
2. Committees may not speak or act for the Commission except when formally given such authority for specific and time-limited purposes.
3. Standing committees may request information or further action from staff, but otherwise cannot exercise authority over staff or interfere with the delegation from the Commission to the Executive Director, General Counsel, Chief Administrative Law Judge or Internal Auditor.

**Monitoring Method: Commission Report**

**Frequency: Annual**

**COMMISSION POLICY**

Category: **Governance Process**

Title: **Commissioner and Commission Comments to State and Federal Agencies**

Policy Number: **GP-7**

Date of Adoption: **June 23, 2016**

Resolution No.

Date of Revision:

Resolution No.

The General Counsel directs Legal Division to lead the drafting of formal comments which the CPUC submits to Federal agencies, either in responses to requests for formal comment or on the CPUC's own initiative. The Commission's General Counsel is authorized to "represent and appear for the people of the State of California and the commission in all actions and proceedings involving any question under this part or any order or act of the commission." (Public Utilities Code § 307.)

It is the Commission's policy that:

1. All formal comments submitted by the CPUC to Federal agencies shall be consistent with the CPUC's adopted strategic directives.
2. All responses to requests for formal comment to Federal agencies prepared under the General Counsel's direction shall be presented to the five-member Commission for approval before filing.
3. The General Counsel shall maintain a protocol for the preparation and Commission review of comments to Federal agencies that sets out roles, responsibilities, and timelines for legal and technical staff. The presently effective protocol is attached to this policy.

**Monitoring Method: Commission Report**

**Frequency: Annual**

<b>COMMISSION POLICY</b>	
Category: <b>Governance Process</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Commissioner Training and Orientation</b>  Policy Number: <b>GP-8</b>  Resolution No.  Resolution No.

The CPUC will invest in training, development and orientation of Commissioners to assure excellence in governance.

Specifically:

1. Commissioners will receive training on laws related to ethics, ex parte rules, open government and conflicts of interest. Training will be made available annually.
2. Commissioners will receive training related to CPUC proceedings, the intervenor compensation program, and general rate cases. Training will be made available annually.
3. Commissioners will receive regular training with respect to understanding trends and developments in the industries regulated by the CPUC. Training will be made available annually.
4. Commissioners will be offered and encouraged to receive training in the skills of effective governance, communication and decision making. Training will be made available annually.
5. The Commission president and committee chairs will be offered and encouraged to receive training in the facilitation of meetings. Training will be made available annually.
6. New Commissioners will receive an orientation in the legal underpinnings of the CPUC, the governance policies and the strategic directives, the organizational structure of the CPUC, the work of the Commissioners, and the roles and responsibilities of the Executive Director, General Counsel, Chief Administrative Law Judge, and Internal Auditor.
7. New Commissioners will receive briefings on the management of their offices, advisors and administrative team.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

# IV. Commission-Staff Linkage Policies

Policies developed by the Commission to clarify the expected performance of its direct reports.

<b>COMMISSION POLICY</b>	
<p>Category: <b>Commission-Staff Linkage</b></p> <p>Date of Adoption: <b>June 23, 2016</b></p> <p>Date of Revision:</p>	<p>Title: <b>Commission Policies and Priorities for the Executive Director</b></p> <p>Policy Number: <b>CL-1</b></p> <p>Resolution No.</p> <p>Resolution No.</p>

This policy addresses the linkage between the President of the Commission, the five-member Commission acting as a body, and the Executive Director. Certain aspects of this linkage are set out in the Public Utilities Code, which is cited here.

The five-member Commission appoints the Executive Director, “who shall hold office during its pleasure.” (PUC section 308(a).) The President of the Commission “shall direct...the executive director...in the performance of his or her duties, and consistent with Commission policies and guidelines.” (PUC section 305.)

The Executive Director directs the CPUC consistent with specific duties set out in the law, including but not limited to Public Utilities Code Sections 308 and 309, which set out the following:

1. The Executive Director “shall be responsible for the commission’s executive and administrative duties and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the commission’s jurisdiction.” (PUC section 308(a).)
2. The Executive Director “shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform such other duties as the President, or vote of the commission, prescribes. The President may authorize the executive director to dismiss complaints or applications when all parties are in agreement thereto, in accordance with rules that the commission may prescribe.” (PUC section 308(b).)
3. The Commission “may appoint assistant executive directors who may serve warrants and other process in any county or city and county of this state.” (PUC section 308(c).)
4. The Executive Director “may employ such officers, administrative law judges, experts, engineers, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of this part or to perform the duties and exercise the powers conferred upon the commission by law. All officers and employees shall receive such compensation as is fixed by the Commission.” (PUC section 309.)

In addition, the five-member Commission, acting as a body, may set out policies and principles by which the Executive Director shall carry out his or her duties, consistent with the law.

It is the Commission's policy that:

1. The Executive Director shall conduct his or her work in compliance with the law, in a fair, competent and inclusive manner, and with the purpose of maximizing the value of the CPUC to Californians.
2. The Executive Director shall conduct his or her work to achieve the strategic directives set by the Commission, with attention to the results or conditions of the CPUC that the Commission has communicated as acceptable or not acceptable.
3. The Executive Director shall exercise prudent judgment.
4. The Executive Director shall have authority to act expeditiously and in coordination with other agencies of the State of California in emergencies endangering the public health, safety and the environment.
5. The Executive Director shall report regularly to the full Commission on all activities, including annual budget development and planning, human resource management and development, procurement and contracting, investigations, and interactions with the California Legislature.
6. The Executive Director is authorized to establish further policies, make decisions, take actions, establish practices, and develop activities in accordance with statutory authority, CPUC policies, and CPUC decisions.
7. Where the Executive Director determines, in consultation with the President, that there is a need for policies or delegations not addressed within the Executive Director's existing statutory authority, CPUC policies, or CPUC decisions, the Executive Director shall propose new policies or delegations to the full Commission.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

<b>COMMISSION POLICY</b>	
Category: <b>Commission-Staff Linkage</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Commission Policies and Priorities for the General Counsel</b>  Policy Number: <b>CL-2</b>  Resolution No.  Resolution No.

This policy addresses the linkage between the President of the Commission, the five-member Commission acting as a body, and the General Counsel. Certain aspects of this linkage are set out in the Public Utilities Code, which is cited here.

The five-member Commission appoints the General Counsel, “who shall hold office during the pleasure of the commission.” (PUC section 307(a).) The President of the Commission “shall direct...the attorney...in the performance of their duties, and consistent with Commission policies and guidelines.” (PUC section 305.)

The General Counsel directs the Legal Division consistent with specific duties set out in the law, including but not limited to Public Utilities Code Sections 307, which sets out the following:

1. The General Counsel “shall represent and appear for the people of the State of California and the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. If directed to do so by the president, except as otherwise directed by vote of the commission, the attorney shall intervene, if possible, in any action or proceeding in which any such question is involved.” (PUC section 307(b).)
  
2. The General Counsel “shall commence, prosecute, and expedite the final determination of all actions and proceedings directed or authorized by the president, except as otherwise directed or authorized by vote of the commission, advise the commission and each commissioner, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof, and generally perform all duties and services as attorney to the commission that the president, or vote of the commission, may require of him.” (PUC section 307(c).)

In addition, the five-member Commission, acting as a body, may set out policies and principles by which the General Counsel shall carry out his or her duties, consistent with the law.

It is the Commission’s policy that:

1. The General Counsel shall conduct his or her work in compliance with the law, with the purpose of maximizing the value of the CPUC to Californians.

2. The General Counsel shall conduct his or her work to achieve the strategic directives set by the Commission, with attention to the results or conditions of the CPUC that the Commission has communicated as acceptable or not acceptable.
3. The General Counsel shall exercise prudent judgment.
4. The General Counsel shall report regularly to the full Commission on Legal Division activities to achieve the strategic directives set by the Commission.
5. The General Counsel is authorized to establish further policies, make decisions, take actions, establish practices, and develop activities in accordance with statutory authority, CPUC policies, CPUC decisions, and direction from the President and/or the full Commission.
6. As the Executive Director has final hiring authority for all Commission staff pursuant to Pub. Util. Code section 309, the General Counsel shall regularly and upon request seek approval for Legal Division hiring and employment practices from the Executive Director. The General Counsel shall advise the Executive Director and shall assist the Executive Director with ensuring that such practices are designed and implemented to comply with the law and achieve the Commission's strategic directives.
7. Where the General Counsel determines, in consultation with the President, that there is a need for policies or delegations not addressed within the General Counsel's existing statutory authority, CPUC policies, or CPUC decisions, the General Counsel shall propose new policies or delegations to the full Commission.

**Monitoring Method: Commission Report**

**Frequency: Annual**

<b>COMMISSION POLICY</b>	
Category: <b>Commission-Staff Linkage</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Commission Policies and Priorities for the Chief Administrative Law Judge</b>  Policy Number: <b>CL-3</b>  Resolution No.  Resolution No.

This policy addresses the linkage between the President of the Commission, the five-member Commission acting as a body, and the Chief Administrative Law Judge.

The Chief Administrative Law Judge of the CPUC is appointed by the five-member Commission. The President of the Commission, acting in consultation with the other four Commissioners, functionally directs the Chief Administrative Law Judge.

The Chief Administrative Law Judge directs the Administrative Law Judge Division consistent with the law.

In addition, the five-member Commission, acting as a body, may set out policies and principles by which the Chief Administrative Law Judge shall carry out his or her duties, consistent with the law.

It is the Commission’s policy that:

1. The Chief Administrative Law Judge shall conduct his or her work in compliance with the law and with the purpose of maximizing the value of the CPUC to Californians.
2. The Chief Administrative Law Judge shall conduct his or her work to achieve the strategic directives set by the Commission, with attention to the results or conditions of the CPUC that the Commission has communicated as acceptable or not acceptable.
3. The Chief Administrative Law Judge shall exercise prudent judgment.
4. The Chief Administrative Law Judge shall report regularly to the full Commission on Administrative Law Judge Division activities to achieve the strategic directives set by the Commission.
5. As the Executive Director has final hiring authority for all Commission staff pursuant to Pub. Util. Code section 309, the Chief Administrative Law Judge shall regularly and upon request seek approval for Administrative Law Judge Division hiring and employment practices from the Executive Director. The Chief Administrative Law Judge shall advise the Executive Director and shall assist the Executive Director with ensuring that such

practices are designed and implemented to comply with the law and achieve the Commission's strategic directives.

6. The Chief Administrative Law Judge is authorized to establish further policies, make decisions, take actions, establish practices, and develop activities in accordance with CPUC policies and direction from the President and/or the full Commission.
7. Where the Chief Administrative Law Judge determines, in consultation with the President, that there is a need for policies or delegations to direct the Administrative Law Judge Division that are not addressed within CPUC policies, the Chief Administrative Law Judge shall propose new policies or delegations to the full Commission.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

## COMMISSION POLICY

Category: <b>Commission-Staff Linkage</b>	Title: <b>Commission Policies and Priorities for the Internal Auditor</b>
Date of Adoption: <b>June 23, 2016</b>	Policy Number: <b>CL-4</b>
Date of Revision:	Resolution No.
	Resolution No.

This policy addresses the linkage between the President of the Commission, the five-member Commission acting as a body, and the Internal Auditor.

The Internal Auditor is appointed by the five-member Commission. The President of the Commission, acting in consultation with the other four Commissioners, functionally directs the Internal Auditor.

In addition, the five-member Commission, acting as a body, may set out policies and principles by which the Internal Auditor shall carry out his or her duties, consistent with the law. The Internal Auditor's duties are set out in the Internal Audit Charter, which is approved by the Commission, and this policy is to be carried out consistent with the approved Internal Audit Charter.

It is the Commission's policy that:

1. The Internal Auditor shall conduct his or her work in compliance with the law and with the purpose of maximizing the value of the CPUC to Californians.
2. The Internal Auditor shall conduct his or her work diligently to fulfill the responsibilities defined in the Internal Audit Charter approved by the Commission.
3. The Internal Auditor shall exercise prudent judgment.
4. The Internal Auditor shall report regularly to the full Commission on Internal Audit Unit activities to achieve the Internal Audit Charter.
5. As the Executive Director has final hiring authority for all Commission staff pursuant to Pub. Util. Code section 309, the Internal Auditor shall regularly and upon request seek approval for Internal Audit Unit hiring and employment practices from the Executive Director. The Internal Auditor shall advise the Executive Director and shall assist the Executive Director with ensuring that such practices are designed and implemented to comply with the law and achieve the Commission's goals set out in the Internal Audit Charter.
6. The Internal Auditor is authorized to establish further policies, make decisions, take actions, establish practices, and develop activities in accordance with CPUC policies

and direction from the President and/or the full Commission.

7. Where the Internal Auditor determines, in consultation with the President, that there is a need for policies to direct the Internal Audit Unit that are not addressed within CPUC policies, the Internal Auditor shall propose new policies to the full Commission. In the event that the new policies result in recommended changes to the Internal Audit Charter, the Internal Auditor shall bring them forward to the Commission for approval.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

<b>COMMISSION POLICY</b>	
Category: <b>Commission-Staff Linkage</b>  Date of Adoption: <b>June 23, 2016</b>  Date of Revision:	Title: <b>Commission Evaluation of Direct Reports</b>  Policy Number: <b>CL-5</b>  Resolution No.  Resolution No.

To ensure that the authority and responsibilities of the Executive Director, General Counsel, Chief Administrative Law Judge, and Internal Auditor are carried out effectively, the job performance of each shall be evaluated by comparing the results, operations and personal performance to the strategic directives and policies established by the Commission.

Specifically:

1. The Commission shall evaluate the performance of the Executive Director, General Counsel, Chief Administrative Law Judge, and Internal Auditor in writing on an annual basis.
2. The evaluation will be primarily based on an evaluation of performance against the results and criteria established in law and by the Commission in its strategic directives and policies, as well as based on the individuals' demonstration of effective means to achieve those results.
3. The achievement of the Commission's strategic directives and policies shall be monitored at a frequency and by a method chosen by the Commission.
4. With regard to strategic directives for which there are no clear performance measures, the direct reports shall propose performance criteria that represent his or her reasonable interpretation of achieving the results defined by the Commission.
5. To the extent possible, the Commission will use data to determine the degree to which the direct reports are meeting its strategic directives, policies and expectations.
6. The President has the responsibility and authority to collect and assemble data needed to perform the evaluations of the direct reports.

**Monitoring Method: Commission Report**  
**Frequency: Annual**

<b>COMMISSION POLICY</b>	
Category: <b>Commission-Staff Linkage</b>  Date of Adoption: <b>August 10, 2017</b>  Revision Date:	Title: <b>Unity of Control</b>  Policy Number: <b>CL-6</b>  Resolution No.  Resolution No.

Outside of proceedings, only decisions of the Commission acting as a body are binding on the Executive Director, General Counsel, the Chief ALJ, and the Internal Auditor.

1. In cases where the Commission has provided direction on an issue through a vote, such decisions are binding on the Executive Director, General Counsel, Chief ALJ, or Internal Auditor.
2. In cases where the Commission has provided direction on an issue through consensus or other means, the President is empowered to communicate the relevant direction to the Executive Director, General Counsel, Chief ALJ, or Internal Auditor. If the President communicates the consensus outside a public meeting, the Executive Director, General Counsel, Chief ALJ, or Internal Auditor may request that such direction be confirmed through a formal vote of the Commission.
3. In cases where a committee of the Commission provided direction on an issue through consensus or other means, the committee chair is empowered to communicate the relevant direction to the Executive Director, General Counsel, Chief ALJ, or Internal Auditor. If the committee chair communicates the consensus outside a public meeting, the Executive Director, General Counsel, Chief ALJ, or Internal Auditor may request that such direction be confirmed through consensus by the committee.
4. Except where specifically authorized by the Commission, decisions or instructions of individual members of the Commission are not binding on the Executive Director, General Counsel, Chief ALJ, or Internal Auditor.
5. In the case of individual members of the Commission requesting information or assistance, the Executive Director, General Counsel, Chief ALJ, or Internal Auditor may refuse such requests that require, in their opinion, an inordinate amount of staff time or funds, or are disruptive, and provide an explanation to the individual Commissioner for their refusal.
6. Individual members of the Commission may communicate directly with employees or contractors for the purpose of providing or requesting information, suggestions or feedback, with appropriate notification to the Executive Director or the relevant industry division director. However, the Commission as a body and individual members of the Commission cannot give direction to persons who report directly or indirectly to the Executive Director, General Counsel, Chief ALJ, or Internal Auditor.
7. The Commission as a body will refrain from evaluating, either formally or informally, any staff

other than the Executive Director, General Counsel, Chief ALJ, or Internal Auditor. Individual members will refrain from evaluating any staff. However, they may provide input on the performance of staff members to the Executive Director, General Counsel, Chief ALJ, or Internal Auditor. Individual members of the Commission may evaluate and provide feedback to staff working directly under them.

8. The same limitations that pertain to the Commissioners under this policy shall apply to advisors.

**Monitoring Method: Commission Report**

**Frequency: Annual**

# V. Index of Statutory Authority

A partial list of laws and statutes that address the governance of the CPUC

**This is a partial list of laws and statutes that address the governance of the CPUC. More information about the Commission's responsibilities and operations can be found in the Public Utilities Code.**

#### I. CONSTITUTIONAL AUTHORITY OF THE COMMISSION (Cal. Const. Art. XII)

SECTION 1. The Public Utilities Commission consists of 5 members appointed by the Governor and approved by the Senate, a majority of the membership concurring, for staggered 6-year terms. A vacancy is filled for the remainder of the term. The Legislature may remove a member for incompetence, neglect of duty, or corruption, two thirds of the membership of each house concurring.

SEC. 2. Subject to statute and due process, the commission may establish its own procedures. Any commissioner as designated by the commission may hold a hearing or investigation or issue an order subject to commission approval.

#### II. APPOINTMENT OF THE PRESIDENT AND ROLE OF THE PRESIDENT (Pub. Util. Code sec. 305)

The Governor shall designate a president of the commission from among the members of the commission. The president shall direct the executive director, the attorney, and other staff of the commission, except for the staff of the Office of Ratepayer Advocates in the performance of their duties, in accordance with commission policies and guidelines. The president shall preside at all meetings and sessions of the commission.

#### III. APPOINTMENT OF EXECUTIVE DIRECTOR (Pub. Util. Code sec. 308)

The commission shall appoint an executive director, who shall hold office during its pleasure. The executive director shall be responsible for the commission's executive and administrative duties and shall organize, coordinate, supervise, and direct the operations and affairs of the commission and expedite all matters within the commission's jurisdiction.

The executive director shall keep a full and true record of all proceedings of the commission, issue all necessary process, writs, warrants, and notices, and perform such other duties as the president, or vote of the commission, prescribes. The president may authorize the executive director to dismiss complaints or applications when all parties are in agreement thereto, in accordance with rules that the commission may prescribe.

The commission may appoint assistant executive directors who may serve warrants and other process in any county or city and county of this state.

#### IV. APPOINTMENT OF GENERAL COUNSEL (Pub. Util. Code sec. 307)

The commission may appoint as attorney to the commission an attorney at law of this state, who shall hold office during the pleasure of the commission.

The attorney shall represent and appear for the people of the State of California and the commission in all actions and proceedings involving any question under this part or under any order or act of the commission. If directed to do so by the president, except as otherwise directed by vote of the commission, the attorney shall intervene, if possible, in any action or proceeding in which any such question is involved.

The attorney shall commence, prosecute, and expedite the final determination of all actions and proceedings directed or authorized by the president, except as otherwise directed or authorized by vote of the commission, advise the commission and each commissioner, when so requested, in regard to all matters in connection with the powers and duties of the commission and the members thereof, and generally perform all duties and services as attorney to the commission that the president, or vote of the commission, may require of him.

#### V. REGULATORY AUTHORITY OF THE COMMISSION (Pub. Util. Code sec. 701)

The commission may supervise and regulate every public utility in the State and may do all things, whether specifically designated in this part or in addition thereto, which are necessary and convenient in the exercise of such power and jurisdiction.