CALIFORNIA PUBLIC UTILITIES COMMISSION

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The California Public Utilities Commission (CPUC) was created in 1911 to regulate privately-owned utilities and ensure reasonable rates and service for the public. Today, under the Public Utilities Act of 1951, Public Utilities Code section 201 et seq., the CPUC regulates energy, some aspects of transportation (rail, moving companies, limos, and shared-ride carriers), water/sewage, and limited aspects of communications. The CPUC licenses more than 1,200 privately-owned and operated gas, electric, telephone, water, sewer, steam, and pipeline utilities, in addition to 3,300 truck, bus, "shared ride," railroad, light rail, ferry, and other transportation companies in California. The CPUC grants operating authority, regulates service standards, and monitors utility operations for safety.

A Commission consisting of five full-time members appointed by the Governor and subject to Senate confirmation directs the agency. The California Constitution directly authorizes the Commission and provides it with a mandate to balance the public interest—the need for reliable, safe utility services at reasonable rates—with the constitutional right of a utility to compensation for its "prudent costs" and a fair rate of return on "used and useful" investments.

The Commission has quasi-legislative authority to adopt regulations, some of which are codified in Chapter 1, Title 20 of the California Code of Regulations (CCR). The Commission also has quasi-judicial authority to take testimony, subpoena witnesses and records, and issue decisions and orders. The CPUC's Administrative Law Judge (ALJ) Division supports the Commission's decision-making process and holds both quasi-legislative and quasi-judicial hearings when evidence-taking and findings of fact are needed. In general, the CPUC's ALJs preside over hearings and forward "proposed decisions" to the Commission for all final decisions. At one time, the CPUC decisions were solely reviewable by the California Supreme Court on a discretionary basis, but Public Utilities Code section 1756 permits courts of appeal to entertain challenges to most CPUC decisions. Still, judicial review remains discretionary, and most petitions for review are not entertained. The CPUC's decisions are effectively final in most cases.

The CPUC allows ratepayers, utilities, and consumer and industry organizations to participate in its proceedings. Non-utility entities may be given "party" status and, where they contribute to a beneficial outcome for the general public beyond their economic stake, may receive "intervener compensation." Such compensation facilitated participation in many Commission proceedings over the past twenty years by numerous consumer and minority-representation groups, including San Francisco-based TURN (The Utility Reform Network), San Diego-based UCAN (Utility Consumers' Action Network), and the Greenlining Institute, an amalgam of civil rights and community organizations in San Francisco.

The CPUC staff—which includes economists, engineers, ALJs, accountants, attorneys, administrative and clerical support staff, and safety and transportation specialists—is divided into 16 divisions.

In addition, the CPUC maintains services important to public access and representation. The San Francisco-based Public Advisor's Office and the Commission's outreach offices in Los Angeles and San Diego provide procedural information and advice to individuals and groups who want to participate in formal CPUC proceedings. Most importantly, under Public Utilities Code section 309.5, a Public Advocate's Office of the CPUC independently represents the interests of all public utility customers and subscribers in Commission proceedings in order to obtain "the lowest possible rate for service consistent with reliable and safe service levels."

On August 17, 2022, the State Senate confirmed Governor Gavin Newsom's appointment of Alice B. Reynolds as President of the CPUC. President Reynolds previously served as Governor Newsom's senior advisor for energy, since 2018, and prior to that served in the administration of Governor Edmund G. Brown Jr. as the senior advisor for all things relating to the climate and environmental/energy issues having been chief counsel and deputy secretary for law enforcement at the California Environmental Protection Agency (EPA).

Per Public Utilities Code section 308(a), the five-member Commission appoints the Executive Director, who holds office during the Commissioners' pleasure. Commissioners are appointed to the CPUC for six-year terms that require Senate confirmation.

During the entirety of the reporting period covered by this edition, the CPUC required remote participation by the public due to the ongoing COVID-19 pandemic.

At this writing there are no vacancies on the CPUC.

HIGHLIGHTS

CPUC ACTS, MAKES CALIFORNIA NATIONAL TRAILBLAZER FOR NATURAL GAS SUBSIDY ELIMINATION

On September 15, 2022, the CPUC issued a press release announcing it was taking action to "eliminate natural gas line subsidies for new natural gas hookups," stating "[t]he first-in-the-nation action will reduce greenhouse gas (GHG) emissions from buildings and lower utility bills for consumers."

Buildings, in general, contribute to California's overall GHG emissions by about 25 percent. Contemporaneously, natural gas use in buildings contributes roughly 10 percent of these emissions across the state. These natural gas line subsidies were created to offset the cost of extending natural gas pipelines to new buildings at a time when natural gas was supposedly a cleaner alternative to burning fossil fuels like coal or oil. The CPUC considers its action the first step towards the transition to cleaner energy and eventual carbon neutrality by the year 2045.

Elimination of these subsidies would take effect July 1, 2023. The proposed decision (R.19-01-011) would eliminate any incentive, financial or otherwise, to expand the natural gas system to more new buildings. By proxy, this decision further paves the way for home and commercial building electrification and reduces the risk of stranded assets. The CPUC estimates that close to $164 million could be saved per year amongst ratepayers.

In the CPUC's press release, current Commissioner Clifford Rechtschaffen states this policy change will not only save ratepayers money and reduce GHG emissions but will also improve both indoor and outdoor air quality, the first of many steps towards cleaner, and ultimately clean, air. California is the first state to enact this decision and may have paved the way for the other 49 to follow suit.

For more information on the details, benefits and drawbacks of this policy change, and what it means for the future of California, visit the Building Decarbonization section of the California Public Utilities Commission website.

CPUC's Recent Grants to Local Governments Help Bridge the Digital Divide

On October 21, 2022, the CPUC stated they had made their largest funding award to 28 local governments in the amount of $14 million in grants. These grants are to help with broadband technical assistance with the goal of closing the digital divide. The digital divide is unequal access to digital technology, including smartphones, tablets, laptops, and the general internet itself. This divide furthers inequality around access to information and any subsequent resources.

The CPUC's Commissioner Darice L. Houck said, "Technical Assistances grants will aid local agencies…helping to ensure economic opportunity and public safety for rural residents, businesses, and visitors." There are myriad projects this funding is aimed at, most expected to be completed within a 24-month timeline once applications have been received. Each grant for each local government will be approximately $500,000 and is primarily to be used as a reimbursement for the expenses concerning the network design services for unserved areas in any of the applicants' jurisdictions. Once completed, the second phase aims at engineering these projects to provide service to households and/or businesses that will meet and even exceed 100 megabits per second (Mpbs) for both upload and download speed. The hope is that the public will be able to rely on these internet speeds wherever and whenever necessary consistently.

These government grants are a follow-up from 12 previous grants the CPUC awarded last week in the hopes of showcasing that the CPUC is contributing to the ultimate goal of bridging the digital divide. More information and summaries of the grants can be found here.

These grants will also be made available to Tribal governments for reimbursement and will be administered through the Local Agency Technical Assistance Grant Program. The reason these grants are being extended to Tribal governments as well is that they are the most knowledgeable about the state of their broadband within their own communities.

These grants are a key component of California's $6 billion Broadband for All investment. SB 156 (Committee on Budget and Fiscal Review) (Chapter 112, Statues of 2021) introduced how the Joint Exercise of Powers Act authorizes any and all joint power entities created under the act to issue mortgage revenue bonds and industrial development bonds. SB 156 "authorized those joint power entities to also issue revenue bonds for the deployment of broadband infrastructure by a public entity or nonprofit organization." These aforementioned grants are to further administer the investment so as to help close the digital divide.

To be eligible for these grants, entities applying should become familiar with the guidelines provided by the CPUC to ensure they meet the necessary qualifications. Should an entity's application be approved, and subsequently receive grants, those grants count as reimbursements for eligible pre-construction expenses to provide high-speed connections to unserved and underserved communities alike. As mentioned before, Tribal governments can also become eligible to apply for technical assistance grants in addition to getting the expanded broadband to begin with.

According to Commissioner Houck, these grants are set to counteract "[t]he relatively high cost of deployment in many rural areas [that] has historically left these communities underserved by traditional providers."

For more information, visit the CPUC's website to see the breakdown of the grants and how to apply for them.

MAJOR PUBLICATIONS

The following relevant reports have been conducted by or about the CPUC during this reporting period:

Energy

- ***CPUC Takes Actions to Promote Energy Reliability***, the CPUC, April 21, 2022 (actions to ensure energy reliability for Californians going into the summer months and beyond through approval of power purchase agreements and energy program storage programs and contracts with companies like Pacific Gas & Electric (PG&E), and Southern California Edison (SCE)).

- ***Distributed Energy Resources Action Plan: Aligning Vision and Action***, the CPUC, April 21, 2022 (plan to help the CPUC guide its utility infrastructure planning and improve coordination across proceedings related to grid planning, load flexibility, market integration, and customer programs in anticipation of a high-DER future).

- ***Resolution E-5205: Energy Storage Contracts for Southern California Edison***, the CPUC, May 19, 2022 (the CPUC approved energy storage contracts for SCE to come online from August 2023 through June 2024 pursuant to D.21-06-035 (Order Instituting Rulemaking to Constitute Electric Integrated Resource Planning and Related Procurement Process); approval expected to provide an increase in megawatt capacity towards SCE's portion of clean air capacity ordered by the CPUC in 2021 during the integrated resource planning process).

- ***2022 Padilla Report on Costs and Cost Savings for the RPS Program (P.U. Code 913.3)***, the CPUC, May 2022 (pursuant to Public Utilities Code section 913.3, provides and annual report to the legislature aggregating the costs and cost savings of the renewable energy expenditures and contracts for the previous year).

- ***2022 California Solar Initiative Annual Program Assessment***, the CPUC, June 2022 (pursuant to Public Utilities Code section 913.7, provides yearly assessment to the legislature on the success of the CSI program. The CSI program is overseen by the CPUC, with an initial goal to install 1,940 MW of customer-sited solar capacity and transition the solar industry into a self-sustaining one. Through the end of 2021, approximately 11,106 MW of solar capacity was installed at 1,262,625 customer sites in the large investor-owned utility territories, exceeding the state's goal of 3,000 MW by roughly 370 percent).

- ***Report on Energy Efficiency Portfolio***, the CPUC, July 2022 (pursuant to Public Utilities Code section 913.5 provides a triennial report to the legislature on energy efficiency (EE) and conservation programs for the years 2018-2020 as well as the CPUC's specialized methods for optimizing energy efficiency savings in underprivileged populations).

- ***Hydrogen Blending Impacts Study***, University of California, Riverside, July, 18, 2022 (commissioned by the CPUC in compliance with SB 1369 (Skinner) (Chapter 567, Statutes of 2018) and as part of the CPUC's ongoing Renewable Gas Rulemaking; examines expanding renewable hydrogen by establishing standards and interconnection protocols for injecting renewable hydrogen into natural gas pipelines; assesses the operational and safety concerns associated with injecting hydrogen into the existing natural gas pipeline system at various percentages to help California establish the standards and interconnection protocols for possibly injecting renewable hydrogen into natural gas pipelines).

- ***2022 California Renewable Portfolio Standard***, the CPUC, November 2022 (pursuant to Public Utilities Code Section 913.4, annual report on the progress of the Renewables Portfolio Standards (RPS) program SB 1222 (Hertzberg) (Chapter 842, Statutes of 2016); describes the progress of the State's electricity retail sellers in meeting the RPS program requirements for 2021 and future years; identifies specific challenges to the RPS program and recommendations for addressing, specifically challenges related to bioenergy, delays in renewable energy project development, and renewables paired with energy storage resources).

Telecommunications

- ***California Advanced Services Fund (CASF) 2020 Annual Report***, the CPUC, April 2022 (Pursuant to Public Utilities Code section 914.7(a) and AB 1665 (Eduardo Garcia)

(Chapter 851, Statutes of 2017), provides an annual report to the legislature presenting financial and programmatic highlights of the CASF program, including revenues, expenditures, approved projects, and expected benefits. The report also provides updates on unserved and served areas as well as broadband adoption in the state. The goal of the CASF program is to close the Digital Divide in California by funding broadband projects in underserved areas of the state with a goal of making broadband available to 98 percent of households by 2032.).

General

- ***Year 2021 Utilities Procurement of Goods, Services, and Fuel from Women, Minority, Disabled Veteran, and LGBT Business Enterprises***, the CPUC, September 2022, (the CPUC's 36th Annual Supplier Diversity Program Report to the Legislature; covers the progress reported by investor-owned utilities and community choice aggregators (CCAs) in procuring goods, services, fuel, and electricity from women (WBE), minorities (MBE), disabled veterans (DVBE), and lesbian, gay, bisexual, bisexual and/or transgender (LGBTBE) business enterprises (WMDVLGBTBE or diverse provider) in 2021. Pursuant to Public Utilities Code section 910.3, the CPUC must submit a similar report by September 1 annually on the progress of WMDVLGBTBE procurement).
- ***PG&E Independent Safety Monitor Status Update Report***, Filsinger Energy Partners, October 4, 2022 (as part of continued oversight of PG&E's safety performance, the CPUC released the first report of their own independent safety monitor as part of a condition for approving PG&E's plan for exiting bankruptcy in May, 2020).

RULEMAKING

The following is a status update on recent rulemaking proceedings that the CPCU has initiated:

Energy

- **R.22-07-005**: **Order Instituting Rulemaking to Advance Demand Flexibility Through Electric Rates**: On August 12, 2022, Bloom Energy Corporation (Bloom Energy) submitted comments to the Order Instituting Rulemaking (OIR) to enable widespread demand flexibility through electric rates. Bloom Energy's interest in this rulemaking stems from them being a technology provider that generates electricity and produces hydrogen with "world-class" efficiencies. Bloom Energy's solution is critical to enhance the reliability of California's electric system and the two key objectives of this OIR: grid reliability and reduction of curtailing renewable energy, while also leveraging the growth of the CPUC's Distributed Energy Resource Plan Version 2.0 to ensure these objectives are met. This rulemaking was originally filed on July 14, 2022, and is still active.

- **R.22-10-010**: **Order Instituting Rulemaking to Implement Assembly Bill 843 – the Bioenergy Market Adjusting Tariff Program**: On October 20, 2022, the CPUC opened a new regulatory proceeding focused on expanding the number of small bioenergy projects through the state of California. This OIR will modify California's Bioenergy Market Adjusting Tariff (BioMat) programs to enable local CCAs to procure power for their customers through the BioMat program. AB 843 (Aguiar-Curry) (Chapter 234, Statutes of 2021) (California Renewables Portfolio Standard Program: renewable feed-in tariff: Bioenergy Market Adjusting Tariff program: community choice aggregators) does not change any of the procurement requirements, but rather allows the CCAs to contract for bioenergy under the program. This is still a new filing that does not have a schedule of events, nor are there any additional documents, ruling, decisions, or public comments available yet.

- **I.22-09-011: Order Instituting Investigation to Address the Potential Loss of Natural Gas Service for a Portion of the Santa Nella Community**: On September 15, 2022, the CPUC filed an Order Instituting Investigation (OII) to address the potential loss of natural gas services for a portion of the Santa Nella Community, specifically the SNME, Inc. (SNME) subdivision. This stems from a May 19, 2022, action by SNME informing the CPUC they intend to cease operations as they claimed they were no longer able to deliver gas to the community and are filing for bankruptcy. As of November 3, 2022, a Prehearing Conference was conducted with a subsequent time period allotted in order for the respective parties to respond to the OII after the conference commenced.

Telecommunications

- **R.20-09-001: Order Instituting Rulemaking Regarding Broadband Infrastructure Deployment and to Support Service Providers in the State of California**: On April 21, 2022, the CPUC adopted rules for the Federal Funding Account (FFA) created by SB 156 (Committee on Budget and Fiscal Review) (Chapter 112, Statutes of 2021) and funded through the federal American Rescue Plan Act of 2021 (Public Law No. 117-2), and the rules issued by the U.S. Treasury Department. *[see 26:2 CRLR 221; 27:1 CRLR 254; 27:2 CRLR 200]*

- **R.22-08-008: Order Instituting Rulemaking Proceeding to Consider Changes to Licensing Status and Obligations of Interconnected Voice over Internet Protocol Carriers**: On August 25, 2022, the CPUC initiated this OIR to consider changing the licensing situation for connected Voice over Internet Protocol (VoIP) operators in California that, pursuant to the Public Utilities Code section 285, obtained a utility identification number under the CPUC's previously used informal VoIP Registration Process. This is still a rather new filing that does not yet have a schedule of events or any additional documents, rulings, decisions, or public comments available.

- **I.22-04-005**: **Order Instituting Investigation on the Commission's Own Motion into MetroPCS California LLC (U3079C) Failure to Remit Prepaid Mobile Telephony Service Surcharges and User Fees**: On April 21, 2022, the CPUC instituted a formal investigation to determine whether MetroPCS California, LLC (MetroPCS) violated any provisions of the Prepaid Telephone Service Charges and User Fees and revenue reporting requirements pursuant to the Prepaid Mobile Telephone Service (MTS) Surcharge Collection Act (Prepaid Act) enacted by AB 1717 (Perea) (Chapter 885, Statutes 2014), during the 2017 and 2018 years. The Prepaid Act was originally enacted for the 2016–2017 fiscal year and even added/amended various Public Utility Code sections; however, this preceding OII is to determine if there was, in fact, a violation. As of August 16, 2022, the CPUC issued a Scoping Memo setting forth any issues and subsequent necessary matters pursuant to Public Utilities Code section 1701.1 (2014) and Article 7 of the CPUC's Rules of Practice and Procedures. Both parties have issued opening briefs and replies with the filing of MetroPCS's reply brief being the latest in the course of events. This is an ongoing and active matter.

- **I.22-10-007**: **Order Instituting Investigation into the Operations and Practices of TC Telephone to Determine Whether Respondents Violated the Laws, Rules, and Regulations of this State Governing the Manner in Which California Consumers are**: On October 18, 2022, the Consumer Protection and Enforcement Division (CPED) at the CPUC submitted a Motion to Correct Errors in the Caption pursuant to Rules 11.1 and 11.2 of the CPUC's

Rules of Practice and Procedure. This stems from an earlier decision, R.18-07-005: Order Instituting Rulemaking to Consider New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs issued on October 11, 2021. This decision orders PG&E, San Diego Gas & Electric Company (SDG&E), SCE, and Southern California Gas Company (SoCal Gas) to implement Percentage of Income Payment Plan (PPP) pilot programs to reduce residential disconnections of electric and gas services. On October 7, 2022, prior to the submission of the aforementioned motion, the CPUC issued an OII and Order to Show Cause of TC Telephone, LLC based on CPED's investigation of TC Telephone. As of November 8, 2022, the CPUC granted TC Telephone's procedural request for an extension of time to respond to the OII and is expected to respond by December 9, 2022.

Water

- ***CPUC Approves Pilot Program to Provide Rate Discounts to Qualified Cal-Am Water Customers in San Diego***: On June 2, 2022, in accordance with the CPUC's continued efforts to provide rate assistance to utility customers, the CPUC approved a multi-discount pilot program for income-qualified California-American Water Company (Cal-Am) customers deemed to be living in disadvantaged communities. This comes as a follow up to a prior decision where the CPUC directed Cal-Am to outline the aforementioned pilot program providing a discount to water users in "low-income, multi-family housing").

LEGISLATION

Internal

- **AB 1960 (Villapudua)**, as introduced on February 10, 2022, would have amended section 301 of the Public Utilities Code concerning the makeup of the Commission. Beginning

January 1, 2024, this bill would have changed the commissioner appointment process so that when selecting and confirming commissioners, the Governor and Senate would consider regional diversity by selecting at least one candidate who lives in northern California, one candidate who lives in the central valley, and at least one candidate who lives in southern California. The author stated that expanding the diversity within the CPUC would help represent the different energy needs of the regions in California. Governor Newsom vetoed this bill on June 21, 2022, stating that he is already deeply committed to boards and commissions that represent California's diversity, including regional representation, and this bill is unnecessary.

- **SB 1213 (Hueso)**, as amended on March 16, 2022, adds section 242 to the Public Utilities Code to require the CPUC and the California Energy Commission (CEC) to collaborate to develop and maintain a list of community-based organizations to help ensure adequate public outreach to low-income, disadvantaged, rural, tribal, and unincorporated communities regarding available programs for which they may be eligible or from which they may benefit. The bill would also require that the CPUC and CEC work with existing committees, boards, and community-based organizations to develop the list. Governor Newsom signed SB 1213 on September 28, 2022 (Chapter 722, Statutes of 2022).

Energy

- **AB 2143 (Carrillo)**, as amended on August 25, 2022, adds sections 769.2 and 913.13 to the Public Utilities Code to expand the definition of "public works" to include the construction of any renewable electrical generation facility or any associated battery storage over 15 kilowatts (kW) installed by a customer of an electrical corporation with more than 100,000 service connections. The bill will not expand the definition of public works until after December

31, 2023. According to the author, this new definition of public works requires the payment of prevailing wages on solar projects over 15kW that opt-in to receive net energy metering. Governor Newsom signed AB 2143 on September 29, 2022 (Chapter 774, Statutes of 2022).

- **AB 2316 (Ward)**, as amended on August 24, 2022, adds sections 769.3 and 913.15 to the Public Utilities Code to requires the CPUC to evaluate existing customer community renewable energy programs in order to modify and/or terminate programs. This bill also requires the CPUC to determine whether it is beneficial to ratepayers to develop a new or modify a tariff or program for community renewable energy by an electrical corporation, based on specified criteria, including ensuring at least 51% of the energy capacity serves low-income customers. According to the author, this bill "create[s] a cost-effective community renewable energy program that leverages the ability to combine distributed renewable resources with energy storage to provide all Californians with an option to access the benefits of distributed generation." Governor Newsom signed AB 2316 on September 16, 2022 (Chapter 350, Statutes of 2022).

- **AB 2700 (McCarty)**, as amended on August 2, 2022, as it relates to the CPUC, adds sections 740.21 and 9625 to the Public Utilities Code to require the CPUC to ensure electric corporation investments in distribution systems needed to support electric vehicle (EV) charging systems are consistent with the state's goals. Additionally, the bill requires the CPUC to expedite permitting and licensing process for grid upgrades necessary to support anticipated EV charging requirements. The bill also requires the CPUC to direct electrical corporations to develop an expedited process for grid interconnection for transportation electrification. According to the author, this bill aligns the state's grid planning efforts with its zero-emission vehicle, air quality, and climate goals. Governor Newsom signed AB 2700 on September 16, 2022 (Chapter 354, Statutes of 2022).

- **AB 2838 (O'Donnell)**, as amended on June 22, 2022, amends section 2833 of the Public Utilities Code to allow the CPUC to terminate a utility provider's green tariff shared renewables (GTSR) program. The GTSR was established in 2013 to allow customers to purchase more of their electricity from utility-procured renewable sources. According to the bill's author, the expansion of CCA has resulted in an increase in the number of customers departing electric utility bundled services, negatively impacting GTSR enrollment and rates. Currently, the CPUC has no authority to terminate an IOU's GTSR program. This bill gives the CPUC authority to terminate an IOU's GTSR program through an advice letter beginning on April 1, 2023. Governor Newsom signed AB 2838 on September 18, 2022 (Chapter 418, Statutes of 2022).

- **SB 1109 (Caballero)**, as amended on August 24, 2022, amends sections 399.20.3 and 8388 of the Public Utilities Code, as it relates to IOU procurement of bioenergy. Existing law requires IOUs to collectively procure, through financial commitments of five years, 125 megawatts of cumulative rated generating capacity from biomass energy projects. The bill requires IOUs to increase their rated generating capacity procured from bioenergy products to 225 megawatts and requires financial commitments of five to fifteen years. Existing law requires at least 80% of the feedstock of a bioenergy project to be the byproduct of sustainable forest management. An IOU that fails to meet that goal is paid a price set by existing law. This bill revises the price paid to an IOU that fails to meet mandated feedstock targets. Governor Newsom signed SB 1109 on September 16, 2022 (Chapter 364, Statutes of 2022).

- **SB 1383 (Hueso)**, as amended on April 25, 2022, amends section 761.3 of the Public Utilities Code to extend the CPUC's safety oversight of electrical generating facilities within the state to include electrical storage facilities as well. Given the state's increasing reliance on stored energy, the bill's author supports increasing the CPUC's oversight responsibility to include electrical storage facilitates. Governor Newsom signed SB 1383 on September 28, 2022 (Chapter 725, Statutes of 2022).

- **SB 1432 (Hueso)**, as amended on August 25, 2022, would have amended section 380 of, and add to section 380.3 to, the Public Utilities Code to maximize the ability of electric service providers to determine generation resources needed for their customers and allow for the incorporation of industry planning standards when the CPUC sets compliance obligations. Existing law requires the CPUC (in consultation with industry partners) to establish resource adequacy requirements for all load-serving entities. This bill would have created specific objectives for the CPUC to consider in establishing resource adequacy requirements. Governor Newsom vetoed this bill on September 28, 2022, stating that these issues are already being actively addressed through various CPUC public proceedings.

- **SB 1208 (Hueso)**, as amended August 25, 2022, adds section 731 to, and adds and repeals section 910.8 of the Public Utilities Code to require the CPUC, on or before June 30, 2023, to develop a universal application process to enable a customer to concomitantly apply for multiple commission-approved low-income customer assistance programs. The bill also requires each local publicly owned electricity utility that provides low-income customer assistance programs to streamline enrollment in those programs, including through collaboration with state and local agencies and other utilities that operate within the same service territory. Governor Newsom signed SB 1208 on September 29, 2022 (Chapter 840, Statutes of 2022).

- **SB 529 (Hertzberg)**, as amended August 23, 2022, amends sections 1001 of, and add section 564 to, the Public Utilities Code to exempt an extension, expansion, upgrade, or other modification of an existing transmission line or substations from the requirement of a Certificate of Public Convenience and Necessity (CPCN) and directs the CPUC to revise its general orders, by January 1, 2024, to instead use its permit to construct process for these approvals. Governor Newsom signed SB 529 on September 16, 2022 (Chapter 357, Statutes of 2022).

- **SB 887 (Becker)**, as amended June 27, 2022, adds section 454.57 to the Public Utilities Code, to require the CPUC, on or before January 15, 2023, to require ISOs to identify the highest priority transmission facilities that would allow for greatest reduction in reliance on carbon emitting electrical generation resources by delivering renewable energy resources or zero admission resources to transmission constrained urban areas. Governor Newsom signed SB 887 on September 16, 2022 (Chapter 358, Statutes of 2022).

- **SB 1158 (Becker)**, as introduced August 25, 2022, amends sections 380 of, and add section 398.6 to the Public Utilities Code to require the State Energy Resources Conservation and Development Commission (Energy Commission), on or before January 1, 2028, to adopt guidelines on the reporting and disclosures of electricity sources by the hour. It also requires electricity suppliers to disclose the amount of its resource adequacy requirements that were met by eligible renewable energy resources or zero-carbon resources. It also requires retailers to report the amount of GHG emissions associated with the production of the energy supplied. Additionally, it requires the CPUC to review the annual GHG emissions associated with load-servicing electric companies. Governor Newsom signed SB 1158 on September 16, 2022 (Chapter 367, Statutes of 2022).

- **SB 1174 (Hertzberg)**, as amended August 22, 2022, amends sections 399.13, 454.52, 454.53, and 913.4 to the Public Utilities Code, to require each electrical corporation that owns an electrical transmission facility to annually prepare and submit a consolidated report to the CPUC regarding any delays to in-service dates of energy storage facilities or eligible renewable energy resources. This bill also requires the CPUC to include in their annual report to the legislature a system wide assessment of delays to interconnection or transmission approvals related to consolidated reports received by the CPUC from the electrical corporations. Governor Newsom signed SB 1174 on September 2, 2022 (Chapter 229, Statutes of 2022).

Wildfire

- **AB 2283 (Gallagher)**, as amended March 17, 2022, would have added section 327.5 to the Public Utilities Code, to require the CPUC to undertake a comprehensive review of actions taken by PG&E that materially and adversely affected the value of their stock as it pertains to the settlement agreement with victims of wildfires that were caused by PG&E's equipment. Governor Newsom vetoed this bill on September 29, 2022, stating that it is not clear this bill would help the wildfire victims.

- **SB 884 (McGuire)**, as amended August 25, 2022, amends section 8385 of, and to add section 8388.5 to the Public Utilities Code, to require the CPUC to establish an expedited utility distribution infrastructure undergrounding program and authorizes large electrical corporations to participate in the program to create a plan by July 1, 2023, that identifies undergrounding projects that it will take on as a part of the program. If the electrical corporations are successfully able to not have the undergrounding project's equipment start a fire or cause a deenergization event for 60 months, the electrical corporation will be allowed to pass its costs on to ratepayers once federal funding has been exhausted. Governor Newsom signed SB 884 on September 29, 2022 (Chapter 819, Statutes of 2022).

Telecommunications

- **AB 2749 (Quirk-Silva)**, as amended August 17, 2022, would have amended section 281 of the Public Utilities Code to expand the requirement requiring the CPUC to approve projects that provide last-mile broadband access to areas that include households that are unserved by an existing facility-based broadband provider. Additionally, the bill would have required the CPUC to review applications within a specified period, document the basis for denial of an application, and authorize the amendment and resubmission of denied applications, and require that any ministerial review process developed by the CPUC include a streamlined application process and a reimbursement mechanism for predetermined project costs. Governor Newsom vetoed this bill on September 29, 2022, stating that it would undermine the last-mile grant program by creating additional delays in implementation.

- **AB 2752 (Wood)**, as amended August 1, 2022, as it relates to the CPUC, amends section 281.6 of the Public Utilities Code to require the CPUC, in collaboration with relevant state agencies and stakeholders, to additionally include all developed last-mile broadband service connections from the statewide open-access middle-mile broadband network on that interactive map. Governor Newsom signed AB 2752 on September 29, 2022 (Chapter 801, Statutes of 2022).

- **AB 2906 (Patterson)**, as introduced February 18, 2022, amends section 2872 of the Public Utilities Code to exempt from CPUC control and regulation the use of an automatic dialing-announcing device for purpose of a school contacting parents or guardians of pupils regarding the health or safety of pupils. Governor Newsom signed AB 2906 on June 21, 2022 (Chapter 36, Statutes of 2022).

- **SB 857 (Hueso)**, as amended March 21, 2022, amends sections 275.6 and 276.5 of the Public Utilities Code to extend the sunsets for the California High Cost Fund programs (CHCF-A and CHCF-B) by five years. According to the author, "[r]ecent wildfires and the Covid-19 pandemic have demonstrated the need to ensure that Californians have access to high-quality, affordable telecommunications services. . . . California's high-cost funds help ensure that residents in these communities can afford telephone service. . . . SB 857 extends this sunset by five years to ensure that Californians in high-cost areas can continue to access these essential telecommunications services." Governor Newsom signed SB 857 on September 28, 2022 (Chapter 706, Statutes of 2022).

Water

- **SB 1469 (Bradford)**, as amended August 23, 2022, amends section 727.5 of the Public Utilities Code relating to water corporations. This bill allows the CPUC to authorize the implementation of a mechanism that separates a water corporation's revenues and its water sales. The bill also requires the CPUC to ensure that errors in estimates of demand elasticity or sales do not result in material over collections or under collections of water corporations. Governor Newsom signed SB 857 on September 30, 2022 (Chapter 890, Statutes of 2022).

Transportation

- **AB 1919 (Holden)**, as amended August 11, 2022, would have added and repealed Chapter 2 (commencing with section 99100) of the Public Utilities Code, relating to transportation. This bill would have required local authorities, school districts, and colleges to maintain their funding for free or reduced fare youth transit and impose a state-mandated local program. This bill would also have created the Youth Transit Pass Pilot Program for purposes of offsetting the costs to transit agencies of offering free youth transit passes. According to the author, "[the] lack of statewide program leaves millions of low-income and diverse youth without affordable or accessible transportation options," and this bill could help remedy that issue. Governor Newsom vetoed this bill on September 13, 2022, stating that it was "important to remain disciplined when it comes to spending, particularly spending that is ongoing."

- **AB 2015 (Cooley)**, as amended on March 21, 2022, amends and repeals various sections of the Public Utilities Code related to transportation. This bill specifies that only a member entity that is annexed after the initial formation of the Sacramento Regional Transit District would be authorized to make an appointment to the board for the district, in addition to the initial appointments made by the City and County of Sacramento governing boards. The bill changes existing law to no longer allow a majority vote to suffice for an official act of the board, and instead requires an affirmative vote by the majority of board members, unless a higher vote threshold is required by law. The bill also increases the monetary threshold for certain transit bids, establishes a retirement board for its retirement system, and repeals other obsolete language. Governor Newsom signed AB 2015 on August 26, 2022 (Chapter 182, Statutes of 2022).

- **AB 2763 (Kalra)**, as amended August 2, 2022, adds Article 4.5 (commencing with section 100157) to the Public Utilities Code relating to transportation. This bill authorizes the Santa Clara Valley Transportation Authority to enter job order contracts with the lowest responsible and responsive bidders. The bill prohibits a single job order contract from exceeding $5,000,000 in its first term and, if extended or renewed, from exceeding $10,000,000 over the maximum of two extended terms. Job order contracts are be defined as indefinite-quantity contracts for repair, remodeling, or other repetitive work to be done according to unit price. Governor Newsom signed AB 2763 on September 29, 2022 (Chapter 803, Statutes of 2022).

- **SB 1488 (Glazer)**, as amended on August 18, 2022, would have amended sections 28840, 28841, and 28844, add sections 28841.2, 28841.4, and 28841.6, and would have repealed section 28845 of the Public Utilities Code relating to transportation. This bill would have revised the duties and responsibilities of the San Francisco Bay Area Rapid Transit District (BART) Inspector General (IG) and provide that the IG would have the independence necessary to conduct all its audits and investigations in conformity with specified standards. The bill would have clarified the IG's access to BART operations as well as clarified the authority to examine records and other property. According to the author, "Inspector Generals are supposed to be independent watchdogs of the agency with which they serve. This bill would give new powers and protections to the BART Inspector General to ensure that the office is truly independent." Governor Newsom vetoed this bill on September 28, 2022, stating that while he agreed with "the intent of the legislation and appreciated the author's collaboration with the BART Board on many of the bill's provisions," one unresolved issue remained regarding the notification of all represented employees of their right to representation. Governor Newsom encouraged the author to work with the IG and the BART Board to resolve this remaining issue in either a charter or future legislation.

- **AB 1833 (Ward)**, as amended April 27, 2022, amends sections 120222, 125222, and 132352.4 of the Public Utilities Code to change various bidding thresholds for the San Diego Metropolitan Transit System (MTS), the North County Transit District (NCTD), and the San Diego Association of Governments (SANDAG) to align with the federal simplified acquisition threshold (SAT). Governor Newsom signed AB 1833 on July 19, 2022 (Chapter 110, Statutes of 2022).

- **AB 2716 (Grayson)**, as amended June 30, 2022, would have added section 5445.4 to the Public Utilities Code to require the CPUC to create a safety course on safe driving and passenger safety for drivers of transportation network companies. Additionally, the bill would have required transportation network companies to require their participating drivers to complete the safety course once every two years as a condition of using the transportation network company's online-enabled application or platform to connect with passengers. Governor Newsom vetoed this bill on September 29, 2022, stating that this bill was "redundant of existing safety requirements and may have the unintended consequence of restricting the authority of the CPUC to expeditiously adjust and modify these requirements, as needed, to protect public, driver, and passenger safety."

- The following bills, reported in Volume 27, No. 2 (Spring 2022) died in committee or otherwise failed to be enacted in 2022: (Internal) AB 2911 (Muratsuchi), regarding the CPUC website providing adequate and transparent information; AB 2765 (Santiago), regarding funding programs to provide public benefits; (Energy) AB 1814 (Grayson), regarding community choice aggregators for transportation electrification programs; AB 2587 (Eduardo Garcia), regarding the formation of a separate Energy Commission assessment on firm renewable energy resources and firm zero-carbon resources in the CPUC's integrated resource plan process; AB 641 (Holden), regarding the requirement that all locally publicly owned electric utilities to have at least one EV charging station; SB 1385 (Cortese), regarding the establishment of a new multifamily housing local solar program; AB 2399 (Mayes), regarding electrical companies joining with other load serving entities to provide electrical services; AB 2864 (Robert Rivas) regarding the removal of the statewide 250-megawatts limit in the Local Government Renewable Energy Self-Generation Program; SB 839 (Dodd), regarding electrical load bearing entities and demand response programs; SB 881 (Min), regarding requiring electrical load bearing entities to obtain a diverse, balanced, and reliable statewide portfolio; SB 1119 (Limón), regarding the need for a new gas plant; SB 1486 (Stern), regarding the Aliso Canyon Withdrawal Protocol; (Wildfire) AB 2070 (Bauer-Kahan), regarding notice requirements for wildfire mitigation by electrical corporations; AB 2889 (Wicks), regarding the requirement of electrical corporations in fire-risk districts to create multi-year plans to bury power lines; AB 2937 (Calderon), regarding electrical corporations recovering the costs and expenses that arose from the 2018 catastrophic wildfire; (Telecommunications) AB 2066 (Seyarto), regarding the removal of all references to telegraph corporations and, consequently, the CPUC's statutory authority to regulate telegraph corporations; AB 2252 (Aguiar-Curry), regarding the required sharing of information following telecommunications service failures and network damage after a natural disaster; AB 2635 (Levine), regarding the requirement that all public, educational, and governmental access channels be broadcast in High Definition; AB 2702 (Gipson), regarding the provision of internet connectivity to all residents of publicly supported housing developments; AB 2748 (Holden), regarding revisions to the Digital Infrastructure and Video Competition Act of 2006; AB 2901 (Patterson), regarding requiring the CPUC to publish adopted decisions and resolutions within 5 days of the adoption of each decision or resolution; (Transportation) AB 2181 (Berman), regarding the membership of the board of directors for the Santa Clara Valley Transportation Authority; AB 2271 (Gipson), regarding authorizing LA Metro to provide preference for local small businesses with respect to contracts; AB 2641 (Gipson), regarding revising the California Emerging Technology Fund to focus on digital equity; AB 2753 (Reyes), regarding the creation of a Digital Equity Bill of Rights.

LITIGATION

- ***Rittiman v. Public Utilities Commission*, Case No. A162842 (Cal. Ct. App., 1st Dist.)**. On June 17, 2022, the Court of Appeal held that petitioner was not required to fully exhaust the administrative remedies of the CPUC prior to filing suit on his Public Records Act (PRA) request. CPUC's action on his administrative appeal did not render his writ proceeding moot. However, CPUC properly denied the PRA requests on the basis of the "Governor's correspondence" exemption and/or the "deliberative process" privilege. *[26:2 CRLR 220]*

- ***Golden State Water Co., et al. v. Public Utilities Commission*, Case No. S269099 & S271493 (Cal. Sup. Ct. 2022)**. According to a June 1, 2022 court order, the California Supreme Court granted the CPUC motion to consolidate the matters for purposes of briefing, argument, and decision. As of November 15, 2022, the parties submitted opening and responding briefs, any replies are due by December 15, 2022. The original petitions for review filed by Golden State Water Company and California-American Water Company were filed October 2021, asked the Court to review D.20-08-047 and D.21-09-047, issued by the CPUC.

- ***Alice Stebbins v. California Public Utilities Commission*, Case No. CGC-20-588148 (San Francisco Super. Ct.)**. On December 1, 2022, a jury verdict was reached in favor of the CPUC, rejecting claims of Alice Stebbins that she was fired as Executive Director of the CPUC in August 2020 for whistleblowing. On December 4, 2020, Ms. Stebbins filed a complaint against the Commission in the San Francisco Superior Court. The lawsuit stems from the CPUC commissioners' unanimous vote to terminate Stebbins on August 31, 2020 after a California State Personnel Board Special Investigation Report concluded that a series of hires made during Stebbins' tenure were "highly questionable." *[See 26:2 CRLR 202–2 03; 27:2 CRLR 220]*