CALIFORNIA PUBLIC UTILITIES COMMISSION

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he California Public Utilities Commission (CPUC) was created in 1911 to regulate privately-owned utilities and ensure public access to reasonable rates and services. 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. Additionally, it licenses 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.

The Governor appoints five full-time members to the Commission, subject to Senate confirmation, to direct the agency. The California Constitution directly authorizes the Commission and mandates that it balances 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 holds quasi-legislative authority, enabling it to adopt regulations, some of which are codified in Chapter 1, Title 20 of the California Code of Regulations (CCR). The Commission also possesses quasi-judicial authority, granting it the ability 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 conducts

both quasi-legislative and quasi-judicial hearings when evidence-taking and findings of fact are needed. Generally, the CPUC's ALJs preside over hearings and forward "proposed decisions" to the Commission for all final rulings. In the past, the California Supreme Court had sole discretion to review CPUC decisions. However, Public Utilities Code section 1756 now permits courts of appeal to entertain challenges to most CPUC decisions. Despite this change, judicial review remains discretionary, resulting in most petitions for review not being entertained. As a result, the CPUC's decisions are effectively considered final in the majority of cases.

The CPUC permits ratepayers, utilities, and consumer and industry organizations to participate in its proceedings actively. Non-utility entities can be granted "party" status and may receive "intervener compensation" if they contribute to a beneficial outcome for the general public beyond their economic interests. Over the past twenty years, this compensation has facilitated the participation of numerous consumer and minority-representation groups in Commission proceedings, 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—consisting of economists, engineers, ALJs, accountants, attorneys, administrative and clerical support staff, and safety and transportation specialists—is organized into 16 divisions.

In addition, the CPUC maintains essential services to ensure 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 seeking 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 with the aim of obtaining "the lowest possible rate for service consistent with reliable and safe service levels."

Per Public Utilities Code section 308(a), the five-member Commission appoints the Executive Director, who serves at the pleasure of the Commissioners. Commissioners are appointed to the CPUC for six-year terms, subject to Senate confirmation.

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

As of this writing, there are no vacancies at the CPUC. [see 28:1 CRLR 73–77]

HIGHLIGHTS

California Public Utilities Commission Announces First Market Transformation Administrator

On January 31, 2023, the California Public Utilities Commission (CPUC) made an announcement regarding its first-ever Market Transformation Administrator (CalMTA). This new position aligns with the CPUC's continuous efforts to advance clean energy, promote energy efficiency, and foster innovation within the state's energy sector. Furthermore, CalMTA has been entrusted with the vital responsibility and oversight of California's overall energy sector, significantly impacting the state's future. For more information on California's energy sector, interested individuals can visit the California Energy Commission's website.

CalMTA has been assigned the responsibility of developing and implementing programs aimed at transforming California's energy market toward a more sustainable, low-carbon future.

Moreover, the CalMTA position will collaborate with other sustainable, low-carbon projects,

including California Governor Gavin Newsom's Executive Order N-79-20. The primary focus of CalMTA will be to boost the adoption of clean energy technologies such as solar, wind, and energy storage while promoting energy efficiency through programs that help consumers reduce their energy consumption. Furthermore, the CalMTA will be the primary overseer of any developments or implementations of "new energy efficiency initiatives" as outlined in <u>D.19-12-021</u> and approved by the CPUC in November 2022.

The CalMTA's additional priorities involve expediting the deployment of clean energy technologies across California. This includes working with utilities, businesses, and communities to promote the adoption of the aforementioned renewable energy sources. CalMTA will identify and remove any outdated regulations or permitting processes to overcome barriers to developing clean energy technologies. An overall goal of the CalMTA is to facilitate California in reducing its carbon footprint.

The CalMTA will work closely with the California Air Resource Board (CARB), the California Energy Commission (CEC), and the United States Department of Energy (DOE) to further develop and implement policies and programs that support clean energy and energy efficiency. CPUC Commissioner Genevieve Shiroma, the assigned commissioner for the energy efficiency rulemaking, mentioned that an Advisory Board would be established to "keep an eye on assuring all communities have an opportunity to benefit, especially disadvantaged communities." Check out CARB's California Greenhouse Gas Emission Inventory Program for more information on California carbon emissions.

California Public Utilities Commission's Plan to Ease the Burden of Costly Utility Bills

On February 28, 2023, the CPUC and the Public Advocates Office presented their <u>annual update</u> to the legislature, focusing on enhancing the affordability of utility bills. The CPUC <u>report</u> outlined several active that aim to make utilities in California more affordable. The report recognized that utility bills, such as those for electricity, gas, and water, pose a significant burden on household budgets, especially for low-income families. The CPUC remains committed to ensuring that all Californians have access to safe, reliable, and affordable utility services.

Additionally, the United States Department of Health and Human Services heads the statewide Low-Income Home Energy Assistance Program (LIHEAP). This program aims to assist low-income households in paying their energy bills, reducing the risk of disconnection, and improving energy efficiency. The program is funded through a small fee added to all utility bills, which will be collected by the utilities and then transferred to the LIHEAP program. Importantly, this fee structure is designed to ensure it does not disproportionately impact low-income households. Another measure outlined in the CPUC report involves the establishment of a statewide energy efficiency program. This program aims to reduce energy consumption in households by offering incentives for homeowners to install energy-efficient appliances and systems. Similar to the LIHEAP program, funding for this initiative will come from a small fee added to all utility bills.

The report also emphasized the significance of actively expanding access to renewable energy sources, such as solar panels and wind turbines. The CPUC stated its commitment to increase the utilization of renewable energy in California and is working on initiatives to make renewable energy more accessible and affordable for all Californians.

To support these initiatives, the CPUC is actively streamlining the regulatory process for renewable energy projects, simplifying and reducing costs for companies to install renewable energy systems. The CPUC is also working on policies to incentivize the adoption of renewable energy, such as <u>net metering</u> and <u>time-of-use pricing</u>.

The CPUC report also addressed the issue of water affordability in California. The CPUC is actively developing policies to ensure that water rates remain affordable for all Californians, regardless of income. These initiatives include measures to promote water conservation and efficiency, along with programs to assist low-income households with paying their water bills.

MAJOR PUBLICATIONS

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

General

- 2022 Annual Railroad Safety Report, Rail Safety Division of the CPUC, November 30, 2022 (the CPUC issues an annual Railroad Safety Report for fiscal year 2021–2022 in accordance with Public Utilities Code sections 916, 916.1, 916.2, and 916.3. The report covers the CPUC's rail safety activities, findings, and actions in response to certain incidents, hazardous sites, and the impact of regulatory fees on competition, with a focus on the challenges presented by the COVID-19 pandemic and the CPUC's innovative programs to ensure railroad safety beyond regulatory requirements).
- The Public Advocates Office The Consumer Advocate at the California Public

 Utilities Commission 2022 Annual Report, The Public Advocates Office, Fall 2022 (provides an overview of the organization's advocacy efforts and accomplishments in securing access to

education and other public services for Californians facing discrimination or economic disadvantage. This report is done every year and works in tandem with the CPUC because the Public Advocates Office helps to ensure Californians are represented at the CPUC and other forums).

- 2022 Resolution of Proceedings and Commissioner Presence at Hearings, the CPUC, January 2023 (Public Utilities Code section 910.1 requires the CPUC to report annually on the status of its proceedings, which fall into four categories: adjudicatory, rate setting, quasilegislative, and catastrophic wildfire. This report covers the 2022 calendar year and includes information on timely resolution of cases, applications for rehearing, and the number of days Commissioners presided in hearings, as well as the Commission's response to disruptions caused by the COVID-19 pandemic. Additionally, Public Utilities Code section 1701.1, et seq. requires regulatory matters to be resolved within specific time periods based on the categorization of a proceeding, and this requirement now applies to all proceedings regardless of whether they involve evidentiary hearings.).
- <u>CPUC Annual Report</u>, the CPUC, February 2023 (The CPUC issues an annual report to the legislature providing a comprehensive overview of the organization's activities, achievements, and challenges during the preceding fiscal year. The report covers all aspects of the CPUC's operations, including energy, water, transportation, and communications. Moreover, it highlights the organization's efforts to protect consumers, promote competition, and support California's transition to a cleaner, more reliable, and more affordable energy future.).
- <u>2022 Annual on Trusts and Entities Established by the California Public Utilities</u>

 <u>Commission</u>, the CPUC, February 1, 2023 (the CPUC submits this annual legislative report to the legislature in accordance with AB 1338 (Committee on Budget) (Chapter 760, Statutes of 2008).

The report provides an overview of the CPUC's fiscal and governance information for the entities and programs it has established, featuring annual updates.).

Energy

- <u>2022 RPS Annual Report to the Legislature</u>, the CPUC, November 2022 (the CPUC provides an annual report to the legislature on the progress of the <u>Renewables Portfolio Standard (RPS) Program. It outlines</u> the extent to which electricity retail sellers have met the RPS program requirements for 2021 and future years. Additionally, the report identifies challenges faced and offers recommendations for addressing them, with a subsequent report covering the 2017–2020 compliance period. However, it's worth noting that the state's integrated resource planning process, which aims to achieve 100 percent renewable and zero-carbon energy by 2045, will become increasingly important in future renewable project development.).
- Report on Residential and Household Utility Service Disconnections Pursuant to

 Public Utilities Code Section 910.5 (2018–2022 Results), the CPUC, April 2023 (the CPUC issued its sixth annual report, required by Public Utilities Code section 910.5 and SB 598, which outlines the CPUC's efforts to decrease residential utility service disconnections by the four largest electric and gas corporations in California (SCE, SoCalGas, SDG&E, and PG&E). The report provides detailed data on electric and gas residential service disconnections and reconnections from 2018 to 2022).
- <u>2022 California Electric and Gas Utility Costs Report</u>, the CPUC, April 2023 (the CPUC issued the annual 2022 California Electric and Gas Utility Costs Report, also known as the AB 67 Annual Report, as mandated by Public Utilities Code section 913. This report offers ratepayers a comprehensive breakdown of the costs associated with utility programs and activities

included in retail rates, and offers a detailed explanation of the factors influencing electric and gas rates for 2022).

Telecommunications

• Annual Report of Telephone Corporations Customer, Employment, and Investment Information, Communications Division of the CPUC, November 2022 (Public Utilities Code sections 914 and 7912 mandate that CPUC submit an annual report to the Assembly Committee on Communications and Conveyance and the Senate Committee on Energy, Utilities and Communications, containing specified information on regulated telephone corporations with over 750 employees, including customer data, employment statistics, and capital investments. This report, covering the year 2021, includes data on wireline companies such as AT&T California, Frontier California, and Sprint, along with wireless companies such as AT&T Mobility, Verizon Wireless, and T-Mobile).

• <u>Deaf and Disabled Telecommunications Program (DDTP) Annual Report 2021-</u> <u>2022</u>, the CPUC, March 2023 (the annual report issued by the DDTP provides an overview of the program's activities, progress, and impact in ensuring access to telecommunication services and equipment for individuals who are deaf, hard of hearing, deaf-blind, or have difficulty speaking.

RULEMAKING

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

• Order Instituting Rulemaking Proceeding to Consider Changes to Requirements on Video Franchises Under the Digital Infrastructure and Video Competition Act (R.23-04-006): On April 6, 2023, the CPUC filed this proceeding. This order establishes a

rulemaking proceeding that will evaluate changes to requirements on video franchisees as outlined in the <u>Digital Infrastructure and Video Competition Act</u>. Additionally, it will revise <u>General Order</u> 169.

- Order Instituting Investigation (<u>I.23-03-008</u>): On March 16, 2023, the CPUC filed this proceeding. This order initiated an investigation into natural gas prices during the winter of 2022–2023 and the consequential impacts on energy markets. This investigation has been initiated on the Commission's own motion.
- Wildfire Fun Non-Bypassable Charge (R.23-03-007): On March 16, 2023, the CPUC filed this proceeding. The order instituting rulemaking seeks to establish the non-bypassable charge for the Wildfire Fund in 2024, 2025, and 2026.
- Order Instituting Rulemaking Proceeding to Consider Rules to Implement the Broadband Equity, Access, and Deployment Program (R.23-02-016): On February 23, 2023, the CPUC filed this proceeding. The order has initiated a rulemaking proceeding aimed at developing regulations for the implementation of the Broadband Equity, Access, and Deployment Program.
- Order Instituting Rulemaking to Consider Potential Extension of Diablo Canyon Power Plant Operations in Accordance with Senate Bill 846 (R.23-01-007): On January 12, 2023, the CPUC filed this proceeding. This order implemented SB 846 (Dodd) (Chapter 239, Statutes of 2022) which discusses the possibility of extending the operations of the Diablo Canyon Power Plant.
- Order Instituting Rulemaking to Address Biomethane Procurement Cost Allocation (R.22-12-011): On December 15, 2022, the CPUC filed this proceeding. This order

initiates a rulemaking process to tackle the issue of how to allocate the cost of procuring biomethane.

• Order Instituting Rulemaking to Consider Distributed Energy Resource Program Cost-Effectiveness Issues, Data Use and Access, and Equipment Performance Standards (R.22.11.013): On November 17, 2022, the CPUC filed this proceeding. The order initiated a rulemaking process to discuss and examine cost-effectiveness matters related to distributed energy resource programs, as well as data access and use, and performance standards of equipment.

LEGISLATION

- AB 50 (Wood), as amended on March 23, 2023, would amend section 451, and add section 783.4, to the Public Utilities Code. The bill would require public utilities to furnish and maintain timely service, equipment, and facilities, as determined by the CPUC. Until the commission determines the criteria for timely service, large electrical corporations must make a good faith effort to deliver service within specified time frames to avoid penalties. This bill would establish a state-mandated local program that does not necessitate reimbursement from the state and would designate violations of the new provisions as a crime). [A. U&E]
- AB 65 (Mathis), as amended on February 14, 2023, would amend sections 25524.1 and 25524.2 of the Public Resources Code, and add section 711 to the Public Utilities Code. The existing law prohibits the certification or usage of nuclear fission thermal powerplants in California, except for specified powerplants meeting specific conditions This bill would exempt small modular reactors from those provisions and would require the Public Utilities Commission to adopt a plan to increase the procurement of electricity generated from nuclear facilities and

phase out the procurement of electricity generated from natural gas facilities by January 1, 2026.

[A. NatRes]

- AB 286 (Wood), as amended on April 11, 2023, would amend section 281.6 of the Public Utilities Code. This bill would require the Public Utilities Commission to update the statewide broadband service accessibility map by including information on each provider of broadband services and their maximum offered speed at each address in the state. Additionally, the map would feature capabilities to receive self-reported data, which would be made publicly available by address. [A. Appr]
- AB 324 (Pacheco), as amended on March 27, 2023, would amend the heading of Article 10 (commencing with section 650) of Chapter 3 of Part 1 of Division 1 of, and add section 652 to the Public Utilities Code. This bill would require the Public Utilities Commission to initiate proceedings to consider establishing procurement goals for renewable hydrogen. Furthermore, gas corporations would be required to annually procure a proportionate share of renewable hydrogen to meet those goals. The bill would also create a new crime and impose a state-mandated local program. [A. NatRes]
- AB 344 (Wood), as introduced on January 31, 2023, would add section 380.7 to the Public Utilities Code. This bill would authorize electrical corporations, electric service providers, and community choice aggregators to enter into joint agreements for purchasing electricity from offshore wind facilities. This provision aims to enable them to meet their load requirements while maintaining their physical generating capacity and electrical demand response. [A. U&E]
- AB 429 (Bennett), as amended on March 2, 2023, would add Article 5 (commencing with section 13807) to Chapter 10 of Division 7 of the Water Code. The existing

law requires the adoption of drilling and abandonment standards for water wells. The new bill seeks to prohibit the approval of new groundwater wells or alterations to existing wells in over drafted basins unless certain conditions are met, and it would impose state-mandated local programs without requiring reimbursement. [A. WP&W]

- AB 463 (Hart), as introduced on February 6, 2023, would amend sections 2772 and 8386 of the Public Utilities Code. The bill compels the CPUC to consider the economic, social equity, and mobility impacts of a temporary discontinuance in electrical service to customers that rely on electrical service to operate public transit vehicles. This consideration is to be made when establishing priorities among types or categories of customers of electrical corporations. The bill mandates wildfire mitigation plans submitted by electrical corporations to include protocols related to mitigating public safety impacts on public transit vehicle charging infrastructure. Violations of commission action implementing some of these requirements would be considered a crime. [A. Appr]
- AB 487 (Ting), as introduced on February 7, 2023, would amend section 382 of the Public Utilities Code. The current law mandates the Public Utilities Commission to evaluate the needs of low-income electricity and gas consumers, including the effectiveness of weatherization services and energy efficiency measures, at least once every three years. However, this bill would require the commission to conduct this assessment biennially instead. [A. U&E]
- AB 538 (Holden), as revised on February 23, 2023, would add Division 4.2 (commencing with section 9000) to, to repeal section 352 of, to repeal Article 5.5 (commencing with section 359.5) of Chapter 2.3 of Part 1 of Division 1 of, and to repeal and add section 359 of, the Public Utilities Code. The bill would prohibit California electrical transmission facilities and utilities from joining a multi-state regional transmission system organization unless certain

requirements are met. Additionally, it would mandate the Energy Commission to review the organization's bylaws and organizational documents before allowing participation. The ISO is authorized to submit a governance proposal that complies with the bill's requirements for review and approval by the Energy Commission, the Legislature, and the Governor. [A. U&E]

- AB 580 (Bennett), as amended on March 16, 2023, would add section 913.2 to the Public Utilities Code. This bill would require the Public Utilities Commission to consult with certain departments and develop best practices to assist grant recipients in repurposing their land for zero-emission energy infrastructure. Load-serving entities would be required to consider these best practices in their integrated resource plan. The bill would establish a new crime and impose a state-mandated local program. [A. Appr]
- AB 604 (Lee), as introduced on February 9, 2023, would amend section 798.40 of the Civil Code, and amend sections 2705.5 and 2705.6 of the Public Utilities Code. Existing law governs mobile home park tenancies and limits charges and fees on homeowners for separately billed water utility service. The bill would prohibit the CPUC from ordering payment of reimbursement for water rates that comply with those limitations and clarify that a mobile home park providing water service through a submeter system is exempt from regulation as a public utility if the park management complies with the limitations. The bill would also apply those limitations to all management that separately bills water utility service to homeowners, including those subjects to the commission's jurisdiction. [A. Appr]
- AB 625 (Newman), as amended on April 12, 2023, would amend sections 38535 of the Health and Safety Code, to add Section 25302.3 to, to add Article 3.5 (commencing with section 4139) to Chapter 1 of Part 2 of Division 4 of, and to repeal section 4140.3 of, the Public Resources Code, and to amend section 399.20 of the Public Utilities Code. The bill would establish

specific requirements and actions to address forest biomass waste utilization in state climate adaptation plans. The Natural Resources Agency would be tasked with integrating recommendations for forest biomass waste utilization into these plans. The Energy Commission would be responsible to evaluate innovative bioenergy technologies that use forest biomass waste and include it in the 2025 integrated policy report. It would also require the state air board to quantify greenhouse gas emissions from wildfire, pile burning, and forest management activities and require the PUC to continue the BioMAT program until certain conditions are met. The bill would impose a state-mandated local program and the California Constitution would not require reimbursement for a specified reason. [A. Appr]

- AB 643 (Berman), as introduced on February 9, 2023, would add section 769.4 and 913.10 to the Public Utilities Code. The bill would mandate the Public Utilities Commission to submit a report to the legislature on timelines for the interconnection of customer-sited energy generation and storage resources. It would also consider the negligent exceedance of an interconnection timeline by an electrical corporation to be a failure to comply with a commission rule subject to a penalty. The bill would not require the state to reimburse local agencies and school districts for costs mandated by the state. [A. U&E]
- AB 678 (Alvarez), as amended on March 27, 2023, would amend section 651 of the Public Utilities Code. This bill would require the Public Utilities Commission to consider specific biomethane procurement targets or goals for each gas corporation and agent. A violation of the bill's provisions would be deemed a crime, and no reimbursement would be required by the bill. [A. NatRes]
- AB 691 (Ting), as introduced on February 13, 2023, would amend section 913.9 of the Public Utilities Code. Existing law requires the Public Utilities Commission to report to the

legislature on ratepayer-funded energy efficiency programs on a biennial basis. This bill would change that requirement to an annual basis. [A. Appr]

- AB 755 (Papan), as amended on March 16, 2023, would add Chapter 3.8 (commencing with section 390) to Division 1 of the Water Code. The proposed bill seeks to require public entities that conduct cost-of-service analyses to identify the incremental costs incurred by major water users and make that information publicly available on their website. Implementing his higher level of service would impose a state-mandated local program. However, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to statutory provisions. [A. WP&W]
- AB 982 (Villapudua), as amended on March 27, 2023, would amend section 25711 of the Public Resources Code, and amend various sections of, and add section 318 to, the Public Utilities Code. This bill would establish the Public Utilities Public Purpose Programs Fund. As of December 31, 2023, the CPUC would be required to allocate funds to various public purpose programs through an electrical corporation's public purpose program rate component. Also, other programs determined by the commission to provide public benefits, except for the Family Electric Rate Assistance program and the California Alternate Rates for Energy (CARE) program. [A. Appr]
- AB 995 (Ting), as introduced on February 15, 2023, would amend section 380 of the Public Utilities Code. Under existing law, the CPUC must establish resource adequacy requirements for all load-serving entities and publish an annual report on the percentage of each entity's resource requirements that were met with eligible renewable energy, zero-carbon, or energy storage resources. This bill would require the commission to calculate and publish this information biannually instead of annually. [A. U&E]

- AB 1061 (Boerner), as amended on March 9, 2023, would amend section 2896 of the Public Utilities Code. This bill would require the CPUC to provide a report to the legislature on the performance of telephone corporations in meeting the customer service requirements established by the Telecommunications Customer Service Act of 1993. [A. Appr]
- AB 1065 (Patterson), as amended on March 2, 2023, would amend section 281 of the Public Utilities Code. This bill would allow eligible wireless broadband service providers to apply for and receive funding from the Broadband Infrastructure Grant Account and the Federal Funding Account, which are accounts established within the California Advanced Services Fund (CASF) by the CPUC. The CASF encourages the deployment of high-quality advanced communications services to all Californians, promoting economic growth, job creation, and the substantial social benefits of advanced information and communications technologies. The commission is authorized to impose a surcharge, until December 31, 2032, to collect up to \$150,000,000 per year for deposit into the CASF. [A. Appr]
- AB 1068 (Valencia), as amended on March 27, 2023, would amend sections 1701.3 and 1701.9 of the Public Utilities Code. This bill would now allow written ex parte communications at any time without restriction as long as copies are transmitted to all parties on the same day. Furthermore, the prohibition on written ex parte communications during the quiet period established by the CPUC for rate setting cases and catastrophic wildfire proceedings would be removed. [A. Appr]
- AB 1102 (Patterson), as introduced on February 15, 2023, would amend section 2891.1 of the Public Utilities Code. Existing law prohibits telephone corporations from including the phone number of an unpublished or unlisted subscriber in a list without the subscriber's written waiver of this protection. Also, it prohibits mobile telephony services providers from including a

subscriber's dialing number in a directory without first obtaining the subscriber's express consent, except for certain purposes. This bill would now authorize disclosing telephone numbers to certain agencies without consent for the purpose of responding to a 988 call or testing systems that respond to 988 calls. [A. Priv&CP]

- AB 1155 (Flora), as amended on March 16, 2023, would add section 8387.5 to the Public Utilities Code. This bill establishes specific requirements for vegetation management, including visually assessing and inspecting trees. The bill would also specify that meeting those requirements establishes a rebuttable presumption that the relevant standard of care is met and would impose a state-mandated local program by additional duties on local publicly owned electric utilities. [A. U&E]
- AB 1181 (Zbur), as amended on March 23, 2023, would amend section 2870 of the Public Utilities Code. Current law authorizes the CPUC to allocate certain amounts of money for the Multifamily Affordable Housing Solar Roofs Program and requires low-income tenants who participate in the program to receive credits on utility bills. This bill would instead require benefitting accounts to receive credits, ensure tariff structures do not discourage solar energy storage technologies, and authorize properties to choose between certain tariffs or self-consumption. The bill also makes violating the commission's requirements a crime and imposes a state-mandated local program but would not require reimbursement. [A. U&E]
- AB 1231 (Santiago), as amended on April 7, 2023, would add section 879.1 to the Public Utilities Code. This bill would require the CPUC to enable every lifeline telephone service subscriber to combine California lifeline subsidies with federal low-income communications subsidies by February 1, 2024. Also, it would prohibit the commission from denying the full specific support amount for California lifeline to a service line that combines those subsidies.

Additionally, the commission would be prohibited from disallowing any portion of payment to a telephone corporation providing lifeline telephone service based on the combination of those subsidies. [A. C&C]

- AB 1293 (Irwin), as amended on March 23, 2023, would add section 783.4 to the Public Utilities Code. The existing law mandates the CPUC to establish strategies and quantifiable metrics to maximize the use of feasible and cost-effective electric vehicle grid integration by January 1, 2030. Also, electrical corporations are required to provide certain information to the commission relating to the electric vehicle integration strategies. The Powering the Future Act would require each electrical corporation to develop an electric vehicle service energization timeline to connect customers with electric vehicle charging infrastructure to the electrical grid within 125 business days and create a new crime for violating the bill's requirements. [A. U&E]
- <u>AB 1358 (Muratsuchi)</u>, as amended on April 6, 2023, would amend section 454.53 of the Public Utilities Code. Existing California law requires the state to generate a certain percentage of its electricity from renewable energy resources by certain dates. The law also establishes a policy for the state to supply 100 percent of retail sales of electricity from eligible renewable energy resources and zero-carbon resources by December 31, 2045. This bill would require the CPUC, State Energy Resources Conservation and Development Commission, and State Air Resources Board to include a statewide transmission plan in their joint report to the legislature to facilitate the timely attainment of this policy and the targets of the California Renewables Portfolio Standard Program. [A. U&E]
- <u>AB 1429 (Boerner)</u>, as amended on March 16, 2023, would amend section 739.11 of the Public Utilities Code. This bill would require the CPUC to evaluate and correct inaccurate energy usage estimates of electrical and gas corporations, by reviewing their methodologies and

mechanisms for estimating energy usage, in a new or existing proceeding. The existing law already requires the commission to include in tariffs the methodology used to estimate bills for residential customers with every-other-month meter reading and estimated bills for the months when meters are not read. [A. U&E]

- AB 1434 (Sanchez), as introduced on February 17, 2023, would add section 304.5 to the Public Utilities Commission this bill prohibits the annual salary and any other compensation of CPUC commissioners from being funded with revenues collected from a fee or charge imposed on ratepayers. The legislature expresses its intent that funds used to compensate each commissioner are appropriated from the General Fund or another source of funding not collected from ratepayers. A violation of a commission action implementing this bill's requirements would be a crime, which would impose a state-mandated local program, but no reimbursement is required by this act for a specified reason. [A. Appr]
- <u>AB 1440 (Patterson)</u>, as amended on March 23, 2023, would amend section 311.5 of the Public Utilities Code. This bill would require the CPUC to publish their adopted decisions and resolutions within five days of their adoption, instead of the current 10 days required by existing law. [A. U&E]
- AB 1441(Boerner), as amended on March 16, 2023, would amend section 454.51 of the Public Utilities Code. Under existing law, the CPUC holds regulatory authority over public utilities, including electrical corporations, and is required to identify a diverse and balanced portfolio of resources for a reliable electricity supply that optimally integrated renewable energy. This bill aims to clarify that the portfolio must include an appropriate mix of renewable capacity, such as peaking, dispatchable, baseload, firm, and as-available capacity. [A. U&E]

- <u>AB 1461 (Patterson)</u>, as introduced on February 17, 2023, would amend section 281 of the Public Utilities Code. The bill would revise existing provisions related to the California Advanced Services Fund program. Specifically, it mandates the commission to implement programs upon the allocation of funds and expanding the requirement to allocate \$1 billion for projects in rural and urban counties to the \$2 billion appropriated for last-mile broadband infrastructure. The bill would also eliminate the provision that would have made unencumbered funds available for projects anywhere in the state after June 30, 2023. [A. Appr]
- AB 1482 (Gabriel), as amended on March 20, 2023, would add section 44272.9 to the Health and Safety Code, and to add Chapter 8.5 (commencing with section 2848) to Part 2 of Division 1 of the Public Utilities Code. The bill would require local publicly owned electric utilities to establish an average service energization time for electric vehicle charging infrastructure of 125 business days, aligning with the CPUC's requirements for electrical corporations. It would also require the Energy Commission to prioritize projects from local jurisdictions that have implemented expedited electric vehicle charging permitting processes when providing financial assistance for the installation of electric vehicle charging infrastructure. The bill would impose a state-mandated local program by imposing additional duties on local publicly owned electric utilities. [A. U&E]
- AB 1513 (Calderon), as introduced on February 17, 2023, would amend sections 850 and 850.1 of the Public Utilities Code. The current law allows electrical corporations to recover costs related to wildfires through bonds that are secured by a rate component. This bill proposes an expansion of the bond's scope to include wildfire mitigation efforts and vegetation management costs and allow for short-term rate stability as an alternative condition for issuing recovery bonds. [A. U&E]

- AB 1533 (Committee on Utilities and Energy), as introduced on April 13, 2023, would amend sections 25305.5 and 25792 of the Public Resources Code, and amend sections 454.53, 712, 712.1, 712.8, and 910.4 of, and add sections 913.11, 913.14, and 913.17 to, the Public Utilities Code, and amend section 80710 of the Water Code. This bill aims to clarify the definition of "firm zero-carbon resources" and remove certain requirements related to the Demand Side Grid Support Program. The bill would also extend reporting requirements, establish a rebuttable presumption with regard to the need for proposed transmission projects, and make other changes concerning the Diablo Canyon power plant. [A. U&E]
- <u>AB 1538 (Muratsuchi)</u>, as amended on March 30, 2023, would add section 380.7 to the Public Utilities Code. Existing law gives the CPUC regulatory authority overload-serving entities, ensuring that resource adequacy requirements are established to maintain electrical service reliability in California while promoting clean energy. This bill introduces the Clean Energy Reliability Program, which would offer incentive payments to load-serving entities that exceed their clean energy capacity requirements and would require violators of commission requirements to face criminal charges, thus imposing a state-mandated local program. [A. NatRes]
- <u>AB 1623 (Muratsuchi)</u>, as amended on March 23, 2023, would add section 380.6 to the Public Utilities Code. This bill would require the CPUC to revise the methodologies for energy storage resources as part of a new or existing proceeding, to advance the state's goals for clean energy and reduce greenhouse gas emissions. As a violation of the Public Utilities Act or any commission action would be a crime, this bill would create a new crime and impose a statemandated local program. [A. U&E]
- <u>AB 1661 (Bonta)</u>, as introduced on February 17, 2023, would amend section 780.5 of the Public Utilities Code. This bill would modify existing law requiring individual metering for

residential units issued a building permit on or after July 1, 1982. Under this bill, accessory dwelling units are exempt from individual metering requirements if the owner elects to have their services metered through existing or upgraded utility meters on the property. Electrical and gas corporations are obligated to allow the property owner to make this choice. The bill may impose a state-mandated local program if a violation of a commission action implementing this bill's requirements occurs. [A. U&E]

- AB 1664 (Friedman), as revised on March 15, 2023, would add section 379.11 to the Public Utilities Code. Existing law requires the CPUC to administer a self-generation incentive program using funds appropriated from the legislature to provide incentives for eligible residential customers who install behind-the-meter energy storage systems or solar photovoltaic systems paired with energy storage systems. This bill would require the commission to establish a block grant structure, enabling eligible entities to apply for grants on behalf of residential households to increase resiliency. Violation of this commission action would be a crime; the bill would impose a state-mandated local program. [A. Appr]
- AB 1710 (Ta), as amended on March 23, 2023, would add section 748.3 to the Public Utilities Code. This bill would prevent an electrical corporation from proposing a rate increase above the rate of inflation without the support of a majority of its voting customers. It would also require the commission to evaluate the energy usage estimation methodologies and mechanisms of electrical corporations and gas corporations to correct inaccurate energy usage estimates and would impose a state-mandated local program. [A. U&E]
- <u>AB 1714 (Wood)</u>, as introduced on February 17, 2023, would amend section 216 of the Public Utilities Code. The bill aims to broaden the definition of "public utility" to include corporations providing broadband service, thereby subjecting them to the same requirements and

criminal penalties imposed on public utilities by the Public Utilities Act. The bill would create a state-mandated local program and would not require reimbursement from the state. [A. C&C]

- <u>AB 1717 (Muratsuchi)</u>, as introduced on February 17, 2023, would amend section 345 of the Public Utilities Code. This bill would make non substantive changes to the requirement that the Independent System Operator (ISO), a nonprofit public benefit corporation, ensure the efficient use and reliable operation of the electrical transmission grid consistent with the achievement of planning and operating reserve criteria, as specified under existing law.
- SB 83 (Wiener), as amended on March 30, 2023, would add Chapter 8.3 (commencing with section 2845) to Part 2 of Division 1 of the Public Utilities Code. This bill would require electrical corporations to interconnect development projects with the electrical distribution grid within eight weeks of receiving notification from a development project applicant that the project is ready, subject to certain exceptions. The bill would require electrical corporations to compensate development project applicants for failing to meet the 8-week time period and would require the commission to arbitrate any related disputes. A violation of an order or decision of the commission implementing these requirements would be a crime. [S. EU&C]
- <u>SB 305 (Stern)</u>, as introduced on February 2, 2023, would amend section 2104.7 of the Public Utilities Code. The bill would require the CPUC to allocate monies collected from a gas corporation relating to the Aliso Canyon natural gas storage facility well failure to be allocated for mitigating impacts on local air quality, public health, and ratepayers. The bill would also clarify that these purposes include mitigating impacts on public health in vulnerable communities. [S. EU&C, S. Appr]
- <u>SB 319 (McGuire)</u>, as amended on March 22, 2023, would add section 25308 to, and to add and repeal section 25308.5 of, the Public Resources Code, and to add sections 454.58

and 913.12 to the Public Utilities Code. This bill requires the Energy Commission, the CPUC, and Independent System Operator to coordinate and implement a joint work plan through specified proceedings and other resource planning activities. It also requires the PUC to annually review each electrical corporation long-term transmission infrastructure needs for the subsequent 10 years, based on the interconnection requests it receives, and to coordinate with local governments to identify each local government's present and future interconnection needs. [S. EU&C]

- SB 355 (Eggman), as amended on March 16, 2023, would amend section 2870 of the Public Utilities Code. The Multifamily Affordable Housing Solar Roofs Program currently offers incentives for qualifying solar energy systems installed in multifamily residential buildings that meet specific criteria. This bill expands the requirements to include properties with a higher percentage of low-income households and rental housing properties owned by public housing agencies or authorities. Also, it extends the program through December 31, 2034, and limits the credits on utility bills to units that are separately metered. A violation of the bill's requirements would be a crime, imposing a state-mandated local program, but no reimbursement is required by this act for a specified reason. [S. EU&C]
- SB 410 (Becker), as amended on March 14, 2023, would add Article 14 (commencing with section 930) to Chapter 4 of Part 1 of Division 1 of the Public Utilities Code. Current law requires the State Energy Resources Conservation and Development Commission to collect fleet data for on- and off-road vehicles in the medium- and heavy-duty sectors to help inform electrical grid planning. The Powering Up Californians Act would require the CPUC to establish a working group to propose processes to improve utility readiness for future capacity needs, establish target interconnection time periods, and require utilities to provide reports on staffing levels and circuit upgrades, among other requirements. The bill also permits utilities to

recover costs for interconnection and distribution upgrades from ratepayers, and no reimbursement would be required by the state for this act. [S. EU&C]

- SB 420 (Becker), as amended on March 30, 2023, would amend sections 21180, 21183, and 21183.6 of the Public Resources Code, and add section 1005.3 to the Public Utilities Code. Under existing law, the CPUC must issue a certificate of necessity for an electrical corporation to construct a new line, plant, or system. However, modifying existing transmission facilities does not require such certification. This bill aims to mandate the Governor to identify a lead agency to monitor clean energy and electrical transmission facility planning and deployment. It would also designate certain electrical transmission projects necessary to maintain system reliability as environmental leadership development projects for the purpose of streamlining benefits under the Jobs and Economic Improvement Through Environmental Leadership Act of 2021. [S. EU&C]
- SB 429 (Bradford), as amended on March 20, 2023, would add section 748.7 to the Public Utilities Code. This bill would require the revenues received by a gas corporation as a result of the direct allocation of greenhouse gas emissions allowances to be credited directly to the residential customers of the gas corporation. The bill would require the commission to annually direct gas corporations to distribute the credit as specified. [S. Appr]
- <u>SB 488 (Alvarado-Gil)</u>, as introduced on April 10, 2023, would amend section 399.20.3 of the Public Utilities Code. This bill would modify existing law that requires electrical corporations and local publicly owned electric utilities to collectively procure their proportionate share of 125 megawatts of bioenergy projects by December 1, 2023. This amendment allows for the procurement of bioenergy projects regardless of when they commenced operations and

authorize community choice aggregators to procure any portion of a local publicly owned electric utility's required share that was not procured due to a prior exemption. [S. EU&C]

- <u>SB 506 (Laird)</u>, as amended on March 20, 2023, would add and repeal section 1202.05 of the Public Utilities Code. The bill would require the CPUC to develop and implement a colored pavement markings project at one or more highway-railroad crossings to measure and evaluate the effectiveness of reducing incidents. The findings would be reported to the Legislature. It would also impose a state-mandated local program by creating a new crime, but no reimbursement is required for this act. [S. EU&C, S. Trans]
- <u>SB 527 (Min)</u>, as amended on March 22, 2023, would add section 451.6, and add and repeal Chapter 8.8 (commencing with section 1650) of Part 1 of Division 1 of, the Public Utilities Code. This bill would require the CPUC to develop and administer the Neighborhood Decarbonization Program in consultation with gas corporations, aiming to reduce emissions of greenhouse gases and air pollution, improve safety, and maintain rate affordability for California gas customers. The bill authorizes a gas corporation to cease providing service in an area if adequate substitute energy service is available and allow the commission to terminate a gas corporation's obligation to provide service in an area where substitute energy service is available. [S. EU&C]
- <u>SB 572 (Stern)</u>, as introduced on February 15, 2023, would add section 451.4 to, and to add Part 3 (commencing with section 9530) to Division 4.8 of, the Public Utilities Code. This bill would require the CPUC and Energy Commission to consider imposing additional requirements to protect ratepayers and prevent market manipulation in wholesale and retail markets. The bill would also impose a state-mandated local program, and no reimbursement is required by this act. [S. EU&C]

- SB 605 (Padilla), as amended on March 20, 2023, would add Chapter 18 (commencing with section 25996) to Division 15 of the Public Resources Code, and to amend section 454.53 of the Public Utilities Code. This bill mandates conducting a study to evaluate the feasibility and benefits of using wave energy and tidal energy and would require the development of a strategic plan for the deploying of these technologies. The bill demands the inclusion of the e strategic plan in the joint report by the CPUC, Energy Commission, and State Air Resources Board on achieving the state's renewable energy goals. [S. EU&C, S. NR&W]
- SB 663 (Skinner), as amended on March 20, 2023, would amend section 25741 of the Public Resources Code, and to amend section 399.12.6 of the Public Utilities Code. The California Renewables Portfolio Standard Program sets procurement targets for eligible renewable energy resources. This bill adds a facility that uses renewable hydrogen, meeting certain requirements, as a renewable electrical generation facility and creates a new crime for violating the requirements. [S. EU&C, S. EQ]
- <u>SB 664 (Stern)</u>, as introduced on February 16, 2023, would amend section 25793 of, and to add section 25302.8 to, the Public Resources Code, and to amend section 454.53 of the Public Utilities Code. The bill would require the Energy Commission to ensure demand forecasts in the integrated energy policy report account for multi day extreme and atypical weather events. It would also mandate that contracted resources for the Strategic Reliability Reserve Fund be an eligible renewable energy resource or a zero-carbon resource. The bill also requires the joint report to the legislature on achieving zero or near-zero greenhouse gas emissions in the electricity sector to include estimated emissions reductions for each scenario. [S. EU&C]
- <u>SB 754 (Alvarado-Gil)</u>, as amended on March 21, 2023, would amend section 275.6 of the Public Utilities Code. This bill would modify the CHCF-A program's rate design to

exclude certain revenues and mandate the commission to ensure that small telephone corporations' rate designs align with their revenue requirements. This change would expand the definition of a crime under the Public Utilities Act, imposing a state-mandated local program. No reimbursement is required for this act. [S. EU&C]

- <u>SB 800 (Caballero)</u>, as amended on March 20, 2023, would add section 21208 to the Public Utilities Code. The bill would require the Department of Transportation, in coordination with other agencies, to establish an advisory committee to assess possible pathways for implementing electrification goals in the aviation industry. The committee would report its findings and recommendations to the department and Legislature by January 1, 2025. [S. Trans]
- SB 823 (Smallwood-Cuevas), as introduced on April 12, 2023, would add section 25231.7 to the Public Resources Code, and to add section 913.16 to the Public Utilities Code. This bill would propose that every operator of an electric vehicle charging station that receives funding from a state program or agency must establish a Discounted Electric Vehicle Charging Payment Card Program for eligible residents. The program allows these residents to use any of their charging stations throughout the state at residential electric vehicle tariff rates. The Energy Commission must prepare and submit an annual report with information about the programs and oversee the operators' submission of relevant information. [S. EU&C]
- <u>SB 851 (Stern)</u>, as amended on March 30, 2023, would amend section 379.10 of the Public Utilities Code. Existing law requires the Public Utilities Commission to administer a self-generation incentive program using appropriated funds to incentivize eligible residential customers to install energy storage systems and solar photovoltaic systems, with 70 percent of funding allocated for eligible low-income residential customers. This bill would require the

incentives to be used in addition to the self-generation incentive program, establish a system to equitably award incentives, and set new technology guidelines, among other things. [S. EU&C]

• SB 860 (Bradford), as amended on March 20, 2023, would add section 11549.59 to the Government Code. The bill would require the Office of Broadband and Digital Literacy to take actions to address affordability and increase broadband adoption. These actions include coordinating with relevant state agencies to ensure those agencies are aware of discount service and device programs, and providing information about these programs to eligible low-income Californians who contact those agencies for support services. [S. Appr]

LITIGATION

- Securus Technologies, LLC v. Public Utilities Comm'n, 88 Cal.App.5th 787 (2023). Securus Technologies challenged the CPUC's decision to adopt interim rate relief for incarcerated persons calling services (IPCS) in California. The CPUC found that IPCS providers operated as locational monopolies within the incarceration facilities they served and exercised market power. They then adopted an interim cap on IPCS rates, and prohibited providers from charging various ancillary fees. Securus argued that the decision was unsupported by substantial evidence, arbitrary, an abuse of discretion, violated procedural requirements, and violated Securus's constitutional rights. However, on February 1, 2023, the Second District Court of Appeal concluded that Securus had not shown the decision must be set aside and affirmed the CPUC's decision.
- Solutions for Utilities, Inc. v. California Pub. Utilities Comm'n, Case No. 2:11-cv-04975 JWH-JCG (C.D. Cal.). On March 13, 2023, the court granted Defendants' motion to dismiss and denied the renewed motion for leave. This case has been ongoing for thirteen years and has gone through multiple rounds of pleadings, appeals, motions, and changes in parties. The

court is now considering two motions: one from the defendants to dismiss the seventh amended complaint of plaintiffs Boyd and Sarvey and another from Boyd and Sarvey for leave to file an eighth amended and third supplemental complaint.

• Calaveras Telephone Co. v. Public Utilities Comm'n, 87 Cal.App.5th 793 (2022). The CPUC oversees the California High-Cost Fund-A program, providing subsidies to small, rural, independent telephone companies that provide local telephone service in rural and remote areas of California. Ten small rural telephone companies filed a writ proceeding to nullify the CPUC's broadband imputation order, which imputes net positive retail broadband internet access service revenues of the telephone companies and their affiliates in the calculation of the CHCF-A subsidies. On December 20, 2022, the Fifth District Court of Appeal, denied the telephone companies' request for a writ directing the CPUC to nullify its broadband imputation order.

• Assurance Wireless USA, L.P. v. Reynolds, Case No. 23-cv-00483-LB (N.D. Cal). On February 1, 2023, T-Mobile and three of its subsidiaries filed a complaint challenging a new CPUC rule that changes how California funds universal-service programs. The CPUC's new rule assesses surcharges as a flat rate per access line, beginning April 1, 2023, instead of basing it on a percentage of carriers' intrastate revenues. T-Mobile claimed that the CPUC's new rule is inconsistent with the FCC's rules and not competitively neutral, but the court denied the motion for a preliminary injunction, stating that the plaintiffs failed to show that the CPUC exceeded its intrastate role or discriminated against them. On March 31, 2023, the court denied Plaintiffs' Motion for Preliminary Injunction. Plaintiffs appealed to the Ninth Circuit and petitioned the district court for an emergency stay pending appeal. The district court denied plaintiffs' request for emergency stay on April 6, 2023. At this writing the case is proceeding in both courts.