

M e m o r a n d u m

Date: May 7, 2018

To: The Commission
(Meeting of May 10, 2018)

From: Hazel Miranda, Director
Office of Governmental Affairs (OGA) – Sacramento

Subject: **Commission Position on SB 1358: Public Utilities Commission:
Proceedings: Hearings** *(introduced 2/16/18)*

RECOMMENDED POSITION: SUPPORT AS SPONSOR

REASON: This bill is technical clean-up of SB 215 (Leno-Hueso, 2016). Specifically, this bill would eliminate the requirement that the full Commission determine whether a proceeding requires a hearing, and allow the assigned commissioner to ascertain the need for a hearing based on the issues identified in a proceedings scoping memo.

SUMMARY OF BILL

- Requires the assigned commissioner, rather than the full Commission, to determine whether a proceeding requires a hearing.

CURRENT LAW

Existing law:

- Establishes the California Public Utilities Commission (CPUC) with five members appointed by the governor and confirmed by the Senate and empowers it to regulate privately-owned public utilities in California. Specifies that the Legislature may prescribe that additional classes of private corporations or other persons are public utilities. (Article XII of the California Constitution; Public Utilities Code §301 et seq.)
- Requires the CPUC to determine whether each proceeding is a quasi-legislative, an adjudication, or a rate-setting proceeding. (Public Utilities Code § 1701.1)
- Requires the CPUC to determine whether a proceeding requires a hearing.(Public Utilities Code § 1701.1)

ANALYSIS:

Public Utilities Code Section 1701.1 requires the Commission to determine a proceedings category (i.e., whether it is quasi-legislative, adjudicatory or rate-setting), which in turn determines what ex parte rules apply to the proceeding. In addition, Section 1701.1 requires the Commission to determine whether the proceeding requires a hearing. The Commission complies with these mandates by vote upon or shortly after the initiation of a proceeding.

Prior to SB 215, the determination of need for a hearing had the important consequence of determining whether a proceeding was subject to any ex parte rules as well. That is because Section 1701.1 et seq. only applied if the Commission determined that the proceeding required a hearing, regardless of its category.

SB 215 eliminated that limitation, so that Section 1701.1 et seq. and the ex parte rules now apply to all proceedings regardless of whether they require a hearing. Nevertheless, SB 215 continued the requirement that the Commission determine the need for a hearing. This bill would eliminate that unnecessary requirement.

Now that Section 1701.1 et seq. applies to all proceedings regardless of whether they require a hearing, there is no purpose to requiring a vote of the full Commission to make or ratify a change to its determination of a proceedings need for a hearing. It has no consequence with respect to the applicability of the ex parte rules.

Relieving the Commission of the obligation to submit a change in determination of need for a hearing for vote by the full Commission will save administrative resources.

SAFETY IMPACT

This bill does not have a discernible impact on safety.

RELIABILITY IMPACT

This bill does not have a discernible impact on reliability.

RATEPAYER IMPACT

This bill does not have a discernible impact on.

FISCAL IMPACT

This bill would have a minor and absorbable fiscal impact.

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