

**Senate Bill No. 291**

\_\_\_\_\_

Passed the Senate September 11, 2013

\_\_\_\_\_

*Secretary of the Senate*

\_\_\_\_\_

Passed the Assembly September 11, 2013

\_\_\_\_\_

*Chief Clerk of the Assembly*

\_\_\_\_\_

This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2013, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_

*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to add Section 1702.5 to the Public Utilities Code, relating to the Public Utilities Commission.

## LEGISLATIVE COUNSEL'S DIGEST

SB 291, Hill. Public Utilities Commission: safety enforcement: gas and electrical corporations.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including gas corporations and electrical corporations, as defined. The Public Utilities Act requires the commission to investigate the cause of all accidents occurring upon the property of any public utility or directly or indirectly arising from or connected with its maintenance or operation, resulting in loss of life or injury to person or property and requiring, in the judgment of the commission, investigation by it, and authorizes the commission to make any order or recommendation with respect to the investigation that it determines to be just and reasonable. The act additionally authorizes the commission to ascertain and fix just and reasonable standards, classifications, regulations, practices, measurements, or services to be furnished, imposed, observed, and followed by specified public utilities, including electrical and gas corporations. Existing law authorizes the commission to issue and serve citations in the enforcement of certain pipeline safety laws applicable to mobilehome park gas delivery systems and propane operators.

This bill would require the commission, in an existing or new proceeding, to develop and implement a safety enforcement program that includes procedures for monitoring, data tracking and analysis, and investigations, as well as issuance of citations by commission staff, under the direction of the executive director of the commission, to gas corporations and electrical corporations for correction and punishment of safety violations. The bill would require the commission to develop and implement an appeals process to govern issuance and appeal of citations, or resolution of corrective action orders. The bill would require the commission to implement the safety enforcement program for gas safety by July 1, 2014, and for electrical safety by January 1, 2015.

*The people of the State of California do enact as follows:*

SECTION 1. Section 1702.5 is added to the Public Utilities Code, to read:

1702.5. (a) The commission shall, in an existing or new proceeding, develop and implement a safety enforcement program applicable to gas corporations and electrical corporations which includes procedures for monitoring, data tracking and analysis, and investigations, as well as issuance of citations by commission staff, under the direction of the executive director. The enforcement program shall be designed to improve gas and electrical system safety through the enforcement of applicable law, or order or rule of the commission related to safety using a variety of enforcement mechanisms, including the issuance of corrective actions, orders, and citations by designated commission staff, and recommendations for action made to the commission by designated commission staff.

(1) When considering the issuance of citations and assessment of penalties, the commission staff shall take into account voluntary reporting of potential violations, voluntary removal or resolution efforts undertaken, the prior history of violations, the gravity of the violation, and the degree of culpability.

(2) The procedures shall include, but are not limited to, providing notice of violation within a reasonable period of time after the discovery of the violation.

(3) The commission shall adopt an administrative limit on the amount of monetary penalty that may be set by commission staff.

(b) The commission shall develop and implement an appeals process to govern the issuance and appeal of citations or resolution of corrective action orders issued by the commission staff. The appeals process shall provide the respondent a reasonable period of time, upon receiving a citation, to file a notice of appeal, shall afford an opportunity for a hearing, and shall require the hearing officer to expeditiously provide a draft disposition.

(c) The commission shall, within a reasonable time set by the commission, conclude a safety enforcement action with a finding of violation, a corrective action order, a citation, a determination of no violation, approval of the corrective actions undertaken by the gas corporation or electrical corporation, or other action. The commission may institute a formal proceeding regarding the alleged violation, potentially resulting in additional enforcement action,

regardless of any enforcement action taken at the commission staff level.

(d) The commission shall implement the safety enforcement program for gas safety by July 1, 2014, and implement the safety enforcement program for electrical safety no later than January 1, 2015.

(e) This section does not apply to an exempt wholesale generator, a qualifying small power producer, or qualifying cogenerator, as defined in Section 796 of Title 16 of the United States Code and the regulations enacted pursuant thereto. Nothing in this section affects the commission's authority pursuant to Section 761.3.







Approved \_\_\_\_\_, 2013

---

*Governor*