

**ASSEMBLY BILL**

**No. 2120**

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**Introduced by Assembly Member Weber**

February 17, 2016

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An act to amend Section 1802 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2120, as introduced, Weber. Public Utilities Commission: proceedings: intervenor fees: customers.

Under existing law, the Public Utilities Commission has broad regulatory authority pursuant to the California Constitution and the Public Utilities Act over public utilities, as defined. Existing law provides compensation for reasonable advocate's fees, reasonable expert witness fees, and other reasonable costs to public utility customers and representatives of customers for participation or intervention in formal proceedings of the commission involving electrical, gas, water, telegraph, and telephone public utilities, but does not provide that compensation for local government agencies.

This bill would make legislative findings and declarations relating to local educational agency involvement in commission proceedings. The bill would authorize compensation for participation or intervention in the proceedings described above for a county office of education, on behalf of any of the local educational agencies in whole or part within the county or on behalf of itself, or for a community college district.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

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

SECTION 1. The Legislature finds and declares all of the following:

(a) Many local educational agencies, including school districts, county offices of education, and community college districts have experienced rapid increases in energy costs due to energy rate increases approved by the Public Utilities Commission.

(b) Local educational agencies are disproportionately affected by rapid increases in energy costs and differ from other public agencies because they are strictly limited in their ability to raise local tax revenues to cover operational cost increases. Local educational agencies seeking to participate in Public Utilities Commission proceedings must hire attorneys and experts at their own expense, using the state and local dollars that were designated for educational programs.

(c) The cost of intervening in Public Utilities Commission proceedings is often prohibitive for local educational agencies; therefore, the perspectives of local educational agencies are often lost during proceedings to discuss rate changes.

(d) The Public Utilities Commission's Intervenor Compensation Program is intended to ensure that individuals and groups that represent residential or small commercial electric utility customers have the financial resources to bring their concerns and interests to the commission during formal proceedings.

(e) As a regional agency, a county office of education is the appropriate intervenor in a proceeding affecting any local educational agency in whole or part within the county.

SEC. 2. Section 1802 of the Public Utilities Code is amended to read:

1802. As used in this article:

(a) "Compensation" means payment for all or part, as determined by the commission, of reasonable advocate's fees, reasonable expert witness fees, and other reasonable costs of preparation for and participation in a proceeding, and includes the fees and costs of obtaining an award under this article and of obtaining judicial review, if any.

(b) (1) "Customer" means any of the following:

1 (A) A participant representing consumers, customers, or  
2 subscribers of any electrical, gas, telephone, telegraph, or water  
3 corporation that is subject to the jurisdiction of the commission.

4 (B) A representative who has been authorized by a customer.

5 (C) A representative of a group or organization authorized  
6 pursuant to its articles of incorporation or bylaws to represent the  
7 interests of residential customers, or to represent small commercial  
8 customers who receive bundled electric service from an electrical  
9 corporation.

10 (D) (i) *Notwithstanding paragraph (2), a county office of*  
11 *education or a community college district.*

12 (ii) *A county office of education may participate or intervene*  
13 *pursuant to this article on behalf of any of the local educational*  
14 *agencies in whole or part within the county or on behalf of itself.*

15 (2) “Customer” does not include any state, federal, or local  
16 government agency, any publicly owned public utility, or any  
17 entity that, in the commission’s opinion, was established or formed  
18 by a local government entity for the purpose of participating in a  
19 commission proceeding.

20 (c) “Expert witness fees” means recorded or billed costs incurred  
21 by a customer for an expert witness.

22 (d) “Other reasonable costs” means reasonable out-of-pocket  
23 expenses directly incurred by a customer that are directly related  
24 to the contentions or recommendations made by the customer that  
25 resulted in a substantial contribution.

26 (e) “Party” means any interested party, respondent public utility,  
27 or commission staff in a hearing or proceeding.

28 (f) “Proceeding” means an application, complaint, or  
29 investigation, rulemaking, alternative dispute resolution procedures  
30 in lieu of formal proceedings as may be sponsored or endorsed by  
31 the commission, or other formal proceeding before the commission.

32 (g) “Significant financial hardship” means either that the  
33 customer cannot afford, without undue hardship, to pay the costs  
34 of effective participation, including advocate’s fees, expert witness  
35 fees, and other reasonable costs of participation, or that, in the case  
36 of a group or organization, the economic interest of the individual  
37 members of the group or organization is small in comparison to  
38 the costs of effective participation in the proceeding.

39 (h) “Small commercial customer” means any nonresidential  
40 customer with a maximum peak demand of less than 50 kilowatts.

1 The commission may establish rules to modify or change the  
2 definition of “small commercial customer,” including use of criteria  
3 other than a peak demand threshold, if the commission determines  
4 that the modification or change will promote participation in  
5 proceedings at the commission by organizations representing small  
6 businesses, without incorporating large commercial and industrial  
7 customers.

8 (i) “Substantial contribution” means that, in the judgment of  
9 the commission, the customer’s presentation has substantially  
10 assisted the commission in the making of its order or decision  
11 because the order or decision has adopted in whole or in part one  
12 or more factual contentions, legal contentions, or specific policy  
13 or procedural recommendations presented by the customer. Where  
14 the customer’s participation has resulted in a substantial  
15 contribution, even if the decision adopts that customer’s contention  
16 or recommendations only in part, the commission may award the  
17 customer compensation for all reasonable advocate’s fees,  
18 reasonable expert fees, and other reasonable costs incurred by the  
19 customer in preparing or presenting that contention or  
20 recommendation.