

AMENDED IN ASSEMBLY JULY 8, 2015
AMENDED IN ASSEMBLY JUNE 24, 2015
AMENDED IN SENATE APRIL 9, 2015

SENATE BILL

No. 697

Introduced by Senator Hertzberg

February 27, 2015

An act to amend Sections ~~280.5, 309.7, 321.6, 421, 747, 765, 958.5, 960, 5387, 7661, and 7712~~ 281, 309.7, 311.4, 321.6, 348, 364, 379.7, 381.2, 421, 740.3, 747, 765, 785, 873, 958.5, 960, 2851, 2881, 2891, 5387, 5920, 5960, 7661, 7712, 7912, and 8283 of, to amend and renumber Sections ~~322, 747.6, 748, 915, 5006, 5012, and 7711~~ 321.7, 322, 326, 326.5, 384.2, 399.19, 432.5, 747.6, 748, 765.6, 911, 915, 5006, 5012, 7711, and 8367 of, to amend, renumber, and add Sections ~~Section 910 and 911~~ of, to add Sections ~~913 and 914~~ 910.4, 910.7, 912.2, 913, 913.5, 913.8, 913.12, 913.13, 913.14, 913.15, 914, 914.1, 914.2, 914.3, 914.4, 914.5, 914.6, 914.7, 916, 916.1, 916.4, 919, 919.1, and 919.2, to, and to repeal Section 5385.5 of, the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 697, as amended, Hertzberg. Public Utilities Commission: reports: ~~civil penalties: audits:~~ charter-party carriers of passengers.

The California Constitution establishes the Public Utilities Commission and authorizes the commission to exercise ratemaking and rulemaking authority over all public utilities, as defined, subject to control by the Legislature. Existing law requires the commission to report various information to the Legislature.

This bill would recast certain of the commission’s reporting requirements to an article within the Public Utilities Act pertaining to reports by the commission to the Legislature and make other conforming changes. *The bill would require the commission to report specified information on a quarterly basis relative to implementation of the California Renewables Portfolio Standard Program.*

The Passenger Charter-party Carriers’ Act places charter-party carriers of passengers, as defined, under the jurisdiction of the Public Utilities Commission. Under existing law, no charter party carrier of passengers may operate a motor vehicle on a public highway unless there is displayed on the vehicle a distinctive identifying symbol, in the form prescribed by the commission, showing the classification to which the carrier belongs. For motor vehicles designed to carry not more than 8 passengers, the commission is required to issue a suitable decal with an identifying symbol and of a specified size for that purpose.

This bill would repeal that provision requiring the issuance of the decal.

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

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

- 1 SECTION 1. Section 280.5 of the Public Utilities Code is
- 2 amended to read:
- 3 280.5. (a) Of the revenues from fees collected pursuant to
- 4 Section 14666.8 of the Government Code after the operative date
- 5 of this section, except for revenues from fees from a lease
- 6 agreement for access to Department of Transportation property or
- 7 a lease agreement existing prior to the operative date of the section,
- 8 15 percent shall be available, upon appropriation by the Legislature,
- 9 for the purpose of addressing the state’s digital divide.
- 10 (b) Revenues described in subdivision (a) shall be deposited in
- 11 the Digital Divide Account, which is hereby established in the
- 12 California Teleconnect Fund Administrative Committee Fund
- 13 established pursuant to Section 270, to be used only for digital
- 14 divide pilot projects. Not more than 5 percent of the revenues
- 15 described in subdivision (a) may be used to pay the costs incurred
- 16 in connection with the administration of digital divide pilot projects
- 17 by the commission.

1 (c) (1) The Digital Divide Grant Program is hereby established
2 subject to the availability of funding pursuant to this section. The
3 commission may not implement the grant program until the
4 commission projects that at least five hundred thousand dollars
5 (\$500,000) will be available in the Digital Divide Account during
6 the calendar year following implementation, based on money
7 collected pursuant to Section 14666.8 of the Government Code.

8 (2) The commission shall provide grants pursuant to this
9 subdivision on a competitive basis subject to criteria to be
10 established by the commission and in a way that disburses the
11 funds widely, including urban and rural areas. Grants shall be
12 awarded to community-based nonprofit organizations that are
13 exempt from taxation under Section 501(c)(3) of the Internal
14 Revenue Code for the purpose of funding community technology
15 programs.

16 (3) Recipients of grants pursuant to this subdivision shall report
17 to the commission annually on the effectiveness of the grant
18 program.

19 (d) For purposes of this section, “community technology
20 programs” means a program that is engaged in diffusing technology
21 in local communities and training local communities in the use of
22 technology, especially local communities that otherwise would
23 have no access or limited access to the Internet and other
24 technologies.

25 (e) For purposes of this section, “digital divide projects” means
26 community technology programs involved in activities that include,
27 but are not limited to, the following:

28 (1) Providing open access to and opportunities for training in
29 technology.

30 (2) Developing content relevant to the interests and wants of
31 the local community.

32 (3) Preparing youth for opportunities in the new economy
33 through multimedia training and skills.

34 (4) Harnessing technology for e-government services.

35 *SEC. 2. Section 281 of the Public Utilities Code is amended*
36 *to read:*

37 281. (a) The commission shall develop, implement, and
38 administer the California Advanced Services Fund program to
39 encourage deployment of high-quality advanced communications
40 services to all Californians that will promote economic growth,

1 job creation, and the substantial social benefits of advanced
2 information and communications technologies, consistent with
3 this section.

4 (b) (1) The goal of the program is, no later than December 31,
5 2015, to approve funding for infrastructure projects that will
6 provide broadband access to no less than 98 percent of California
7 households.

8 (2) In approving infrastructure projects, the commission shall
9 give priority to projects that provide last-mile broadband access
10 to households that are unserved by an existing facilities-based
11 broadband provider. The commission shall provide each applicant,
12 and any party challenging an application, the opportunity to
13 demonstrate actual levels of broadband service in the project area,
14 which the commission shall consider in reviewing the application.

15 (c) The commission shall establish the following accounts within
16 the fund:

17 (1) The Broadband Infrastructure Grant Account.

18 (2) The Rural and Urban Regional Broadband Consortia Grant
19 Account.

20 (3) The Broadband Infrastructure Revolving Loan Account.

21 (4) The Broadband Public Housing Account.

22 (d) (1) All moneys collected by the surcharge authorized by
23 the commission pursuant to Decision 07-12-054 shall be
24 transmitted to the commission pursuant to a schedule established
25 by the commission. The commission shall transfer the moneys
26 received to the Controller for deposit in the California Advanced
27 Services Fund. Moneys collected on and after January 1, 2011,
28 shall be deposited in the following amounts in the following
29 accounts:

30 (A) One hundred ninety million dollars (\$190,000,000) into the
31 Broadband Infrastructure Grant Account.

32 (B) Ten million dollars (\$10,000,000) into the Rural and Urban
33 Regional Broadband Consortia Grant Account.

34 (C) Fifteen million dollars (\$15,000,000) into the Broadband
35 Infrastructure Revolving Loan Account.

36 (2) All interest earned on moneys in the fund shall be deposited
37 in the fund.

38 (3) The commission shall not collect moneys, by imposing the
39 surcharge described in paragraph (1) for deposit in the fund, in an
40 amount that exceeds one hundred million dollars (\$100,000,000)

1 before January 1, 2011. On and after January 1, 2011, the
2 commission may collect an additional sum not to exceed two
3 hundred fifteen million dollars (\$215,000,000), for a sum total of
4 moneys collected by imposing the surcharge described in paragraph
5 (1) not to exceed three hundred fifteen million dollars
6 (\$315,000,000). The commission may collect the additional sum
7 beginning with the calendar year starting on January 1, 2011, and
8 continuing through the 2020 calendar year, in an amount not to
9 exceed twenty-five million dollars (\$25,000,000) per year, unless
10 the commission determines that collecting a higher amount in any
11 year will not result in an increase in the total amount of all
12 surcharges collected from telephone customers that year.

13 (e) (1) All moneys in the California Advanced Services Fund
14 shall be available, upon appropriation by the Legislature, to the
15 commission for the program administered by the commission
16 pursuant to this section, including the costs incurred by the
17 commission in developing, implementing, and administering the
18 program and the fund.

19 (2) Notwithstanding any other law and for the sole purpose of
20 providing matching funds pursuant to the federal American
21 Recovery and Reinvestment Act of 2009 (Public Law 111-5), any
22 entity eligible for funding pursuant to that act shall be eligible to
23 apply to participate in the program administered by the commission
24 pursuant to this section, if that entity otherwise satisfies the
25 eligibility requirements under that program. Nothing in this section
26 shall impede the ability of an incumbent local exchange carrier,
27 as defined by subsection (h) of Section 251 of Title 47 of the
28 United States Code, that is regulated under a rate of return
29 regulatory structure, to recover, in rate base, California
30 infrastructure investment not provided through federal or state
31 grant funds for facilities that provide broadband service and
32 California intrastate voice service.

33 (3) Notwithstanding subdivision (b) of Section 270, an entity
34 that is not a telephone corporation shall be eligible to apply to
35 participate in the program administered by the commission pursuant
36 to this section to provide access to broadband to an unserved or
37 underserved household, as defined in commission Decision
38 12-02-015, if the entity otherwise meets the eligibility requirements
39 and complies with program requirements established by the
40 commission. These requirements shall include all of the following:

1 (A) That projects under this paragraph provide last-mile
2 broadband access to households that are unserved by an existing
3 facilities-based broadband provider and only receive funding to
4 provide broadband access to households that are unserved or
5 underserved, as defined in commission Decision 12-02-015.

6 (B) That funding for a project providing broadband access to
7 an underserved household shall not be approved until after any
8 existing facilities-based provider has an opportunity to demonstrate
9 to the commission that it will, within a reasonable timeframe,
10 upgrade existing service. An existing facilities-based provider
11 may, but is not required to, apply for funding under this section to
12 make that upgrade.

13 (C) That the commission shall provide each applicant, and any
14 party challenging an application, the opportunity to demonstrate
15 actual levels of broadband service in the project area, which the
16 commission shall consider in reviewing the application.

17 (D) That a local governmental agency may be eligible for an
18 infrastructure grant only if the infrastructure project is for an
19 unserved household or business, the commission has conducted
20 an open application process, and no other eligible entity applied.

21 (E) That the commission shall establish a service list of
22 interested parties to be notified of California Advanced Services
23 Fund applications.

24 (f) Moneys in the Rural and Urban Regional Broadband
25 Consortia Grant Account shall be available for grants to eligible
26 consortia to fund the cost of broadband deployment activities other
27 than the capital cost of facilities, as specified by the commission.
28 An eligible consortium may include, as specified by the
29 commission, representatives of organizations, including, but not
30 limited to, local and regional government, public safety, elementary
31 and secondary education, health care, libraries, postsecondary
32 education, community-based organizations, tourism, parks and
33 recreation, agricultural, and business, and is not required to have
34 as its lead fiscal agent an entity with a certificate of public
35 convenience and necessity.

36 (g) Moneys in the Broadband Infrastructure Revolving Loan
37 Account shall be available to finance capital costs of broadband
38 facilities not funded by a grant from the Broadband Infrastructure
39 Grant Account. The commission shall periodically set interest rates
40 on the loans based on surveys of existing financial markets.

1 (h) (1) For purposes of this subdivision, the following terms
2 have the following meanings:

3 (A) “Publicly subsidized” means either that the housing
4 development receives financial assistance from the United States
5 Department of Housing and Urban Development pursuant to an
6 annual contribution contract or is financed with low-income
7 housing tax credits, tax-exempt mortgage revenue bonds, general
8 obligation bonds, or local, state, or federal loans or grants and the
9 rents of the occupants, who are lower income households, do not
10 exceed those prescribed by deed restrictions or regulatory
11 agreements pursuant to the terms of the financing or financial
12 assistance.

13 (B) “Publicly supported community” means a publicly
14 subsidized multifamily housing development that is wholly owned
15 by either of the following:

16 (i) A public housing agency that has been chartered by the state,
17 or by any city or county in the state, and has been determined to
18 be an eligible public housing agency by the United States
19 Department of Housing and Urban Development.

20 (ii) An incorporated nonprofit organization as described in
21 Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec.
22 501(c)(3)) that is exempt from taxation under Section 501(a) of
23 that code (16 U.S.C. Sec. 501(a)), and that has received public
24 funding to subsidize the construction or maintenance of housing
25 occupied by residents whose annual income qualifies as “low” or
26 “very low” income according to federal poverty guidelines.

27 (2) Notwithstanding subdivision (b) of Section 270, moneys in
28 the Broadband Public Housing Account shall be available for the
29 commission to award grants and loans pursuant to this subdivision
30 to an eligible publicly supported community if that entity otherwise
31 meets eligibility requirements and complies with program
32 requirements established by the commission.

33 (3) Not more than twenty million dollars (\$20,000,000) shall
34 be available for grants and loans to a publicly supported community
35 to finance a project to connect a broadband network to that publicly
36 supported community. A publicly supported community may be
37 an eligible applicant only if the publicly supported community can
38 verify to the commission that the publicly supported community
39 has not denied a right of access to any broadband provider that is

1 willing to connect a broadband network to the facility for which
2 the grant or loan is sought.

3 (4) (A) Not more than five million dollars (\$5,000,000) shall
4 be available for grants and loans to a publicly supported community
5 to support programs designed to increase adoption rates for
6 broadband services for residents of that publicly supported
7 community. A publicly supported community may be eligible for
8 funding for a broadband adoption program only if the residential
9 units in the facility to be served have access to broadband services
10 or will have access to broadband services at the time the funding
11 for adoption is implemented.

12 (B) A publicly supported community may contract with other
13 nonprofit or public agencies to assist in implementation of a
14 broadband adoption program.

15 (5) To the extent feasible, the commission shall approve projects
16 for funding from the Broadband Public Housing Account in a
17 manner that reflects the statewide distribution of publicly supported
18 communities.

19 (6) In reviewing a project application under this subdivision,
20 the commission shall consider the availability of other funding
21 sources for that project, any financial contribution from the
22 broadband service provider to the project, the availability of any
23 other public or private broadband adoption or deployment program,
24 including tax credits and other incentives, and whether the applicant
25 has sought funding from, or participated in, any reasonably
26 available program. The commission may require an applicant to
27 provide match funding, and shall not deny funding for a project
28 solely because the applicant is receiving funding from another
29 source.

30 (7) (A) To provide funding for the purposes of this subdivision,
31 the commission shall transfer to the Broadband Public Housing
32 Account twenty million dollars (\$20,000,000) from the Broadband
33 Infrastructure Grant Account and five million dollars (\$5,000,000)
34 from the Broadband Revolving Loan Account. Any moneys in the
35 Broadband Public Housing Account that have not been awarded
36 pursuant to this subdivision by December 31, 2016, shall be
37 transferred back to the Broadband Infrastructure Grant Account
38 and Broadband Infrastructure Revolving Loan Account in
39 proportion to the amount transferred from the respective accounts.

1 (B) The commission shall transfer funds pursuant to
2 subparagraph (A) only if the commission is otherwise authorized
3 to collect funds for purposes of this section in excess of the total
4 amount authorized pursuant to paragraph (3) of subdivision (d).

5 ~~(i) (1) The commission shall conduct two interim financial
6 audits and a final financial audit and two interim performance
7 audits and a final performance audit of the implementation and
8 effectiveness of the California Advanced Services Fund to ensure
9 that funds have been expended in accordance with the approved
10 terms of the grant awards and loan agreements and this section.
11 The commission shall report its interim findings to the Legislature
12 by April 1, 2011, and April 1, 2017. The commission shall report
13 its final findings to the Legislature by April 1, 2021. The reports
14 shall also include an update to the maps in the final report of the
15 California Broadband Task Force and data on the types and
16 numbers of jobs created as a result of the program administered
17 by the commission pursuant to this section.~~

18 ~~(2) (A) The requirement for submitting a report imposed under
19 paragraph (1) is inoperative on January 1, 2022, pursuant to Section
20 10231.5 of the Government Code.~~

21 ~~(B) A report to be submitted pursuant to paragraph (1) shall be
22 submitted in compliance with Section 9795 of the Government
23 Code.~~

24 ~~(j) (1) Beginning on January 1, 2012, and annually thereafter,
25 the commission shall provide a report to the Legislature that
26 includes all of the following information:~~

27 ~~(A) The amount of funds expended from the California
28 Advanced Services Fund in the prior year.~~

29 ~~(B) The recipients of funds expended from the California
30 Advanced Services Fund in the prior year.~~

31 ~~(C) The geographic regions of the state affected by funds
32 expended from the California Advanced Services Fund in the prior
33 year.~~

34 ~~(D) The expected benefits to be derived from the funds expended
35 from the California Advanced Services Fund in the prior year.~~

36 ~~(E) Actual broadband adoption levels from the funds expended
37 from the California Advanced Services Fund in the prior year.~~

38 ~~(F) The amount of funds expended from the California
39 Advanced Services Fund used to match federal funds.~~

1 ~~(G) An update on the expenditures from California Advanced~~
2 ~~Services Fund and broadband adoption levels, and an accounting~~
3 ~~of remaining unserved and underserved households and areas of~~
4 ~~the state.~~

5 ~~(H) The status of the California Advanced Services Fund balance~~
6 ~~and the projected amount to be collected in each year through 2020~~
7 ~~to fund approved projects.~~

8 ~~(2) (A) The requirement for submitting a report imposed under~~
9 ~~paragraph (1) is inoperative on January 1, 2021, pursuant to Section~~
10 ~~10231.5 of the Government Code.~~

11 ~~(B) A report to be submitted pursuant to paragraph (1) shall be~~
12 ~~submitted in compliance with Section 9795 of the Government~~
13 ~~Code.~~

14 ~~SEC. 2.~~

15 ~~SEC. 3.~~ Section 309.7 of the Public Utilities Code is amended
16 to read:

17 309.7. (a) The division of the commission responsible for
18 consumer protection and safety shall be responsible for inspection,
19 surveillance, and investigation of the rights-of-way, facilities,
20 equipment, and operations of railroads and public mass transit
21 guideways, and for enforcing state and federal laws, regulations,
22 orders, and directives relating to transportation of persons or
23 commodities, or both, of any nature or description by rail. The
24 division of the commission responsible for consumer protection
25 and safety shall advise the commission on all matters relating to
26 rail safety, and shall propose to the commission rules, regulations,
27 orders, and other measures necessary to reduce the dangers caused
28 by unsafe conditions on the railroads of the state. The delegation
29 of enforcement responsibility to the division of the commission
30 responsible for consumer protection and safety shall not diminish
31 the power of other agencies of state government to enforce laws
32 relating to employee or environmental safety, pollution prevention,
33 or public health and safety.

34 (b) In performing its duties, the division of the commission
35 responsible for consumer protection and safety shall exercise all
36 powers of investigation granted to the commission, including rights
37 to enter upon land or facilities, inspect books and records, and
38 compel testimony. The commission shall employ sufficient
39 federally certified inspectors to ensure at the time of inspection
40 that railroad locomotives and equipment and facilities located in

1 class I railroad yards in California are inspected not less frequently
2 than every 180 days, and all main and branch line tracks are
3 inspected not less frequently than every 12 months. In performing
4 its duties, the division of the commission responsible for consumer
5 protection and safety shall consult with representatives of railroad
6 corporations, labor organizations representing railroad employees,
7 and the Federal Railroad Administration.

8 (c) The general counsel shall assign to the division of the
9 commission responsible for consumer protection and safety the
10 personnel and attorneys necessary to fully utilize the powers
11 granted to the commission by any state law, and by any federal
12 law relating to rail transportation, including, but not limited to, the
13 Federal Rail Safety Act (45 U.S.C. Sec. 421m, et seq.), to enforce
14 safety laws, rules, regulations, and orders, and to collect fines and
15 penalties resulting from the violation of any safety rule or
16 regulation.

17 (d) The activities of the division of the commission responsible
18 for consumer protection and safety that relate to safe operation of
19 common carriers by rail, other than those relating to grade crossing
20 protection, shall also be supported by the fees paid by railroad
21 corporations, if any, pursuant to Sections 421 to 424, inclusive.
22 The activities of the division of the commission responsible for
23 consumer protection and safety that relate to grade crossing
24 protection shall be supported by funds appropriated therefor from
25 the State Highway Account in the State Transportation Fund.

26 *SEC. 4. Section 311.4 of the Public Utilities Code is amended*
27 *to read:*

28 311.4. (a) On or after July 1, 2001, the commission shall
29 establish procedures to permit the submission of informal
30 complaints through electronic means in accordance with this
31 section.

32 (b) On or before January 1, 2002, the commission shall provide
33 on its Internet Web site the means by which consumers may submit
34 informal complaints through electronic means.

35 ~~(c) It is the intent of the Legislature that, commencing one year~~
36 ~~from the date that the procedures described in subdivision (a) are~~
37 ~~implemented, the commission annually review the procedures and~~
38 ~~the technology involved to ensure the continued effectiveness of~~
39 ~~the program, and report any findings to the Legislature.~~

40 (d)

1 (c) For the purpose of this section, “electronic means” includes,
2 but shall not be limited to, e-mail or the Internet, or both.
3 (e)
4 (d) Upon the receipt of an informal complaint submitted by
5 electronic means, the commission shall immediately forward the
6 complaint to the entity named in the complaint.
7 (f)
8 (e) The commission shall permit the submission of informal
9 complaints through electronic means, if, as determined by the
10 commission, both of the following conditions are met:
11 (1) The dollar amount in the complaint does not exceed the
12 jurisdictional limit of a small claims court specified in subdivision
13 (a) of Section 116.220 or Section 116.221 of the Code of Civil
14 Procedure.
15 (2) The commission has addressed any impediments in the
16 electronic systems employed by the commission that would prevent
17 or substantially adversely affect the ability of the commission to
18 receive informal complaints by electronic means.
19 (g)
20 (f) The commission shall include a notice on its Internet Web
21 site of the availability of the procedures described in subdivision
22 (a).
23 (h)
24 (g) For the purposes of implementing this section, the
25 commission shall make available to the public an industry specific
26 online complaint form that allows a customer to specify
27 information that the commission determines to be relevant for
28 purposes of resolving a dispute, including the account number, the
29 type of dispute, and the opportunity to make general comments.
30 (i)
31 (h) This act may not be implemented, and no information
32 technology-related preparatory work may be undertaken in
33 connection with this act prior to July 1, 2001, without the
34 concurrence of the commission and the authorization of the
35 Department of Information Technology pursuant to Executive
36 Order D-3-99.
37 ~~SEC. 3.~~
38 SEC. 5. Section 321.6 of the Public Utilities Code is amended
39 to read:

1 321.6. (a) The president of the commission shall annually
2 appear before the appropriate policy committees of the Legislature
3 to report on the annual workplan of the commission required
4 pursuant to Section 910.

5 (b) The president of the commission shall annually appear before
6 the appropriate policy committees of the Legislature to report on
7 the annual report of the commission on the number of cases where
8 resolution exceeded the time periods prescribed in scoping memos
9 and the days that commissioners presided in hearings, pursuant to
10 Section 13 of Chapter 856 of the Statutes of 1996.

11 *SEC. 6. Section 321.7 of the Public Utilities Code is amended*
12 *and renumbered to read:*

13 ~~321.7.~~

14 *913.10.* (a) On or before January 1, 2010, and biennially
15 thereafter, the commission, in consultation with the Independent
16 System Operator and the State Energy Resources Conservation
17 and Development Commission, shall study, and submit a report
18 to the Legislature and the Governor, on the impacts of distributed
19 energy generation on the state's distribution and transmission grid.
20 The study shall evaluate all of the following:

21 (1) Reliability and transmission issues related to connecting
22 distributed energy generation to the local distribution networks
23 and regional grid.

24 (2) Issues related to grid reliability and operation, including
25 interconnection, and the position of federal and state regulators
26 toward distributed energy accessibility.

27 (3) The effect on overall grid operation of various distributed
28 energy generation sources.

29 (4) Barriers affecting the connection of distributed energy to
30 the state's grid.

31 (5) Emerging technologies related to distributed energy
32 generation interconnection.

33 (6) Interconnection issues that may arise for the Independent
34 System Operator and local distribution companies.

35 (7) The effect on peak demand for electricity.

36 (b) In addition, the commission shall specifically assess the
37 impacts of the California Solar Initiative program, specified in
38 Section 2851 and Section 25783 of the Public Resources Code,
39 the self-generation incentive program authorized by Section 379.6,

1 and the net energy metering pilot program authorized by Section
2 2827.9.

3 ~~SEC. 4.~~

4 *SEC. 7.* Section 322 of the Public Utilities Code is amended
5 and renumbered to read:

6 ~~910.1.~~

7 *910.2.* (a) The commission shall periodically, at least once
8 each year, compile its rules of procedure together with every order
9 and decision of the commission relating to the conduct of the
10 commission's hearings and proceedings.

11 (b) The compilation shall include, but not be limited to, matters
12 relating to all of the following:

13 (1) Pleadings.

14 (2) Public notice.

15 (3) Public attendance.

16 (4) Specification of issues.

17 (5) Prehearing procedures.

18 (6) Discovery.

19 (7) Evidence.

20 (8) Supporting documentation.

21 (9) Submission of briefs and arguments.

22 (10) Meetings of the commission.

23 (11) All other rules of procedure governing participation in
24 hearings and proceedings of the commission by public utilities,
25 commission staff, and other persons.

26 *SEC. 8.* Section 326 of the Public Utilities Code is amended
27 and renumbered to read:

28 ~~326.~~

29 *910.6.* (a) By ~~January 10, 2012, and by~~ January 10 of each
30 ~~year thereafter, year,~~ the commission shall report to the Joint
31 Legislative Budget Committee and appropriate fiscal and policy
32 committees of the Legislature, on all sources and amounts of
33 funding and actual and proposed expenditures, both in the two
34 prior fiscal years and for the proposed fiscal year, including any
35 costs to ratepayers, related to interactions by the commission, its
36 officers, or its staff with the California Public Utilities Commission
37 Foundation, or any derivative, or successor, or with any agent or
38 director of the foundation, including all of the following:

39 (1) Attendance at meetings, conferences, or events organized
40 or sponsored by the foundation.

1 (2) Any contract or other agreement between the commission,
2 its officers, or its staff and the foundation, including agreements
3 relating to attendance at any educational or training conference or
4 event.

5 (3) Any agenda item, order, decision, resolution, or motion,
6 referencing the foundation.

7 (4) Endorsements of the foundation or its activities.

8 (5) Any contribution made to the foundation at the behest of a
9 member of the commission, its officers, or its staff, and any direct
10 or indirect contribution made to the foundation by a member of
11 the commission, its officers, or its staff. For purposes of this
12 paragraph, “contribution” means any payment, a forgiveness of a
13 loan, a payment of a loan by a third party, or an enforceable
14 promise to make a payment, except to the extent that full and
15 adequate consideration is received.

16 (b) (1) Within eight weeks of any contribution to the foundation
17 made at the behest of a member of the commission, its officers,
18 or its staff, the commission shall report the contribution to the Joint
19 Legislative Budget Committee and appropriate fiscal and policy
20 committees of the Legislature, and include any documents
21 pertaining to the contribution.

22 (2) Each report shall include certification from the commission
23 that the contribution does not violate the Conflict of Interest Code
24 and Statement of Incompatible Activities adopted pursuant to
25 Section 303.

26 *SEC. 9. Section 326.5 of the Public Utilities Code is amended*
27 *and renumbered to read:*

28 ~~326.5.~~

29 ~~910.5. By January 10, 2009, and by January 10 of each year~~
30 ~~thereafter, year,~~ the commission shall report to the Joint Legislative
31 Budget Committee and appropriate fiscal and policy committees
32 of the Legislature, on all sources and amounts of funding and actual
33 and proposed expenditures, both in the two prior fiscal years and
34 for the proposed fiscal year, including any costs to ratepayers,
35 related to both of the following:

36 (a) Entities or programs established by the commission by order,
37 decision, motion, settlement, or other action, including, but not
38 limited to, the California Clean Energy Fund, the California
39 Emerging Technology Fund, and the Pacific Forest and Watershed

1 Lands Stewardship Council. The report shall contain descriptions
2 of relevant issues, including, but not limited to, all of the following:

3 (1) Any governance structure established for an entity or
4 program.

5 (2) Any staff or employees hired by or for the entity or program
6 and their salaries and expenses.

7 (3) Any staff or employees transferred or loaned internally or
8 interdepartmentally for the entity or program and their salaries and
9 expenses.

10 (4) Any contracts entered into by the entity or program, the
11 funding sources for those contracts, and the legislative authority
12 under which the commission entered into the contract.

13 (5) The public process and oversight governing the entity or
14 program's activities.

15 (b) Entities or programs established by the commission, other
16 than those expressly authorized by statute, under the following
17 sections:

18 (1) Section 379.6.

19 (2) Section 399.8.

20 (3) Section 739.1.

21 (4) Section 2790.

22 (5) Section 2851.

23 *SEC. 10. Section 348 of the Public Utilities Code is amended*
24 *to read:*

25 348. The Independent System Operator shall adopt inspection,
26 maintenance, repair, and replacement standards for the transmission
27 facilities under its control no later than September 30, 1997. The
28 standards, which shall be performance or prescriptive standards,
29 or both, as appropriate, for each substantial type of transmission
30 equipment or facility, shall provide for high quality, safe, and
31 reliable service. In adopting its standards, the Independent System
32 Operator shall consider: cost, local geography and weather,
33 applicable codes, national electric industry practices, sound
34 engineering judgment, and experience. The Independent System
35 Operator shall also adopt standards for reliability, and safety during
36 periods of emergency and disaster. ~~The Independent System~~
37 ~~Operator shall report to the Oversight Board, at such times as the~~
38 ~~Oversight Board may specify, on the development and~~
39 ~~implementation of the standards in relation to facilities under the~~
40 ~~operational control of the Independent System Operator. The~~

1 ~~Independent System Operator shall require each transmission~~
2 ~~facility owner or operator to report annually on its compliance~~
3 ~~with the standards. That report shall be made available to the~~
4 ~~public.~~

5 *SEC. 11. Section 364 of the Public Utilities Code is amended*
6 *to read:*

7 364. (a) The commission shall adopt inspection, maintenance,
8 repair, and replacement standards, and shall, in a new proceeding,
9 or new phase of an existing proceeding, to commence on or before
10 July 1, 2015, consider adopting rules to address the physical
11 security risks to the distribution systems of electrical corporations.
12 The standards or rules, which shall be prescriptive or performance
13 based, or both, and may be based on risk management, as
14 appropriate, for each substantial type of distribution equipment or
15 facility, shall provide for high-quality, safe, and reliable service.

16 (b) In setting its standards or rules, the commission shall
17 consider: cost, local geography and weather, applicable codes,
18 potential physical security risks, national electric industry practices,
19 sound engineering judgment, and experience. The commission
20 shall also adopt standards for operation, reliability, and safety
21 during periods of emergency and disaster. ~~The commission shall~~
22 ~~require each electrical corporation to report annually on its~~
23 ~~compliance with the standards or rules. Except as provided in~~
24 ~~subdivision (d), that report shall be made available to the public.~~

25 (c) The commission shall conduct a review to determine whether
26 the standards or rules prescribed in this section have been met. If
27 the commission finds that the standards or rules have not been
28 met, the commission may order appropriate sanctions, including
29 penalties in the form of rate reductions or monetary fines. The
30 review shall be performed after every major outage. Any money
31 collected pursuant to this subdivision shall be used to offset funding
32 for the California Alternative Rates for Energy Program.

33 (d) The commission may, consistent with other provisions of
34 law, withhold from the public information generated or obtained
35 pursuant to this section that it deems would pose a security threat
36 to the public if disclosed.

37 *SEC. 12. Section 379.7 of the Public Utilities Code is amended*
38 *to read:*

39 379.7. (a) The Legislature finds and declares that the
40 demonstration project authorized pursuant to this section, at the

1 Antelope Valley Fairgrounds, to determine actual energy and cost
2 savings that may be achieved when investments are made onsite
3 to both reduce overall electricity demand and to offset peak
4 electricity demand through the installation of (1) cost-effective
5 energy efficient equipment and fixtures, and (2) a photovoltaic
6 solar energy system, will provide valuable empirical data upon
7 which to optimize future ratepayer investments in cost-effective
8 energy efficiency and photovoltaic solar systems.

9 (b) (1) The demonstration project authorized pursuant to this
10 section shall be referred to as the Antelope Valley Fairgrounds EE
11 and PV Synergy Demonstration Project.

12 (2) To ensure that potential energy and cost savings from
13 cost-effective energy efficient equipment and fixtures are achieved,
14 the Antelope Valley Fairgrounds shall do both of the following:

15 (A) Implement the recommendations of the energy audit
16 performed on July 27, 2004.

17 (B) Include cost-effective energy efficient equipment and
18 fixtures in all future expansions of the fairgrounds.

19 (3) To ensure that potential energy and cost savings are achieved
20 from a photovoltaic solar energy system of up to 630 kilowatts
21 installed at the Antelope Valley Fairgrounds, the photovoltaic solar
22 energy system shall meet both of the following criteria:

23 (A) Be installed in a manner that optimizes operating efficiency,
24 including appropriate siting.

25 (B) Consist of components that are new and unused and have
26 a warranty of not less than 10 years to protect against defects and
27 undue degradation of electrical generation output.

28 (c) An electrical corporation providing electrical service to the
29 Antelope Valley Fairgrounds shall, by February 1, 2006, file with
30 the commission a tariff providing for an incentive rate consistent
31 with this section. The incentive rate shall provide stability and
32 certainty over a 10-year period in an amount and in a manner to
33 support investment in, and to test the durability of, the photovoltaic
34 solar energy system installed at the fairgrounds. The incentive rate,
35 together with an incentive from the self-generation incentive
36 program that recognizes the energy efficiency investments made
37 at the fairgrounds as authorized pursuant to Section 379.6, shall
38 provide for a 10-year payback period for the photovoltaic solar
39 energy system. The incentive rate shall not result in any cost
40 shifting among customer classes of the electrical corporation.

1 (d) Actual energy and cost savings shall be determined through
2 annual energy audits and ongoing metering of electricity used and
3 electricity produced on a time-of-use basis.

4 (e) The demonstration project will be complete 10 years from
5 the date the Antelope Valley Fairgrounds first takes electrical
6 service pursuant to the incentive rate required by this section.

7 ~~(f) Biennial reports shall be submitted to the commission and
8 to the Legislature by the Antelope Valley Fairgrounds. The reports
9 shall include actual recorded electricity usage by the fairgrounds
10 and electricity produced by the photovoltaic solar energy system
11 at the fairgrounds, on a time-of-use basis. A final report shall be
12 submitted to the commission and to the Legislature within six
13 months of the conclusion of the demonstration project. The final
14 report shall include an analysis of the energy and cost savings
15 achieved at the fairgrounds, the effectiveness of combining
16 investment in energy efficiency and a photovoltaic solar energy
17 system on the same site, the performance and durability of the
18 photovoltaic solar energy system over the life of the demonstration
19 project, and recommendations for optimizing ratepayer investment
20 in energy efficiency and photovoltaic solar energy systems.~~

21 ~~(g)~~

22 (f) This section shall remain in effect only until January 1, 2017,
23 and as of that date is repealed, unless a later enacted statute, that
24 is enacted before January 1, 2017, deletes or extends that date.

25 *SEC. 13. Section 381.2 of the Public Utilities Code is amended*
26 *to read:*

27 381.2. ~~(a)~~By March 1, 2010, the commission, by opening a
28 new proceeding or amending an existing proceeding, shall
29 investigate the ability of electrical corporations and gas
30 corporations to provide various energy efficiency financing options
31 to their customers for the purposes of implementing the program
32 developed pursuant to Section 25943 of the Public Resources Code.

33 ~~(b) In the report prepared pursuant to Section 384.2, the
34 commission shall include an assessment of each electrical
35 corporation's and each gas corporation's implementation of the
36 program developed pursuant to Section 25943 of the Public
37 Resources Code.~~

38 *SEC. 14. Section 384.2 of the Public Utilities Code is amended*
39 *and renumbered to read:*

1 ~~384.2.~~

2 913.7. The commission shall submit a report to the Legislature
3 by July 15, 2009, and triennially thereafter, on the energy efficiency
4 and conservation programs it oversees. The report shall include
5 information regarding authorized utility budgets and expenditures
6 and projected and actual energy savings over the program cycle.

7 SEC. 15. Section 399.19 of the Public Utilities Code is amended
8 and renumbered to read:

9 ~~399.19.~~

10 913.6. The commission, in consultation with the Energy
11 Commission, shall report to the Legislature by January 1 of every
12 even-numbered year on all of the following:

13 (a) The progress and status of procurement activities by each
14 retail ~~seller.~~ *seller pursuant to the California Renewables Portfolio*
15 *Standard Program (Article 16 (commencing with Section 399.11)*
16 *of Chapter 2.3).*

17 (b) The status of permitting and siting eligible renewable energy
18 resources and transmission facilities necessary to supply electricity
19 generated to load, including the time taken to permit each eligible
20 renewable energy resource and transmission line or upgrade,
21 explanations of failures to meet permitting milestones, and
22 recommendations for improvements to expedite permitting and
23 siting processes.

24 (c) The projected ability of each electrical corporation to meet
25 the renewables portfolio standard procurement requirements under
26 the cost limitations in subdivision (d) of Section 399.15 and any
27 recommendations for revisions of those cost limitations.

28 (d) Any barriers to, and policy recommendations for, achieving
29 the renewables portfolio standard pursuant to ~~this article.~~ *the*
30 *California Renewables Portfolio Standard Program (Article 16*
31 *(commencing with Section 399.11) of Chapter 2.3).*

32 ~~SEC. 5.~~

33 SEC. 16. Section 421 of the Public Utilities Code is amended
34 to read:

35 421. (a) The commission shall annually determine a fee to be
36 paid by every passenger stage corporation, charter-party carrier of
37 passengers, pipeline corporation, for-hire vessel operator, common
38 carrier vessel operator, railroad corporation, and commercial air
39 operator, and every other common carrier and related business
40 subject to the jurisdiction of the commission, except as otherwise

1 provided in Article 3 (commencing with Section 431) of this
2 chapter and Chapter 6 (commencing with Section 5001) of Division
3 2.

4 (b) The annual fee shall be established to produce a total amount
5 equal to the amount established in the authorized commission
6 budget for the same year, including adjustments appropriated by
7 the Legislature and an appropriate reserve, to regulate common
8 carriers and related businesses, less the amount to be paid from
9 special accounts or funds pursuant to Section 403, reimbursements,
10 federal funds, other revenues, and unencumbered funds from the
11 preceding year.

12 (c) Notwithstanding any other provision of law, the fees paid
13 by railroad corporations shall be used for state-funded railroad
14 investigation and enforcement activities of the commission, other
15 than the rail safety activities funded by the Transportation Planning
16 and Development Account pursuant to Section 99315. The railroad
17 fees shall be set annually at a level which generates not less than
18 the amount sufficient to fund activities pursuant to Sections 765.5,
19 ~~916~~, 916.2, and 7712.

20 (d) On January 1, 1992, the commission shall submit to the
21 Legislature a detailed budget implementing this section for the
22 1992–93 fiscal year. The commission shall also submit to the
23 Legislature by January 1, 1993, and on each January 1 thereafter,
24 a detailed budget for expenditure of railroad corporation fees for
25 the ensuing budget year. The budget for expenditure of railroad
26 corporation fees, for each of the 1996–97 and 1997–98 fiscal years,
27 shall not exceed the amount of three million dollars (\$3,000,000).
28 Expenditures of this budget shall be limited to the following items:

29 (1) Expenditures for employees occupying, and actually
30 performing service in, railroad-safety personnel positions that are
31 directly involved in inspecting railroads and enforcing rail safety
32 regulations. The commission shall expend the funds budgeted
33 pursuant to this subdivision for the salaries, per diem, and travel
34 expenses of employees specified in this paragraph, unless, by
35 statute, the commission is specifically prohibited from expending
36 all or part of those funds.

37 (2) Expenditures for employees occupying, and actually
38 performing service in, clerical and support staff positions that are
39 directly associated with railroad-safety inspections.

1 (3) Expenditures for legal personnel who actually pursue
2 violations of rail safety regulations beyond the informal complaint
3 level.

4 (4) Expenditures for an audit by the California State Auditor's
5 Office pursuant to subdivision (f), not to exceed seventy-five
6 thousand dollars (\$75,000).

7 (5) Expenditures for the pro rata share of the commission's
8 overhead costs while state personnel are actually occupying the
9 positions, and are performing the duties specified in paragraphs
10 (1) to (4), inclusive.

11 (e) The Department of Finance shall notify the Joint Legislative
12 Budget Committee, pursuant to Section 28.00 of the annual Budget
13 Act, prior to authorizing any change in the Budget Act
14 appropriation for railroad corporation fees that is larger than one
15 hundred thousand dollars (\$100,000), or 10 percent of the amount
16 budgeted, whichever is less.

17 (f) Except as otherwise provided in this subdivision,
18 commencing with the 1993–94 fiscal year, and in each subsequent
19 fiscal year until the 1999–2000 fiscal year, the commission shall
20 conduct an audit of the expenditure of the funds received pursuant
21 to this section, except that for the 1996–97 fiscal year and fiscal
22 years thereafter the audit shall be conducted by the California State
23 Auditor's Office. The results of this audit shall be reported, in
24 writing, commencing on or before February 15, 1995, with respect
25 to the audit for the 1993–94 fiscal year, and on or before January
26 15 of each year thereafter, with respect to the audit for the fiscal
27 year ending on the previous June 30, to the appropriate policy and
28 budget committees of the respective houses of the Legislature. The
29 commission shall reimburse the California State Auditor's Office
30 for the costs of the audits beginning with the 1996–97 fiscal year.

31 (g) On or before January 1, 1994, the commission shall hire a
32 minimum of four additional operating practices inspectors,
33 exclusive of supervisory personnel, who are, or shall become by
34 July 1, 1994, federally certified, for the purpose of enforcing
35 compliance by railroads operating in this state with state and federal
36 safety regulations.

37 (h) The commission, in performing its duties, shall limit the
38 expenditure of funds for rail safety purposes to those railroad
39 corporation fees collected pursuant to subdivision (d). In no event,

1 shall the commission fund railroad safety activities utilizing funds
2 from other commission accounts unrelated to railroad safety.

3 *SEC. 17. Section 432.5 of the Public Utilities Code is amended*
4 *and renumbered to read:*

5 ~~432.5.~~

6 910.3. (a) The commission shall report to the Legislature the
7 collections from each class of utility and expenditures, both direct
8 and indirect, for regulatory and other authorized commission
9 activities affecting each class. Where expenditures are for overhead,
10 allocations of services common to several classes, or for
11 commission-wide activities, the methods used to calculate the
12 expenditures attributed to the class shall be described in reasonable
13 detail.

14 (b) The report shall be furnished to the Legislature within 60
15 days after the end of the fiscal year, and shall be subject to audit.
16 The commission shall maintain information and reports necessary
17 to perform an audit pursuant to this section.

18 *SEC. 18. Section 740.3 of the Public Utilities Code is amended*
19 *to read:*

20 740.3. (a) The commission, in cooperation with the State
21 Energy Conservation and Development Commission, the State Air
22 Resources Board, air quality management districts and air pollution
23 control districts, regulated electrical and gas corporations, and the
24 motor vehicle industry, shall evaluate and implement policies to
25 promote the development of equipment and infrastructure needed
26 to facilitate the use of electric power and natural gas to fuel
27 low-emission vehicles. Policies to be considered shall include both
28 of the following:

29 (1) The sale-for-resale and the rate-basing of low-emission
30 vehicles and supporting equipment such as batteries for electric
31 vehicles and compressor stations for natural gas fueled vehicles.

32 (2) The development of statewide standards for electric vehicle
33 charger connections and compressed natural gas vehicle fueling
34 connections, including installation procedures and technical
35 assistance to installers.

36 (b) The commission shall hold public hearings as part of its
37 effort to evaluate and implement the new policies considered in
38 subdivision (a), and shall provide a progress report to the
39 Legislature by January 30, 1993, and every two years thereafter,
40 concerning policies on rates, equipment, and infrastructure

1 implemented by the commission and other state agencies, federal
2 and local governmental agencies, and private industry to facilitate
3 the use of electric power and natural gas to fuel low-emission
4 vehicles. (a).

5 (c) The commission's policies authorizing utilities to develop
6 equipment or infrastructure needed for electric-powered and natural
7 gas-fueled low-emission vehicles shall ensure that the costs and
8 expenses of those programs are not passed through to electric or
9 gas ratepayers unless the commission finds and determines that
10 those programs are in the ratepayers' interest. The commission's
11 policies shall also ensure that utilities do not unfairly compete with
12 nonutility enterprises.

13 ~~SEC. 6.~~

14 *SEC. 19.* Section 747 of the Public Utilities Code is amended
15 to read:

16 747. It is the intent of the Legislature that the commission
17 reduce rates for electricity and natural gas to the lowest amount
18 possible.

19 ~~SEC. 7.~~

20 *SEC. 20.* Section 747.6 of the Public Utilities Code is amended
21 and renumbered to read:

22 ~~913.1.~~

23 913.9. The commission shall report annually on its efforts to
24 identify ratepayer-funded energy efficiency programs that are
25 similar to programs administered by the Energy Commission, the
26 State Air Resources Board, and the California Alternative Energy
27 and Advanced Transportation Financing Authority in its annual
28 report prepared pursuant to Section 913 and to require revisions
29 to ratepayer-funded programs as necessary to ensure that the
30 ratepayer-funded programs complement and do not duplicate
31 programs of other state agencies.

32 ~~SEC. 8.~~

33 *SEC. 21.* Section 748 of the Public Utilities Code is amended
34 and renumbered to read:

35 913.2. (a) The commission, by May 1, 2010, and by each May
36 1 thereafter, shall prepare and submit a written report, separate
37 from and in addition to the report required by Section 913, to the
38 Governor and Legislature that contains the commission's
39 recommendations for actions that can be undertaken during the
40 succeeding 12 months to limit utility cost and rate increases,

1 consistent with the state’s energy and environmental goals,
2 including goals for reducing emissions of greenhouse gases.

3 (b) In preparing the report required by subdivision (a), the
4 commission shall require electrical corporations with 1,000,000
5 or more retail customers in California, and gas corporations with
6 500,000 or more retail customers in California, to study and report
7 on measures the corporation recommends be undertaken to limit
8 costs and rate increases.

9 (c) The commission shall post the report required by subdivision
10 (a) in a conspicuous area of its Internet Web site.

11 ~~SEC. 9.~~

12 *SEC. 22.* Section 765 of the Public Utilities Code is amended
13 to read:

14 765. (a) When the federal National Transportation Safety
15 Board (NTSB) submits a safety recommendation letter concerning
16 rail safety to the commission, the commission shall provide the
17 NTSB with a formal written response to each recommendation no
18 later than 90 days after receiving the letter. The response shall
19 state one of the following:

20 (1) The commission’s intent to implement the recommendations
21 in full, with a proposed timetable for implementation of the
22 recommendations.

23 (2) The commission’s intent to implement part of the
24 recommendations, with a proposed timetable for implementation
25 of those recommendations, and detailed reasons for the
26 commission’s refusal to implement those recommendations that
27 the commission does not intend to implement.

28 (3) The commission’s refusal to implement the
29 recommendations, with detailed reasons for the commission’s
30 refusal to implement the recommendations.

31 (b) If the NTSB issues a safety recommendation letter
32 concerning any commission-regulated rail facility to the United
33 States Department of Transportation, the Federal Transit
34 Administration, ~~to~~ a commission-regulated rail operator, or ~~to~~ the
35 commission, or if the Federal Transit Administration issues a safety
36 advisory concerning any commission-regulated rail facility, the
37 commission shall determine if implementation of the
38 recommendation or advisory is appropriate. The basis for the
39 commission’s determination shall be detailed in writing and shall
40 be approved by a majority vote of the commission.

1 (c) If the commission determines that a safety recommendation
2 made by the NTSB is appropriate, or that action concerning a
3 safety advisory is necessary, the commission shall issue orders or
4 adopt rules to implement the safety—recommendations
5 *recommendation* or advisory as soon as practicable. In
6 implementing the safety recommendation or advisory, the
7 commission shall consider whether a more effective, or equally
8 effective and less costly, alternative exists to address the safety
9 issue that the recommendation or advisory addresses.

10 ~~(d) Any action taken by the commission on a safety~~
11 ~~recommendation letter or safety advisory shall be reported~~
12 ~~annually, in detail, to the Legislature with the report required by~~
13 ~~Section 910. Any correspondence from the NTSB indicating that~~
14 ~~a recommendation has been closed following an action that the~~
15 ~~NTSB finds unacceptable shall be noted in the report required by~~
16 ~~Section 910.~~

17 *SEC. 23. Section 765.6 of the Public Utilities Code is amended*
18 *and renumbered to read:*

19 *765.6.*

20 *916.3. (a) The commission shall annually report to the*
21 *Legislature on or before November 30 of each year on the its*
22 *compliance with the requirements of Section 765.5, as added by*
23 *Chapter 763 of the Statutes of 1991, on or before January 1, 1993,*
24 *and annually thereafter. Commencing in 1996, the report shall be*
25 *submitted on or before November 30 of each year. 765.5. The*
26 *annual report shall include a determination by the commission of*
27 *the impact on competition, if any, of the regulatory fees assessed*
28 *railroad corporations and motor carriers for the support of the*
29 *commission's activities.*

30 *(b) The commission may combine the information required by*
31 *this section with the report prepared pursuant to Section 916.*

32 *SEC. 24. Section 785 of the Public Utilities Code is amended*
33 *to read:*

34 *785. (a) To the extent consistent with federal law and*
35 *regulation and contractual obligations regarding other available*
36 *gas, the commission shall, in consultation with the Division of Oil*
37 *and Gas of the Department of Conservation and with the State*
38 *Energy Resources Conservation and Development Commission,*
39 *encourage, as a first priority, the increased production of gas in*
40 *this state, including gas produced from that area of the Pacific*

1 Ocean along the coast of California commonly known as the outer
 2 continental shelf, and shall require, after a hearing, every gas
 3 corporation to purchase that gas which is compatible with the
 4 corporation’s gas plant and which is produced in this state having
 5 an actual delivered cost, measured in equivalent heat units, equal
 6 to or less than other available gas, unless this requirement will
 7 result in higher overall costs of gas or other consequences adverse
 8 to the interests of gas customers.

9 ~~(b) The commission shall annually report to the Legislature on
 10 its implementation of this section.~~

11 *SEC. 25. Section 873 of the Public Utilities Code is amended*
 12 *to read:*

13 873. (a) ~~(1)~~The commission shall annually do all of the
 14 following:

15 ~~(A)~~

16 (1) Designate a class of lifeline service necessary to meet
 17 minimum communications needs.

18 ~~(B)~~

19 (2) Set the rates and charges for that service.

20 ~~(C)~~

21 (3) Develop eligibility criteria for that service.

22 ~~(D)~~

23 (4) Assess the degree of achievement of universal service,
 24 including telephone penetration rates by income, ethnicity, and
 25 geography.

26 ~~(2) This information shall be annually reported to the Legislature
 27 by the commission in a document which can be made public.~~

28 (b) Minimum communications needs includes, but is not limited
 29 to, the ability to originate and receive calls and the ability to access
 30 electronic information services.

31 ~~SEC. 10.~~

32 *SEC. 26. Section 910 of the Public Utilities Code is amended*
 33 *and renumbered to read:*

34 913.3. (a) By May 1 of each year, the commission shall prepare
 35 and submit to the policy and fiscal committees of the Legislature
 36 a written report summarizing the following information:

37 (1) All electrical corporation revenue requirement increases
 38 associated with meeting the renewables portfolio standard, as
 39 defined in Section 399.12, including direct procurement costs for
 40 eligible renewable energy resources and renewable energy credits,

1 administrative expenses for procurement, expenses incurred to
2 ensure a reliable supply of electricity, and expenses for upgrades
3 to the electrical transmission and distribution grid necessary to the
4 delivery of electricity from eligible renewable energy resources
5 to load.

6 (2) All cost savings experienced, or costs avoided, by electrical
7 corporations as a result of meeting the renewables portfolio
8 standard.

9 (3) All costs incurred by electrical corporations for incentives
10 for distributed and renewable generation, including the
11 self-generation incentive program, the California Solar Initiative,
12 and net energy metering.

13 (4) All cost savings experienced, or costs avoided, by electrical
14 corporations as a result of incentives for distributed and renewable
15 generation.

16 (5) All pending requests by an electrical corporation seeking
17 recovery in rates for renewable, fossil fuel, and nuclear
18 procurement costs, research, study, or pilot program costs.

19 (6) The decision number for each decision of the commission
20 authorizing recovery in rates of costs incurred by an electrical
21 corporation since the preceding report.

22 (7) Any change in the electrical load serviced by an electrical
23 corporation since the preceding report.

24 (8) The efforts each electrical corporation is taking to recruit
25 and train employees to ensure an adequately trained and available
26 workforce, including the number of new employees hired by the
27 electrical corporation for purposes of implementing the
28 requirements of Article 16 (commencing with Section 399.11) of
29 Chapter 2.3, the goals adopted by the electrical corporation for
30 increasing women, minority, and disabled veterans trained or hired
31 for purposes of implementing the requirements of Article 16
32 (commencing with Section 399.11) of Chapter 2.3, and, to the
33 extent information is available, the number of new employees
34 hired and the number of women, minority, and disabled veterans
35 trained or hired by persons or corporations owning or operating
36 eligible renewable energy resources under contract with an
37 electrical corporation. This paragraph does not provide the
38 commission with authority to engage in, regulate, or expand its
39 authority to include, workforce recruitment or training.

1 (b) The commission may combine the information required by
2 this section with the reports prepared pursuant to Article 16
3 (commencing with Section 399.11) of Chapter 2.3.

4 ~~SEC. 11.~~

5 *SEC. 27.* Section 910 is added to the Public Utilities Code, to
6 read:

7 910. The commission shall do all of the following:

8 (a) Develop, publish, and annually update an annual workplan
9 that describes in clear detail the scheduled ratemaking proceedings
10 and other decisions that may be considered by the commission
11 during the calendar year. The plan shall include, but is not limited
12 to, information on how members of the public and ratepayers can
13 gain access to the commission's ratemaking process and
14 information regarding the specific matters to be decided. The plan
15 shall also include information on the operation of the office of the
16 public advisor and identify the names and telephone numbers of
17 those contact persons responsible for specific cases and matters
18 to be decided. The plan shall also include a statement that specifies
19 activities that the commission proposes to reduce the costs of, and
20 rates for, energy, including electricity, and for improving the
21 competitive opportunities for state agriculture and other rural
22 energy consumers. The commission shall post the plan under the
23 Official Documents area of its Internet Web site and shall develop
24 a program to disseminate the information in the plan utilizing
25 computer mailing lists to provide regular updates on the
26 information to those members of the public and organizations that
27 request the information.

28 (b) Produce a complete accounting of its transactions and
29 proceedings for the preceding year, together with other facts,
30 suggestions, and recommendations that it deems of value to the
31 people of the state, and a statement that specifies the activities and
32 achievements of the commission in reducing the costs of, and rates
33 for, energy, including electricity, for state agriculture and other
34 rural energy consumers.

35 (c) Create a report on the number of cases where resolution
36 exceeded the time periods prescribed in scoping memos and the
37 days that commissioners presided in hearings.

38 (d) Submit annually the plan, accounting, and report required
39 by subdivisions (a), (b), and (c) to the Governor and Legislature
40 no later than February 1 of each year. A report to be submitted

1 pursuant to this subdivision shall be submitted in compliance with
2 Section 9795 of the Government Code.

3 *SEC. 28. Section 910.4 is added to the Public Utilities Code,*
4 *to read:*

5 *910.4. (a) The commission shall provide a report to the*
6 *Legislature on September 1 of each year, on the progress of*
7 *activities undertaken by each electrical, gas, water, wireless*
8 *telecommunications service provider, and telephone corporation*
9 *with gross annual revenues exceeding twenty-five million dollars*
10 *(\$25,000,000), in the implementation of women, minority, disabled*
11 *veteran, and LGBT business enterprise development programs*
12 *pursuant to Article 5 (commencing with Section 8281) of Chapter*
13 *7 of Division 4. The report shall include information about which*
14 *procurements are made with women, minority, disabled veteran,*
15 *and LGBT business enterprises with at least a majority of the*
16 *enterprise's workforce in California, to the extent that information*
17 *is readily accessible. The commission shall recommend a program*
18 *for carrying out the policy declared in Article 5 (commencing with*
19 *Section 8281) of Chapter 7 of Division 4, together with*
20 *recommendations for legislation that it deems necessary or*
21 *desirable to further that policy. The commission shall make the*
22 *report available on its Internet Web site.*

23 *(b) In regard to disabled veteran business enterprises, the*
24 *commission shall ensure that the programs and legislation*
25 *recommended pursuant to subdivision (a) are consistent with the*
26 *disabled veteran business enterprise certification eligibility*
27 *requirements imposed by the Department of General Services and*
28 *that the recommendations include only those disabled veteran*
29 *business enterprises certified by the Department of General*
30 *Services.*

31 *(c) The commission shall include the information about LGBT*
32 *business enterprises required by subdivision (a) beginning with*
33 *the report due on September 1, 2016.*

34 *SEC. 29. Section 910.7 is added to the Public Utilities Code,*
35 *to read:*

36 *910.7. It is the intent of the Legislature that, commencing one*
37 *year from the date that the procedures described in subdivision*
38 *(a) of Section 311.4 are implemented, the commission annually*
39 *review the procedures and the technology involved to ensure the*

1 *continued effectiveness of the program, and report any findings*
2 *to the Legislature.*

3 ~~SEC. 12.~~

4 *SEC. 30.* Section 911 of the Public Utilities Code is amended
5 and renumbered to read:

6 913.4. (a) Notwithstanding subdivision (g) of Section 454.5
7 and Section 583, no later than May 1 of each year, the commission
8 shall release to the Legislature the costs of all electricity
9 procurement contracts for eligible renewable energy resources,
10 including unbundled renewable energy credits, and all costs for
11 utility-owned generation approved by the commission. The first
12 report shall include all costs commencing January 1, 2003.
13 Subsequent reports shall include only costs for the preceding
14 calendar year.

15 (1) For power purchase contracts, the commission shall release
16 costs in an aggregated form categorized according to the year the
17 procurement transaction was approved by the commission, the
18 eligible renewable energy resource type, including bundled
19 renewable energy credits, the average executed contract price, and
20 average actual recorded costs for each kilowatthour of production.
21 Within each renewable energy resource type, the commission shall
22 provide aggregated costs for different project size thresholds.

23 (2) For each utility-owned renewable generation project, the
24 commission shall release the costs forecast by the electrical
25 corporation at the time of initial approval and the actual recorded
26 costs for each kilowatthour of production during the preceding
27 calendar year.

28 (b) This section does not require the release of the terms of any
29 individual electricity procurement contracts for eligible renewable
30 energy resources, including unbundled renewable energy credits,
31 approved by the commission. The commission shall aggregate
32 data to the extent required to ensure protection of the confidentiality
33 of individual contract costs even if this aggregation requires
34 grouping contracts of different energy resource type. The
35 commission shall not be required to release the data in any year
36 when there are fewer than three contracts approved.

37 (c) The commission may combine the information required by
38 this section with the report prepared pursuant to Section 913.3.

39 ~~SEC. 13.~~ Section 911 is added to the Public Utilities Code, to
40 read:

1 ~~911. On or before November 30 of each year, the commission~~
2 ~~shall report to the Legislature on the activities of the division of~~
3 ~~the commission responsible for consumer protection and safety,~~
4 ~~and shall fully document in the report all expenditures of those~~
5 ~~funds in the audit report provided in subdivision (f) of Section~~
6 ~~421. A report to be submitted pursuant to this section shall be~~
7 ~~submitted in compliance with Section 9795 of the Government~~
8 ~~Code.~~

9 *SEC. 31. Section 912.2 is added to the Public Utilities Code,*
10 *to read:*

11 *912.2. (a) The commission shall conduct two interim financial*
12 *audits and a final financial audit and two interim performance*
13 *audits and a final performance audit of the implementation and*
14 *effectiveness of the California Advanced Services Fund to ensure*
15 *that funds have been expended in accordance with the approved*
16 *terms of the grant awards and loan agreements pursuant to Section*
17 *281. The commission shall report its interim findings to the*
18 *Legislature by April 1, 2011, and April 1, 2017. The commission*
19 *shall report its final findings to the Legislature by April 1, 2021.*
20 *The reports shall also include an update to the maps in the final*
21 *report of the California Broadband Task Force and data on the*
22 *types and numbers of jobs created as a result of the program*
23 *administered by the commission pursuant to Section 281.*

24 *(b) Pursuant to Section 10231.5 of the Government Code, this*
25 *section is repealed on January 1, 2022.*

26 ~~SEC. 14.~~

27 *SEC. 32. Section 913 is added to the Public Utilities Code, to*
28 *read:*

29 *913. (a) The reporting requirements of this section apply to*
30 *electrical corporations with at least 1,000,000 retail customers in*
31 *California and gas corporations with at least 500,000 retail*
32 *customers in California.*

33 *(b) The commission shall prepare a written report on the costs*
34 *of programs and activities conducted by each electrical corporation*
35 *and gas corporation that is subject to this section, including*
36 *activities conducted to comply with their duty to serve. The report*
37 *shall be completed on an annual basis before April 1 of each year,*
38 *and shall identify, clearly and concisely, all of the following:*

39 *(1) Each program mandated by statute and its annual cost to*
40 *ratepayers.*

1 (2) Each program mandated by the commission and its annual
2 cost to ratepayers.

3 (3) Energy purchase contract costs and bond-related costs
4 incurred pursuant to Division 27 (commencing with Section 80000)
5 of the Water Code.

6 (4) All other aggregated categories of costs currently recovered
7 in retail rates as determined by the commission.

8 (c) The report required by subdivision (b) shall be submitted to
9 the Governor and the Legislature no later than April 1 of each year.

10 (d) The commission shall post the report required by subdivision
11 (b) in a conspicuous area of its Internet Web site.

12 *SEC. 33. Section 913.5 is added to the Public Utilities Code,*
13 *to read:*

14 *913.5. In order to evaluate the progress of the state's electrical*
15 *corporations in complying with the California Renewables*
16 *Portfolio Standard Program (Article 16 (commencing with Section*
17 *399.11) of Chapter 2.3), the commission shall report to the*
18 *Legislature on or before the first day of each quarter on all of the*
19 *following:*

20 *(a) The progress of each electrical corporation in meeting the*
21 *renewables portfolio standard, as defined in Section 399.12.*

22 *(b) For each electrical corporation, an implementation schedule*
23 *to achieve the renewables portfolio standard procurement*
24 *requirements, including all substantive actions that have been*
25 *taken or will be taken to achieve the program procurement*
26 *requirements.*

27 *(c) Any renewable energy procurement plan approved by the*
28 *commission pursuant to Section 399.13, schedule, and status report*
29 *for all substantive procurement, transmission development, and*
30 *other activities that the commission has approved to be undertaken*
31 *by an electrical corporation to achieve the procurement*
32 *requirements of the renewables portfolio standard.*

33 *SEC. 34. Section 913.8 is added to the Public Utilities Code,*
34 *to read:*

35 *913.8. In the report prepared pursuant to Section 913.7, the*
36 *commission shall include an assessment of each electrical*
37 *corporation's and each gas corporation's implementation of the*
38 *program developed pursuant to Section 25943 of the Public*
39 *Resources Code.*

1 SEC. 35. Section 913.12 is added to the Public Utilities Code,
2 to read:

3 913.12. The commission shall provide a progress report to the
4 Legislature by January 30 of each odd numbered year concerning
5 policies on rates, equipment, and infrastructure implemented by
6 the commission and other state agencies, federal and local
7 governmental agencies, and private industry to facilitate the use
8 of electricity to power, and natural gas to fuel, low-emission
9 vehicles.

10 SEC. 36. Section 913.13 is added to the Public Utilities Code,
11 to read:

12 913.13. On or before June 30 of each year, the commission
13 shall submit to the Legislature an assessment of the success of the
14 California Solar Initiative program. That assessment shall include
15 the number of residential and commercial sites that have installed
16 solar thermal devices for which an award was made pursuant to
17 subdivision (b) of Section 2851 and the dollar value of the award,
18 the number of residential and commercial sites that have installed
19 solar energy systems, the electrical generating capacity of the
20 installed solar energy systems, the cost of the program, total
21 electrical system benefits, including the effect on electrical service
22 rates, environmental benefits, how the program affects the
23 operation and reliability of the electrical grid, how the program
24 has affected peak demand for electricity, the progress made toward
25 reaching the goals of the program, whether the program is on
26 schedule to meet the program goals, and recommendations for
27 improving the program to meet its goals. If the commission
28 allocates additional moneys to research, development, and
29 demonstration that explores solar technologies and other
30 distributed generation technologies pursuant to paragraph (1) of
31 subdivision (c) of Section 2851, the commission shall include in
32 the assessment submitted to the Legislature, a description of the
33 program, a summary of each award made or project funded
34 pursuant to the program, including the intended purposes to be
35 achieved by the particular award or project, and the results of
36 each award or project.

37 SEC. 37. Section 913.14 is added to the Public Utilities Code,
38 to read:

39 913.14. The commission shall annually report to the Legislature
40 on its implementation of Section 785.

1 SEC. 38. Section 913.15 is added to the Public Utilities Code,
2 to read:

3 913.15. An action taken by the commission on a safety
4 recommendation letter or advisory bulletin concerning gas pipeline
5 safety issued by the federal National Transportation Safety Board
6 (NTSB) shall be reported annually, in detail, to the Legislature
7 with the report required by Section 910. Correspondence from the
8 NTSB that indicates that a recommendation of the NTSB has been
9 closed following an action that the NTSB finds unacceptable shall
10 be noted in the report required by Section 910.

11 SEC. 39. Section 914 is added to the Public Utilities Code, to
12 read:

13 914. The commission shall annually report the information
14 required to be reported by public utilities pursuant to Section 7912,
15 to the Assembly Committee on Utilities and Commerce and the
16 Senate Committee on Energy, Utilities and Communications, or
17 their successor committees, and within a reasonable time
18 thereafter, shall make the information available to the public on
19 its Internet Web site.

20 SEC. 40. Section 914.1 is added to the Public Utilities Code,
21 to read:

22 914.1. The commission shall annually report to the Legislature,
23 in a document that can be made public, information relative to the
24 actions undertaken by the commission implementing the lifeline
25 telecommunications universal service program pursuant to
26 subdivision (a) of Section 873.

27 SEC. 41. Section 914.2 is added to the Public Utilities Code,
28 to read:

29 914.2. The commission, in its annual report prepared pursuant
30 to Section 914.1, shall assess whether having telephone
31 corporations provide the name and address of its lifeline customers
32 to other public utilities for the purpose of low-income ratepayer
33 assistance outreach efforts has been helpful in the low-income
34 ratepayer assistance outreach efforts.

35 SEC. 42. Section 914.3 is added to the Public Utilities Code,
36 to read:

37 914.3. By July 1 each year, the commission shall submit to the
38 Governor and the Legislature a report that includes, based on
39 year-end data, on an aggregated basis, the information submitted
40 by holders pursuant to subdivision (b) of Section 5960. All

1 information submitted to the commission and reported by the
2 commission pursuant to this section shall be disclosed to the public
3 only as provided for pursuant to Section 583. No individually
4 identifiable customer or subscriber information shall be subject
5 to public disclosure.

6 SEC. 43. Section 914.4 is added to the Public Utilities Code,
7 to read:

8 914.4. The commission shall annually report the information
9 required to be reported by holders of state franchises pursuant to
10 Section 5920, to the Assembly Committee on Utilities and
11 Commerce and the Senate Committee on Energy, Utilities and
12 Communications, or their successor committees, and within a
13 reasonable time thereafter, shall make the information available
14 to the public on its Internet Web site.

15 SEC. 44. Section 914.5 is added to the Public Utilities Code,
16 to read:

17 914.5. (a) The commission shall prepare and submit to the
18 Legislature, on or before March 1 of each year, a report on the
19 fiscal status of the programs established and funded pursuant to
20 Sections 2881, 2881.1, and 2881.2. The report shall include a
21 statement of the surcharge level established pursuant to subdivision
22 (g) of Section 2881 and revenues produced by the surcharge, an
23 accounting of program expenses, and an evaluation of options for
24 controlling those expenses and increasing program efficiency,
25 including, but not limited to, all of the following proposals:

26 (1) The establishment of a means test for persons to qualify for
27 program equipment or free or reduced charges for the use of
28 telecommunication services.

29 (2) If and to the extent not prohibited under Section 401 of the
30 federal Americans with Disabilities Act of 1990 (Public Law
31 101-336), as amended (47 U.S.C. Sec. 225), the imposition of limits
32 or other restrictions on maximum usage levels for the relay service,
33 which shall include the development of a program to provide basic
34 communications requirements to all relay users at discounted
35 rates, including discounted toll-call rates, and, for usage in excess
36 of those basic requirements, at rates that recover the full costs of
37 service.

38 (3) More efficient means for obtaining and distributing
39 equipment to qualified subscribers.

1 (4) *The establishment of quality standards for increasing the*
2 *efficiency of the relay system.*

3 (5) *Any modification to the program in order to maximize*
4 *participation and funding opportunity under similar federal*
5 *programs.*

6 (b) *Pursuant to Section 10231.5 of the Government Code, this*
7 *section is repealed on January 1, 2021.*

8 ~~SEC. 15.~~

9 ~~SEC. 45.~~ Section 914.6 is added to the Public Utilities
10 Code, to read:

11 ~~914.~~

12 914.6. The commission shall report to the Legislature and the
13 Governor annually on the effectiveness of the program
14 administered pursuant to subdivision (c) of Section 280.5.

15 ~~SEC. 46.~~ Section 914.7 is added to the Public Utilities Code,
16 to read:

17 914.7. (a) *By January 1 each year, the commission shall*
18 *provide a report to the Legislature that includes all of the following*
19 *information:*

20 (1) *The amount of funds expended from the California Advanced*
21 *Services Fund in the prior year.*

22 (2) *The recipients of funds expended from the California*
23 *Advanced Services Fund in the prior year.*

24 (3) *The geographic regions of the state affected by funds*
25 *expended from the California Advanced Services Fund in the prior*
26 *year.*

27 (4) *The expected benefits to be derived from the funds expended*
28 *from the California Advanced Services Fund in the prior year.*

29 (5) *Actual broadband adoption levels from the funds expended*
30 *from the California Advanced Services Fund in the prior year.*

31 (6) *The amount of funds expended from the California Advanced*
32 *Services Fund used to match federal funds.*

33 (7) *An update on the expenditures from California Advanced*
34 *Services Fund and broadband adoption levels, and an accounting*
35 *of remaining unserved and underserved households and areas of*
36 *the state.*

37 (8) *The status of the California Advanced Services Fund balance*
38 *and the projected amount to be collected in each year through*
39 *2020 to fund approved projects.*

1 (b) Pursuant to Section 10231.5 of the Government Code, this
2 section is repealed on January 1, 2021.

3 ~~SEC. 16.~~

4 SEC. 47. Section 915 of the Public Utilities Code is amended
5 and renumbered to read:

6 ~~911.1.~~

7 911. (a) Beginning February 1, 2016, the commission shall
8 annually publish a report that includes all investigations into gas
9 or electric service safety incidents reported, pursuant to commission
10 requirements, by any gas corporation or electrical corporation. The
11 report shall succinctly describe each safety investigation concluded
12 during the prior calendar year and each investigation that remains
13 open. The categories within the description shall include the month
14 of the safety incident, the reason for the investigation, the facility
15 type involved, and the owner of the facility.

16 (b) The commission shall include in its ~~work plan~~ *workplan*,
17 required pursuant to Section 910, a summary of the staff safety
18 investigations concluded during the prior calendar year and the
19 staff safety investigations that remain open for any gas corporation
20 or electrical corporation, with a link to the Internet Web site with
21 the report that contains the information required pursuant to
22 subdivision (a).

23 SEC. 48. Section 916 is added to the Public Utilities Code, to
24 read:

25 916. On or before November 30 of each year, the commission
26 shall report to the Legislature on its rail safety activities.

27 SEC. 49. Section 916.1 is added to the Public Utilities Code,
28 to read:

29 916.1. The division of the commission responsible for consumer
30 protection and safety shall investigate any incident that results in
31 a notification required pursuant to subdivision (b) of Section 7661,
32 and shall report its findings concerning the cause or causes to the
33 commission. The commission shall include the division's report
34 in its report to the Legislature pursuant to Section 916.2.

35 SEC. 50. Section 916.4 is added to the Public Utilities Code,
36 to read:

37 916.4. An action taken by the commission on a safety
38 recommendation letter or safety advisory pursuant to Section 765
39 shall be reported annually, in detail, to the Legislature with the
40 report required by Section 910. Correspondence from the federal

1 *National Transportation Safety Board indicating that a*
2 *recommendation has been closed following an action that the*
3 *federal National Transportation Safety Board finds unacceptable*
4 *shall be noted in the report required by Section 910.*

5 *SEC. 51. Section 919 is added to the Public Utilities Code, to*
6 *read:*

7 *919. The Independent System Operator shall report to the*
8 *Oversight Board, at such times as the Oversight Board may specify,*
9 *on the development and implementation of the standards in relation*
10 *to facilities under the operational control of the Independent*
11 *System Operator. The Independent System Operator shall require*
12 *each transmission facility owner or operator to report annually*
13 *on its compliance with the standards. That report shall be made*
14 *available to the public.*

15 *SEC. 52. Section 919.1 is added to the Public Utilities Code,*
16 *to read:*

17 *919.1. The commission shall require each electrical*
18 *corporation to report annually on its compliance with the standards*
19 *or rules adopted by the commission pursuant to Section 364. That*
20 *report shall be made available to the public, except that the*
21 *commission may, consistent with other provisions of law, withhold*
22 *from the public information generated or obtained pursuant to*
23 *this section that it deems would pose a security threat to the public*
24 *if disclosed.*

25 *SEC. 53. Section 919.2 is added to the Public Utilities Code,*
26 *to read:*

27 *919.2. (a) The Antelope Valley Fairgrounds shall submit*
28 *biennial reports to the commission and to the Legislature relative*
29 *to the Antelope Valley Fairgrounds EE and PV Synergy*
30 *Demonstration Project. The reports shall include actual recorded*
31 *electricity usage by the fairgrounds and electricity produced by*
32 *the photovoltaic solar energy system at the fairgrounds, on a*
33 *time-of-use basis. A final report shall be submitted to the*
34 *commission and to the Legislature within six months of the*
35 *conclusion of the demonstration project. The final report shall*
36 *include an analysis of the energy and cost savings achieved at the*
37 *fairgrounds, the effectiveness of combining investment in energy*
38 *efficiency and a photovoltaic solar energy system on the same site,*
39 *the performance and durability of the photovoltaic solar energy*
40 *system over the life of the demonstration project, and*

1 *recommendations for optimizing ratepayer investment in energy*
2 *efficiency and photovoltaic solar energy systems.*

3 *(b) This section shall remain in effect only until January 1, 2017,*
4 *and as of that date is repealed, unless a later enacted statute, that*
5 *is enacted before January 1, 2017, deletes or extends that date.*

6 ~~SEC. 17.~~

7 SEC. 54. Section 958.5 of the Public Utilities Code is amended
8 to read:

9 958.5. (a) Twice a year, or as determined by the commission,
10 each gas corporation shall file with the division of the commission
11 responsible for consumer protection and safety a gas transmission
12 and storage safety report. The division of the commission
13 responsible for consumer protection and safety shall review the
14 reports to monitor each gas corporation’s storage and
15 pipeline-related activities to assess whether the projects that have
16 been identified as high risk are being carried out, and to track
17 whether the gas corporation is spending its allocated funds on these
18 storage and pipeline-related safety, reliability, and integrity
19 activities for which they have received approval from the
20 commission.

21 (b) The gas transmission and storage safety report shall include
22 a thorough description and explanation of the strategic planning
23 and decisionmaking approach used to determine and rank the gas
24 storage projects, intrastate transmission line safety, integrity, and
25 reliability, operation and maintenance activities, and inspections
26 of its intrastate transmission lines. If there has been no change in
27 the gas corporation’s approach for determining and ranking which
28 projects and activities are prioritized since the previous gas
29 transmission and storage safety report, the subsequent report may
30 reference the immediately preceding report.

31 (c) If the division of the commission responsible for consumer
32 protection and safety determines that there is a deficiency in a gas
33 corporation’s prioritization or administration of the storage or
34 pipeline capital projects or operation and maintenance activities,
35 the division shall bring the problems to the commission’s
36 immediate attention.

37 ~~SEC. 18.~~

38 SEC. 55. Section 960 of the Public Utilities Code is amended
39 to read:

1 960. (a) When the federal National Transportation Safety
2 Board (NTSB) submits a safety recommendation letter concerning
3 gas pipeline safety to the commission, the commission shall provide
4 the NTSB with a formal written response to each recommendation
5 not later than 90 days after receiving the letter. The response shall
6 state one of the following:

7 (1) The commission's intent to implement the recommendations
8 in full, with a proposed timetable for implementation of the
9 recommendations.

10 (2) The commission's intent to implement part of the
11 recommendations, with a proposed timetable for implementation
12 of those recommendations, and detailed reasons for the
13 commission's refusal to implement those recommendations that
14 the commission does not intend to implement.

15 (3) The commission's refusal to implement the
16 recommendations, with detailed reasons for the commission's
17 refusal to implement the recommendations.

18 (b) If the NTSB issues a safety recommendation letter
19 concerning any commission-regulated gas pipeline facility to the
20 United States Department of Transportation, the federal Pipeline
21 and Hazardous Materials Safety Administration (PHMSA), a gas
22 corporation, or to the commission, or the PHMSA issues an
23 advisory bulletin concerning any commission-regulated gas
24 pipeline facility, the commission shall determine if implementation
25 of the recommendation or advisory is appropriate. The basis for
26 the commission's determination shall be detailed in writing and
27 shall be approved by a majority vote of the commission.

28 (c) If the commission determines that a safety recommendation
29 made by the NTSB is appropriate or that action concerning an
30 advisory bulletin is necessary, the commission shall issue orders
31 or adopt rules to implement the safety ~~recommendations~~
32 *recommendation* or advisory as soon as practicable. In
33 implementing the safety recommendation or advisory, the
34 commission shall consider whether a more effective, or equally
35 effective and less costly, alternative exists to address the safety
36 issue that the recommendation or advisory addresses.

37 ~~(d) Any action taken by the commission on a safety~~
38 ~~recommendation letter or advisory bulletin shall be reported~~
39 ~~annually, in detail, to the Legislature with the report required by~~
40 ~~Section 910. Any correspondence from the NTSB that indicates~~

1 ~~that a recommendation of the NTSB has been closed following an~~
2 ~~action that the NTSB finds unacceptable shall be noted in the report~~
3 ~~required by Section 321.6.~~

4 *SEC. 56. Section 2851 of the Public Utilities Code, as amended*
5 *by Section 41 of Chapter 24 of the Statutes of 2015, is amended*
6 *to read:*

7 2851. (a) In implementing the California Solar Initiative, the
8 commission shall do all of the following:

9 (1) (A) The commission shall authorize the award of monetary
10 incentives for up to the first megawatt of alternating current
11 generated by solar energy systems that meet the eligibility criteria
12 established by the Energy Commission pursuant to Chapter 8.8
13 (commencing with Section 25780) of Division 15 of the Public
14 Resources Code. The commission shall determine the eligibility
15 of a solar energy system, as defined in Section 25781 of the Public
16 Resources Code, to receive monetary incentives until the time the
17 Energy Commission establishes eligibility criteria pursuant to
18 Section 25782. Monetary incentives shall not be awarded for solar
19 energy systems that do not meet the eligibility criteria. The
20 incentive level authorized by the commission shall decline each
21 year following implementation of the California Solar Initiative,
22 at a rate of no less than an average of 7 percent per year, and,
23 except as provided in subparagraph (B), shall be zero as of
24 December 31, 2016. The commission shall adopt and publish a
25 schedule of declining incentive levels no less than 30 days in
26 advance of the first decline in incentive levels. The commission
27 may develop incentives based upon the output of electricity from
28 the system, provided those incentives are consistent with the
29 declining incentive levels of this paragraph and the incentives
30 apply to only the first megawatt of electricity generated by the
31 system.

32 (B) The incentive level for the installation of a solar energy
33 system pursuant to Section 2852 shall be zero as of December 31,
34 2021.

35 (2) The commission shall adopt a performance-based incentive
36 program so that by January 1, 2008, 100 percent of incentives for
37 solar energy systems of 100 kilowatts or greater and at least 50
38 percent of incentives for solar energy systems of 30 kilowatts or
39 greater are earned based on the actual electrical output of the solar
40 energy systems. The commission shall encourage, and may require,

1 performance-based incentives for solar energy systems of less than
2 30 kilowatts. Performance-based incentives shall decline at a rate
3 of no less than an average of 7 percent per year. In developing the
4 performance-based incentives, the commission may:

5 (A) Apply performance-based incentives only to customer
6 classes designated by the commission.

7 (B) Design the performance-based incentives so that customers
8 may receive a higher level of incentives than under incentives
9 based on installed electrical capacity.

10 (C) Develop financing options that help offset the installation
11 costs of the solar energy system, provided that this financing is
12 ultimately repaid in full by the consumer or through the application
13 of the performance-based rebates.

14 (3) By January 1, 2008, the commission, in consultation with
15 the Energy Commission, shall require reasonable and cost-effective
16 energy efficiency improvements in existing buildings as a condition
17 of providing incentives for eligible solar energy systems, with
18 appropriate exemptions or limitations to accommodate the limited
19 financial resources of low-income residential housing.

20 (4) Notwithstanding subdivision (g) of Section 2827, the
21 commission may develop a time-variant tariff that creates the
22 maximum incentive for ratepayers to install solar energy systems
23 so that the system's peak electricity production coincides with
24 California's peak electricity demands and that ensures that
25 ratepayers receive due value for their contribution to the purchase
26 of solar energy systems and customers with solar energy systems
27 continue to have an incentive to use electricity efficiently. In
28 developing the time-variant tariff, the commission may exclude
29 customers participating in the tariff from the rate cap for residential
30 customers for existing baseline quantities or usage by those
31 customers of up to 130 percent of existing baseline quantities, as
32 required by Section 739.9. Nothing in this paragraph authorizes
33 the commission to require time-variant pricing for ratepayers
34 without a solar energy system.

35 (b) Notwithstanding subdivision (a), in implementing the
36 California Solar Initiative, the commission may authorize the award
37 of monetary incentives for solar thermal and solar water heating
38 devices, in a total amount up to one hundred million eight hundred
39 thousand dollars (\$100,800,000).

1 (c) (1) In implementing the California Solar Initiative, the
2 commission shall not allocate more than fifty million dollars
3 (\$50,000,000) to research, development, and demonstration that
4 explores solar technologies and other distributed generation
5 technologies that employ or could employ solar energy for
6 generation or storage of electricity or to offset natural gas usage.
7 Any program that allocates additional moneys to research,
8 development, and demonstration shall be developed in
9 collaboration with the Energy Commission to ensure there is no
10 duplication of efforts, and adopted by the commission through a
11 rulemaking or other appropriate public proceeding. Any grant
12 awarded by the commission for research, development, and
13 demonstration shall be approved by the full commission at a public
14 meeting. This subdivision does not prohibit the commission from
15 continuing to allocate moneys to research, development, and
16 demonstration pursuant to the self-generation incentive program
17 for distributed generation resources originally established pursuant
18 to Chapter 329 of the Statutes of 2000, as modified pursuant to
19 Section 379.6.

20 (2) The Legislature finds and declares that a program that
21 provides a stable source of monetary incentives for eligible solar
22 energy systems will encourage private investment sufficient to
23 make solar technologies cost effective.

24 ~~(3) On or before June 30, 2009, and by June 30th of every year~~
25 ~~thereafter, the commission shall submit to the Legislature an~~
26 ~~assessment of the success of the California Solar Initiative program.~~
27 ~~That assessment shall include the number of residential and~~
28 ~~commercial sites that have installed solar thermal devices for which~~
29 ~~an award was made pursuant to subdivision (b) and the dollar value~~
30 ~~of the award, the number of residential and commercial sites that~~
31 ~~have installed solar energy systems, the electrical generating~~
32 ~~capacity of the installed solar energy systems, the cost of the~~
33 ~~program, total electrical system benefits, including the effect on~~
34 ~~electrical service rates, environmental benefits, how the program~~
35 ~~affects the operation and reliability of the electrical grid, how the~~
36 ~~program has affected peak demand for electricity, the progress~~
37 ~~made toward reaching the goals of the program, whether the~~
38 ~~program is on schedule to meet the program goals, and~~
39 ~~recommendations for improving the program to meet its goals. If~~
40 ~~the commission allocates additional moneys to research,~~

1 ~~development, and demonstration that explores solar technologies~~
2 ~~and other distributed generation technologies pursuant to paragraph~~
3 ~~(1), the commission shall include in the assessment submitted to~~
4 ~~the Legislature, a description of the program, a summary of each~~
5 ~~award made or project funded pursuant to the program, including~~
6 ~~the intended purposes to be achieved by the particular award or~~
7 ~~project, and the results of each award or project.~~

8 (d) (1) The commission shall not impose any charge upon the
9 consumption of natural gas, or upon natural gas ratepayers, to fund
10 the California Solar Initiative.

11 (2) Notwithstanding any other provision of law, any charge
12 imposed to fund the program adopted and implemented pursuant
13 to this section shall be imposed upon all customers not participating
14 in the California Alternate Rates for Energy (CARE) or family
15 electric rate assistance (FERA) programs, including those
16 residential customers subject to the rate limitation specified in
17 Section 739.9 for existing baseline quantities or usage up to 130
18 percent of existing baseline quantities of electricity.

19 (3) The costs of the program adopted and implemented pursuant
20 to this section shall not be recovered from customers participating
21 in the California Alternate Rates for Energy or CARE program
22 established pursuant to Section 739.1, except to the extent that
23 program costs are recovered out of the nonbypassable system
24 benefits charge authorized pursuant to Section 399.8.

25 (e) Except as provided in subdivision (f), in implementing the
26 California Solar Initiative, the commission shall ensure that the
27 total cost over the duration of the program does not exceed three
28 billion five hundred fifty million eight hundred thousand dollars
29 (\$3,550,800,000). Except as provided in subdivision (f), financial
30 components of the California Solar Initiative shall consist of the
31 following:

32 (1) Programs under the supervision of the commission funded
33 by charges collected from customers of San Diego Gas and Electric
34 Company, Southern California Edison Company, and Pacific Gas
35 and Electric Company. Except as provided in subdivision (f), the
36 total cost over the duration of these programs shall not exceed two
37 billion three hundred sixty-six million eight hundred thousand
38 dollars (\$2,366,800,000) and includes moneys collected directly
39 into a tracking account for support of the California Solar Initiative.

1 (2) Programs adopted, implemented, and financed in the amount
2 of seven hundred eighty-four million dollars (\$784,000,000), by
3 charges collected by local publicly owned electric utilities pursuant
4 to Section 2854. Nothing in this subdivision shall give the
5 commission power and jurisdiction with respect to a local publicly
6 owned electric utility or its customers.

7 (3) (A) Programs for the installation of solar energy systems
8 on new construction (New Solar Homes Partnership Program),
9 administered by the Energy Commission, and funded by charges
10 in the amount of four hundred million dollars (\$400,000,000),
11 collected from customers of San Diego Gas and Electric Company,
12 Southern California Edison Company, and Pacific Gas and Electric
13 Company. If the commission is notified by the Energy Commission
14 that funding available pursuant to Section 25751 of the Public
15 Resources Code for the New Solar Homes Partnership Program
16 and any other funding for the purposes of this paragraph have been
17 exhausted, the commission may require an electrical corporation
18 to continue administration of the program pursuant to the guidelines
19 established for the program by the Energy Commission, until the
20 funding limit authorized by this paragraph has been reached. The
21 commission may determine whether a third party, including the
22 Energy Commission, should administer the utility's continuation
23 of the New Solar Homes Partnership Program. The commission,
24 in consultation with the Energy Commission, shall supervise the
25 administration of the continuation of the New Solar Homes
26 Partnership Program by an electrical corporation or third-party
27 administrator. After the exhaustion of funds, the Energy
28 Commission shall notify the Joint Legislative Budget Committee
29 30 days prior to the continuation of the program. This subparagraph
30 shall become inoperative on June 1, 2018.

31 (B) If the commission requires a continuation of the program
32 pursuant to subparagraph (A), any funding made available pursuant
33 to the continuation program shall be encumbered through the
34 issuance of rebate reservations by no later than June 1, 2018, and
35 disbursed by no later than December 31, 2021.

36 (4) The changes made to this subdivision by Chapter 39 of the
37 Statutes of 2012 do not authorize the levy of a charge or any
38 increase in the amount collected pursuant to any existing charge,
39 nor do the changes add to, or detract from, the commission's
40 existing authority to levy or increase charges.

1 (f) Upon the expenditure or reservation in any electrical
2 corporation's service territory of the amount specified in paragraph
3 (1) of subdivision (e) for low-income residential housing programs
4 pursuant to subdivision (c) of Section 2852, the commission shall
5 authorize the continued collection of the charge for the purposes
6 of Section 2852. The commission shall ensure that the total amount
7 collected pursuant to this subdivision does not exceed one hundred
8 eight million dollars (\$108,000,000). Upon approval by the
9 commission, an electrical corporation may use amounts collected
10 pursuant to subdivision (e) for purposes of funding the general
11 market portion of the California Solar Initiative, that remain
12 unspent and unencumbered after December 31, 2016, to reduce
13 the electrical corporation's portion of the total amount collected
14 pursuant to this subdivision.

15 *SEC. 57. Section 2881 of the Public Utilities Code is amended*
16 *to read:*

17 2881. (a) The commission shall design and implement a
18 program to provide a telecommunications device capable of serving
19 the needs of individuals who are deaf or hearing impaired, together
20 with a single party line, at no charge additional to the basic
21 exchange rate, to a subscriber who is certified as an individual
22 who is deaf or hearing impaired by a licensed physician and
23 surgeon, audiologist, or a qualified state or federal agency, as
24 determined by the commission, and to a subscriber that is an
25 organization representing individuals who are deaf or hearing
26 impaired, as determined and specified by the commission pursuant
27 to subdivision (h). A licensed hearing aid dispenser may certify
28 the need of an individual to participate in the program if that
29 individual has been previously fitted with an amplified device by
30 the dispenser and the dispenser has the individual's hearing records
31 on file prior to certification. In addition, a physician assistant may
32 certify the needs of an individual who has been diagnosed by a
33 physician and surgeon as being deaf or hearing impaired to
34 participate in the program after reviewing the medical records or
35 copies of the medical records containing that diagnosis.

36 (b) The commission shall also design and implement a program
37 to provide a dual-party relay system, using third-party intervention
38 to connect individuals who are deaf or hearing impaired and offices
39 of organizations representing individuals who are deaf or hearing
40 impaired, as determined and specified by the commission pursuant

1 to subdivision (h), with persons of normal hearing by way of
2 intercommunications devices for individuals who are deaf or
3 hearing impaired and the telephone system, making available
4 reasonable access of all phases of public telephone service to
5 telephone subscribers who are deaf or hearing impaired. In order
6 to make a dual-party relay system that will meet the requirements
7 of individuals who are deaf or hearing impaired available at a
8 reasonable cost, the commission shall initiate an investigation,
9 conduct public hearings to determine the most cost-effective
10 method of providing dual-party relay service to the deaf or hearing
11 impaired when using a telecommunications device, and solicit the
12 advice, counsel, and physical assistance of statewide nonprofit
13 consumer organizations of the deaf, during the development and
14 implementation of the system. The commission shall apply for
15 certification of this program under rules adopted by the Federal
16 Communications Commission pursuant to Section 401 of the
17 federal Americans with Disabilities Act of 1990 (Public Law
18 101-336).

19 (c) The commission shall also design and implement a program
20 whereby specialized or supplemental telephone communications
21 equipment may be provided to subscribers who are certified to be
22 disabled at no charge additional to the basic exchange rate. The
23 certification, including a statement of visual or medical need for
24 specialized telecommunications equipment, shall be provided by
25 a licensed optometrist, physician and surgeon, or physician
26 assistant, acting within the scope of practice of his or her license,
27 or by a qualified state or federal agency as determined by the
28 commission. The commission shall, in this connection, study the
29 feasibility of, and implement, if determined to be feasible, personal
30 income criteria, in addition to the certification of disability, for
31 determining a subscriber's eligibility under this subdivision.

32 (d) (1) The commission shall also design and implement a
33 program to provide access to a speech-generating device to any
34 subscriber who is certified as having a speech disability at no
35 charge additional to the basic exchange rate. The certification shall
36 be provided by a licensed physician, licensed speech-language
37 pathologist, or qualified state or federal agency. The commission
38 shall provide to a certified subscriber access to a speech-generating
39 device that is all of the following:

1 (A) A telecommunications device or a device that includes a
2 telecommunications component.

3 (B) Appropriate to meet the subscriber's needs for access to,
4 and use of, the telephone network, based on the recommendation
5 of a licensed speech-language pathologist.

6 (C) Consistent with the quality of speech-generating devices
7 available for purchase in the state.

8 (2) The commission shall adopt rules to implement this
9 subdivision and subdivision (e) by January 1, 2014.

10 (e) All of the following apply to any device or equipment
11 described in this section that is classified as durable medical
12 equipment under guidelines established by the United States
13 Department of Health and Human Services:

14 (1) It is the intent of the Legislature that the commission be the
15 provider of last resort and that eligible subscribers first obtain
16 coverage from any available public or private insurance.

17 (2) The commission may require the subscriber to provide
18 information about coverage for any or all of the cost of the device
19 or equipment that is available from any public or private insurance,
20 the cost to the subscriber of any deductible, copayment, or other
21 relevant expense, and any related benefit cap information.

22 (3) The total cost of any device or equipment provided to a
23 subscriber under this section shall not exceed the rate of
24 reimbursement provided by Medi-Cal for that device or equipment.

25 (f) Nothing in this section requires the commission to provide
26 training to a subscriber on the use of a speech-generating device.

27 (g) The commission shall establish a rate recovery mechanism
28 through a surcharge not to exceed one-half of 1 percent uniformly
29 applied to a subscriber's intrastate telephone service, other than
30 one-way radio paging service and universal telephone service,
31 both within a service area and between service areas, to allow
32 providers of the equipment and service specified in subdivisions
33 (a), (b), (c), and (d) to recover costs as they are incurred under this
34 section. The surcharge shall be in effect until January 1, 2020. The
35 commission shall require that the programs implemented under
36 this section be identified on subscribers' bills, and shall establish
37 a fund and require separate accounting for each of the programs
38 implemented under this section.

39 (h) The commission shall determine and specify those statewide
40 organizations representing the deaf or hearing impaired that shall

1 receive a telecommunications device pursuant to subdivision (a)
2 or a dual-party relay system pursuant to subdivision (b), or both,
3 and in which offices the equipment shall be installed in the case
4 of an organization having more than one office.

5 (i) The commission may direct a telephone corporation subject
6 to its jurisdiction to comply with its determinations and
7 specifications pursuant to this section.

8 (j) The commission shall annually review the surcharge level
9 and the balances in the funds established pursuant to subdivision
10 (g). Until January 1, 2020, the commission may make, within the
11 limits set by subdivision (g), any necessary adjustments to the
12 surcharge to ensure that the programs supported thereby are
13 adequately funded and that the fund balances are not excessive. A
14 fund balance that is projected to exceed six months' worth of
15 projected expenses at the end of the fiscal year is excessive.

16 ~~(k) The commission shall prepare and submit to the Legislature,~~
17 ~~on or before March 1 of each year, a report on the fiscal status of~~
18 ~~the programs established and funded pursuant to this section and~~
19 ~~Sections 2881.1 and 2881.2. The report shall include a statement~~
20 ~~of the surcharge level established pursuant to subdivision (g) and~~
21 ~~revenues produced by the surcharge, an accounting of program~~
22 ~~expenses, and an evaluation of options for controlling those~~
23 ~~expenses and increasing program efficiency, including, but not~~
24 ~~limited to, all of the following proposals:~~

25 ~~(1) The establishment of a means test for persons to qualify for~~
26 ~~program equipment or free or reduced charges for the use of~~
27 ~~telecommunication services.~~

28 ~~(2) If and to the extent not prohibited under Section 401 of the~~
29 ~~federal Americans with Disabilities Act of 1990 (Public Law~~
30 ~~101-336), as amended (47 U.S.C. Sec. 225), the imposition of~~
31 ~~limits or other restrictions on maximum usage levels for the relay~~
32 ~~service, which shall include the development of a program to~~
33 ~~provide basic communications requirements to all relay users at~~
34 ~~discounted rates, including discounted toll-call rates, and, for usage~~
35 ~~in excess of those basic requirements, at rates that recover the full~~
36 ~~costs of service.~~

37 ~~(3) More efficient means for obtaining and distributing~~
38 ~~equipment to qualified subscribers.~~

39 ~~(4) The establishment of quality standards for increasing the~~
40 ~~efficiency of the relay system.~~

1 ~~(5) Any modification to the program in order to maximize~~
2 ~~participation and funding opportunity under similar federal~~
3 ~~programs.~~

4 ~~(l) The report described in subdivision (k) that is due no later~~
5 ~~than March 1, 2014, shall evaluate options for controlling the~~
6 ~~program costs of providing speech-generating devices and include~~
7 ~~information on any barriers to participation in the program by~~
8 ~~eligible subscribers.~~

9 ~~(m)~~

10 (k) In order to continue to meet the access needs of individuals
11 with functional limitations of hearing, vision, movement,
12 manipulation, speech, and interpretation of information, the
13 commission shall perform ongoing assessment of, and if
14 appropriate, expand the scope of the program to allow for
15 additional access capability consistent with evolving
16 telecommunications technology.

17 ~~(n)~~

18 (l) The commission shall structure the programs required by
19 this section so that a charge imposed to promote the goals of
20 universal service reasonably equals the value of the benefits of
21 universal service to contributing entities and their subscribers.

22 ~~(o) (1) The requirement for submitting a report imposed under~~
23 ~~subdivision (k) is inoperative on January 1, 2021, pursuant to~~
24 ~~Section 10231.5 of the Government Code.~~

25 ~~(2) A report submitted pursuant to subdivision (k) shall be~~
26 ~~submitted in compliance with Section 9795 of the Government~~
27 ~~Code.~~

28 *SEC. 58. Section 2891 of the Public Utilities Code is amended*
29 *to read:*

30 2891. (a) No telephone or telegraph corporation shall make
31 available to any other person or corporation, without first obtaining
32 the residential subscriber's consent, in writing, any of the following
33 information:

34 (1) The subscriber's personal calling patterns, including any
35 listing of the telephone or other access numbers called by the
36 subscriber, but excluding the identification to the person called of
37 the person calling and the telephone number from which the call
38 was placed, subject to the restrictions in Section 2893, and also
39 excluding billing information concerning the person calling which

1 federal law or regulation requires a telephone corporation to
2 provide to the person called.

3 (2) The residential subscriber's credit or other personal financial
4 information, except when the corporation is ordered by the
5 commission to provide this information to any electrical, gas, heat,
6 telephone, telegraph, or water corporation, or centralized credit
7 check system, for the purpose of determining the creditworthiness
8 of new utility subscribers.

9 (3) The services which the residential subscriber purchases from
10 the corporation or from independent suppliers of information
11 services who use the corporation's telephone or telegraph line to
12 provide service to the residential subscriber.

13 (4) Demographic information about individual residential
14 subscribers, or aggregate information from which individual
15 identities and characteristics have not been removed.

16 (b) Any residential subscriber who gives his or her written
17 consent for the release of one or more of the categories of personal
18 information specified in subdivision (a) shall be informed by the
19 telephone or telegraph corporation regarding the identity of each
20 person or corporation to whom the information has been released,
21 upon written request. The corporation shall notify every residential
22 subscriber of the provisions of this subdivision whenever consent
23 is requested pursuant to this subdivision.

24 (c) Any residential subscriber who has, pursuant to subdivision
25 (b), given written consent for the release of one or more of the
26 categories of personal information specified in subdivision (a) may
27 rescind this consent upon submission of a written notice to the
28 telephone or telegraph corporation. The corporation shall cease to
29 make available any personal information about the subscriber,
30 within 30 days following receipt of notice given pursuant to this
31 subdivision.

32 (d) This section does not apply to any of the following:

33 (1) Information provided by residential subscribers for inclusion
34 in the corporation's directory of subscribers.

35 (2) Information customarily provided by the corporation through
36 directory assistance services.

37 (3) Postal ZIP Code information.

38 (4) Information provided under supervision of the commission
39 to a collection agency by the telephone corporation exclusively
40 for the collection of unpaid debts.

1 (5) Information provided to an emergency service agency
2 responding to a 911 telephone call or any other call communicating
3 an imminent threat to life or property.

4 (6) Information provided to a law enforcement agency in
5 response to lawful process.

6 (7) Information which is required by the commission pursuant
7 to its jurisdiction and control over telephone and telegraph
8 corporations.

9 (8) Information transmitted between telephone or telegraph
10 corporations pursuant to the furnishing of telephone service
11 between or within service areas.

12 (9) Information required to be provided by the corporation
13 pursuant to rules and orders of the commission or the Federal
14 Communications Commission regarding the provision over
15 telephone lines by parties other than the telephone and telegraph
16 corporations of telephone or information services.

17 (10) The name and address of the lifeline customers of a
18 telephone corporation provided by that telephone corporation to
19 a public utility for the sole purpose of low-income ratepayer
20 assistance outreach efforts. The telephone corporation receiving
21 the information request pursuant to this paragraph may charge the
22 requesting utility for the cost of the search and release of the
23 requested information. ~~The commission, in its annual low-income~~
24 ~~ratepayer assistance report, shall assess whether this information~~
25 ~~has been helpful in the low-income ratepayer assistance outreach~~
26 ~~efforts.~~

27 (11) Information provided in response to a request pursuant to
28 subdivision (a) of Section 530.8 of the Penal Code.

29 (e) Every violation is a grounds for a civil suit by the aggrieved
30 residential subscriber against the telephone or telegraph corporation
31 and its employees responsible for the violation.

32 (f) For purposes of this section, “access number” means a telex,
33 teletex, facsimile, computer modem, or any other code which is
34 used by a residential subscriber of a telephone or telegraph
35 corporation to direct a communication to another subscriber of the
36 same or another telephone or telegraph corporation.

37 ~~SEC. 19.~~

38 *SEC. 59.* Section 5006 of the Public Utilities Code is amended
39 and renumbered to read:

1 918. The commission shall, within 30 days prior to
 2 commencement of the regular session of the Legislature, submit
 3 to the Governor a full and true report of transactions under Chapter
 4 6 (commencing with Section 5001) of Division 2 during the
 5 preceding biennium, including a complete statement of receipts
 6 and expenditures during the period.

7 ~~SEC. 20.~~

8 *SEC. 60.* Section 5012 of the Public Utilities Code is amended
 9 and renumbered to read:

10 ~~912.~~

11 *912.1.* The Public Utilities Commission shall conduct an audit
 12 of the expenditures of the funds received pursuant to Chapter 6
 13 (commencing with Section 5001) of Division 2 each fiscal year.
 14 The results of this audit shall be reported in writing, on or before
 15 February 15th of each year thereafter, with respect to the audit for
 16 the fiscal year ending on the previous June 30th, to the appropriate
 17 policy and budget committees of the respective houses of the
 18 Legislature.

19 ~~SEC. 21.~~

20 *SEC. 61.* Section 5385.5 of the Public Utilities Code is repealed.

21 ~~SEC. 22.~~

22 *SEC. 62.* Section 5387 of the Public Utilities Code is amended
 23 to read:

24 5387. (a) It is unlawful for the owner of a charter-party carrier
 25 of passengers to permit the operation of a vehicle upon a public
 26 highway for compensation without (1) having obtained from the
 27 commission a certificate or permit pursuant to this chapter, (2)
 28 having complied with the vehicle identification requirements of
 29 Section 5385, and (3) having complied with the accident liability
 30 protection requirements of Section 5391.

31 (b) A person who drives a bus for a charter-party carrier without
 32 having a current and valid driver’s license of the proper class, a
 33 passenger vehicle endorsement, or the required certificate shall be
 34 suspended from driving a bus of any kind, including, but not
 35 limited to, a bus, schoolbus, school pupil activity bus, or transit
 36 bus, with passengers for a period of five years pursuant to Section
 37 13369 of the Vehicle Code.

38 (c) (1) A charter-party carrier shall have its authority to operate
 39 as a charter-party carrier permanently revoked by the commission

1 or be permanently barred from receiving a permit or certificate
2 from the commission if it commits any of the following acts:

3 (A) Operates a bus without having been issued a permit or
4 certificate from the commission.

5 (B) Operates a bus with a permit that was suspended by the
6 commission pursuant to Section 5378.5.

7 (C) Commits three or more liability insurance violations within
8 a two-year period for which it has been cited.

9 (D) Operates a bus with a permit that was suspended by the
10 commission during a period that the charter-party carrier's liability
11 insurance lapsed for which it has been cited.

12 (E) Knowingly employs a busdriver who does not have a current
13 and valid driver's license of the proper class, a passenger vehicle
14 endorsement, or the required certificate to drive a bus.

15 (F) Has one or more buses improperly registered with the
16 Department of Motor Vehicles.

17 (2) The commission shall not issue a new permit or certificate
18 to operate as a charter-party carrier if any officer, director, or owner
19 of that charter-party carrier was an officer, director, or owner of
20 a charter-party carrier that had its authority to operate as a
21 charter-party carrier permanently revoked by the commission or
22 that was permanently barred from receiving a permit or certificate
23 from the commission pursuant to this subdivision.

24 (d) An officer of the Department of the California Highway
25 Patrol may impound a bus of a charter-party carrier for 30 days
26 pursuant to Section 14602.9 of the Vehicle Code if the officer
27 determines that any of the following violations occurred while the
28 busdriver was operating the bus of a charter-party carrier:

29 (1) The driver was operating the bus of a charter-party carrier
30 when the charter-party carrier did not have a permit or certificate
31 issued by the commission.

32 (2) The driver was operating the bus of a charter-party carrier
33 when the charter-party carrier was operating the bus with a
34 suspended permit or certificate from the commission.

35 (3) The driver was operating the bus of a charter-party carrier
36 without having a current and valid driver's license of the proper
37 class, a passenger vehicle endorsement, or the required certificate.

38 *SEC. 63. Section 5920 of the Public Utilities Code is amended*
39 *to read:*

1 5920. ~~(a)~~—A holder of a state franchise employing more than
 2 750 total employees in California shall annually report to the
 3 commission all of the following:

4 ~~(1)~~

5 (a) The number of California residents employed by the holder,
 6 calculated on a full-time or full-time equivalent basis.

7 ~~(2)~~

8 (b) The percentage of the holder’s total domestic workforce,
 9 calculated on a full-time or full-time equivalent basis.

10 ~~(3)~~

11 (c) The types and numbers of jobs by occupational classification
 12 held by residents of California employed by holders of state
 13 franchises and the average pay and benefits of those jobs and,
 14 separately, the number of out-of-state residents employed by
 15 independent contractors, companies, and consultants hired by the
 16 holder, calculated on a full-time or full-time equivalent basis, when
 17 the holder is not contractually prohibited from disclosing the
 18 information to the public. This paragraph applies only to those
 19 employees of an independent contractor, company, or consultant
 20 that are personally providing services to the holder, and does not
 21 apply to employees of an independent contractor, company, or
 22 consultant not personally performing services for the holder.

23 ~~(4)~~

24 (d) The number of net new positions proposed to be created
 25 directly by the holder of a state franchise during the upcoming
 26 year by occupational classifications and by category of full-time,
 27 part-time, temporary, and contract employees.

28 ~~(b) The commission shall annually report the information~~
 29 ~~required to be reported by holders of state franchises pursuant to~~
 30 ~~subdivision (a), to the Assembly Committee on Utilities and~~
 31 ~~Commerce and the Senate Committee on Energy, Utilities and~~
 32 ~~Communications, or their successor committees, and within a~~
 33 ~~reasonable time thereafter, shall make the information available~~
 34 ~~to the public on its Internet Web site.~~

35 *SEC. 64. Section 5960 of the Public Utilities Code is amended*
 36 *to read:*

37 5960. (a) For purposes of this section, “census tract” has the
 38 same meaning as used by the United States Census Bureau, and
 39 “household” has the same meaning as specified in Section 5890.

1 (b) Every holder, no later than April 1, 2008, and annually no
2 later than April 1 thereafter, shall report to the commission on a
3 census tract basis the following information:

4 (1) Broadband information:

5 (A) The number of households to which the holder makes
6 broadband available in this state. If the holder does not maintain
7 this information on a census tract basis in its normal course of
8 business, the holder may reasonably approximate the number of
9 households based on information it keeps in the normal course of
10 business.

11 (B) The number of households that subscribe to broadband that
12 the holder makes available in this state.

13 (C) Whether the broadband provided by the holder utilizes
14 wireline-based facilities or another technology.

15 (2) Video information:

16 (A) If the holder is a telephone corporation:

17 (i) The number of households in the holder's telephone service
18 area.

19 (ii) The number of households in the holder's telephone service
20 area that are offered video service by the holder.

21 (B) If the holder is not a telephone corporation:

22 (i) The number of households in the holder's video service area.

23 (ii) The number of households in the holder's video service area
24 that are offered video service by the holder.

25 (3) Low-income household information:

26 (i) The number of low-income households in the holder's video
27 service area.

28 (ii) The number of low-income households in the holder's video
29 service area that are offered video service by the holder.

30 ~~(e) The commission, no later than July 1, 2008, and annually~~
31 ~~no later than July 1 thereafter, shall submit to the Governor and~~
32 ~~the Legislature a report that includes based on year-end data, on~~
33 ~~an aggregated basis, the information submitted by holders pursuant~~
34 ~~to subdivision (b).~~

35 ~~(d) All information submitted to the commission and reported~~
36 ~~by the commission pursuant to this section shall be disclosed to~~
37 ~~the public only as provided for pursuant to Section 583. No~~
38 ~~individually identifiable customer or subscriber information shall~~
39 ~~be subject to public disclosure.~~

1 ~~SEC. 23.~~

2 *SEC. 65.* Section 7661 of the Public Utilities Code is amended
3 to read:

4 7661. (a) The commission shall require every railroad
5 corporation operating in this state to develop, within 90 days of
6 the effective date of the act adding this section, in consultation
7 with, and with the approval of, the Office of Emergency Services,
8 a protocol for rapid communications with the Office of Emergency
9 Services, the Department of the California Highway Patrol, and
10 designated county public safety agencies in an endangered area if
11 there is a runaway train or any other uncontrolled train movement
12 that threatens public health and safety.

13 (b) A railroad corporation shall promptly notify the Office of
14 Emergency Services, the Department of the California Highway
15 Patrol, and designated county public safety agencies, through a
16 communication to the Warning Center of the Office of Emergency
17 Services, if there is a runaway train or any other uncontrolled train
18 movement that threatens public health and safety, in accordance
19 with the railroad corporation’s communications protocol developed
20 pursuant to subdivision (a).

21 (c) The notification required pursuant to subdivision (b) shall
22 include the following information, whether or not an accident or
23 spill occurs:

- 24 (1) The information required by subdivision (c) of Section 7673.
- 25 (2) In the event of a runaway train, a train list.
- 26 (3) In the event of an uncontrolled train movement or
27 uncontrolled movement of railcars, a track list or other inventory
28 document if available.

29 ~~(d) The division of the commission responsible for consumer
30 protection and safety shall investigate any incident that results in
31 a notification required pursuant to subdivision (b), and shall report
32 its findings concerning the cause or causes to the commission. The
33 commission shall include the division’s report in its report to the
34 Legislature pursuant to Section 916.~~

35 ~~SEC. 24.~~

36 *SEC. 66.* Section 7711 of the Public Utilities Code is amended
37 and renumbered to read:

38 ~~916.~~

39 *916.2.* The commission shall annually report to the Legislature,
40 on or before July 1, on sites on railroad lines in the state it finds

1 to be hazardous. The report shall include, but not be limited to,
2 information on all of the following:

3 (a) A list of all railroad derailment accident sites in the state on
4 which accidents have occurred within at least the previous five
5 years. The list shall describe the nature and probable causes of the
6 accidents, if known, and shall indicate whether the accidents
7 occurred at or near sites that the commission has determined,
8 pursuant to subdivision (b), pose a local safety hazard.

9 (b) A list of all railroad sites in the state that the commission
10 determines, pursuant to Section 20106 of Title 49 of the United
11 States Code, pose a local safety hazard. The commission may
12 submit in the annual report the list of railroad sites submitted in
13 the immediate prior year annual report, and may amend or revise
14 that list from the immediate prior year as necessary. Factors that
15 the commission shall consider in determining a local safety hazard
16 may include, but need not be limited to, all of the following:

17 (1) The severity of grade and curve of track.

18 (2) The value of special skills of train operators in negotiating
19 the particular segment of railroad line.

20 (3) The value of special railroad equipment in negotiating the
21 particular segment of railroad line.

22 (4) The types of commodities transported on or near the
23 particular segment of railroad line.

24 (5) The hazard posed by the release of the commodity into the
25 environment.

26 (6) The value of special railroad equipment in the process of
27 safely loading, transporting, storing, or unloading potentially
28 hazardous commodities.

29 (7) The proximity of railroad activity to human activity or
30 sensitive environmental areas.

31 (8) A list of the root causes and significant contributing factors
32 of all train accidents or derailments investigated.

33 (c) In determining which railroad sites pose a local safety hazard
34 pursuant to subdivision (b), the commission shall consider the
35 history of accidents at or near the sites. The commission shall not
36 limit its determination to sites at which accidents have already
37 occurred, but shall identify potentially hazardous sites based on
38 the criteria enumerated in subdivision (b) and all other criteria that
39 the commission determines influence railroad safety. The
40 commission shall also consider whether any local safety hazards

1 at railroad sites have been eliminated or sufficiently remediated
2 to warrant removal of the site from the list required under
3 subdivision (b).

4 (d) *The commission may combine the information required to*
5 *be reported by this section with the report prepared pursuant to*
6 *Section 916.*

7 ~~SEC. 25.~~

8 *SEC. 67.* Section 7712 of the Public Utilities Code is amended
9 to read:

10 7712. On or before January 1, 1993, the commission shall adopt
11 regulations, based on its findings and not inconsistent with federal
12 law. The commission may amend or revise the regulations as
13 necessary thereafter, to reduce the potential railroad hazards
14 identified in Section ~~916~~: 916.2. In adopting the regulations, the
15 commission shall consider at least all of the following:

16 (a) Establishing special railroad equipment standards for trains
17 operated on railroad sites identified as posing a local safety hazard
18 pursuant to subdivision (b) of Section ~~916~~: 916.2 These standards
19 may include, but need not be limited to, standards for all of the
20 following:

- 21 (1) Sizes, numbers, and configurations of locomotives.
- 22 (2) Brakes.

23 (b) Establishing special train operating standards for trains
24 operated over railroad sites identified as posing a local safety
25 hazard pursuant to subdivision (b) of Section ~~916~~: 916.2. These
26 standards may include, but need not be limited to, standards for
27 all of the following:

- 28 (1) Length, weight, and weight distribution of trains.
- 29 (2) Speeds and accelerations of trains.
- 30 (3) Hours of allowable travel.

31 (c) Establishing special training, personnel, and performance
32 standards for operators of trains that travel on railroad sites
33 identified as posing a local safety hazard pursuant to subdivision
34 (b) of Section ~~916~~: 916.2.

35 (d) Establishing special inspection and reporting standards for
36 trains operated on railroad sites identified as posing a local safety
37 hazard pursuant to subdivision (b) of Section ~~916~~: 916.2.

38 *SEC. 68.* Section 7912 of the Public Utilities Code is amended
39 to read:

1 7912. ~~(a)~~—A public utility employing more than 750 total
2 employees shall annually report to the commission all of the
3 following:

4 ~~(1)~~

5 (a) The number of customers served in California by the public
6 utility.

7 ~~(2)~~

8 (b) The percentage of the public utility’s total domestic customer
9 base that resides in California.

10 ~~(3)~~

11 (c) The number of California residents employed by the public
12 utility, calculated on a full-time or full-time equivalent basis.

13 ~~(4)~~

14 (d) The percentage of the public utility’s total domestic
15 workforce, calculated on a full-time or full-time equivalent basis,
16 that resides in California.

17 ~~(5)~~

18 (e) The capital investment in the public utility’s tangible and
19 intangible plant which ordinarily have a service life of more than
20 one year, including plant used by the company or others in
21 providing public utility services, in California during the yearly
22 reporting period.

23 ~~(6)~~

24 (f) The number of California residents employed by independent
25 contractors and consultants hired by the public utility, calculated
26 on a full-time or full-time equivalent basis, when the public utility
27 has obtained this information upon requesting it from the
28 independent contractor or consultant, and the public utility is not
29 contractually prohibited from disclosing the information to the
30 public. This subdivision is inapplicable to contractors and
31 consultants that are a public utility subject to the reporting
32 requirements of this section. This paragraph applies only to those
33 employees of an independent contractor or consultant that are
34 personally providing services to the public utility, and does not
35 apply to employees of an independent contractor or consultant not
36 personally performing services for the public utility.

37 ~~(b) The commission shall annually report the information~~
38 ~~required to be reported by public utilities pursuant to subdivision~~
39 ~~(a), to the Assembly Committee on Utilities and Commerce and~~
40 ~~the Senate Committee on Energy, Utilities and Communications,~~

1 ~~or their successor committees, and within a reasonable time~~
2 ~~thereafter, shall make the information available to the public on~~
3 ~~its Internet Web site.~~

4 *SEC. 69. Section 8283 of the Public Utilities Code is amended*
5 *to read:*

6 8283. (a) The commission shall require each electrical, gas,
7 water, wireless telecommunications service provider, and telephone
8 corporation with gross annual revenues exceeding twenty-five
9 million dollars (\$25,000,000) and their commission-regulated
10 subsidiaries and affiliates, to submit annually, a detailed and
11 verifiable plan for increasing procurement from women, minority,
12 disabled veteran, and LGBT business enterprises in all categories,
13 including, but not limited to, renewable energy, wireless
14 telecommunications, broadband, smart grid, and rail projects.

15 (b) These annual plans shall include short- and long-term goals
16 and timetables, but not quotas, and shall include methods for
17 encouraging both prime contractors and grantees to engage women,
18 minority, disabled veteran, and LGBT business enterprises in
19 subcontracts in all categories that provide subcontracting
20 opportunities, including, but not limited to, renewable energy,
21 wireless telecommunications, broadband, smart grid, and rail
22 projects.

23 (c) The commission shall establish guidelines for all electrical,
24 gas, water, wireless telecommunications service providers, and
25 telephone corporations with gross annual revenues exceeding
26 twenty-five million dollars (\$25,000,000) and their
27 commission-regulated subsidiaries and affiliates, to be utilized in
28 establishing programs pursuant to this article.

29 (d) Every electrical, gas, water, wireless telecommunications
30 service provider, and telephone corporation with gross annual
31 revenues exceeding twenty-five million dollars (\$25,000,000) shall
32 furnish an annual report to the commission regarding the
33 implementation of programs established pursuant to this article in
34 a form that the commission shall require, and at the time that the
35 commission shall annually designate. The report shall include the
36 information about LGBT business enterprises beginning with the
37 2016 report.

38 ~~(e) (1) The commission shall provide a report to the Legislature~~
39 ~~on September 1 of each year, on the progress of activities~~
40 ~~undertaken by each electrical, gas, water, wireless~~

1 telecommunications service provider, and telephone corporation
2 with gross annual revenues exceeding twenty-five million dollars
3 (\$25,000,000) pursuant to this article in the implementation of
4 women, minority, disabled veteran, and LGBT business enterprise
5 development programs. The report shall include information about
6 which procurements are made with women, minority, disabled
7 veteran, and LGBT business enterprises with at least a majority
8 of the enterprise's workforce in California, to the extent that
9 information is readily accessible. The commission shall recommend
10 a program for carrying out the policy declared in this article,
11 together with recommendations for legislation that it deems
12 necessary or desirable to further that policy. The commission shall
13 make the report available on its Internet Web site.

14 (2) In regard to disabled veteran business enterprises, the
15 commission shall ensure that the programs and legislation
16 recommended pursuant to paragraph (1) are consistent with the
17 disabled veteran business enterprise certification eligibility
18 requirements imposed by the Department of General Services and
19 that the recommendations include only those disabled veteran
20 business enterprises certified by the Department of General
21 Services.

22 (3) The commission shall include the information about LGBT
23 business enterprises required by paragraph (1) beginning with the
24 report due on September 1, 2016.

25 (f)

26 (e) (1) The Legislature declares that each electrical, gas, water,
27 mobile telephony service provider, and telephone corporation that
28 is not required to submit a plan pursuant to subdivision (a) is
29 encouraged to voluntarily adopt a plan for increasing women,
30 minority, disabled veteran, and LGBT business enterprise
31 procurement in all categories.

32 (2) The Legislature declares that each cable television
33 corporation and direct broadcast satellite provider is encouraged
34 to voluntarily adopt a plan for increasing women, minority,
35 disabled veteran, and LGBT business enterprise procurement and
36 to voluntarily report activity in this area to the Legislature on an
37 annual basis.

38 *SEC. 70. Section 8367 of the Public Utilities Code is amended*
39 *and renumbered to read:*

1 ~~8367.~~
2 *913.11.* By January 1, 2011, and by January 1 of each year
3 thereafter, the commission shall report to the Governor and the
4 Legislature on the commission's recommendations for a smart
5 grid, the plans and deployment of smart grid technologies by the
6 state's electrical corporations, and the costs and benefits to
7 ratepayers.

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