March 16, 2017

Honorable Steven Bradford
California State Senate
State Capitol, Room 4085
Sacramento, CA 95814

RE: SB 549 (Bradford) – Support

Dear Senator Bradford:

The Office of Ratepayer Advocates (ORA) is the independent consumer advocate within the California Public Utilities Commission (CPUC). ORA’s mission is to advocate for the lowest possible rates for customers of California’s regulated utilities consistent with safe, reliable service levels, and the state’s environmental goals.

ORA supports SB 549, as introduced, which would require electric and gas investor-owned utilities (IOU) to notify the CPUC, within 60 days, when funds authorized by the CPUC for maintenance or safety are redirected for other purposes. This bill also would make this important information publicly available in the appropriate CPUC proceeding.

Approximately every three years, electric and gas IOUs file general rate case (GRC) applications with the CPUC requesting approval for all the revenues they will need to safely operate their businesses in the next 3 to 4 year period. The GRC is usually the first opportunity for ORA and other interested parties to examine the thousands of utility proposals that impact millions of customers across California. The CPUC currently requires the large energy IOUs to report annually on any deviations in how authorized funds are spent.1 However, these reports are not required of all energy IOUs and are submitted only on an annual basis.

ORA supports SB 549 because it would substantially reduce the amount of time it takes for the IOUs to publicly disclose whether critical maintenance and safety funds have been redirected and would apply to all energy IOUs. SB 549 advances the state’s safety goals by making critical safety-related information available on a more timely basis, and increases transparency and accountability in IOU operations and maintenance. If you have any questions or would like to discuss this matter further, please call ORA’s Governmental Affairs Manager, Matthew Marcus at 916-327-3455, or me at 415-703-2381.

Sincerely,

Elizabeth Echols, Director
Office of Ratepayer Advocates

1 See California Public Utilities Commission Decision 14-12-025, Ordering Paragraph 1.

Ratepayer Advocates in the Gas, Electric, Telecommunications and Water Industries