

AMENDED IN ASSEMBLY APRIL 24, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1735

Introduced by Committee on Utilities and Commerce (Reyes (Chair), Calderon, *Campbell*, Canciamilla, Diaz, Jerome Horton, ~~Levine~~, ~~Nunez~~ *La Malfa*, *Levine*, *Maddox*, *Nunez*, *Richman*, and Ridley-Thomas)

March 5, 2003

An act to add Section 1701.5 to the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1735, as amended, Committee on Utilities and Commerce. Public Utilities Commission: ratesetting and quasi-legislative cases.

Under the Public Utilities Act, the Public Utilities Commission has regulatory authority over public utilities and is authorized to conduct investigations and conduct proceedings. Existing law authorizes the commission to determine whether a proceeding requires a hearing, and if so, to determine whether the matter requires a quasi-legislative, an adjudication, or a ratesetting hearing, authorizes the commission to assign one or more commissioners and administrative law judges to oversee cases, and prescribes separate procedures for proceedings that the commission determines are either quasi-legislative, adjudication, or ratesetting cases. Adjudication matters are required to be resolved within 12 months of initiation unless the commission makes findings why that deadline cannot be met and issues an order extending that deadline. In a ratesetting or quasi-legislative hearing, the commission

is required to issue a final decision not later than 60 days after the issuance of a proposed decision, except that under extraordinary circumstances the commission may extend the time for issuance of a final decision for a reasonable period.

This bill would require the commission to resolve a ratesetting or quasi-legislative case within 18 months of the date of filing, unless the commission makes a written determination *that* the deadline cannot be met and issues an order extending that deadline. *The bill would provide that, if the commission issues an order extending the deadline in a utility's general rate case proceeding for reasons not caused by the utility, the utility's test year results of operations and rates shall be effective as of the first day of the first test year.* The bill would require, if a rehearing of a ratesetting or quasi-legislative case is granted, that the parties have an opportunity for final oral argument.

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 1701.5 is added to the Public Utilities
2 Code, to read:
3 1701.5. The commission shall resolve a ratesetting or
4 quasi-legislative case within 18 months of the date of filing, unless
5 the commission makes a written determination that the deadline
6 cannot be met, including findings as to the reason, and issues an
7 order extending the deadline. *If the commission issues an order*
8 *extending the deadline in a utility's general rate case proceeding*
9 *for reasons not caused by the utility, the utility's test year results*
10 *of operations and rates, as ordered by the commission, shall be*
11 *effective as of the first day of the first test year.* If a rehearing of a
12 ratesetting or quasi-legislative case is granted, the parties shall
13 have an opportunity for final oral argument.

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