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SB-697 Public Utilities Commission Accountability Act of 2015: reports: audits: electrical restructuring: charter-party carriers of passengers. (2015-2016)

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Senate Bill No. 697

CHAPTER 612

An act to amend Sections 280.5, 281, 309.7, 311.4, 321.6, 364, 379.7, 421, 740.3, 747, 765, 785, 846, 873, 958.5, 960, 2851, 2881, 2891, 5387, 5920, 5960, 7661, 7712, 7912, and 8283 of, to amend the headings of Article 5 (commencing with Section 581) of Chapter 3 of, and Article 11 (commencing with Section 910) of Chapter 4 of, Part 1 of Division 1 of, to amend and renumber Sections 321.7, 326, 326.5, 399.19, 432.5, 747.6, 748, 765.6, 911, 915, 5006, 5012, 7711, and 8367 of, to amend, renumber, and add Section 910 of, to add Sections 590, 910.1, 910.3, 910.6, 911.1, 912, 912.2, 913, 913.5, 913.11, 913.12, 913.13, 914, 914.1, 914.2, 914.3, 914.4, 914.5, 914.6, 914.7, 916, 916.1, 916.4, 919, and 920 to, and to repeal Section 5385.5 of, the Public Utilities Code, relating to public utilities.

[Approved by Governor October 08, 2015. Filed with Secretary of State October 08, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

SB 697, Hertzberg. Public Utilities Commission Accountability Act of 2015: reports: audits: electrical restructuring: 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 adopt the Public Utilities Commission Accountability Act of 2015. The 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.

Existing law relative to restructuring of the electrical industry authorizes an electrical corporation to apply to the commission for a determination that certain transition costs, as defined, may be recovered through fixed transition amounts, which would constitute transition property, as defined, and provides, until December 31, 2015, for the issuance of financing orders and provides for the issuance of rate reduction bonds to be paid out of rates.

This bill would extend the authorization for the issuance of financing orders from December 31, 2015, to December 31, 2016.

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.

This bill would incorporate additional changes in Section 281 of the Public Utilities Code proposed by AB 1262, to be operative only if AB 1262 and this bill are both chaptered and become effective on or before January 1, 2016, and this bill is chaptered last. This bill would incorporate additional changes in Section 5387 of the Public Utilities Code proposed by SB 541, to be operative only if SB 541 and this bill are both chaptered and become effective on or before January 1, 2016, and this bill is chaptered last.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. This act shall be known, and may be cited, as the Public Utilities Commission Accountability Act of 2015.

SEC. 2. Section 280.5 of the Public Utilities Code is amended to read:

280.5. (a) Of the revenues from fees collected pursuant to Section 14666.8 of the Government Code after the operative date of this section, except for revenues from fees from a lease agreement for access to Department of Transportation property or a lease agreement existing prior to the operative date of the section, 15 percent shall be available, upon appropriation by the Legislature, for the purpose of addressing the state's digital divide.

(b) Revenues described in subdivision (a) shall be deposited in the Digital Divide Account, which is hereby established in the California Teleconnect Fund Administrative Committee Fund established pursuant to Section 270, to be used only for digital divide pilot projects. Not more than 5 percent of the revenues described in subdivision (a) may be used to pay the costs incurred in connection with the administration of digital divide pilot projects by the commission.

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

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

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

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

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

- (1) Providing open access to and opportunities for training in technology.
- (2) Developing content relevant to the interests and wants of the local community.
- (3) Preparing youth for opportunities in the new economy through multimedia training and skills.
- (4) Harnessing technology for e-government services.

SEC. 3. Section 281 of the Public Utilities Code is amended to read:

281. (a) The commission shall develop, implement, and administer the California Advanced Services Fund program to encourage deployment of high-quality advanced communications services to all Californians that will promote economic growth, job creation, and the substantial social benefits of advanced information and communications technologies, consistent with this section.

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

(2) In approving infrastructure projects, the commission shall give priority to projects that provide last-mile broadband access to households that are unserved by an existing facilities-based broadband provider. The commission shall provide each applicant,

and any party challenging an application, the opportunity to demonstrate actual levels of broadband service in the project area, which the commission shall consider in reviewing the application.

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

- (1) The Broadband Infrastructure Grant Account.
- (2) The Rural and Urban Regional Broadband Consortia Grant Account.
- (3) The Broadband Infrastructure Revolving Loan Account.
- (4) The Broadband Public Housing Account.

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

- (A) One hundred ninety million dollars (\$190,000,000) into the Broadband Infrastructure Grant Account.
- (B) Ten million dollars (\$10,000,000) into the Rural and Urban Regional Broadband Consortia Grant Account.
- (C) Fifteen million dollars (\$15,000,000) into the Broadband Infrastructure Revolving Loan Account.

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

(3) The commission shall not collect moneys, by imposing the surcharge described in paragraph (1) for deposit in the fund, in an amount that exceeds one hundred million dollars (\$100,000,000) before January 1, 2011. On and after January 1, 2011, the commission may collect an additional sum not to exceed two hundred fifteen million dollars (\$215,000,000), for a sum total of moneys collected by imposing the surcharge described in paragraph (1) not to exceed three hundred fifteen million dollars (\$315,000,000). The commission may collect the additional sum beginning with the calendar year starting on January 1, 2011, and continuing through the 2020 calendar year, in an amount not to exceed twenty-five million dollars (\$25,000,000) per year, unless the commission determines that collecting a higher amount in any year will not result in an increase in the total amount of all surcharges collected from telephone customers that year.

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

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

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

- (A) That projects under this paragraph provide last-mile broadband access to households that are unserved by an existing facilities-based broadband provider and only receive funding to provide broadband access to households that are unserved or underserved, as defined in commission Decision 12-02-015.
- (B) That funding for a project providing broadband access to an underserved household shall not be approved until after any existing facilities-based provider has an opportunity to demonstrate to the commission that it will, within a reasonable timeframe, upgrade existing service. An existing facilities-based provider may, but is not required to, apply for funding under this section to make that upgrade.
- (C) That the commission shall provide each applicant, and any party challenging an application, the opportunity to demonstrate actual levels of broadband service in the project area, which the commission shall consider in reviewing the application.

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

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

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

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

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

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

(B) "Publicly supported community" means a publicly subsidized multifamily housing development that is wholly owned by either of the following:

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

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

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

(3) Not more than twenty million dollars (\$20,000,000) shall be available for grants and loans to a publicly supported community to finance a project to connect a broadband network to that publicly supported community. A publicly supported community may be an eligible applicant only if the publicly supported community can verify to the commission that the publicly supported community has not denied a right of access to any broadband provider that is willing to connect a broadband network to the facility for which the grant or loan is sought.

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

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

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

(6) In reviewing a project application under this subdivision, the commission shall consider the availability of other funding sources for that project, any financial contribution from the broadband service provider to the project, the availability of any other public or private broadband adoption or deployment program, including tax credits and other incentives, and whether the applicant has sought funding from, or participated in, any reasonably available program. The commission may require an

applicant to provide match funding, and shall not deny funding for a project solely because the applicant is receiving funding from another source.

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

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

SEC. 3.5. Section 281 of the Public Utilities Code is amended to read:

281. (a) The commission shall develop, implement, and administer the California Advanced Services Fund program to encourage deployment of high-quality advanced communications services to all Californians that will promote economic growth, job creation, and the substantial social benefits of advanced information and communications technologies, consistent with this section.

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

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

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

- (1) The Broadband Infrastructure Grant Account.
- (2) The Rural and Urban Regional Broadband Consortia Grant Account.
- (3) The Broadband Infrastructure Revolving Loan Account.
- (4) The Broadband Public Housing Account.

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

- (A) One hundred ninety million dollars (\$190,000,000) into the Broadband Infrastructure Grant Account.
- (B) Fifteen million dollars (\$15,000,000) into the Rural and Urban Regional Broadband Consortia Grant Account.
- (C) Ten million dollars (\$10,000,000) into the Broadband Infrastructure Revolving Loan Account.

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

(3) The commission shall not collect moneys, by imposing the surcharge described in paragraph (1) for deposit in the fund, in an amount that exceeds one hundred million dollars (\$100,000,000) before January 1, 2011. On and after January 1, 2011, the commission may collect an additional sum not to exceed two hundred fifteen million dollars (\$215,000,000), for a sum total of moneys collected by imposing the surcharge described in paragraph (1) not to exceed three hundred fifteen million dollars (\$315,000,000). The commission may collect the additional sum beginning with the calendar year starting on January 1, 2011, and continuing through the 2020 calendar year, in an amount not to exceed twenty-five million dollars (\$25,000,000) per year, unless the commission determines that collecting a higher amount in any year will not result in an increase in the total amount of all surcharges collected from telephone customers that year.

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

(2) Notwithstanding any other law and for the sole purpose of providing matching funds pursuant to the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), any entity eligible for funding pursuant to that act shall be eligible

to apply to participate in the program administered by the commission pursuant to this section, if that entity otherwise satisfies the eligibility requirements under that program. Nothing in this section shall impede the ability of an incumbent local exchange carrier, as defined by subsection (h) of Section 251 of Title 47 of the United States Code, that is regulated under a rate of return regulatory structure, to recover, in rate base, California infrastructure investment not provided through federal or state grant funds for facilities that provide broadband service and California intrastate voice service.

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

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

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

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

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

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

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

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

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

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

(B) "Publicly supported community" means a publicly subsidized multifamily housing development that is wholly owned by either of the following:

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

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

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

(3) Not more than twenty million dollars (\$20,000,000) shall be available for grants and loans to a publicly supported community to finance a project to connect a broadband network to that publicly supported community. A publicly supported community may be an eligible applicant only if the publicly supported community can verify to the commission that the publicly supported community has not denied a right of access to any broadband provider that is willing to connect a broadband network to the facility for which the grant or loan is sought.

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

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

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

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

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

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

SEC. 4. Section 309.7 of the Public Utilities Code is amended to read:

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

(b) In performing its duties, the division of the commission responsible for consumer protection and safety shall exercise all powers of investigation granted to the commission, including rights to enter upon land or facilities, inspect books and records, and compel testimony. The commission shall employ sufficient federally certified inspectors to ensure at the time of inspection that railroad locomotives and equipment and facilities located in class I railroad yards in California are inspected not less frequently than every 180 days, and all main and branch line tracks are inspected not less frequently than every 12 months. In performing its duties, the division of the commission responsible for consumer protection and safety shall consult with representatives of railroad corporations, labor organizations representing railroad employees, and the Federal Railroad Administration.

(c) The general counsel shall assign to the division of the commission responsible for consumer protection and safety the personnel and attorneys necessary to fully utilize the powers granted to the commission by any state law, and by any federal law relating to rail transportation, including, but not limited to, the Federal Rail Safety Act (45 U.S.C. Sec. 421m et seq.), to enforce

safety laws, rules, regulations, and orders, and to collect fines and penalties resulting from the violation of any safety rule or regulation.

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

SEC. 5. Section 311.4 of the Public Utilities Code is amended to read:

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

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

(c) For the purpose of this section, "electronic means" includes, but shall not be limited to, email or the Internet, or both.

(d) Upon the receipt of an informal complaint submitted by electronic means, the commission shall immediately forward the complaint to the entity named in the complaint.

(e) The commission shall permit the submission of informal complaints through electronic means, if, as determined by the commission, both of the following conditions are met:

(1) The dollar amount in the complaint does not exceed the jurisdictional limit of a small claims court specified in subdivision (a) of Section 116.220 or Section 116.221 of the Code of Civil Procedure.

(2) The commission has addressed any impediments in the electronic systems employed by the commission that would prevent or substantially adversely affect the ability of the commission to receive informal complaints by electronic means.

(f) The commission shall include a notice on its Internet Web site of the availability of the procedures described in subdivision (a).

(g) For the purposes of implementing this section, the commission shall make available to the public an industry specific online complaint form that allows a customer to specify information that the commission determines to be relevant for purposes of resolving a dispute, including the account number, the type of dispute, and the opportunity to make general comments.

(h) This act may not be implemented, and no information technology-related preparatory work may be undertaken in connection with this act prior to July 1, 2001, without the concurrence of the commission and the authorization of the Department of Information Technology pursuant to Executive Order D-3-99.

SEC. 6. Section 321.6 of the Public Utilities Code is amended to read:

321.6. The president of the commission shall annually appear before the appropriate policy committees of the Senate and Assembly to present the annual report of the commission required pursuant to Section 910.

SEC. 7. Section 321.7 of the Public Utilities Code is amended and renumbered to read:

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

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

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

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

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

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

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

(7) The effect on peak demand for electricity.

(b) In addition, the commission shall specifically assess the impacts of the California Solar Initiative program, specified in Section 2851 and Section 25783 of the Public Resources Code, the self-generation incentive program authorized by Section 379.6, and the net energy metering pilot program authorized by Section 2827.9.

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

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

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

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

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

(4) Endorsements of the foundation or its activities.

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

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

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

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

910.4. By January 10 of each year, the commission shall report to the Joint Legislative Budget Committee and appropriate fiscal and policy committees of the Legislature, on all sources and amounts of funding and actual and proposed expenditures, both in the two prior fiscal years and for the proposed fiscal year, including any costs to ratepayers, related to both of the following:

(a) Entities or programs established by the commission by order, decision, motion, settlement, or other action, including, but not limited to, the California Clean Energy Fund, the California Emerging Technology Fund, and the Pacific Forest and Watershed Lands Stewardship Council. The report shall contain descriptions of relevant issues, including, but not limited to, all of the following:

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

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

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

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

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

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

(1) Section 379.6.

(2) Section 399.8.

(3) Section 739.1.

(4) Section 2790.

(5) Section 2851.

SEC. 10. Section 364 of the Public Utilities Code is amended to read:

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

(b) In setting its standards or rules, the commission shall consider: cost, local geography and weather, applicable codes, potential physical security risks, national electric industry practices, sound engineering judgment, and experience. The commission shall also adopt standards for operation, reliability, and safety during periods of emergency and disaster.

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

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

SEC. 11. Section 379.7 of the Public Utilities Code is amended to read:

379.7. (a) The Legislature finds and declares that the demonstration project authorized pursuant to this section, at the Antelope Valley Fairgrounds, to determine actual energy and cost savings that may be achieved when investments are made onsite to both reduce overall electricity demand and to offset peak electricity demand through the installation of (1) cost-effective energy efficient equipment and fixtures, and (2) a photovoltaic solar energy system, will provide valuable empirical data upon which to optimize future ratepayer investments in cost-effective energy efficiency and photovoltaic solar systems.

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

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

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

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

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

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

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

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

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

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

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

SEC. 12. Section 399.19 of the Public Utilities Code is amended and renumbered to read:

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

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

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

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

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

SEC. 13. Section 421 of the Public Utilities Code is amended to read:

421. (a) The commission shall annually determine a fee to be paid by every passenger stage corporation, charter-party carrier of passengers, pipeline corporation, for-hire vessel operator, common carrier vessel operator, railroad corporation, and commercial air operator, and every other common carrier and related business subject to the jurisdiction of the commission, except as otherwise provided in Article 3 (commencing with Section 431) of this chapter and Chapter 6 (commencing with Section 5001) of Division 2.

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

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

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

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

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

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

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

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

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

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

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

(h) The commission, in performing its duties, shall limit the expenditure of funds for rail safety purposes to those railroad corporation fees collected pursuant to subdivision (d). In no event, shall the commission fund railroad safety activities utilizing funds from other commission accounts unrelated to railroad safety.

SEC. 14. Section 432.5 of the Public Utilities Code is amended and renumbered to read:

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

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

SEC. 15. The heading of Article 5 (commencing with Section 581) of Chapter 3 of Part 1 of Division 1 of the Public Utilities Code is amended to read:

Article 5. Reports to the Commission

SEC. 16. Section 590 is added to the Public Utilities Code, to read:

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

SEC. 17. Section 740.3 of the Public Utilities Code is amended to read:

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

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

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

(b) The commission shall hold public hearings as part of its effort to evaluate and implement the new policies considered in subdivision (a).

(c) The commission's policies authorizing utilities to develop equipment or infrastructure needed for electric-powered and natural gas-fueled low-emission vehicles shall ensure that the costs and expenses of those programs are not passed through to electric

or gas ratepayers unless the commission finds and determines that those programs are in the ratepayers' interest. The commission's policies shall also ensure that utilities do not unfairly compete with nonutility enterprises.

SEC. 18. Section 747 of the Public Utilities Code is amended to read:

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

SEC. 19. Section 747.6 of the Public Utilities Code is amended and renumbered to read:

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

SEC. 20. Section 748 of the Public Utilities Code is amended and renumbered to read:

913.1. (a) The commission, by May 1, 2010, and by each May 1 thereafter, shall prepare and submit a written report, separate from and in addition to the report required by Section 913, to the Governor and Legislature that contains the commission's recommendations for actions that can be undertaken during the succeeding 12 months to limit utility cost and rate increases, consistent with the state's energy and environmental goals, including goals for reducing emissions of greenhouse gases.

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

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

SEC. 21. Section 765 of the Public Utilities Code is amended to read:

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

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

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

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

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

(c) If the commission determines that a safety recommendation made by the NTSB is appropriate, or that action concerning a safety advisory is necessary, the commission shall issue orders or adopt rules to implement the safety recommendation or advisory as soon as practicable. In implementing the safety recommendation or advisory, the commission shall consider whether a more effective, or equally effective and less costly, alternative exists to address the safety issue that the recommendation or advisory addresses.

SEC. 22. Section 765.6 of the Public Utilities Code is amended and renumbered to read:

916.3. (a) The commission shall annually report to the Legislature on or before November 30 of each year on its compliance with the requirements of Section 765.5. The annual report shall include a determination by the commission of the impact on

competition, if any, of the regulatory fees assessed railroad corporations and motor carriers for the support of the commission's activities.

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

SEC. 23. Section 785 of the Public Utilities Code is amended to read:

785. To the extent consistent with federal law and regulation and contractual obligations regarding other available gas, the commission shall, in consultation with the Division of Oil and Gas of the Department of Conservation and with the State Energy Resources Conservation and Development Commission, encourage, as a first priority, the increased production of gas in this state, including gas produced from that area of the Pacific Ocean along the coast of California commonly known as the outer continental shelf, and shall require, after a hearing, every gas corporation to purchase that gas which is compatible with the corporation's gas plant and which is produced in this state having an actual delivered cost, measured in equivalent heat units, equal to or less than other available gas, unless this requirement will result in higher overall costs of gas or other consequences adverse to the interests of gas customers.

SEC. 24. Section 846 of the Public Utilities Code is amended to read:

846. The authority of the commission to issue financing orders pursuant to Section 841 shall expire on December 31, 2016. The expiration of the authority shall have no effect upon financing orders adopted by the commission pursuant to this article or any transition property arising therefrom, or upon the charges authorized to be levied thereunder, or the rights, interests, and obligations of the electrical corporation or a financing entity or holders of transition bonds pursuant to the financing order, or the authority of the commission to monitor, supervise, or take further action with respect to the order in accordance with the terms of this article and of the order.

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

873. (a) The commission shall annually do all of the following:

- (1) Designate a class of lifeline service necessary to meet minimum communications needs.
- (2) Set the rates and charges for that service.
- (3) Develop eligibility criteria for that service.
- (4) Assess the degree of achievement of universal service, including telephone penetration rates by income, ethnicity, and geography.

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

SEC. 26. The heading of Article 11 (commencing with Section 910) of Chapter 4 of Part 1 of Division 1 of the Public Utilities Code is amended to read:

Article 11. Reports to the Legislature

SEC. 27. Section 910 of the Public Utilities Code is amended and renumbered to read:

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

- (1) All electrical corporation revenue requirement increases associated with meeting the renewables portfolio standard, as defined in Section 399.12, including direct procurement costs for eligible renewable energy resources and renewable energy credits, administrative expenses for procurement, expenses incurred to ensure a reliable supply of electricity, and expenses for upgrades to the electrical transmission and distribution grid necessary to the delivery of electricity from eligible renewable energy resources to load.
- (2) All cost savings experienced, or costs avoided, by electrical corporations as a result of meeting the renewables portfolio standard.
- (3) All costs incurred by electrical corporations for incentives for distributed and renewable generation, including the self-generation incentive program, the California Solar Initiative, and net energy metering.
- (4) All cost savings experienced, or costs avoided, by electrical corporations as a result of incentives for distributed and renewable generation.

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

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

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

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

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

SEC. 28. Section 910 is added to the Public Utilities Code, to read:

910. The commission shall do all of the following:

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

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

(c) Submit annually the workplan report to the Governor and Legislature no later than February 1 of each year.

SEC. 29. Section 910.1 is added to the Public Utilities Code, to read:

910.1. The commission shall annually submit a report to the Legislature on the number of cases where resolution exceeded the time periods prescribed in scoping memos and the days that commissioners presided in hearings.

SEC. 30. Section 910.3 is added to the Public Utilities Code, to read:

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

(b) In regard to disabled veteran business enterprises, the commission shall ensure that the programs and legislation recommended pursuant to subdivision (a) are consistent with the disabled veteran business enterprise certification eligibility

requirements imposed by the Department of General Services and that the recommendations include only those disabled veteran business enterprises certified by the Department of General Services.

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

SEC. 31. Section 910.6 is added to the Public Utilities Code, to read:

910.6. It is the intent of the Legislature that, commencing one year from the date that the procedures described in subdivision (a) of Section 311.4 are implemented, the commission annually review the procedures and the technology involved to ensure the continued effectiveness of the program, and report any findings to the Legislature.

SEC. 32. Section 911 of the Public Utilities Code is amended and renumbered to read:

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

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

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

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

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

SEC. 33. Section 911.1 is added to the Public Utilities Code, to read:

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

SEC. 34. Section 912 is added to the Public Utilities Code, to read:

912. A summary of the audits conducted by the commission pursuant to Section 314.5 shall be provided annually to the Legislature. The commission may provide this information as part of its annual report delivered pursuant to Section 910.

SEC. 35. Section 912.2 is added to the Public Utilities Code, to read:

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

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

SEC. 36. Section 913 is added to the Public Utilities Code, to read:

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

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

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

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

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

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

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

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

SEC. 37. Section 913.5 is added to the Public Utilities Code, to read:

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

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

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

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

SEC. 38. Section 913.11 is added to the Public Utilities Code, to read:

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

SEC. 39. Section 913.12 is added to the Public Utilities Code, to read:

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

SEC. 40. Section 913.13 is added to the Public Utilities Code, to read:

913.13. The commission shall annually report to the Legislature on its implementation of Section 785.

SEC. 41. Section 914 is added to the Public Utilities Code, to read:

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

SEC. 42. Section 914.1 is added to the Public Utilities Code, to read:

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

SEC. 43. Section 914.2 is added to the Public Utilities Code, to read:

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

SEC. 44. Section 914.3 is added to the Public Utilities Code, to read:

914.3. By July 1 of each year, the commission shall submit to the Governor and the Legislature a report that includes, based on yearend data, on an aggregated basis, the information submitted by holders pursuant to subdivision (b) of Section 5960. All information reported by the commission pursuant to this section shall be disclosed to the public only as provided for pursuant to Section 583. No individually identifiable customer or subscriber information shall be subject to public disclosure.

SEC. 45. Section 914.4 is added to the Public Utilities Code, to read:

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

SEC. 46. Section 914.5 is added to the Public Utilities Code, to read:

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

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

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

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

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

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

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

SEC. 47. Section 914.6 is added to the Public Utilities Code, to read:

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

SEC. 48. Section 914.7 is added to the Public Utilities Code, to read:

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

- (1) The amount of funds expended from the California Advanced Services Fund in the prior year.
- (2) The recipients of funds expended from the California Advanced Services Fund in the prior year.
- (3) The geographic regions of the state affected by funds expended from the California Advanced Services Fund in the prior year.
- (4) The expected benefits to be derived from the funds expended from the California Advanced Services Fund in the prior year.
- (5) Actual broadband adoption levels from the funds expended from the California Advanced Services Fund in the prior year.
- (6) The amount of funds expended from the California Advanced Services Fund used to match federal funds.
- (7) An update on the expenditures from California Advanced Services Fund and broadband adoption levels, and an accounting of remaining unserved and underserved households and areas of the state.
- (8) The status of the California Advanced Services Fund balance and the projected amount to be collected in each year through 2020 to fund approved projects.

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

SEC. 49. Section 915 of the Public Utilities Code is amended and renumbered to read:

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

(b) The commission shall include in its report required pursuant to Section 910, a summary of the staff safety investigations concluded during the prior calendar year and the staff safety investigations that remain open for any gas corporation or electrical corporation, with a link to the Internet Web site with the report that contains the information required pursuant to subdivision (a).

SEC. 50 Section 916 is added to the Public Utilities Code, to read:

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

SEC. 51. Section 916.1 is added to the Public Utilities Code, to read:

916.1. The commission shall annually report the results of its investigation pursuant to subdivision (d) of Section 7661 relative to any incident that results in a notification required pursuant to subdivision (b) of Section 7661, including its findings concerning the cause or causes of the incident and any action undertaken by the commission in response to those findings. The commission may include the information required to be reported pursuant to this section in its report to the Legislature pursuant to Section 916.

SEC. 52. Section 916.4 is added to the Public Utilities Code, to read:

916.4. An action taken by the commission on a safety recommendation letter or safety advisory pursuant to Section 765 shall be reported annually, in detail, to the Legislature with the report required by Section 910. Correspondence from the federal National Transportation Safety Board indicating that a recommendation has been closed following an action that the federal National Transportation Safety Board finds unacceptable shall be noted in the report required by Section 910.

SEC. 53. Section 919 is added to the Public Utilities Code, to read:

919. (a) The Antelope Valley Fairgrounds shall submit biennial reports to the commission and to the Legislature relative to the Antelope Valley Fairgrounds EE and PV Synergy Demonstration Project. The reports shall include actual recorded electricity usage by the fairgrounds and electricity produced by the photovoltaic solar energy system at the fairgrounds, on a time-of-use basis. A final report shall be submitted to the commission and to the Legislature within six months of the conclusion of the demonstration project. The final report shall include an analysis of the energy and cost savings achieved at the fairgrounds, the effectiveness of combining investment in energy efficiency and a photovoltaic solar energy system on the same site, the performance and durability of the photovoltaic solar energy system over the life of the demonstration project, and recommendations for optimizing ratepayer investment in energy efficiency and photovoltaic solar energy systems.

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

SEC. 54. Section 920 is added to the Public Utilities Code, to read:

920. (a) (1) Unless expressly directed otherwise, a report to be submitted to the Legislature pursuant to this article is to be submitted in compliance with Section 9795 of the Government Code, except that an electronic copy may be submitted to the Secretary of the Senate, unless specifically requested to submit a printed copy of the report, with an electronic copy submitted to Legislative Counsel in compliance with subdivision (c) of Section 10242.5 of the Government Code.

(2) Any report that is expressly directed to be submitted to a committee of the Legislature shall be submitted as an electronic copy, unless specifically requested to submit a printed copy by chair of that committee, with an electronic copy submitted to Legislative Counsel in compliance with subdivision (c) of Section 10242.5 of the Government Code.

(b) Any report required to be submitted to the Governor pursuant to this article shall be submitted as an electronic copy unless specifically requested to submit a printed copy of the report by the Governor.

SEC. 55. Section 958.5 of the Public Utilities Code is amended to read:

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

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

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

SEC. 56. Section 960 of the Public Utilities Code is amended to read:

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

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

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

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

(b) If the NTSB issues a safety recommendation letter concerning any commission-regulated gas pipeline facility to the United States Department of Transportation, the federal Pipeline and Hazardous Materials Safety Administration (PHMSA), a gas

corporation, or the commission, or the PHMSA issues an advisory bulletin concerning any commission-regulated gas pipeline facility, the commission shall determine if implementation of the recommendation or advisory is appropriate. The basis for the commission's determination shall be detailed in writing and shall be approved by a majority vote of the commission.

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

SEC. 57. Section 2851 of the Public Utilities Code, as amended by Section 41 of Chapter 24 of the Statutes of 2015, is amended to read:

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

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

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

(2) The commission shall adopt a performance-based incentive program so that by January 1, 2008, 100 percent of incentives for solar energy systems of 100 kilowatts or greater and at least 50 percent of incentives for solar energy systems of 30 kilowatts or greater are earned based on the actual electrical output of the solar energy systems. The commission shall encourage, and may require, performance-based incentives for solar energy systems of less than 30 kilowatts. Performance-based incentives shall decline at a rate of no less than an average of 7 percent per year. In developing the performance-based incentives, the commission may:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

existing authority to levy or increase charges.

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

SEC. 58. Section 2881 of the Public Utilities Code is amended to read:

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

(b) The commission shall also design and implement a program to provide a dual-party relay system, using third-party intervention to connect individuals who are deaf or hearing impaired and offices of organizations representing individuals who are deaf or hearing impaired, as determined and specified by the commission pursuant to subdivision (h), with persons of normal hearing by way of intercommunications devices for individuals who are deaf or hearing impaired and the telephone system, making available reasonable access of all phases of public telephone service to telephone subscribers who are deaf or hearing impaired. In order to make a dual-party relay system that will meet the requirements of individuals who are deaf or hearing impaired available at a reasonable cost, the commission shall initiate an investigation, conduct public hearings to determine the most cost-effective method of providing dual-party relay service to the deaf or hearing impaired when using a telecommunications device, and solicit the advice, counsel, and physical assistance of statewide nonprofit consumer organizations of the deaf, during the development and implementation of the system. The commission shall apply for certification of this program under rules adopted by the Federal Communications Commission pursuant to Section 401 of the federal Americans with Disabilities Act of 1990 (Public Law 101-336).

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

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

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

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

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

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

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

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

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

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

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

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

(h) The commission shall determine and specify those statewide organizations representing the deaf or hearing impaired that shall receive a telecommunications device pursuant to subdivision (a) or a dual-party relay system pursuant to subdivision (b), or both, and in which offices the equipment shall be installed in the case of an organization having more than one office.

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

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

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

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

SEC. 59. Section 2891 of the Public Utilities Code is amended to read:

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

(1) The subscriber's personal calling patterns, including any listing of the telephone or other access numbers called by the subscriber, but excluding the identification to the person called of the person calling and the telephone number from which the call was placed, subject to the restrictions in Section 2893, and also excluding billing information concerning the person calling which federal law or regulation requires a telephone corporation to provide to the person called.

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

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

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

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

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

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

- (1) Information provided by residential subscribers for inclusion in the corporation's directory of subscribers.
- (2) Information customarily provided by the corporation through directory assistance services.
- (3) Postal ZIP Code information.
- (4) Information provided under supervision of the commission to a collection agency by the telephone corporation exclusively for the collection of unpaid debts.
- (5) Information provided to an emergency service agency responding to a 911 telephone call or any other call communicating an imminent threat to life or property.
- (6) Information provided to a law enforcement agency in response to lawful process.
- (7) Information which is required by the commission pursuant to its jurisdiction and control over telephone and telegraph corporations.
- (8) Information transmitted between telephone or telegraph corporations pursuant to the furnishing of telephone service between or within service areas.
- (9) Information required to be provided by the corporation pursuant to rules and orders of the commission or the Federal Communications Commission regarding the provision over telephone lines by parties other than the telephone and telegraph corporations of telephone or information services.
- (10) The name and address of the lifeline customers of a telephone corporation provided by that telephone corporation to a public utility for the sole purpose of low-income ratepayer assistance outreach efforts. The telephone corporation receiving the information request pursuant to this paragraph may charge the requesting utility for the cost of the search and release of the requested information.
- (11) Information provided in response to a request pursuant to subdivision (a) of Section 530.8 of the Penal Code.

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

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

SEC. 60. Section 5006 of the Public Utilities Code is amended and renumbered to read:

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

SEC. 61. Section 5012 of the Public Utilities Code is amended and renumbered to read:

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

SEC. 62. Section 5385.5 of the Public Utilities Code is repealed.

SEC. 63. Section 5387 of the Public Utilities Code is amended to read:

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

(b) A person who drives a bus for a charter-party carrier without having a current and valid driver's license of the proper class, a passenger vehicle endorsement, or the required certificate shall be suspended from driving a bus of any kind, including, but not

limited to, a bus, schoolbus, school pupil activity bus, or transit bus, with passengers for a period of five years pursuant to Section 13369 of the Vehicle Code.

(c) (1) A charter-party carrier shall have its authority to operate as a charter-party carrier permanently revoked by the commission or be permanently barred from receiving a permit or certificate from the commission if it commits any of the following acts:

- (A) Operates a bus without having been issued a permit or certificate from the commission.
- (B) Operates a bus with a permit that was suspended by the commission pursuant to Section 5378.5.
- (C) Commits three or more liability insurance violations within a two-year period for which it has been cited.
- (D) Operates a bus with a permit that was suspended by the commission during a period that the charter-party carrier's liability insurance lapsed for which it has been cited.
- (E) Knowingly employs a busdriver who does not have a current and valid driver's license of the proper class, a passenger vehicle endorsement, or the required certificate to drive a bus.
- (F) Has one or more buses improperly registered with the Department of Motor Vehicles.

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

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

- (1) The driver was operating the bus of a charter-party carrier when the charter-party carrier did not have a permit or certificate issued by the commission.
- (2) The driver was operating the bus of a charter-party carrier when the charter-party carrier was operating the bus with a suspended permit or certificate from the commission.
- (3) The driver was operating the bus of a charter-party carrier without having a current and valid driver's license of the proper class, a passenger vehicle endorsement, or the required certificate.

SEC. 63.5. Section 5387 of the Public Utilities Code is amended to read:

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

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

(c) (1) A charter-party carrier shall have its authority to operate as a charter-party carrier permanently revoked by the commission or be permanently barred from receiving a permit or certificate from the commission if it commits any of the following acts:

- (A) Operates a bus without having been issued a permit or certificate from the commission.
- (B) Operates a bus with a permit that was suspended by the commission pursuant to Section 5378.5.
- (C) Commits three or more liability insurance violations within a two-year period for which it has been cited.
- (D) Operates a bus with a permit that was suspended by the commission during a period that the charter-party carrier's liability insurance lapsed for which it has been cited.
- (E) Knowingly employs a busdriver who does not have a current and valid driver's license of the proper class, a passenger vehicle endorsement, or the required certificate to drive a bus.
- (F) Has one or more buses improperly registered with the Department of Motor Vehicles.

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

(d) A peace officer, as designated pursuant to Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code, may impound a bus or limousine of a charter-party carrier of passengers for 30 days pursuant to Section 14602.9 of the Vehicle Code if the peace officer determines that any of the following violations occurred while the driver was operating the bus or limousine of the charter-party carrier:

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

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

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

(e) This section does not authorize the impoundment of privately owned personal vehicles that are not common carriers nor the impoundment of vehicles used in transportation for compensation by charter-party carriers of passengers that are not required to carry individual permits.

SEC. 64. Section 5920 of the Public Utilities Code is amended to read:

5920. A holder of a state franchise employing more than 750 total employees in California shall annually report to the commission all of the following:

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

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

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

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

SEC. 65. Section 5960 of the Public Utilities Code is amended to read:

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

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

(1) Broadband information:

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

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

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

(2) Video information:

(A) If the holder is a telephone corporation:

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

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

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

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

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

(3) Low-income household information:

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

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

(c) All information submitted to the commission pursuant to this section shall be disclosed to the public only as provided for pursuant to Section 583.

SEC. 66. Section 7661 of the Public Utilities Code is amended to read:

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

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

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

(1) The information required by subdivision (c) of Section 7673.

(2) In the event of a runaway train, a train list.

(3) In the event of an uncontrolled train movement or uncontrolled movement of railcars, a track list or other inventory document if available.

(d) The division of the commission responsible for consumer protection and safety shall investigate any incident that results in a notification required pursuant to subdivision (b).

SEC. 67. Section 7711 of the Public Utilities Code is amended and renumbered to read:

916.2. The commission shall annually report to the Legislature, on or before July 1, on sites on railroad lines in the state it finds to be hazardous. The report shall include, but not be limited to, information on all of the following:

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

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

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

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

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

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

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

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

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

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

(c) In determining which railroad sites pose a local safety hazard pursuant to subdivision (b), the commission shall consider the history of accidents at or near the sites. The commission shall not limit its determination to sites at which accidents have already occurred, but shall identify potentially hazardous sites based on the criteria enumerated in subdivision (b) and all other criteria that the commission determines influence railroad safety. The commission shall also consider whether any local safety hazards at railroad sites have been eliminated or sufficiently remediated to warrant removal of the site from the list required under subdivision (b).

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

SEC. 68. Section 7712 of the Public Utilities Code is amended to read:

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

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

(1) Sizes, numbers, and configurations of locomotives.

(2) Brakes.

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

(1) Length, weight, and weight distribution of trains.

(2) Speeds and accelerations of trains.

(3) Hours of allowable travel.

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

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

SEC. 69. Section 7912 of the Public Utilities Code is amended to read:

7912. A public utility employing more than 750 total employees shall annually report to the commission all of the following:

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

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

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

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

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

(f) The number of California residents employed by independent contractors and consultants hired by the public utility, calculated on a full-time or full-time equivalent basis, when the public utility has obtained this information upon requesting it from the

independent contractor or consultant, and the public utility is not contractually prohibited from disclosing the information to the public. This subdivision is inapplicable to contractors and consultants that are a public utility subject to the reporting requirements of this section. This paragraph applies only to those employees of an independent contractor or consultant that are personally providing services to the public utility, and does not apply to employees of an independent contractor or consultant not personally performing services for the public utility.

SEC. 70. Section 8283 of the Public Utilities Code is amended to read:

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

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

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

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

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

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

SEC. 71. Section 8367 of the Public Utilities Code is amended and renumbered to read:

913.2. By January 1, 2011, and by January 1 of each year thereafter, the commission shall report to the Governor and the Legislature on the commission's recommendations for a smart grid, the plans and deployment of smart grid technologies by the state's electrical corporations, and the costs and benefits to ratepayers.

SEC. 72. Section 3.5 of this bill incorporates amendments to Section 281 of the Public Utilities Code proposed by this bill and Assembly Bill 1262. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2016, (2) each bill amends Section 281 of the Public Utilities Code, and (3) this bill is enacted after Assembly Bill 1262, in which case Section 281 of the Public Utilities Code, as amended by Assembly Bill 1262, shall remain operative only until the operative date of this bill, at which time Section 3.5 of this bill shall become operative, and Section 3 of this bill shall not become operative.

SEC. 73. Section 63.5 of this bill incorporates amendments to Section 5387 of the Public Utilities Code proposed by both this bill and Senate Bill 541. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2016, (2) each bill amends Section 5387 of the Public Utilities Code, and (3) this bill is enacted after Senate Bill 541, in which case Section 63 of this bill shall not become operative.

SEC. 74. Section 28 of this bill shall not become operative if (1) Senate Bill 48 and this bill are both enacted and become effective on or before January 1, 2016, and (2) Senate Bill 48 and this bill both add Section 910 to the Public Utilities Code.

SEC. 75. Section 29 of this bill shall not become operative if (1) Senate Bill 48 and this bill are both enacted and become effective on or before January 1, 2016, and (2) Senate Bill 48 and this bill both add Section 910.1 to the Public Utilities Code.