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SB-385 Public Utilities Commission: reports: programs: studies: ex parte communications. (2017-2018)

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Date Published: 10/02/2017 09:00 PM

Senate Bill No. 385

CHAPTER 425

An act to amend Sections 421, 776, 883, 913.9, 1103, 1202, 1701.1, 1701.3, and 7931 of, to add Sections 381.4, 911.2, and 916.5 to, and to repeal Sections 765.7 and 7937 of, the Public Utilities Code, relating to the Public Utilities Commission.

[Approved by Governor October 02, 2017. Filed with Secretary of State October 02, 2017.]

LEGISLATIVE COUNSEL'S DIGEST

SB 385, Hueso. Public Utilities Commission: reports: programs: studies: ex parte communications.

(1) 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 move certain of the commission's reporting requirements within the Public Utilities Act to an article pertaining to reports by the commission to the Legislature and make other conforming changes.

(2) Existing law requires the commission to 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.

This bill would move that provision to the article within the Public Utilities Act pertaining to reports by the commission to the Legislature.

(3) Existing law requires the commission to report annually on its efforts to identify ratepayer-funded energy efficiency programs that are similar to programs administered by the State Energy Resources Conservation and Development Commission, the State Air Resources Board, and the California Alternative Energy and Advanced Transportation Financing Authority.

This bill would instead require the commission to, on or before December 31, 2018, and biennially thereafter, as part of a specified report, identify and report to the Legislature on electrical and gas corporation ratepayer-funded energy efficiency programs that are similar to programs administered by those state agencies.

(4) The Public Utilities Act requires the commission to determine whether a proceeding requires a hearing and, if so, to determine whether the matter requires a quasi-legislative, adjudication, or ratesetting hearing. Existing law regulates communications in matters before the commission and defines an "ex parte communication" as any oral or written communication between a decisionmaker and an interested person concerning any matter before the commission that the commission has not specified as being a procedural matter and that does not occur in a public hearing, workshop, or other public proceeding, or on the official record of the proceeding on the matter. The act provides that ex parte communications are prohibited in adjudication cases, and that ex parte communications are subject to specified disclosure requirements in ratesetting cases. The act provides that ex parte

communications in quasi-legislative cases are permitted and not subject to those specified disclosure requirements, except when the commission determines otherwise.

This bill would revise various laws relating to ex parte communications in regard to commission proceedings.

(5) Under existing law, when the coordinator for California area code relief determines the need to establish a new area code, he or she is required to provide written notice to the commission regarding the need to establish the new area code. Existing law requires the coordinator and commission staff to conduct at least one meeting for representatives of local jurisdictions, and at least 3 public meetings in the affected geographical area, for specified purposes relating to transitioning phone service to a new area code.

This bill would require the coordinator and commission staff to notify representatives of local jurisdictions and the public in affected areas, and instead of requiring them would authorize them, at the discretion of the commission, to conduct one or more meetings both for representatives of local jurisdictions and for members of the public in affected geographic areas for those same purposes.

(6) This bill would repeal obsolete auditing, reporting, and other similar requirements on the commission.

(7) Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because some of the provisions of this bill would be a part of the act and because a violation of an order or decision of the commission implementing its requirements would be a crime, the bill would impose a state-mandated local program by expanding the application of a crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

SECTION 1. Section 381.4 is added to the Public Utilities Code, to read:

381.4. The commission shall require an electrical or gas corporation to revise a ratepayer-funded energy efficiency program identified pursuant to Section 913.9 as necessary to ensure that the program complements and does not duplicate a program administered by a state agency.

SEC. 2. 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 that generates not less than the amount sufficient to fund activities pursuant to Sections 765.5, 916.2, and 7712.

(d) Expenditures of the detailed budget for the expenditure of railroad corporation fees submitted to the Legislature pursuant to Section 916.5 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 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 (3), 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) 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.

(g) 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. 3. Section 765.7 of the Public Utilities Code is repealed.

SEC. 4. Section 776 of the Public Utilities Code is amended to read:

776. (a) The commission shall, upon making the determination pursuant to subdivision (c), develop and implement performance reliability standards for all backup power systems installed on the property of residential and small commercial customers by a facilities-based provider of telephone services. Those standards shall do all the following:

(1) Establish minimum operating life.

(2) Establish minimum periods of time during which a telephone system with a charged backup power system will provide the customer with sufficient electricity for emergency usage.

(3) Establish means to warn a customer when the backup power system's charge is low or when the system can no longer hold a charge.

(b) The commission, in developing and implementing any standards in accordance with subdivision (a), shall consider current best practices and technical feasibility for establishing battery backup requirements.

(c) The commission shall not implement standards in accordance with this section unless it determines that the benefits of the standards exceed the costs.

SEC. 5. Section 883 of the Public Utilities Code is amended to read:

883. (a) The commission shall, on or before February 1, 2001, issue an order initiating an investigation and opening a proceeding to examine the current and future definitions of universal service. That proceeding shall include public hearings that encourage participation by a broad and diverse range of interests from all areas of the state, including, but not limited to, all of the following:

(1) Consumer groups.

(2) Communication service providers, including all providers of high-speed access services.

(3) Facilities-based telephone providers.

(4) Information service providers and Internet access providers.

(5) Rural and urban users.

(6) Public interest groups.

(7) Representatives of small and large businesses and industry.

(8) Local agencies.

(9) State agencies, including, but not limited to, all of the following:

- (A) The Government Operations Agency.
- (B) The State Department of Education.
- (C) The State Department of Public Health.
- (D) The California State Library.

(10) Colleges and universities.

(b) The objectives of the proceeding set forth in subdivision (a) shall include all of the following:

(1) To investigate the feasibility of redefining universal service in light of current trends toward accelerated convergence of voice, video, and data, with an emphasis on the role of basic telecommunications and Internet services in the workplace, in education and workforce training, access to health care, and increased public safety.

(2) To evaluate the extent to which technological changes have reduced the relevance of existing regulatory regimes given their current segmentation based upon technology.

(3) To receive broad-based input from a cross section of interested parties and make recommendations on whether video, data, and Internet service providers should be incorporated into an enhanced Universal Lifeline Service program, as specified, including relevant policy recommendations regarding regulatory and statutory changes and funding options that are consistent with the principles set forth in subdivision (c) of Section 871.7.

(4) To reevaluate prior definitions of basic service in a manner that will, to the extent feasible, effectively incorporate the latest technologies to provide all California residents with all of the following:

- (A) Improved quality of life.
- (B) Expanded access to public and private resources for education, training, and commerce.
- (C) Increased access to public resources enhancing public health and safety.
- (D) Assistance in bridging the "digital divide" through expanded access to new technologies by low income, disabled, or otherwise disadvantaged Californians.

(5) To assess projected costs of providing enhanced universal lifeline service in accordance with the intent of this article, and to delineate the subsidy support needed to maintain the redefined scope of universal service in a competitive market.

(6) To design and recommend an equitable and broad-based subsidy support mechanism for universal service in competitive markets in a manner that conforms with subdivision (c) of Section 871.7.

(7) To develop a process to periodically review and revise the definition of universal service to reflect new technologies and markets consistent with subdivision (c) of Section 871.7.

(8) To consider whether similar regulatory treatment for the provision of similar services is appropriate and feasible.

(c) In conducting its investigation, the commission shall take into account the role played by a number of diverse but convergent industries and providers, even though many of these entities are not subject to economic regulation by the commission or any other government entity.

(d) The recommendations of the commission shall be consistent with state policies for telecommunications as set forth in Section 709, and with all of the following principles:

- (1) Universal service shall, to the extent feasible, be provided at affordable prices regardless of linguistic, cultural, ethnic, physical, financial, and geographic considerations.
- (2) Consumers shall be provided access to all information needed to allow timely and informed choices about telecommunications products and services that are part of the universal service program and how best to use them.
- (3) Education, health care, community, and government institutions shall be positioned as early recipients of new and emerging technologies so as to maximize the economic and social benefits of these services.

SEC. 6. Section 911.2 is added to the Public Utilities Code, to read:

911.2. The commission shall report the findings of any risk assessment required by Section 1103 to the Legislature.

SEC. 7. Section 913.9 of the Public Utilities Code is amended to read:

913.9. On or before December 31, 2018, and biennially thereafter, the commission shall, in its annual report prepared pursuant to Section 913, identify and report to the Legislature on electrical and gas corporation 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, and on those programs revised pursuant to Section 381.4.

SEC. 8. Section 916.5 is added to the Public Utilities Code, to read:

916.5. By January 1 of each year, the commission shall submit to the Legislature a detailed budget for the expenditure of railroad corporation fees for the ensuing budget year, consistent with Section 421.

SEC. 9. Section 1103 of the Public Utilities Code is amended to read:

1103. (a) If a new underground gas storage facility is proposed, the commission shall ensure that a risk assessment evaluating the potential impact of a leak from the facility on public and environmental health, safety, and welfare is conducted by the project proponent. Both acute and chronic exposures from a range of expected emissions and emission rates shall be evaluated. The evaluation shall include consideration of population density in proximal communities, environmentally sensitive areas, emergency response times, evacuation times, possible leak duration, possible chemical species emitted, and local meteorology.

(b) In evaluating the potential risks and impacts of acute and chronic exposures from emissions from a proposed new gas storage facility, the project proponent shall assess or cause to be assessed risks associated with the proposed facility's proximity to any living quarters, including private homes, condominiums, apartments, retirement homes, prisons, dormitories, or other housing; education resources, including preschools and schools operating kindergarten or any of grades 1 to 12, inclusive; day care centers; and health care facilities, including hospitals, nursing homes, and long-term care and hospice facilities. Based on the risk analysis, appropriate setbacks to the listed structure types shall be determined by the commission.

(c) The risk assessment conducted pursuant to this section shall be subjected to peer review by independent experts whose demonstrated expertise includes, but is not limited to, the fields of public health, epidemiology, and toxicology.

(d) The findings of any risk assessment required by this section shall be reported pursuant to Section 911.2.

SEC. 10. Section 1202 of the Public Utilities Code is amended to read:

1202. The commission has the exclusive power:

(a) To determine and prescribe the manner, including the particular point of crossing, and the terms of installation, operation, maintenance, use, and protection of each crossing of one railroad by another railroad or street railroad, of a street railroad by a railroad, of each crossing of a public or publicly used road or highway by a railroad or street railroad, and of a street by a railroad or of a railroad by a street.

(b) To alter, relocate, or abolish by physical closing any crossing set forth in subdivision (a).

(c) To require, where in its judgment it would be practicable, a separation of grades at any crossing established and to prescribe the terms upon which the separation shall be made and the proportions in which the expense of the construction, alteration, relocation, or abolition of crossings or the separation of grades shall be divided between the railroad or street railroad corporations affected or between these corporations and the state, county, city, or other political subdivision affected.

(d) To authorize on an application-by-application basis and supervise the operation of pilot projects to evaluate proposed crossing warning devices, new technology, or other additional safety measures at designated crossings, with the consent of the local jurisdiction, the affected railroad, and other interested parties, including, but not limited to, represented railroad employees.

SEC. 11. Section 1701.1 of the Public Utilities Code is amended to read:

1701.1. (a) The commission shall determine whether each proceeding is a quasi-legislative, an adjudication, or a ratesetting proceeding and, consistent with due process, public policy, and statutory requirements, determine whether the proceeding requires a hearing. The commission's decision as to the nature of the proceeding shall be subject to a request for rehearing within 10 days of the date of that decision or of any subsequent ruling that expands the scope of the proceeding. Only those parties who have requested a rehearing within that time period shall subsequently have standing for judicial review and that review shall only be available at the conclusion of the proceeding. The commission shall render its decision regarding the rehearing within 30 days. The commission shall establish rules regarding ex parte communication on case categorization issues.

(b) (1) The commission, upon initiating an adjudication proceeding or ratesetting proceeding, shall assign one or more commissioners to oversee the case and an administrative law judge when appropriate. The assigned commissioner shall schedule a prehearing conference and shall prepare and issue by order or ruling a scoping memo that describes the issues to be considered and the applicable timetable for resolution.

(2) The administrative law judge shall either preside over and conduct, or assist the assigned commissioner or commissioners in presiding over and conducting, any evidentiary or adjudication hearing that may be required.

(c) The commission, upon initiating a quasi-legislative proceeding, shall assign one or more commissioners to oversee the case and an administrative law judge, when appropriate, who may be assisted by a technical advisory staff member in conducting the proceeding. The assigned commissioner shall prepare and issue by order or ruling a scoping memo that describes the issues to be considered and the applicable timetable for resolution.

(d) (1) Quasi-legislative cases, for purposes of this article, are cases that establish policy, including, but not limited to, rulemakings and investigations that may establish rules affecting an entire industry.

(2) Adjudication cases, for purposes of this article, are enforcement cases and complaints except those challenging the reasonableness of any rates or charges as specified in Section 1702.

(3) Ratesetting cases, for purposes of this article, are cases in which rates are established for a specific company, including, but not limited to, general rate cases, performance-based ratemaking, and other ratesetting mechanisms.

(e) (1) (A) "Ex parte communication," for purposes of this article, means any oral or written communication between a decisionmaker and an interested person concerning any matter before the commission that the commission has not specified in its Rules of Practice and Procedure as being a procedural matter and that does not occur in a public hearing, workshop, or other public proceeding, or on the official record of the proceeding on the matter. The commission shall specify in its Rules of Practice and Procedure, enacted by rulemaking, the types of issues considered procedural matters under this article.

(B) "Interested person," for purposes of this article, means any of the following:

(i) Any applicant, an agent or an employee of the applicant, or a person receiving consideration for representing the applicant, or a participant in the proceeding on any matter before the commission.

(ii) Any person with a financial interest, as described in Article 1 (commencing with Section 87100) of Chapter 7 of Title 9 of the Government Code, in a matter before the commission, an agent or employee of the person with a financial interest, or a person receiving consideration for representing the person with a financial interest. A person involved in issuing credit ratings or advising entities or persons who invest in the shares or operations of any party to a proceeding is a person with a financial interest.

(iii) A representative acting on behalf of any civic, environmental, neighborhood, business, labor, trade, or similar organization who intends to influence the decision of a commission member on a matter before the commission.

(iv) Other categories of individuals deemed by the commission, by rule, to be an interested person.

(2) The commission shall by rule adopt and publish a definition of decisionmakers and interested persons for purposes of this article, along with any requirements for written reporting of ex parte communications and appropriate sanctions for noncompliance with any rule proscribing ex parte communications. The definition of decisionmakers shall include, but is not limited to: each commissioner; the personal staff of a commissioner if the staff is acting in a policy or legal advisory capacity; the chief administrative law judge of the commission; and the administrative law judge assigned to the proceeding. The commission shall, by rule, explicitly ban both of the following:

(A) The practice of one-way ex parte communications from a decisionmaker to an interested person.

(B) Any communication between an interested person and a decisionmaker regarding which commissioner or administrative law judge may be assigned to a matter before the commission.

(3) For adjudication cases, the rules shall provide that ex parte communications shall be prohibited, as required by this article. The rules shall provide that if an ex parte communication occurs that is prohibited by this article, or if an ex parte communication occurs in a ratesetting case, whether initiated by a decisionmaker or an interested person, all of the following shall be required:

(A) The interested person shall report the communication within three working days of the communication by filing a notice with the commission that includes all the following:

(i) The date, time, and location of the communication, whether the communication was oral or written, or a combination of both, and the communication medium used.

(ii) The identity of the decisionmaker, the identity of the person initiating the communication, and the identities of any other persons present.

(iii) The topic of the communication, including applicable proceeding numbers.

(iv) A substantive description of the interested person's communication and its content.

(v) A copy of any written material or text used during the communication.

(B) Any decisionmaker who participated in the communication shall promptly log the ex parte communication by filing a notice that includes all the following:

(i) The date, time, and location of the communication, whether the communication was oral or written, or a combination of both, and the communication medium used.

(ii) The identity of the interested person, the identity of the person initiating the communication, and the identities of any other persons present.

(iii) The topic of the communication, including any applicable proceeding numbers.

(iv) A brief description of the communication.

(C) If the interested person who participated in the communication has not timely submitted the notice required by subparagraph (A), the decisionmaker shall refer the matter to the attorney for the commission, and an assigned commissioner, by ruling, shall order the interested person to submit the required notice. The interested person shall be subject to any applicable penalties for the initial violation and, if the interested person does not submit the required notice within the time period specified in the assigned commissioner's ruling, the interested person shall be subject to continuing violations pursuant to Section 2108.

(4) The requirements of paragraph (3) shall not apply to any oral ex parte communication occurring at a meeting if all parties are invited to participate and given not less than three working days' notice.

(5) The commission shall not take any vote on a matter in which a notice of a prohibited ex parte communication has been filed pursuant to subparagraph (A) or (B) of paragraph (3) until all parties to the proceeding have been provided a reasonable opportunity to respond to the communication.

(6) If an ex parte communication is not disclosed as required by this subdivision until after the commission has issued a decision on the matter to which the communication pertained, a party not participating in the communication may file a petition to rescind or modify the decision. The party may seek a finding that the ex parte communication significantly influenced the decision's process or outcome as part of any petition to rescind or modify the decision. The commission shall process the petition in accordance with the commission's procedures for petitions for modification and shall issue a decision on the petition no later than 180 days after the filing of the petition.

(7) (A) Ex parte communications that occur at conferences and that are within the scope of an adjudication or ratesetting proceeding shall be subject to the requirements of this article.

(B) Ex parte communications that occur at conferences and that are within the scope of a quasi-legislative proceeding shall be governed by the ex parte communication disclosure requirements developed by the commission.

(C) For purposes of this section, "ex parte communications that occur at conferences" includes, but is not limited to, communications in a private setting or during meals, entertainment events, and tours, and informal discussions among conference attendees.

(8) The commission shall render its decisions based on the law and on the evidence in the record. Ex parte communications shall not be a part of the evidentiary record of the proceedings.

(f) The commission may meet in a closed session to discuss administrative matters so long as no collective consensus is reached or vote taken on any matter requiring a vote of the commissioners. The commission shall, by rule, adopt and publish a definition of "administrative matters" for purposes of this section.

(g) The commission shall permit written comments received from the public to be included in the record of its proceedings, but the comments shall not be treated as evidence. The commission shall provide parties to the proceeding a reasonable opportunity to

respond to any public comments included in the record of proceedings.

(h) It is the intent of the Legislature that the commission, and any entity or person seeking to influence actions taken by the commission, shall be subject to all applicable ethical standards, including any applicable obligations under the Political Reform Act of 1974 (Title 9 (commencing with Section 81000) of the Government Code), including, but not limited to, any applicable lobbying obligations.

SEC. 12. Section 1701.3 of the Public Utilities Code is amended to read:

1701.3. (a) This section shall apply only to ratesetting cases, except, if the commission pursuant to Section 1701.1 has determined that a ratesetting case does not require a hearing, the procedures prescribed by subdivisions (b), (d), (f), and (i) shall not apply.

(b) The assigned commissioner shall determine prior to the first hearing whether the commissioner or the assigned administrative law judge shall be designated as the principal hearing officer. The principal hearing officer shall be present for more than one-half of the hearing days. The decision of the principal hearing officer shall be the proposed decision.

(c) An alternate decision may be issued by the assigned commissioner or the assigned administrative law judge who is not the principal hearing officer. Any alternate decision may be filed with the commission and served upon all parties to the proceeding any time prior to issuance of a final decision by the commission, consistent with the requirements of Section 311.

(d) The commission shall establish a procedure for any party to request the presence of a commissioner at a hearing. The assigned commissioner shall be present at any closing arguments in the case.

(e) The principal hearing officer shall present the proposed decision to the full commission in a public meeting. The alternate decision, if any, shall also be presented to the full commission at that public meeting.

(f) The presentation to the full commission shall contain a record of the number of days of the hearing, the number of days that each commissioner was present, and whether the decision was completed on time.

(g) The commission shall provide by rule for peremptory challenges and challenges for cause of the administrative law judge. Challenges for cause shall include, but not be limited to, financial interests and prejudice. All parties shall be entitled to unlimited peremptory challenges in any case in which the administrative law judge has within the previous 12 months served in any capacity in an advocacy position at the commission, been employed by a regulated public utility, or has represented a party or has been an interested person in the case.

(h) (1) Ex parte communications in ratesetting cases are subject to the disclosure requirements of this article. The commission, by order or ruling, may prohibit ex parte communications in a ratesetting case.

(2) Oral communications may be permitted by a decisionmaker if all parties are given not less than three working days' notice. No individual ex parte meetings shall be held during the three business days before the commission's scheduled vote on the decision.

(3) (A) If an ex parte communication meeting is granted to any party, all other parties, upon request, shall also be granted individual ex parte meetings of a substantially equal period of time and shall be sent a notice of that opportunity at the time the request is granted.

(B) Subparagraph (A) shall not apply if the decisionmaker participating in the ex parte communication meeting is a member of the personal staff of a commissioner acting in a policy or legal advisory capacity and no other decisionmaker to whom subparagraph (A) applies is a participant.

(4) Written ex parte communications by any interested person may be permitted if copies of the communication are transmitted to all parties on the same day as the original communication.

(5) Written and oral ex parte communications shall not be part of the evidentiary record of the proceeding.

(6) After a proposed decision or order is issued, the commission may establish a "quiet period" during which no oral or written ex parte communications may be permitted and the commission may meet in closed session during that period. That quiet period shall expire at the end of the commission meeting for which the matter was scheduled to be voted upon and shall not in any circumstance exceed 14 days. If the commission holds the decision, it may establish a subsequent quiet period during the second half of the hold period, which is the interval between the hold date and the date that the decision is calendared for final decision. If the subsequent quiet period is established, ex parte communications shall be allowed only during the first half of the hold period. The commission may meet in closed session for the second half of that period. Any meeting of the commission pursuant to this paragraph shall require a minimum of three days' advance public notice.

(i) Any party has the right to present a final oral argument of its case before the commission. Those requests shall be scheduled in a timely manner. A quorum of the commission shall be present for the final oral arguments.

(j) The commission may, in issuing its decision, adopt, modify, or set aside the proposed decision or any part of the decision based on evidence in the record. The final decision of the commission shall be issued not later than 60 days after the issuance of the proposed decision. Under extraordinary circumstances the commission may extend this date for a reasonable period. The 60-day period shall be extended for 30 days if any alternate decision is proposed pursuant to Section 311.

SEC. 13. Section 7931 of the Public Utilities Code is amended to read:

7931. (a) This chapter is applicable to telephone corporations, including resellers, and to paging companies, hereafter referred to as providers.

(b) For purposes of this chapter, "coordinator" means the "coordinator for California area code relief" as designated by the North American Numbering Council.

(c) Whenever the coordinator and providers evaluate the potential boundaries of a new area code, they shall consider rate area boundaries, municipal boundaries, communities of interest, and other appropriate criteria.

(d) When the coordinator determines the need to establish a new area code, at least 30 months prior to the projected opening of the new area code, the coordinator shall provide written notice to the commission regarding the need to establish the new area code.

(e) From the date the written notice required by subdivision (d) is received by the commission all of the following shall be done:

(1) Within three months all providers shall notify all affected customers in writing of the need to establish a new area code. Nothing in this paragraph requires a customer to receive in one bill more than one notice for each billed number.

(2) Within nine months the coordinator and the commission staff shall notify representatives of local jurisdictions and the public in affected geographic areas, and, at the discretion of the commission, may conduct one or more meetings both for representatives of local jurisdictions and for members of the public in affected geographic areas to inform them of the proposed area code relief options and of measures that may be taken to mitigate any potential disruptions, and to afford them the opportunity to discuss the potential impact of the proposed options.

(3) Within 11 months the coordinator shall file the results of the area code relief planning process with the commission requesting commission approval to implement a plan. Anyone may contest the results of the area code planning process by filing a written protest with the commission not later than 60 days after the results have been filed with the commission.

(f) Unless the commission determines otherwise, at least 12 months prior to the date adopted by the commission for opening the new area code, all of the following shall be done:

(1) The coordinator shall notify the general public of the specific geographic area to be included in both the old and new area codes. The notice shall include the schedule for any transitional dialing periods required by Section 7932.

(2) Each telephone provider serving the specific geographic area included in the existing area code shall give written notice to all its affected customers about the specific geographic area that will be included in the new area code. The notice shall include the schedule for any transitional dialing periods required by Section 7932, and the prefixes that will be contained in the new area code. Nothing in this paragraph requires a customer to receive in one bill more than one notice for each billed telephone number.

(g) Within three months prior to the adopted date for opening the new area code, each provider serving the existing area code shall give written notice to its affected customers of the specific geographic boundaries of the new area code. The notice shall include the schedule for any transitional periods required by Section 7932, and the prefixes that will be contained in the new area code. Nothing in this paragraph requires a customer to receive in one bill more than one notice for each billed number.

SEC. 14. Section 7937 of the Public Utilities Code is repealed.

SEC. 15. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.