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May 28, 2015

Senator Mark Leno
State Capitol Room 5100
Sacramento, CA 95814

**RE: SB 660 (Leno & Hueso) CPUC transparency: ex-parte reform – SUPPORT
As amended May 6, 2015
Senate Floor**

Dear Senator Leno:

The Consumer Federation of California supports your “CPUC Reform Bill,” SB 660, jointly authored with Senator Hueso. This bill would put an end to the backroom deals that needlessly drive up the cost of energy bills, so that the CPUC fairly can fulfill its obligation to provide safe, clean, reliable energy at reasonable prices to all California residents and businesses.

The need for CPUC reform is palpable, following the ongoing revelations of unethical backroom deals between Commissioners and the utilities industry. SB 660 would reestablish the public’s trust in the CPUC by ensuring transparency, distributing the authority of the President to all commissioners, and redefining the standard for recusal of a commissioner. Specifically, this bill:

- 1) Democratize the CPUC by distributing authority to all commissioners.
Replace the current structure that grants the CPUC president supreme authority to manage agency directors and assign cases with a structure that distributes authority to all five commissioners. This will prevent the abuse of power and utility company favoritism that has been revealed in some of the recently released 65,000 emails.
- 2) Require that a third party rule on requests to recuse a commissioner from a case.
Replace the current legal standard for recusal of a commissioner from voting or assigned as lead commissioner on a case from an “unalterably closed mind” which is impossible to prove to a more reasonable “appearance of bias or prejudice.” More importantly, don’t let the same commissioner being challenged rule on their own recusal.
- 3) Reform ex-parte rules to eliminate back room deals.
Eliminate private meetings between commissioners and key CPUC staff with utility lobbyists when ratemaking decisions impacting millions or even billions of dollars hang in the balance. Promote transparency by requiring all communications between parties and commission staff in ratemaking proceedings to be on the record and made in public, and require public reporting of private meetings for rulemaking policy proceedings.

Thank you for your leadership on CPUC reform this year. This bill institutes critical reforms needed for the CPUC to put the public interest ahead of the corporate interest when it comes to providing affordable energy that is safe, reliable and clean.

Sincerely,

A handwritten signature in black ink that reads "Richard Holober". The signature is written in a cursive, flowing style.

Richard Holober
Executive Director

cc: Members, California State Senate