From: Galvin, Michael J.
Sent: 1/26/2011 10:31:47 AM
To: Hughes, John (Reg Rel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=J8HS)
Cc:
Bcc:
Subject: FW: CPUC Newsclips for Wednesday, January 26

# **CPUC NEWSCLIPS**

For Wednesday, January 26, 2011

For newsclips help, contact Tom Hall (tbh) at 916-928-2274

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**ENERGY** – California

KQED - CA Doubled Pace of Renewables Last Year

#### By Craig Miller, Jan 25

California Regulators say the state's utilities about doubled the growth of new renewable energy sources last year. The California Public Utilities Commission says developers added 653 megawatts of capacity in 2010, nearly twice the pace of 2009.

Recently erected wind turbines at the Solano County Wind Resource Area. (Photo: Craig Miller)

For all that, utilities did not quite make the state-imposed requirement that they get 20% of their electrical generation from renewables by last year. That requirement was affirmed by the legislature. In September of last year, former Governor Arnold Schwarzenegger moved the goalposts to 33% by 2020. But that mandate is backed by an executive order, not by state law.

According to the CPUC quarterly report, last year's progress puts the state's total potential renewable power production over 1,700 megawatts. Almost half of the 2010 gains were achieved by a single big wind farm in Kern County coming online. In addition to wind and photovoltaic solar, some of the new generation last year came from biomass and small-scale hydro. The state does not recognize power from large hydroelectric dams as countable toward its renewable energy goals.

Major utilities will update numbers for their individual energy mix in March. At the end of 2008, Southern California Edison led big utilities in the green power derby with more than 17% renewables in its mix. PG&E provides more than 14% and San Diego Gas & Electric more than 10%.

The CPUC says there are already enough megawatts "under contract" to meet that 33% goal in 2020 -but glitches in financing, siting and permitting could all get in the way of some of that power actually being delivered. The total share of electricity provided by renewables such as wind and solar energy moved to more than 15% in 2009, from about 13% in 2008.

None of the renewable energy gains last year were from large solar-thermal projects, though several of those were permitted and broke ground toward year-end, as developers raced against a deadline to get federal stimulus funding.

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## Restructuring Today - California PUC: IOUs nearly doubled green power in 2010

By Staff, Jan 26

California's three IOUs brought 653 MW of renewable capacity online last year, almost double the amount from 2009, the PUC told the legislature in its "Renewables Portfolio Standard Quarterly Report" released yesterday. Much of the new capacity came from the Alta wind farm in Tehachapi, with 300 MW of an eventual 1,550 MW achieving commercial operation in 2010. The three utilities did not report their 2010 renewable percentages that were originally supposed to hit 20% because those updates are not due until March 1.

The PUC is projecting that the original 2010 target will not be met but by 2012, the three utilities should reach 20%. The California Air Resources Board (CARB) pushed back the due-date for the 20% target to 2012 last fall (RT, Sep-27).

Collectively, the three served 15.4% of their load in 2009 with renewable power. Southern California Edison was closest to the 20% renewable portfolio standard (RPS) goal at 17.4% of its load, Pacific Gas & Electric got to 14.4%, while San Diego Gas & Electric had 10.5%.

The RPS program produced 1,702 MW of renewable capacity thus far, ramping up significantly in the last few years.

Of the 2010 procurements, 70% of the energy or 1,274 GWH-year comes from in-state projects. On a capacity basis the number was 435 MW or 67%.

The utilities have more renewable power under contract than would be needed to meet the 33% by 2020 target set by CARB but some of those deals will likely fall through. The PUC has approved 184 contracts for over 16,000 MW of renewable power since 2002.

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Ukiah Daily Journal - Supervisors approve SmartMeter moratorium

#### By Tiffany Revelle, Jan 26

At the urging of 16 speakers and what was described as a larger than usual amount of contact from constituents, the Mendocino County Board of Supervisors on Tuesday joined a widespread effort to keep SmartMeters out of the homes of local Pacific Gas & Electric customers.

The board unanimously adopted an emergency ordinance that imposes a temporary moratorium on "the installation of SmartMeters and related equipment in, along, across, upon, under and over the public streets and other places within the unincorporated area of Mendocino County."

Questions about the health effects of exposure to radio frequency emissions, bills going up for customers who already have the meters and lack of adequate information from PG&E prompted the board to consider the moratorium, according to 5th District Supervisor Dan Hamburg, who put the issue on the agenda along with 2nd District Supervisor John McCowen.

Hamburg said PG&E in October stated its intention to hold workshops on the wireless devices, and on the company's plans to install them in Mendocino County this year, to allay concerns about health, privacy and bill overages.

"I think PG&E waited a bit too long to start those meetings," Hamburg said. "It seems like if the company was going to try to allay the fears of the public, they kinda waited until they were already sending out notices, and that did not seem to me to have been a very wise way to go ... PG&E really has not convinced the public that this is a necessary program or even an official program."

PG&E touts the wireless devices as a way for customers to track their energy use online and a more accurate way to bill customers. Company representative Alison Talbot told the board the California Public Utilities Commission mandated "some sort of automated metering by 2012."

Expected benefits include being able to track outages and restore power faster, integrating solar and wind power, and more information about energy consumption for consumers.

"There's no question that PG&E ought to have done a better job educating customers about the program," Talbot said. "We're taking pains to do that now in Mendocino County with open houses, education centers; we have a dedicated phone line and a robust website."

She said common concerns raised about SmartMeters "are relatively easily addressed; meter readers were not left without jobs; independent tests have shown that the meters are not overbilling; and PG&E has a state-of-the art encryption system to protect privacy; if we were to get hacked, the names and account numbers are kept separate from the account information."

Regarding the most common concern about the health effects of radio frequency emissions, she said recent studies show "SmartMeters, which emit a radio frequency signal for 45 seconds a day, are not hazardous; the RF is vanishingly small, especially when compared with many other common household items."

The 16 people who appeared before the board Tuesday regarding the moratorium cited concerns about the cumulative health effects of exposure to RF emissions, higher bills and a general need for more information.

"It's being pushed down our throats and taken out of our pockets; this technology is not necessary," Mendocino resident Antonia Lamb said. "The question of why is this invasive mandate going on is a little too big for us to discuss right now, but I would urge you ... let's investigate this thing as far as we can."

Philo resident Greg Krouse said he'd gathered "550 petitions" in a week-and-a-half, and spearheaded an effort to reject the meters. He voiced concerns about health effects, energy information being vulnerable to hackers and people who had the meters being overcharged, saying it can take months for customers to get the charges reversed.

Mendocino resident Carol Robson noted one study on the thermal effects of the meters "showed that a large man will not be cooked inside your house if you have a SmartMeter on it; now, I don't find that totally reassuring as proof of safety."

She said other studies showed the meters may not cause thermal damage, but voiced concern about DNA damage. Robson urged the board to "give the state a chance to change and investigate and find safer ways to monitor our electricity."

Other speakers expressed concerns about the signals the wireless devices send in pulses being magnified by neighbors' meters, relays, and reflective surfaces.

"Nobody knows how the net is going to work, with all these SmartMeters interlinking, until it's in action," Ukiah resident Michael Maltas said. "I'm sure in my mind that some SmartMeters are going to be much, much more active than others, because they relay."

Ellen Drell of the Willits Environmental Center called PG&E's recent meetings to educate its customers "form without function," and said they hadn't been advertised well.

Drell said people were calling her "panicked" because they were being told the meters would be installed within days and that they had no choice about it, despite Talbot's assurance to the board that PG&E was honoring the wishes of customers who didn't want the meters installed.

Marlena Baxter suggested using fiber-optic technology instead.

PG&E representative Austin Sharp said that option was expensive, but confirmed when asked by McCowen that the CPUC didn't mandate that the technology be wireless. Sharp said the company chose wireless because it's inexpensive and can be upgraded remotely.

Sharp said PG&E is investigating alternatives, but said there is currently no way for customers to "opt out" of the program. Customers can be put on a delay list to have the meters installed at their homes last in a given area, which, in Mendocino County, is the end of February, he said.

The moratorium will hold until PG&E offers its customers an alternative to the wireless devices and provides information about the technology and risks associated with the models the company plans to install in Mendocino County, according to a memo from County Counsel Jeanine Nadel.

Nadel said the urgency ordinance could be challenged legally on pre-emption grounds because PG&E is regulated by the California Public Utilities Commission, and the Federal Communications Commission regulates radio frequency emissions. Hamburg asked at the outset of the discussion what the county's exposure to a lawsuit might be if it adopted the moratorium.

"I still stand behind the ordinance on the grounds that you, as the local legislative body have broad powers, your police powers, to adopt ordinances that protect the health, safety and welfare of the citizens," Nadel said.

"What would happen if PG&E sued us?" Hamburg asked.

"I think at that point it would be up to the court to determine whether or not your police powers overrules the pre-emption issue that PG&E would raise," she said.

Chairwoman Kendall Smith noted Mendocino County would not be alone in adopting a SmartMeter moratorium.

San Francisco, Santa Cruz and Marin counties adopted similar bans, along with the cities of Sebastopol, Berkeley, Fairfax, Santa Cruz, Piedmont, Scotts Valley, Capitola, Watsonville, Sausalito and San Anselmo.

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## SD Union-Tribune - Imperial Valley, energy promised land?

By Onell R. Soto, Jan 25

A video posted by an outfit funded by a natural gas company calls the Imperial Valley a renewable energy promised land, and points to the Sunrise Powerlink as key to its potential.

"Taking Charge: The Promised Land for Renewables," features an interview with Imperial County Executive Andy Horne, in which he talks about the potential for geothermal, wind, solar and algae-based biofuels.

"People have called Imperial County the Persian Gulf of renewables and I would say looking at the number of resources and the diversity of resources that we have here, I'd have to agree with that," Horne says.

But then, there's the question, why, if there's all this potential here - if there's enough wind, for

instance, to make the nearby mountains look like the wind turbine-dotted San Gorgonio Pass near Palm Springs — why hasn't it been developed?

Horne explains: "Energy transmission, getting the energy from here to where it's going to be utilized."

And that's where San Diego Gas & Electric's Sunrise Powerlink enters the picture. The line has been delayed because of opposition from people who, like Michael Shames of UCAN, the Utility Consumers' Action Network, who say the environmental damage it will cause is not worth it.

The video was produced by Energy Now, which is funded by the American Clean Skies Foundation, which in turn is funded by Oklahoma City-based Chesapeake Energy, a natural gas producer.

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## Oakland Tribune - Open the PG&E records on gas pipelines (EDITORIAL)

By Editorial Board, Jan 26

WITH ALL OF the understandable concerns about the safety of its gas pipeline system, one would think PG&E would be eager to provide information about the condition of its pipes, especially older ones in urban neighborhoods.

Unfortunately, that is not the case. PG&E has not been forthcoming with the public in revealing data about the construction, inspection and records of the San Bruno pipeline that exploded on Sept. 9, killing eight people and razing 38 homes.

On Friday, a report by the National Transportation Safety Board was released showing 150 defects in welds along the 43-foot section of pipe that exploded after a surge in pressure.

The utility's records erroneously said that the pipe, which was installed in 1956, did not have welds along its length. Not only were there welds, but the work was poorly done. Because PG&E records

indicated the pipe was seamless, it appears the utility did not properly examine or test it.

Some pipe experts said the pipe did not meet the welding standards of 1956 or those of today. That is the likely reason why the pipe was unable to withstand a pressure surge.

If PG&E's records were so poor about the San Bruno pipe, the worry now is how many other sections of pipe are substandard and if there could be another tragedy elsewhere.

Assemblyman Jerry Hill, D-San Mateo, has demanded that PG&E release information about the workers who installed the pipe in 1956, if any PG&E inspector was present, and other records that might reveal if those same crews and inspectors installed pipes in other Bay Area neighborhoods.

Hill's demand is a reasonable one, given the scope of the tragedy, the flawed pipe welds, the potential for other disasters and PG&E's inadequate record keeping.

The public deserves to know as much as possible and as quickly as reasonable about PG&E's gas pipe network.

It is not enough that PG&E lowered gas pressure by 20 percent after being ordered to do so by state regulators. The utility needs to be more open in dealing with the public.

PG&E has been ordered to review its records and to provide gas-pressure data to the California Public Utilities Commission by March 15. The utility said it will issue a preliminary report on its records review by Feb. 1.

We urge PG&E to make comprehensive and accurate information available to the public and to assure its customers that it is doing all it can to inspect and test any pipes that are suspected of having problems.

We also urge the PUC not to allow PG&E to pass on to consumers any of the costs of the San Bruno explosion or efforts to inspect and fix flawed pipes.

Any expenses for compensating San Bruno victims and assuring the safety of its gas pipeline should be borne by the utility and its investors, not its customers.

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WATER – California

## Monterey Herald - Plan would halt Monterey Peninsula water hookups

PUC judge ties Peninsula development to new sources

By Jim Johnson, Jan 26

A proposed decision by a state Public Utilities Commission judge would allow California American Water to halt all new and expanded water connections on the Peninsula.

The decision, if approved by the full commission, would essentially halt all new development and expansion projects, with a few exceptions. The commission could consider the proposed decision as early as its Feb. 24 or March 10 sessions.

Authored by Administrative Law Judge Gary Weatherford, the decision essentially follows guidelines set out in a state order to reduce pumping from the Carmel River, which prohibits new water connections and increased use of water in most of Cal Am's Monterey district.

An earlier bid by Cal Am to impose such a moratorium in conjunction with the state order was rejected by the PUC in fall 2009, but the company submitted a revised application last spring. The state order is currently being challenged in court by Cal Am and others, and could be headed to trial in April.

If approved, the moratorium would remain in place until a new permanent water source is ready and approved by the state water board. A proposed regional seawater desalination project earned PUC approval in December, and a public-private partnership including Cal Am hopes to have the project

completed by 2014.

Cal Am spokeswoman Catherine Bowie said the proposed decision "underscores the need to get a new water source on the Peninsula."

Exceptions to the moratorium, under the proposed decision, would include projects that would benefit public health, safety and national security; the Pebble Beach Co.'s expansion proposals through the end of 2016; the Monterey Bay Shores Ecoresort proposed by Santa Rosa developer Ed Ghandour of Security National Guaranty; and the Bishop and Hidden Hills subdivisions and the Ryan Ranch business park in the Laguna Seca area.

The moratorium only applies to new and expanded service connections obtained after Oct. 20, 2009, the date the state order was issued. State water officials can authorize a new or expanded connection.

Under the proposed decision, Cal Am would be required to confer with the Monterey Peninsula Water Management District within 30 days on how best to serve public health and safety water needs under the state order and moratorium, and meet with the state water board within 45 days to establish a process to do so.

Cal Am would be required to file a petition with the PUC to modify the decision if pending litigation challenging the state order concludes with a decision that conflicts with the moratorium.

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## KION-TV News - Judge Says Cal-Am Water Must Comply With Moratorium

By Staff, Jan 25

MONTEREY, Calif - A California judge has ruled that California American Water, or Cal-Am, must comply with a water moratorium that prohibits new connections and increased use of water by existing customers on the Monterey Peninsula.

This does not mean the moratorium is in effect as of Tuesday. The judge's decision has to be presented to the California Public Utilities Commission, or CPUC, before being enacted. As of now, the CPUC has not taken action on the judge's decision. They will meet and talk about the issue at their next meeting February 24th.

California American Water said the cities that will be hit the hardest if the moratorium is implemented are Seaside and Monterey. Cal-Am said they need water connections to complete city and private projects.

The areas that will not be affected are communities around Highway 68, Sand City, and Pebble Beach because they have alternative sources of water.

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Politics/General/Miscellaneous

## SF Chronicle - Brown names consumer advocate Mike Florio to PUC

By David R. Baker, Jan 26

Gov. Jerry Brown on Tuesday appointed a staunch consumer advocate and a law school professor to a powerful state commission that regulates California's utilities - a panel that has come under intense criticism in the wake of last year's fatal pipeline explosion in San Bruno.

Brown picked Mike Florio and Catherine Sandoval to fill two of three open seats on the California Public Utilities Commission, which oversees utilities that provide electricity, natural gas and water. The five-member panel also regulates railroads and telecommunications companies.

Until his appointment, Florio served as senior attorney at The Utility Reform Network, a consumer watchdog group that has been fiercely critical of the utilities, in particular Pacific Gas and Electric Co.

TURN often urges the commission to reject PG&E's requests for rate hikes, usually without success.

Sandoval's expertise, meanwhile, lies in telecommunications law and regulation. A former Federal Communications Commission official, she is now an associate professor at Santa Clara University School of Law.

Florio's appointment carries great significance for critics of PG&E, and of the commission. The Sept. 9 explosion of a PG&E pipeline triggered charges that the commission had grown lax in its oversight of the utility, failing to ensure the safety of the company's vast natural gas transmission network. The commission, which lost one of its own staff members in the blast, has created an independent panel to look for problems within PG&E - and the commission itself - that could have led to the explosion.

#### Change applauded

State Assemblyman Jerry Hill, who represents San Bruno, applauded the appointments, saying he wanted a change in the commission's attitude.

"In the aftermath of the deadly gas pipeline explosion in San Bruno, it is my hope that they will provide the crucial oversight that is needed to end a culture of complacency on the commission," Hill said. The explosion killed eight people and destroyed 38 homes.

Hill had also urged Brown to pick a new president for the commission to replace Michael Peevey. But a spokesman for the governor on Tuesday said Peevey would stay in that position. Peevey's term expires in 2014.

"Mr. Peevey's president now, and we expect him to continue serving as president," said spokesman Evan Westrup.

TURN's executive director, Mark Toney, said he was thrilled to have Florio on the panel.

"I think he'll bring a fair balance to the commission, balancing what the utilities need to be successful and safe but doing that in a cost-effective manner," Toney said. He also praised Sandoval.

"She has a really deep background on telecommunications, and she has a strong belief in regulation

and a commitment to consumer protection," Toney said.

More appointments

Florio and Sandoval could not be reached for comment Tuesday.

They were among four people Brown appointed Tuesday to key jobs in energy regulation. The governor also picked Carla Peterman and Robert Weisenmiller to serve on the California Energy Commission, which sets many long-term energy policies and approves the construction of new power plants.

Like Florio, Peterman has a link to TURN, serving on the consumer group's board of directors. A Ph.D. candidate at UC Berkeley, she has conducted extensive research on the solar power market.

Weisenmiller, who co-founded the MRW & Associates energy consulting firm in Oakland, already served one year on the Energy Commission. His first appointment, however, was never confirmed by the state Senate and expired earlier this month.

All of the appointments Brown made Tuesday, to the utilities and energy commissions, require Senate approval. Each appointee will make \$128,109 per year. The utilities commissioners are appointed to six-year terms, while the term of each energy commissioner lasts five years.

#### Power veteran

Florio has worked with TURN since 1978, starting as a volunteer with the consumer group shortly after finishing law school. He also served on the board of governors for the California Independent System Operator, the nonprofit organization that manages California's power grid. Colleagues say the positions gave him a deep understanding of the state's electricity market, the companies that participate in it and the laws that shape it.

"He has an understanding of the markets, the regulations - he knows it all," said Stephanie McCorkle, director of communications for the California Independent System Operator. "He's so personable, and he can delve into really complex issues and talk about them with anyone."

The utilities commission, which holds its next meeting Thursday, has yet to vote on PG&E's latest request to raise revenue. The utility, based in San Francisco, initially wanted to increase the amount of money it collects from its customers by \$4 billion in the next three years. But under an agreement

negotiated with TURN last fall, the company would receive \$1.73 billion instead.

"PG&E congratulates Mr. Florio and Ms. Sandoval to their appointments to the California Public Utilities Commission and looks forward to working with them in their new roles as members of this important regulatory body," said company spokesman Blair Jones.

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## LA Times - Brown names consumer advocate to utilities commission

Michael Florio, an attorney for the Utility Reform Network, is appointed to serve five years. Brown also names law professor Catherine Sandoval to the PUC and makes two appointments on the energy commission.

By Marc Lifsher, Jan 26

Gov. Jerry Brown on Tuesday named a leading consumer advocate to serve on the California Public Utilities Commission, one of the state's most powerful regulatory bodies.

Michael Florio, a senior attorney for the Utility Reform Network, known as TURN, was appointed to serve a five-year term. Brown also named Catherine Sandoval, a Santa Clara University law professor, telecommunications expert and former Rhodes scholar, to the five-member, constitutionally independent panel.

The utilities commission oversees companies supplying electricity, natural gas, telephone and cable television service to millions of homes and businesses.

The governor reappointed Robert Weisenmiller, an energy consultant, to the California Energy Commission and designated him to serve as chairman, beginning Feb. 6. Weisenmiller has four years left on his five-year term. A second, five-year slot went to Carla Peterman, a UC Berkeley doctoral candidate, solar-energy specialist and another Rhodes scholar.

The energy commission is charged with licensing power plants, setting efficiency standards for appliances and buildings, and conducting research and analysis on a range of energy-related issues.

The four appointees, who must be confirmed by the state Senate, won praise from one of the Legislature's top energy officials, Sen. Alex Padilla (D-Pacoima), chairman of the Senate Energy, Utilities and Communications Committee.

"Gov. Brown's appointments reflect his desire to move California forward in the areas of clean energy and telecommunications while controlling costs to ratepayers," Padilla said. "Given the challenging economy, that makes a lot of sense."

Florio brings 32 years of legal experience in utilities law to the PUC. The Oakland resident has direct knowledge of most energy proceedings at the San Francisco-based agency. His legal arguments at times had major effects on key decisions made by commissioners during the California energy crisis of 2000 and 2001. Florio is an expert on natural gas regulatory law. He has stepped down from TURN to serve on the utilities commission.

"Consumers in California now have a CPUC commissioner they can depend on," said TURN Executive Director Mark Toney. "Mike Florio is eminently qualified to serve on an agency whose mission is to 'protect the public interest by protecting consumers.' His expertise and dedication are likely to help the commission rehabilitate its tarred image."

The PUC recently has been criticized for an alleged lack of oversight of a natural gas pipeline that exploded in September, killing eight people in San Bruno.

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### SJ Mercury News - Gov. Brown shows pro-consumer tilt in regulatory appointments

By Dana Hull, Jan 25

In a move that signals a more pro-consumer approach to the state's energy issues, Gov. Jerry Brown on Tuesday announced key appointments to both the California Public Utilities Commission and the California Energy Commission.

Attorney Michael Florio, 58, of Oakland has been appointed to the PUC after spending more than three decades representing ratepayers on behalf of the nonprofit consumer advocacy group TURN, The Utility Reform Network. Also named to the commission was Catherine Sandoval, a telecommunications expert and Santa Clara University law professor.

The PUC is an increasingly influential regulatory agency that has come under fire for being too close to the utilities it regulates. Assemblyman Jerry Hill, who represents San Bruno and much of San Mateo County, welcomed the new appointments.

"Both appointees have stellar reputations as thoughtful and forceful advocates for consumers," Hill said in a statement. "In the aftermath of the deadly gas pipeline explosion in San Bruno, it is my hope that they will provide the crucial oversight that is needed to end a culture of complacency on the commission."

The PUC's five commissioners serve staggered, six-year terms and earn salaries of \$128,109 a year. Commissioners Florio and Sandoval will join President Michael Peevey and Commissioner Timothy Alan Simon at the PUC's meeting Thursday.

Florio, a former blues club owner, joined TURN as an unpaid volunteer after graduating from law school in 1978 and has been with the organization ever since.

"Consumers in California now have a CPUC Commissioner they can depend on," said TURN executive director Mark Toney. "Mike Florio is eminently qualified to serve on an agency whose mission is to 'protect the public interest by protecting consumers.' His expertise and dedication are likely to help the commission rehabilitate its tarred image."

Sandoval, of Campbell, is an expert in international telecommunications development law and policy. She served as vice president and general counsel for Z-Spanish Media before joining Santa Clara University.

The PUC employs nearly 1,000 people and regulates privately owned electric, natural gas, telecommunications, water, railroad, rail transit and passenger transportation companies. Brown has one more appointment to make on the five-member panel, and a spokesman said Tuesday that he'll announce the third appointment when he finds the right person.

The governor also announced two appointments to the California Energy Commission: Robert Weisenmiller, 62, of Berkeley, who was a commissioner from 2010 to 2011, and Carla Peterman, 32, of Oakland. Weisenmiller was a co-founder and executive vice president of MRW & Associates, an energy consulting firm. Peterman is a Ph.D. candidate at the UC-Berkeley who has conducted extensive research on solar photovoltaic markets and climate change.

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## Bay Citizen - Consumer Advocates Appointed to Utilities Commission

Appointments may signal shift away from energy industry-friendly policies

By John Upton, Jan 25

Utility consumer advocates have secured influential roles on California government bodies, potentially helping the state buck years of policies that activists have criticized as too friendly to the energy industry.

Gov. Jerry Brown on Tuesday announced the appointment of Mike Florio, a senior attorney at The Utility Reform Network, or TURN, to serve on the California Public Utilities Commission.

The CPUC oversees utility companies, including electricity and telephone providers, and rail agencies.

Florio began volunteering for the nonprofit organization, which has decried Pacific Gas and Electric Company's strong influence on the CPUC, in the 1970s. He resigned several days ago in anticipation of Tuesday's announcement.

On Tuesday, Brown also announced the appointment of Catherine Sandoval, an associate professor at Santa Clara Law and a former senior official with the Federal Communications Commission, to the CPUC.

Brown was charged with appointing three new members to the five-member commission. One vacancy remains. The CPUC is scheduled to hold its next public meeting on Thursday.

Assemblyman Jerry Hill, who has clashed viciously with the CPUC since a PG&E natural gas pipeline exploded last year in his district and killed eight people, welcomed the appointments.

"Both appointees have stellar reputations as thoughtful and forceful advocates for consumers," Hill said in a statement. "In the aftermath of the deadly gas pipeline explosion in San Bruno, it is my hope that they will provide the crucial oversight that is needed to end a culture of complacency on the commission."

A PG&E spokesman said the company welcomed the CPUC appointments and looks forward to working with them.

Also Tuesday, Carla Peterman, a member of TURN's board of directors, was appointed by Brown to serve on the California Energy Commission, which is the state's primary energy policy and planning agency.

"Obviously these are rather positive changes," TURN spokeswoman Mindy Spatt said.

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## Sacramento Bee - Brown names two to California PUC

By David Siders, Jan 26

Gov. Jerry Brown on Tuesday appointed a ratepayer advocate and a law professor to the powerful California Public Utilities Commission, building what is likely to be a pro-consumer majority on the board.

Brown last week appointed commission member Nancy Ryan deputy executive director of the regulatory agency, reserving a third seat on the five-member commission for him to fill.

Mike Florio, 58, has been a lawyer for The Utility Reform Network, an advocacy group, since 1978. The group backed a failed ballot measure in 2005 that would have altered how electricity is regulated.

Catherine Sandoval, 50, is a telecommunications expert and an associate professor at Santa Clara University School of Law.

Like Brown, both Florio and Sandoval are Democrats.

The PUC regulates California's massive energy and telecommunications industries. Its critics had accused the PUC under Gov. Arnold Schwarzenegger of pro-business leanings and lax oversight, including in the case of last year's pipeline explosion in San Bruno.

In a prepared statement, Assemblyman Jerry Hill, D-San Mateo, criticized a "culture of complacency on the commission" and praised Brown's appointees as "thoughtful and forceful advocates for consumers."

Brown spokesman Evan Westrup said the appointments "will help California move toward a cleanenergy economy, while also being sensitive to the needs of California businesses and consumers."

Florio could not be reached for comment. Sandoval said the PUC could enact policies beneficial to both business and consumers. "The PUC needs to look at the balance of these issues," she said.

A Southern California Edison spokesman said the company had no comment on the appointments. A Pacific Gas and Electric Co. spokesman congratulated Florio and Sandoval and said the company "looks forward to working with them in their new roles as members of this important regulatory body."

Brown also announced two appointments to the California Energy Commission. Robert Weisenmiller, 62, a decline-to-state voter, was appointed to the commission by Gov. Arnold Schwarzenegger last year. Carla Peterman, 32, a Democrat, is a Ph.D. candidate at University of California, Berkeley. She also serves on The Utility Reform Network's board.

The four appointments all require Senate confirmation. The pay for each position is \$128,109 a year.

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## Bakersfield Californian - Florez overlooked in commission appointments

By John Cox, Jan 25

Two appointments Tuesday to the state Public Utilities Commission left Shafter hopeful Dean Florez -the former Senate majority leader who has led criticism of Pacific Gas and Electric Co. and its SmartMeters -- with one or at most two more shots at a seat this year on one of California's most powerful regulatory panels.

Gov. Jerry Brown's office announced the appointment of two Democrats considered consumer-friendly: 58-year-old Oakland resident Mike Florio, senior attorney at The Utility Reform Network consumer advocacy group; and Catherine Sandoval, a 50-year-old San Jose-area resident and telecommunications expert who teaches at Santa Clara University School of Law.

Both individuals would need to be confirmed by the state Senate. The six-year positions pay \$128,109 a year.

The commission regulates investor-owned utilities, telecommunications, water and transportation companies. It has a big role in setting rates paid by customers of PG&E and other utilities.

Florez's name has surfaced repeatedly as a leading candidate for appointment. Commission critics say he could help reverse the panel's reputation as being soft on utilities.

Florez could not be reached for comment Tuesday.

A spokesman for the governor's office declined to estimate when the next appointment would be made.

Normally the commission has five members, and so only one more vacancy must be filled. But observers have pointed out that Brown could choose to name a new commission president, displacing existing President MIchael Peevey, a two-term commissioner appointed most recently by former Gov. Arnold Schwarzenegger. Under this scenario, Peevey would remain a commissioner until the end of his term in 2014.

Peevey said in a news release that he and the commission's staff welcome Brown's appointees.

"I have known Commissioner Florio for many years as a dedicated and passionate consumer advocate who has a reputation for working with all sides to come to the best outcome for ratepayers," he said.

"We are also very fortunate to have Commissioner Sandoval join the CPUC. She is a much respected legal scholar and telecommunications expert and will bring these skills to the CPUC. I look forward to collaborating with both new Commissioners as we work to strengthen our commitment to consumer protection and safety."

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## North County Times - Brown names two to PUC

By Eric Wolff, Jan 25

Governor Jerry Brown filled two of three open seats on the Public Utilities Commission on Tuesday.

The commission regulates investor-owned utilities such as San Diego Gas & Electric Co., Southern California Gas Co. and Southern California Edison.

Brown named Mike Florio, a staff attorney since 1978 for consumer advocate The Utilities Reform Network.

He also appointed Catherine Sandoval, a law professor at Santa Clara University Law School with past

experience as a staffer at the Federal Communications Commission.

Both appointees are Democrats, and both must be confirmed by the state Senate within a year.

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## SD Union-Tribune - Consumer advocate and professor join PUC

By Onell R. Soto, Jan 25

Gov. Jerry Brown Tuesday filled two of three vacancies on a key panel that decides how utilities are regulated with a consumer advocate and a law professor.

The appointments to the five-member California Public Utilities Commission come days after the governor named a former member of the commission, Nancy Ryan, as a key staff member.

One of the PUC appointments is Mike Florio, 58, of Oakland, the senior attorney for TURN, The Utility Reform Network, since 1978. The other is Catherine Sandoval, 50, of Campbell, an associate professor at Santa Clara University School of Law since 2004.

They join the commission in time for a voting meeting Thursday.

The PUC regulates the state's big for-profit energy utilities. It decides how they should spend billions of dollars on things like long-term power deals or infrastructure projects like power lines or the installation of smart meters. It then decides how much customers should pay for power.

It also regulates telecommunications companies.

The appointments give Brown an opportunity to shape how things are done.

"He's going to put his own fingerprints on the commission," said Paul Patterson, a utilities analyst for New York-based Glenrock Associates.

The appointments point to a more consumer-friendly panel, but it's dangerous to read too much into that, he said.

"It's not always easy to predict how people will act with a new role," he said.

Florio, for example, was the lawyer for an advocacy group. Now, he'll have to look at all sides of a decision.

"You may not have the same advocacy approach you had before," Patterson said.

TURN issued a press release chiding prior commission actions — including its lack of oversight of Pacific Gas & Electric leading up to a deadly pipeline explosion in San Bruno last year — and said Florio's appointment "sends a strong signal that Governor Brown will remake a Commission that appears far too friendly with the companies it regulates."

"Consumers in California now have a CPUC commissioner they can depend on," TURN executive director Mark Toney said. "Mike Florio is eminently qualified to serve on an agency whose mission is to 'protect the public interest by protecting consumers.' His expertise and dedication are likely to help the Commission rehabilitate its tarred image."

Bill Powers, a San Diego-based engineer who sometimes testifies before the PUC in opposition to utility proposals, praised the appointments. "Both Mike Florio and Catherine Sandoval are highly regarded, independent thinkers who will make fine CPUC commissioners," he said.

Ryan left the commission last week after a year. Brown has not said when he will fill her spot.

The two other commission members are President Michael Peevey and Timothy Simon.

Commissioners serve for six-year terms, but the governor can name the president. There's speculation Peevey might leave if he doesn't remain president.

Peevey praised the appointments, calling Florio "a dedicated and passionate consumer advocate who has a reputation for working with all sides to come to the best outcome for ratepayers" and Sandoval "a much respected legal scholar and telecommunications expert."

Florio, an expert on utility issues, including rates, served on the board for the California Independent System Operator board from 1997 to 2005. He has a law degree from New York University, a masters from Princeton and a bachelors' from Bowling Green State University.

Sandoval was undersecretary and senior policy advisor for housing with the state Business, Transportation and Housing Agency from 2001 to 2004 and worked as a lawyer with Z-Spanish Media Corporation and at the Federal Communications Commission. She has a law degree from Stanford, a masters from Oxford, where she was a Rhodes Scholar, and a B.A. from Yale.

Brown also made two appointments to the California Energy Commission, which decides whether big power plants that use heat to boil water and turn turbines should be built.

They are Robert Weisenmiller, 62, of Berkeley, who will become the commission's chairman next month, and Carla Peterman, 32, of Oakland, a researcher and TURN board member.

Weisenmiller joined the Energy Commission last year after a career as a consultant on energy issues. He has a doctorate in chemistry and a masters in energy from Berkeley and a chemistry bachelors' from Providence College.

Peterman is working on her doctorate at Berkeley and researches solar photovoltaic markets and climate change. She's co-authored studies at Lawrence Berkeley National Laboratory on the relationship between cost and deployment of PV panels. She previously worked for Lehman Brothers and has a bachelors' from Howard and a masters and MBA from Oxford, where she was a Rhodes Scholar.

All four positions require state senate confirmation and pay \$128,109. All but Weisenmiller are Democrats. He declined to state a party affiliation.

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## Capitol Weekly - New appointments for PUC, Energy Commish

By John Howard, Jan 25

Gov. Jerry Brown appointed a new chairperson of the California Energy Commission, one of four appointments the governor made to the CEC and the state Public Utilities Commission.

To the PUC, the Democratic governor named veteran ratepayer advocate and attorney Michael Florio and Catherine Sandoval, a law professor at Santa Clara University and a telecommunications expert.

Brown did not fill a third vacancy on the five-member PUC, an opening made vacant by his earlier decision to move Commissioner Nancy Ryan to the agency's executive staff.

There also was no indication of whether Brown would select a new president of the PUC. John Geesman, a former Energy Commission executive, has been viewed as a leading for an appointment to the PUC.

At the Energy Commission, Brown named Commissioner Bob Weisenmiller as the new chair effective Feb. 6, filling the position currently held by Karen Douglas. The governor also appointed Carla Peterman, a renewable energy expert from UC Berkeley, to the commission.

The appointments, which require Senate confirmation, were announced by Brown's office.

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## Dow Jones - California Governor Makes Changes At Utilities Commission

By Cassandra Sweet, Jan 25

SAN FRANCISCO --California Gov. Jerry Brown on Tuesday appointed a consumer advocate and a law professor to the state's utilities commission in two of three closely watched appointments that could affect utilities and other companies regulated by the state.

Brown also appointed two people to the state's energy commission.

The governor appointed to the California Public Utilities Commission Mike Florio, a long-time senior attorney for consumer advocate The Utility Reform Network and a former board member of grid operator the California Independent Operator; and Catherine Sandoval, an associate professor at the Santa Clara University School of Law.

The appointments allow the commission to convene and make decisions during a regularly scheduled meeting on Thursday. Brown also is expected to appoint a third person to fill a remaining vacancy on the CPUC.

With the authority to approve or reject billions of dollars a year in utility contracts, energy projects, and utility rates and tariffs, CPUC is one of the nation's most powerful energy regulators. The agency oversees most of the activities and spending of California's three largest utilities, owned by PG&E Corp. (PCG), Edison International (EIX) and Sempra Energy (SRE), and also regulates telecommunications companies, railroads, moving companies, passenger carriers, water utilities and operators of in-state pipelines.

Edison spokesman Gil Alexander declined to comment on the CPUC appointment process, saying it would be "inappropriate" for the utility to comment "on a body that regulates us."

Telephone calls to Brown's office and to PG&E and San Diego Gas & Electric Co. were not immediately returned.

The CPUC has been investigating, with its federal counterparts, the fatal explosion last September of a PG&E natural gas pipeline in San Bruno, Calif. The state agency has also said it is considering fines for PG&E over a separate 2008 gas pipeline explosion in Rancho Cordova, Calif., that killed one person and injured five others.

The CPUC's two existing commissioners include President Michael Peevey, a former Edison International executive appointed in 2002 by then-Gov. Gray Davis; and Timothy Simon, a former staffer of former Gov. Arnold Schwarzenegger, appointed in 2007.

Two CPUC seats became vacant Jan. 1 after two commissioners reached the end of their terms, and last Thursday Nancy Ryan resigned from the commission. On Friday, Brown appointed Ryan to deputy executive director of the CPUC, a job she held before Schwarzenegger appointed her to the commission in 2009.

Brown also appointed two people to the California Energy Commission, which issues permits for power generating facilities and plays a key role in setting state energy policies.

Brown reappointed CEC Commissioner Robert Weisenmiller and made him chairman, and also appointed Carla Peterman, a board member of The Utility Reform Network, to the commission. Weisenmiller's term had expired Jan. 1.

Existing CEC members include former Chair Karen Douglas, Vice Chair James Boyd and Jeffrey Byron.

All CPUC and CEC commissioner appointments require confirmation by the state Senate.

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## Central Valley Business Times - Brown names two to Public Utilities Commission

By Staff, Jan 25

The California Public Utilities Commission has gained a quorum -- and perhaps a new direction -- with the appointments Tuesday of two new members.

Mike Florio, 58, of Oakland, who has worked as the senior attorney for The Utility Reform Network since 1978, is one of the new members.

Catherine Sandoval, 50, of Campbell, an associate professor at Santa Clara University School of Law since 2004 and a Rhodes Scholar, is the other.

They fill two of the three vacancies on the five-member board. Mr. Brown has not made a final decision on a third appointee at this time, a spokesman says.

Members Dian Grueneich and John Bohn left the PUC when their terms expired in December. Member Nancy Ryan was appointed deputy director of the CPUC by Mr. Brown last week, moving her into a staff position and off the board.

The appointments might change the tenor of the PUC, which has been criticized as too friendly to the utilities it is supposed to regulate.

Mr. Florio is a member of California Conference of Public Utility Counsel. He was also a member of the board of governors of the California Independent System Operator from 1997 to 2005.

Ms. Sandoval previously served as undersecretary and senior policy advisor for housing with the Business, Transportation and Housing Agency from 2001 to 2004. She was vice president and general counsel with Z-Spanish Media Corporation from 1999 to 2001 and was the director of the Office of Communications Business Opportunities for the Federal Communications Commission from 1994 to 1999.

Both appointments require Senate confirmation and the compensation is \$128,109. Both Ms. Sandoval and Mr. Florio are Democrats.

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## SF Chronicle - CPUC Foundation to raise money from utilities (COLUMN)

By Phillip Matier and Andrew Ross, Jan 26

The California Public Utilities Commission is running a bit short on cash, so it has blessed the creation of a foundation to solicit money from the very companies it is supposed to be keeping an eye on.

The idea behind the CPUC Foundation is to have a pool of money to reward deserving staffers, host foreign guests and generally brush up the commission's image - in other words, to pay for activities not covered by agency coffers.

Organizers plan to kick off the fundraising with a big dinner Thursday night coinciding with the commission's 100th anniversary.

Companies buying \$20,000 tables for the dinner at San Francisco's Julia Morgan Ballroom include Pacific Gas and Electric Co., Southern California Edison and San Diego Gas and Electric Co.

"Basically, every utility will be contributing - so if it's a conspiracy, it's a massive conspiracy," said former PUC Commissioner Bill Bagley, one of a half-dozen agency alums named to a committee setting up the foundation.

Even Gov. Jerry Brown is expected to speak at the dinner. Guests also include commission staffers and reps from consumer, labor and environmental organizations.

The foundation was the brainchild of commission President Michael Peevey and is patterned after the 42-year-old California State Parks Foundation, a nonprofit that raises money for state parks.

"But I'm not seeking the money or promoting anything," said Peevey, insisting that all the fundraising is being done by outside boosters.

The dinner is being organized by former commission Executive Director Steve Larson, now with the Sacramento powerhouse lobbying firm California Strategies - where he specializes in energy and utility policy.

According to the foundation's filings, it's being set up in part to "educate the public ... and to ensure that the public is well-informed about the actions the commission and its staff take."

"It doesn't look right," Mark Toney, executive director of the consumer watchdog group The Utility Reform Network, first told us a couple of weeks back.

Nonetheless, with news Tuesday that the governor had just appointed TURN's longtime attorney Mike Florio and a second consumer advocate, Catherine Sandoval, to the commission, Toney said he had decided to attend after all.

"We believe the commission is going to be very different," Toney said.

However, state Sen. Mark Leno, D-San Francisco, who chaired a legislative hearing last year on the San Bruno pipeline blast - and who plans to introduce legislation to tighten the commission's oversight practices of PG&E - called the dinner "rather unseemly."

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