

5-15-14 – CPUC Agenda Meeting

Agenda Item 38 – New OIR: Natural Gas and Electric Safety Citation Programs

Cmmr Florio

I also support going forward with this Rulemaking. I think the issue of the administrative limit is a tricky one. The statutory cap on violations is not an earth-shaking amount but when you have the potential for continuing violations the numbers can get pretty big pretty quickly. When we first implemented the gas citation program, I was a little taken aback when the first assessment was something like \$16M for a self-reported violation, and I think as the rule was written at that time it didn't give staff really the discretion to consider the self-reported aspect and to use that as mitigating factor. We do get into tricky issues of delegation of authority that need to be looked at the context of this Rulemaking. I think there is some threshold that which for a violation is bad enough that it needs to come to the full Commission; I don't know what number that is, but I think there are some challenges here that this Rulemaking will need to sort out. I think it's vitally important that staff has the ability to issue these citations, but there also has to be some discretion exercised in how large the fine is going to be in a given circumstance. Self-reporting doesn't necessarily mean it's a free-pass but certainly needs to be taken into account in how harsh the penalty is. I look forward to our digging into these issues and coming up with a rule that allows us to work expeditiously, which is critical in safety situations, but also with fairness to all involved. So I'm glad to see that we are launching this.