

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the
Commission's Natural Gas and Electric
Safety Citation Programs.

Rulemaking 14-05-013
(Filed May 15, 2014)

**OPENING COMMENTS OF THE OFFICE OF RATEPAYER ADVOCATES ON
THE PROPOSED ELECTRIC SAFETY CITATION PROGRAM**

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I. INTRODUCTION

The Office of Ratepayer Advocates (ORA) supports the establishment of the electric safety citation program pursuant to SB 291,¹ which is attached to Order Instituting Rulemaking (R.) 14-05-013. Pursuant to R.14-05-013, at page 12, ORA submits these Opening Comments on the Proposed Electric Safety Citation Program.²

In considering the elements of the Citation Program, ORA notes its support of the Commission's policy direction articulated on page 8 of R.14-05-013. Indeed, harmonizing the electric safety and gas safety citation programs should "simplify the practical implementation and application of those programs."³ Further, "improvements and refinements"⁴ can be reviewed after ensuring timely compliance with SB 291.

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¹ Senate Bill 291 (2013) is codified at Public Utilities Code § 1702.5.

² R.14-05-013, p. 12.

³ R.14-05-013, p. 9.

⁴ Id.

II. THE CITATION PROGRAM SHOULD ENSURE THAT SHAREHOLDERS PAY FINES, NOT RATEPAYERS

The proposed Citation Program states:

“Penalty payments are the responsibility of shareholders of the corporations owning or operating electrical supply facilities and are not to be charged to their ratepayers.”⁵

ORA supports this assurance that fines shall be paid by shareholders. However, violations of applicable rules are what necessitate citations within the framework of the program in the first place. And if a utility were to pay a fine from ratepayer funds, rather than shareholder funds, this would also be a violation of an applicable rule. It may be prudent to ensure that shareholders, rather than ratepayers, pay fines through regular audits by Commission Staff, or other means of verification. One possibility would be to have the Commission’s Division of Water and Audits conduct such audits every three years. Audit reports should then be made available to the public.

III. CONCLUSION

ORA supports the Citation Program, and reserves the right to address additional issues as necessary in Reply Comments, at the Prehearing Conference, and any other pleadings or procedural vehicles ordered by the Commission.

Respectfully submitted,

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⁵ R.14-05-013, Attachment B, p. B-6.