

SECTION 2

EXECUTIVE OFFICE

The **Executive Director** is accountable to the Commission for assuring implementation of its decisions and policies. In doing that, the Executive Director works particularly closely with the Coordinating Commissioners for Administration and Planning.

The Executive Office also works with Commissioners, Directors, staff, oversight agencies, the Legislature, Governor's Office, and all external stakeholders to coordinate and facilitate timely handling of procedural matters and efficient internal operations, and to anticipate regulatory and agency needs and develop and implement appropriate strategies to meet those needs.

Directors of the Human Resources, Consumer Services, Energy, Telecommunications, Water, Rail Safety and Carriers, and Information and Management Services divisions report to the Executive Director. The Executive Director also oversees the Southern California Representative, Senior Fiscal Advisor, Communications, Equal Employment Opportunity office and the Women/Minority/Disabled Veterans Business Enterprise Unit.

FIVE TO TEN YEAR OUTLOOK

As the future unfolds, two critical keys to anticipating and managing it, and thus two goals for the CPUC, will be the two fundamental to every endeavor – people and technology.

The Executive Office focus for this agency for the foreseeable future will be: (1) to build on our recent staff recruitment and now ongoing testing accomplishments to assure that we recruit and hire qualified staff, and (2) that staff receive training and experience to enable them to maximize their potential – as well as have the opportunity to progress to increasingly more responsible positions, or to practice in a variety of areas and assignments to broaden their skills and experience. It is an investment in people, and in the future, that we cannot afford not to make.

Integral to developing staff is the relationship between management and staff, and between staff and the decision-makers they assist. The CPUC's continuing leadership in regulatory innovation depends in large part on our success in handling human relations. It depends upon assuring that management and staff have ongoing processes for communication, including the annual performance appraisal system, routine staff meetings, and easy electronic access to one another. It depends upon assuring a work environment where staff know they

are respected and their work and opinions valued. It depends on a commitment to respecting and appreciating diversity.

Stakeholder comments on the Draft of this Plan reinforced our internal commitment to streamline regulatory processes, address the matters brought to us in a timely manner, and expand our electronic interaction with stakeholders and the public. We have begun addressing these areas Commission-wide, though our progress is, and will continue to be, defined by the budget and staff resources we are authorized to muster... and those depend upon Legislative and oversight agency approval.

As the variety and number of matters coming to the Commission for resolution involve more stakeholders, and as the Commission struggles to achieve timely resolution of matters, it is clear that the reliance on paper documentation must give way to the efficiencies technology offers. In the near term, however, the transition to electronic notice, filing, document serving, decision publishing, tariff availability, and access to legal and administrative regulations is probably going to be as costly as the present reliance on paper. But we need now, for the benefit of all stakeholders, efficient operation of the CPUC, and our general contribution to the state as a whole, to invest in the technology that will ultimately pay for itself hundreds of times over in economies and efficiencies over the next five years.

The CPUC went through its first major operational revolution in the mid-1980s when it became “automated” - with a new information system, and a terminal at every desk. Now we are at the gateway of changing our internal and external communications and how we process information in a way we could not have foreseen then. A personal computer sits on nearly all desks now, and we are exploring the opportunities the Internet offers us to inform stakeholders and to enable them to have their voices heard at any time of the day or night, without them having to leave their home or office. Initially, this second technological information systems revolution will rely on sharing information electronically, and the CPUC website is evidence of the foundation already laid. As you read through this Business Plan, you will find in every section reference to how stakeholders and the Commission will increasingly rely on the efficiencies, economies, timeliness, and ease offered by the Internet’s instantaneous electronic interaction capability.

Ultimately, our reliance on technology will extend beyond formal filings and document availability to workshops, meetings, conferences, Roundtables, and even Commission decision-making meetings with participants “convening” in a variety of electronic ways to share information and make decisions.

The collaboration that we have sought with stakeholders and other government entities is enhanced if we can use state-of-the art information technology, rather than rely on navigating increasingly crowded and longer distances by plane or car to meet in a room in person. It is simply at some point going to be more cost effective to hold a meeting so that participants can join in

using whatever technology is available to them: phone, computer, Internet, television or something we haven't even thought of yet.

Care has to be taken that in making this transition to an advanced information technology infrastructure, we do not leave out those who are affected by the Commission's actions and decisions, but who do not have personal computers, access to the Internet, or representation via a consumer or industry organization.

As competitive markets replace monopoly dominance in all industries, the Commission's focus of necessity is on smooth, equitable transition to competitive markets, educating consumers about the service and product opportunities and potential pitfalls awaiting them, establishing consumer protections where they are needed, and anticipating and planning the future.

Change is best addressed through collaborative efforts, and just as we will focus more on internal collaboration to achieve good ends, so will the Commission continue to expand its cooperation with the Legislature, Administration, and oversight agencies, stakeholders, regulated utilities, and consumers to address the problems and opportunities change creates.

1999 - 2000 EXECUTIVE OFFICE OBJECTIVES

Objective A: Support Commission Decision-making

Strategy 1 **Oversee the development and implementation of the CPUC Business Plan.**

Strategy 2 **Allocate staff consistent with Commission objectives as outlined in this Business Plan.**

As you read through this Business Plan, you will see that the Resource Allocation tables for the Telecommunications Division and a number of others show vacancies. Not all vacant positions can be filled because the Governor's Budget and Budget Act recognize that during each fiscal year vacancies in authorized positions will occur and therefore do not provide 100% funding for all positions. For the 1999-2000 fiscal year, the equivalent of seven percent of the authorized positions for the Commission must be kept vacant to reflect actual funding for staffing.

Strategy 3 **Coordinate the administrative affairs of the Commission.**

Strategy 4 Prepare the Commission's annual budget.

Strategy 5 Provide timely information about stakeholder concerns, resource constraints, and control agency requirements to assist Commissioners' decision-making.

Objective B: Implement Programs to Promote Professional Development of Staff

Strategy 1 Provide High Performance Training to all staff, beginning with top management, to lay a foundation for undertaking and implementing innovation in: addressing stakeholder and consumer needs, streamlining processes, eliminating unnecessary and cumbersome rules, enhancing internal staff/management communication and working relationships, expanding electronic access to the CPUC, and measuring achievement of the objectives and strategies of this Business Plan. (prior to the end of 1999)

Strategy 2 Work closely with Human Resources' management to assure a staff development program and a staff rotation program are implemented. (3rd Quarter)

Strategy 3 Assure that the in-house training started in 1998 continues, giving new and existing staff the opportunity to learn about technical and policy issues from their peers. (Ongoing)

Strategy 4 Re-establish an agency-wide Mentor Program. Such a program would not interfere with current similar programs a few divisions have. (3rd Quarter)

Strategy 5 Provide Department of General Services training on state contracting procedures and requirements for all CPUC program managers who handle contracts. (September 1999)

Strategy 6 With assistance of the Legal Division, assure that Commissioners, Commissioner Advisors, and CPUC management complete state-mandated training on ethics statutes and regulations that govern the official conduct of state officials. This also will include training on the CPUC Conflict of Interest Code and Statement of Incompatible Activities.

(October 1999 and annually thereafter every March and September)

Objective C: Enhance Information Technology Uses to Achieve CPUC Operational Efficiency and Facilitate Stakeholder Access

- Strategy 1** Work closely with the Director of Information and Management Services to **expand internal electronic communication among staff** via an “intranet”, **and public access to and interactivity with the CPUC**, including electronic filing of proceeding documents, and access to those documents and Commission decisions by all interested parties as well as the general public via the CPUC Internet website. (1999)
- Strategy 2** **Seek additional funding and positions to support an advanced, interactive Internet website.** (2000)

Objective D: Do an Organizational Assessment

- Strategy 1** **The Management Team will systematically examine whether the current CPUC structure facilitates the functions the agency performs**, and if not, recommend appropriate structural changes. (FY 1999-2000)
- Strategy 2** **Do an internal audit of CPUC contracting procedures** to assure they comply with State contracting rules and procedures. Develop a way for utilities that must “reimburse” the CPUC for the costs of certain contracts to obtain early information about them and provide early input to the process. (Fall 1999)

Objective E: Enhance Communication and Outreach to Stakeholders, the Public and CPUC Staff

- Strategy 1** The Communications unit coordinates CPUC communications with the press and public to inform them about key Commission policies, programs and activities complemented by Commissioners’ and each division’s activities and outreach.

The Communications unit will expand outreach to multilingual, multicultural Californians in cooperation with the Public Advisor's Office and the Consumer Services Division.

(Ongoing

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Strategy 2 The Executive Director, General Counsel and division directors will **continue to seek periodic informal meetings with stakeholders to discuss issues of mutual concern** in an effort to avoid the evolution of concerns into formal matters. (Ongoing)

Strategy 3 Continue to **involve stakeholders in the CPUC business planning process and identification of Commission action priorities.** (July – August 1999)

Strategy 4 The Executive Director will **continue the Human Resources Coordinating Committee** composed of representatives from Management, including the Executive Director, employee ADHOC Committee (employee special interest group representatives) and union representatives. This committee will meet weekly to discuss and get special interest group and union input into potential management decisions impacting employees. (Every Monday)

Strategy 5 **Enhance communication between staff and management** with:

- Quarterly Update meetings with staff which may also include one or more Directors and /or Commissioners.
- periodic memos from the Executive Director on issues that either affect staff or affect the Commission as a regulatory entity.
- FORUM – the electronic means on Outlook for staff to have a dialogue with one another and with management about workplace issues, and provide feedback on various issues of interest to them.
- Occasional meetings or “brown bag lunches” with small groups of staff, and meetings with individual divisions. (Ongoing)

Strategy 6 **Convene meetings involving the Management Team and various employee groups to engage in constructive dialogue** about improving the CPUC workplace for all employees. (Ongoing)

Objective F: Maintain a Strong Southern California Presence

The people of Los Angeles, Orange, San Bernardino, Riverside, San Diego, Ventura and Santa Barbara counties are 60 percent of California's population. Our Los Angeles and San Diego offices, Outreach Officers traveling to these counties, and Commissioner Office Hours in this area contribute to a strong Commission presence in Southern California and assure that the Commission is aware of, and responds to, the unique concerns and interests of this area.

The Southern California offices in Los Angeles and San Diego house 79 staff from Executive, Consumer Services Division (CSD), Rail Safety and Carriers Division (RSCD), Information and Management Services Division (IMSD), and Water utilities Division. The Southern California Representative's staff of 11 is responsible for administrative functions to ensure that the Commission can serve the public, accept filings from the utilities and other parties in CPUC proceedings, and support the staff based in Southern California.

With the relocation of the Los Angeles office to a new building with modern facilities, Commissioners and other staff have conference rooms available to them for meeting with local legislators, utilities, and consumer groups, and a state-of-the-art auditorium for Town Hall, Commission, Roundtable or other public meetings. Executive staff in the Southern California Representative's office, and Communications and Public Advisor's offices in the Los Angeles office are available to make these meetings successful.

Strategy 1 Bring a Commission meeting to Southern California, and promote a well-attended Town Hall meeting. Make sure local legislators, their constituents and interested consumers are aware of the meetings. (October 1999)

Strategy 2 Find new avenues to promote awareness of the Commission's presence and consumer protection efforts in Southern California, particularly in communities with diverse needs, including those with low-income and/ or non-English speaking residents. (By the end of 1999)

Strategy 3 Work with CSD to obtain a position dedicated to serving consumers who visit the Southern California CPUC office in person seeking information and assistance. (End of 1999)

Strategy 4 Hold a team building seminar with Southern California supervisors and staff to focus everyone's attention on consumer protection in all industries. (1st Quarter 2000)

Strategy 5 Maintain a strong relationship with all divisions to ensure that staff in Southern California receives necessary equipment and training. This can be accomplished by the Southern California

Representative's continued participation in meetings at headquarters, in person and by telephone. (Ongoing)

Objective G: Monitor and Attempt To Ensure Year 2000 Preparedness

The Commission has regulatory authority over essential energy, telecommunications, water, and transportation services throughout California. Most of these services are interrelated, and disruption, even for a few hours, of one or more of these services can significantly and adversely affect many people, communities - or even the entire state - as well as daily commerce in California. Commission Resolution M-4792 requires utilities to report on the status of their Y2K preparedness, certify to the CPUC that they are Y2K compliant by November 1, 1999, and develop and provide their contingency plans to the CPUC on July 1, 1999.

- Strategy 1 Coordinate Internal and Regulatory Oversight of Y2K Preparedness.** We continue to work with regulated utilities and the state Department of Information Technology (the agency managing the statewide effort) and the Office of Emergency Services to assure reliability of services and operations dependent on computer software as the year 2000 begins.
(Ongoing)
- Strategy 2 Provide information to the public on the CPUC Internet website about CPUC and utility Y2K preparedness.** (Ongoing)
- Strategy 3 Examine utility Y2K contingency plans submitted on July 1, 1999** for reasonable prudence. (3rd Quarter)
- Strategy 4 Review September utility quarterly updates of compliance and preparedness.** (October 1999)
- Strategy 5 Verify remediation Y2K test results as a means of independent validation.** (September 1999)
- Strategy 6 Review utility compliance statements due November 1.** (November 1999)

CONSUMER PROTECTION

As Coordinating Commissioner for Consumer Protection last year, Commissioner Josiah Neeper convened a Consumer Protection Roundtable to enable Commissioners to hear firsthand from providers and consumers about what they thought the CPUC should continue doing and/or begin doing in this area. Based on the Roundtable discussion, *A Staff Report on the California Public Utilities Commission's Consumer Protection Role and Responsibilities* was developed and issued in July 1998. In cooperation with Commissioner Neeper, CPUC Management has implemented, or is in the process of implementing, that report's recommendations. You will find our progress and implementation plans in every section of this Business Plan, as well as Commissioners' commitment, outlined in the Commissioners Section of this Plan, to expand the CPUC's consumer protection role.

⇒ Consumer Protection Coordinating Committee

The Executive Director chairs the Consumer Protection Coordinating Committee composed of representatives from all CPUC divisions. This committee meets twice a month to raise, discuss, address, or refer to a specific division(s) or the Commission for resolution issues which adversely affect consumers.

While competitive markets are offering a wide range of new services and pricing options for consumers, they can prove confusing and/or provide an opportunity for unfair business practices. Because the Consumer Protection Coordinating Committee includes staff from all divisions, it is quick to identify issues which cross industries, issues resolved by the Commission for one industry area which can be adapted to another, and to act to address consumer education needs.

Issues raised by the Consumer Protection Coordinating Committee are brought to the Management Regulatory Coordinating Committee, composed of Division Directors and the Executive Director, when they cross several divisions and/or require a management solution.

The Consumer Protection Coordinating Committee, Executive Director, and Division Directors involve and seek guidance from the Coordinating Commissioner for Consumer Protection, Carl W. Wood.

⇒ Consumer Education Coordinator

Commissioners and every division are involved in public information / consumer education efforts the CPUC is uniquely able to provide to assist and protect consumers purchasing and using essential telecommunications, energy,

water, and transportation services. A new position of Consumer Education Coordinator will be established to ensure internal coordination of all CPUC consumer education efforts.

⇒ **Centralizing CPUC Enforcement**

CPUC management is considering the possibility of centralizing its enforcement units in a single division to improve the efficient use and internal coordination of staff efforts to protect consumers.

⇒ **Consumer Protection Information on the CPUC Internet Website**

The CPUC website prominently displays a toll-free phone number consumers may call for assistance, a way to file a complaint with the CPUC electronically, and staff contacts for some divisions so that the press and public can easily identify a person to call or e-mail to ask a question and receive a timely response. During the 3rd Quarter of 1999, a staff contact list for all divisions will be posted on the website.

KEY PERFORMANCE INDICATORS

Within the strategies for Executive Office objectives are activities, milestones and timelines which serve as key performance indicators for the Executive Office. The Executive Director will report on them as part of the ongoing business planning process.

RESOURCE ALLOCATION

Staffing (PYs)

	Authorized	Filled	Vacancies

Executive Director	5	5	
Southern California Representative	11	11	
Senior Fiscal Advisor	1	1	
Communications	4	4	
EEO	2	1	1
WMBDVE	1	1	
Totals	24	23	1

7-30-99