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**PUBLIC UTILITIES COMMISSION**

Office of Governmental Affairs  
770 L Street, Suite 1230  
Sacramento, CA 95814  
(916) 327-3277



August 27, 2008

**AB 1973 (Ruskin) – OPPOSE**

Senator Tom Torlakson, Chair  
Senate Appropriations Committee  
State Capitol, Room 2206  
Sacramento, CA 95814

Dear Senator Torlakson,

The California Public Utilities Commission (CPUC) is opposed to AB 1973, which would apply the Administrative Practices Act (APA) to CPUC proceedings. The bill would also make the Governor's appointment of the commission's president subject to confirmation by the Senate, as well as remove the president's operating authority over the general counsel and executive director and transfer it to the Commission as a whole.

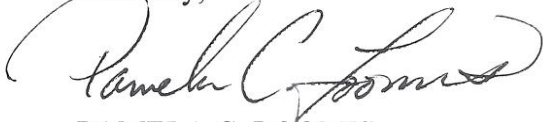
The goal of the APA is to ensure an adequate public process in the development of regulations adopted by the state. The CPUC has thorough and adequate processes to ensure public review and participation, as well as due process safeguards, in adopting its policies and regulations. Requiring review by the Office of Administrative Law (OAL) is not only unnecessary, but most likely unconstitutional. Pursuant to Article XII, Section 5, of the California Constitution, the Legislature has plenary ability to "establish the manner and scope of review of commission action in *a court of record*," not by another state agency [emphasis added].

Adding an additional layer of review by the OAL would not provide a public benefit, but rather would add uncertainty, costs and delay for participants in CPUC proceedings. The Commission estimates that approximately 75% of its proceedings will be subject to OAL review pursuant to this bill at a cost of \$4.2 million to the CPUC alone (not taking into account costs to the OAL, Department of Finance, and possibly the Division of Ratepayer Advocates).

Also, requiring in essence a second confirmation of a commissioner upon being appointed president of the CPUC would be duplicative and further politicize the appointment of its president. This bill would also dilute the accountability and efficiency achieved by placing the executive director and general counsel under the president's direct control.

If you have any questions or wish to discuss this matter further, please do not hesitate to call me at (916) 327-8441.

Sincerely,

A handwritten signature in cursive script that reads "Pamela C. Loomis". The signature is written in black ink and is positioned above the printed name.

PAMELA C. LOOMIS  
Director

Enclosure

cc: The Honorable Ira Ruskin, Member, California State Assembly  
Members, Senate Appropriations Committee  
Bob Franzoia, Senate Appropriations Committee  
Rocel Bettencourt, Senate Republican Fiscal Office  
John Moffatt, Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger