PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs 770 L Street Suite 1230

770 L Street, Suite 1230 Sacramento, CA 95814 (916) 327-3277



April 28, 2008

The Honorable Alex Padilla Member, California State Assembly State Capitol, Room 4035 Sacramento, CA 95814

RE: SB 1389 (Padilla) – As amended March 24, 2008 – Oppose Unless Amended Status: Senate Committee on Appropriations

Dear Senator Padilla:

On April 24, 2008, the California Public Utilities Commission (Commission) voted unanimously to oppose unless amended your SB 1389, which would exempt California telephone corporations that are not subject to rate-of return regulations from certain Commission performance requirements for mergers and acquisitions.

Please see the attached analysis for an explanation of the Commission's position.

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

Simeerely

PAMELA LOOMIS
Deputy Director

Attachment

cc:

The Honorable Tom Torlakson, Chair, Senate Committee Appropriations

Members, Senate Committee on Appropriations

Rocel Bettencourt, Senate Republican Caucus/Fiscal

John Moffatt, Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger