PUBLIC UTILITIES COMMISSION

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

May 26, 2009

The Honorable Fiona Ma State Capitol, Room 3091 Sacramento, CA 95814

> RE: AB 1316 (Ma) - As Amended May 13, 2009 - Oppose

Status: Assembly Appropriations Committee

Dear Assemblywoman Ma:

Last Thursday, the California Public Utilities Commission (CPUC) voted unanimously to oppose AB 1316. This bill would require the Low-Income Oversight Board (LIOB) to provide recommendations to the Legislature, as requested, on policy or legislation impacting low-income customers. This bill would also require the LIOB to monitor and evaluate proceedings before the CPUC that impact low-income electricity, gas, and water customers, to the extent possible. In addition, this bill would require the LIOB to actively solicit public input and recommendations through town hall meetings and other forums that target undeserved areas.

The LIOB was created to fulfill an advisory role to the CPUC on the implementation and administration of lowincome assistance programs. This bill would expand the LIOB's role to include advocacy before the CPUC regarding open proceedings that may impact low-income ratepayers. This advocacy role would create an unacceptable conflict of interest for the CPUC staff that provide workload support for the LIOB while simultaneously executing their primary work responsibilities for the CPUC managing low-income programs and staffing proceedings related to those programs. It would also create an unacceptable conflict of interest for the CPUC commissioner appointed to the LIOB. The LIOB's advice to the CPUC on low-income programs is critical, and should not be diluted and overshadowed by an expanded mission to advocate on all issues affecting low-income customers.

Please see the attached analysis for a more detailed 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) 327-7788.

Sincerely,

MICHAEL POE Legislative Liaison

Attachment

cc: The Honorable Kevin DeLeon, Chair, Assembly Appropriations Committee

Members, Assembly Appropriations Committee Chuck Nicol, Assembly Appropriations Committee Anthony Archie, Assembly Republican Fiscal Office Gina Adams, Assembly Utilities & Commerce Committee

Daryl Thomas, Assembly Republican Caucus/Policy

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