PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298

January 30, 2009

Governor Arnold Schwarzenegger State Capitol Building Sacramento, CA 95814

Gregory Schmidt Secretary of the State Senate State Capitol, Room 400 Sacramento, CA 95814

Diane F. Boyer-Vine Legislative Counsel State Capitol, Room 3021 Sacramento, CA 95814 E. Dotson Wilson Chief Clerk of the State Assembly State Capitol, Room 3196 Sacramento, CA 95814

Re: 2008 Annual Report & Workplan and Report on Timely Resolution of Formal Proceedings, pursuant to Public Utilities Code Section 321.6.

Dear Governor Schwarzenegger, Mr. Wilson, Mr. Schmidt, and Ms. Boyer-Vine:

Attached are the reports required by Pub. Util. Code Sections 321.6(a), (b), and (c). The reports are due no later than February 1 of each year (Sec. 321.6(d)). The reports are presented in two volumes: Volume 1 includes the annual workplan for the California Public Utilities Commission (CPUC) and an accounting of the activities and achievements of the CPUC. Volume 2 includes the report on the number of cases where resolution exceeded the time periods prescribed in scoping memos and the days the commissioners presided in hearings. Matters that have been categorized as adjudicatory cases must be resolved within 12 months from the date those cases are filed with the CPUC while matters that are categorized as ratesetting or quasi-legislative must be resolved within 18 months of the issuance of the scoping memo ruling in the proceeding.

Below, we present a summary of the proceedings considered during 2008 and our success at adhering to legislative deadlines. In sum, of the 357 proceedings resolved at the Commission during the reporting period, 96% were resolved timely. I'm pleased to report that this is an improvement over last year when 93% of formal proceedings were timely resolved. During 2009, the Commission will continue to strive to meet the goal of resolving our proceedings consistent with the statutory timeframes.

Page 2
January 30, 2009
2008 Annual Report & Workplan and Report on Timely Resolution of Formal Proceedings.

Summary Table

| difficially rable | | | | | |
|---|----------|--------------------|------------------|---------------------|-------|
| 000 188 | Resolved | Resolved Timely | Resolved Late | Currently Active | Total |
| Not Subject to Hearings (Append A) | 251 | 242 | 9 | 142 | 393 |
| ECPs (Appendix B) | 15 | 15 | 0 | 6 | 21 |
| Telco Arbitrations (Appendix C) | 3 | 1 | 2 | 12 | 15 |
| Subject to Hearings – Timely (Appendix D) | 82 | 82 | 0 | 0 | 82 |
| Subject to Hearings – Not Timely (Appendix E) | 3 | 0 | 3 | Ø | 11 |
| Petitions for Rulemaking (Appendix G) | 3 | 3 | 0 | 1 | 4 |
| Total | 357 | 343 | 14 | 169 | 526 |

If you have any questions or require additional information, please contact me at (415) 703-3808.

Sincerely,

PAUL CLANON

Executive Director

CC:

Hon. Darrell Steinberg, President pro Tempore, California State Senate

Hon. Karen Bass, Speaker, California State Assembly

judi.

Hon. Denise Moreno Ducheny, Chair, Joint Legislative Budget Committee

Hon. Christine Kehoe, Chair, Senate Appropriations Committee

Hon. Alex Padilla, Chair, Senate Energy, Utilities & Communications Committee

Hon. Noreen Evans, Chair, Assembly Budget Committee

Hon. Kevin DeLeon, Chair, Assembly Appropriations Committee

Hon. Felipe Fuentes, Chair, Assembly Utilities & Commerce Committee

Kip Lipper, Office of the Senate President pro Tempore

Gabrielle Zeps, Office of the Assembly Speaker

Brendan McCarthy, Legislative Analyst's Office

Kathy Madison, Department of Finance

Ken DaRosa, Department of Finance