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An act to add Section 309.3 and 309.9 to the Public Utilities Code,
relating to the Public Utilities Commission.



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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 309.3 is added to the Public Utilities Code, to read:

309.3. The commission shall appoint a chief internal auditor, who shall hold office at the pleasure of the commission. The chief internal auditor shall be responsible for the oversight of the internal audit unit and shall plan, initiate, and perform audits and reviews of financial, management, operational, and information technology functions within the commission to improve accountability and transparency. The chief internal auditor shall conduct internal audit activity consistent with the requirements of Section 13886.5 of the Government Code. The chief internal auditor shall report findings and recommendations directly to the commission or an audit subcommittee of the commission.

SEC. 2. Section 309.9 is added to the Public Utilities Code, to read:

309.9. The commission shall appoint a deputy executive director for safety, who shall hold office at the pleasure of the commission. The deputy executive director shall have primary responsibility for implementing the authority of the commission to initiate an investigation into a safety-related matter and to exercise the emergency authority of the commission to ensure the safety of the public.



LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, _____.

General Subject: Public Utilities Commission: chief internal auditor: deputy executive director for safety.

Existing law establishes the Public Utilities Commission, with regulatory jurisdiction and authority over public utilities, including common carriers, electrical corporations, gas corporations, telephone corporations, and water corporations. Existing law requires the commission to appoint an executive director who is responsible for the commission's executive and administrative duties for organizing, coordinating, supervising, and directing the operations and affairs of the commission, and for expediting all matters within the commission's jurisdiction. Existing law authorizes the executive director to employ those officers, administrative law judges, experts, engineers, statisticians, accountants, inspectors, clerks, and employees as the executive director deems necessary to carry out the provisions of the Public Utilities Act or to perform the duties and exercise the powers conferred upon the commission by law.



This bill would require the commission to appoint a chief internal auditor to hold office at the pleasure of the commission. The chief internal auditor would be responsible for the oversight of the commission's internal audit unit and would be required to plan, initiate, and perform audits and reviews of financial, management, operational, and information technology functions within the commission to improve accountability and transparency. The chief internal auditor would be required to report findings and recommendations directly to the commission or an audit subcommittee of the commission.

Existing law places various responsibilities upon the commission to ensure that public utility services are provided in a manner that protects the public safety and the safety of utility employees. Existing law, until January 1, 2020, establishes the Office of the Safety Advocate within the commission to advocate for the continuous, cost-effective improvement of the safety management and safety performance of public utilities. Existing law requires the office to promote public utility safety by: (1) advocating for effective public utility safety management and infrastructure improvements and for the transparency of safety information; (2) recommending improvements to the commission's safety management policy and procedures and its safety culture; and (3) informing the official record on safety-related risks in applicable commission proceedings and assisting the commission in its efforts to hold public utilities accountable for their safe operation. Existing law requires the office to annually provide specified information to the chairpersons of the appropriate fiscal and policy committees of each house of the Legislature.



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This bill would require the commission to appoint a deputy executive director for safety to hold office at the pleasure of the commission. The deputy executive director would have primary responsibility for implementing the authority of the commission to initiate an investigation into a safety-related matter and to exercise the emergency authority of the commission to ensure the safety of the public.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.



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