



# CALIFORNIA PUBLIC UTILITIES COMMISSION 2024 Annual Report





## CALIFORNIA PUBLIC UTILITIES COMMISSION

*Front cover photos, clockwise from top left: Pete Skala and Molly Sterkel of CPUC's Energy Division, along with California Energy Commission Commissioner Andrew McAllister, join others on a tour of Form Energy's lab in Berkeley, California.*

*Mike Rose, Daren Gilbert, and Laura Espinoza of CPUC's Rail Safety Division inspect Sacramento Regional Transit's new train cars ahead of their service launch.*

*Highlight from the CPUC Small and Diverse Business Expo in South San Francisco on April 4, 2024.*

*Commissioner Darcie Houck and Administrative Law Judge Margery Melvin at the Liberty Park Water Public Forum held on July 30, 2024, in Bellflower, California.*

*Executive Director Rachel Peterson and Talent Acquisition Lead Phillip Cohen engage with potential job applicants at the California Highway Patrol's annual Disability Employment Awareness Fair, which took place in October at the State Capitol.*

*A memorable day at a groundbreaking ceremony in Willits, California, for the State's Middle-Mile Broadband Initiative, with the California Department of Technology, Caltrans, Arcadian Infracom, and local leaders.*



## 2024 ANNUAL REPORT

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*Wind turbines rise against a clear blue sky, flanked by transmission lines in Menifee Valley, California.*



# President's Message

**Honorable Gavin Newsom, Governor of the State of California, and honorable members of the California State Legislature:**

It is a privilege to present this report—the 2024 Annual Report of the California Public Utilities Commission (CPUC). As in years past, this report looks back at what we have accomplished and ahead at the work to come, covering everything from rail safety to water, renewable energy, autonomous vehicles, and the expansion of broadband throughout the state.

The summer of 2024 was the hottest summer on record, and temperatures are expected to continue to rise. This past November brought yet another atmospheric river to Northern California, and with it, record amounts of rainfall causing landslides, mudslides, and flash flooding. These extremes drive up utility costs and bring new challenges to our focus on utility customers.

It is abundantly clear that we must adapt and continue to reduce greenhouse gas emissions statewide to reach California's goal of carbon neutrality by 2045. Indeed, change is already underway. California is acting to upgrade its electricity grid, deploy an unprecedented number of new energy storage systems, and decarbonize its vehicles, homes, and buildings.

Last year, California brought over 7,000 megawatts of new nameplate capacity online to serve CAISO territory, including over 4,000 megawatts of new storage, and reached

a milestone of 11,000 megawatts of installed battery storage capacity. We also set statewide timelines for electricity customer energization and created a new billing structure to shrink the unit cost of electricity.

Throughout all our work, we are focused on limiting costs and saving ratepayers money, while at the same time requiring utilities to improve the quality of their services, address new challenges, and continue to support low-income customers. To that end, this year's report contains a special highlight on affordability, detailing the various actions we took in 2024 to reduce costs and rates.

Looking ahead, there is more to achieve. As our economy—the 5th largest in the world—transforms and transitions to electrify and decarbonize, and as we work to provide broadband and other essential services equitably to all Californians, I have no doubt our profound policies will ripple outwards beyond the borders of our state.

It is my hope that this report will provide a better sense of how the CPUC works, what we accomplished last year, and where we expect to go in 2025.

Sincerely,

**President Alice Reynolds**

California Public Utilities Commission

## CPUC COMMISSIONERS IN 2024



Alice Reynolds,  
President

Darcie L. Houck,  
Commissioner

John Reynolds,  
Commissioner



Karen Douglas,  
Commissioner

Matthew Baker,  
Commissioner



## MISSION STATEMENT

We empower California through access to safe, clean, and affordable utility services and infrastructure.

*Photos, clockwise from top left: CPUC staff connecting with fleet operators in Southern California to advance energization and freight infrastructure planning.*

*CPUC staff inspecting the automated people mover at the Getty Center museum.*

*CPUC staff visit the Helms Pumped Storage Facility in Fresno County.*



*Aerial view of industrial battery units storing electricity in the California desert, with solar panels in the distance.*





# 2024: A Year of Impact

The California Public Utilities Commission (CPUC) sets the policy and rules for regulated utility services that are essential to modern life for all Californians. The CPUC’s mission is to ensure safe, reliable, and affordable utility services.

2024 is a year of impact. In our work across six regulated industries, the CPUC is delivering on its mission through step-by-step implementation of key policies that impact Californians and shape the state’s environment and economy. The CPUC is taking action to advance access to reliable and affordable communications services for every Californian; promote the deployment of zero-carbon energy at least cost and electrify cars and homes; reduce dependency on natural gas infrastructure in an equitable way; ensure safety for passengers across a rapidly innovating transportation landscape and at railroad crossings across the state; and ensure access to clean and reliable water.

No review of 2024 is complete without elevating the importance of affordability in today’s inflationary environment. Because of several drivers—see the [Senate Bill 695 Report](#)—the upward pressure on electricity rates means that electricity rate increases are outpacing inflation.

This is one of the reasons this Annual Report includes an Affordability/Rates Highlight: Actions to Limit Costs and Save Ratepayers Money section. In 2024, the CPUC took action wherever possible to cut costs and rates. Read together, the CPUC’s actions show the numerous interdependencies among regulated sectors—managing natural gas supply, for example, reduces volatility and price spikes that flow through to what customers pay for electricity.

This Annual Report highlights a selection of CPUC’s accomplishments serving Californians.



# Communications:

## ACCESS AND EQUITY

*Fiber optic cable housing that will help bring broadband to Californians, part of the CPUC's efforts to close the digital divide.*

California is at the forefront of economic innovation and growth—and what makes us strong is that we seek to deliver the benefits of innovation to everyone. Nowhere is this vision and value clearer than in our work to close the digital divide. In 2024, the CPUC delivered on our share of the promise: awarding more than \$1 billion in grants for marginalized communities to receive broadband access that they have never had before, and carrying out the programs that help low-income Californians, educational institutions, new entrepreneurs, and thousands of others access essential communications services that are the bedrock to our economy and personal lives.



approved broadband deployment efforts through CASF projects, aimed at expanding broadband access, helping people with adoption and achieving digital equity. These efforts underscore the CPUC’s commitment to fostering

an equitable infrastructure that enhances connectivity for all Californians, ensuring that no community is left behind as the digital age advances.

## IN A RAPIDLY CHANGING COMMUNICATIONS LANDSCAPE, CUSTOMERS DESERVE RESILIENT, ACCESSIBLE SERVICE

In 2024, the CPUC dismissed AT&T’s application to withdraw as Carrier of Last Resort and initiated a new rulemaking process to reassess carrier obligations to meet evolving public needs and advances in technology.

*Commissioner John Reynolds and Administrative Law Judge Thomas Glegola at a Public Participation Hearing to hear public input on AT&T’s Carrier of Last Resort application on February 6, 2024, in Clovis, California.*

The CPUC established the framework for Carriers of Last Resort (COLR) in 1996 to ensure that every Californian has access to reliable and affordable telephone services, regardless of their geographical location. A COLR is a communications service provider mandated to offer basic phone service—including access to 9-1-1,

consumer protections, public purpose programs, and quality service—to any customer within its designated service territory upon request.

AT&T was designated a COLR in 1996. In March 2023, AT&T submitted an application seeking permission to withdraw from its COLR obligations without identifying another provider that could assume these responsibilities. The CPUC held an in-depth public engagement process to hear concerns with the application. The CPUC, in Decision 24-06-024, dismissed AT&T’s application in order to protect customers in its service area from losing essential communications service.

Public needs and the communications landscape have drastically changed since the inception of the COLR rules, so the CPUC then initiated a new rulemaking to evaluate the current obligations faced by COLRs. The COLR framework can be adapted to technological advancements, while ensuring Californians continue to receive reliable communications service.



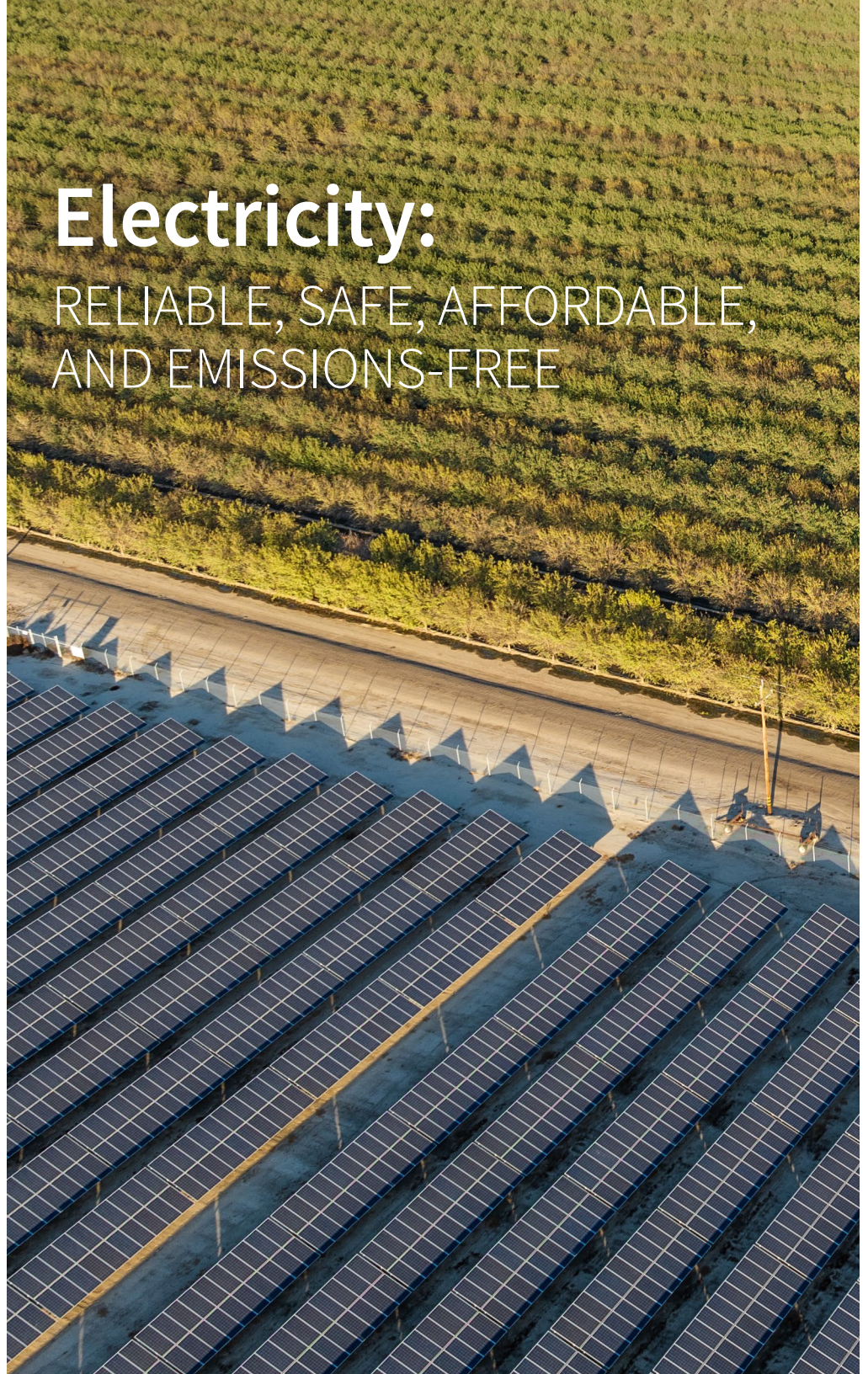
California has continued to grow to become the fifth-largest economy in the world.

What's more, we have demonstrated that we can reduce greenhouse gas emissions and support this economic growth. The CPUC is setting the pace in California's efforts to develop an electric grid powered by low-cost, carbon-free electricity at all hours of the day and night. Our development of these resources makes clean electricity accessible to all Californians. Electrifying California's economy and building a reliable, safe, affordable, and clean electric grid of the future are cornerstones of both our climate leadership and economic plan for the future.

*An overhead view of Central California's farmland alongside solar panels, highlighting the coexistence of agriculture and renewable energy in the region.*

# Electricity:

RELIABLE, SAFE, AFFORDABLE,  
AND EMISSIONS-FREE



## THE WORLD'S 5TH LARGEST ECONOMY, INCREASINGLY POWERED BY ZERO-CARBON ELECTRICITY

In 2024, the CPUC set the stage for large, multi-decade resources that will enable California's transition to a cleaner energy future.

California has made historic progress to bring new electric resources online: over 7,000 MW in 2024—the largest amount in a single year in California's history. This includes more than 4,000 MW of battery storage, bringing California's total to more than 11,000 MW of installed storage capacity, and the groundwork for even more in the years to come. The CPUC has closely monitored critical procurement areas that are needed and yet have faced challenges, such as long-duration energy storage, geothermal, and offshore wind.

The Energy Act (Assembly Bill 1373, Garcia, 2023) enabled the CPUC to designate the California Department of Water Resources (DWR) to act as a centralized procurement entity to procure large, complex clean resources on behalf of California customers. The intent is a catalytic one, as DWR will invest in resources needed to meet long-term greenhouse gas emissions reduction targets with reliable, zero-carbon electricity.

The CPUC acted promptly to engage stakeholders in a process to initiate the central procurement function

and on August 22, 2024, the CPUC issued Decision 24-08-064, which specified the resource types and quantities that could be procured by the DWR as the central procurement entity. They include long-duration energy storage technologies, geothermal, and offshore wind, which will help California achieve greenhouse gas emissions reduction goals for 2045 and beyond. Within the CPUC's Integrated Resource Planning process, using the model that has been successful for California to date, central procurement needs will continue to be assessed for possible incorporation of additional emerging technologies.

By instituting a centralized procurement framework, the CPUC aims to enhance resource diversity, further reduce greenhouse gas emissions, and control costs. The structure empowers California to better secure clean energy resources through collaborative efforts, ultimately delivering a sustainable, affordable, and reliable power supply for the state's future.

## DELIVERING TRANSMISSION TO ACHIEVE CALIFORNIA'S CLEAN ENERGY VISION

In 2024, the CPUC streamlined the permitting process for transmission system upgrades—infrastructure critical to achieving California's clean energy vision.

California will be served by 100% zero-carbon electricity by 2045. What's more, broad sectors of the economy are moving toward electrification, in transportation and buildings. The state is on track to achieve this world leading vision—and transmission infrastructure is critical to delivering it.

The CPUC, through General Order 131-D, regulates permitting and construction of electric transmission and distribution infrastructure across California. In response to evolving energy requirements and legislative mandates, the CPUC initiated Rulemaking 23-05-018 to modernize these regulations—last updated in 1995—ensuring that California can meet the energy infrastructure demands of a transitioning energy landscape.

The CPUC has already accomplished significant streamlining so that electric utilities are today more efficiently building upgrades, extensions, expansions, and modifications to existing infrastructure. For example, the CPUC is providing applicants with early feedback on their permits with major efficiency gains as a result: 67 percent of permit applications for electrical infrastructure since 2023 have been deemed complete within 30 days of filing.

The work is not finished, and in 2024, the CPUC continued pressing toward greater efficiency to streamline review timelines while maintaining strong environmental protections to accelerate the build-out of the transmission system of the future.

*Commissioner Houck, CPUC staff, and State agency partners celebrate the commissioning of the Calpine Nova Power Bank supporting electric reliability and hundreds of jobs.*



## ADVANCING THE ELECTRIC GRID TO SUPPORT CALIFORNIA'S GROWTH AND CLIMATE GOALS

In 2024, the CPUC approved new requirements to improve utilities' energization planning processes, a core support in California's transition to a decarbonized economy.

California's economy is growing in multiple areas: housing, industry, commercial centers, public transit, freight movement, data centers, and more. The growth is partially driven by California's ambitious climate goals, which includes electrifying the building and transportation sectors and delivering emissions-free energy by 2045.

To deliver on these goals, the electric utilities serving California must operate and maintain a distribution system that can connect new electric loads efficiently and cost-effectively.

In 2023, the California legislature passed The Powering Up Californians Act (Senate Bill 410, Becker, 2023) and The Timely Service: Customer Energization Act (Assembly Bill 50, Wood, 2023). These two bills required various improvements to support timely energization of existing and future customers through three cross-ties: (1) establish energization targets, (2) improve the distribution planning process, and (3) provide a cost recovery mechanism for energization projects upon request. The CPUC is taking action on these in three proceedings: Rulemaking 24-01-018 (Energization), Rulemaking 21-06-017 (High Distributed Energy

Resources), and Application 21-06-021 (Pacific Gas and Electric Company (PG&E) general rate case).

The CPUC launched the Energization Rulemaking in January 2024 to establish timelines for customer energization requests for electric services. The CPUC, in Decision 24-09-020, set new statewide energization timelines and targets for timely grid connections and a procedure for customers to report energization delays to the Commission. If targets are met by PG&E, Southern California Edison, and San Diego Gas & Electric Company, then maximum timelines for grid connections could be reduced up to 49 percent compared to current operations. This will increase the speed of energization for new residential buildings, commercial businesses, electric vehicle charging stations, and other customer projects. To ensure adherence to these new timelines, the CPUC will require biannual reports from utilities detailing completion times, analysis of any factors affecting energization, and reasons for any delays.

To improve distribution system planning, the CPUC, in Decision 24-10-030, required proactive grid upgrades so that the system can keep up with increasing demand. Electric utilities will now create and use consistent



forecasts for grid needs, use information from customer applications, community development plans and other reliable sources to plan future grid needs, and keep improving their capacity maps that show stakeholders capacity for distributed energy resources. This decision will help align utilities' distribution plans with California's clean energy goals and support timely energization of future load.

To enable the flow of sufficient capital for these grid investments, in 2024 the CPUC approved PG&E's request for a ratemaking mechanism in Decision 21-06-

021 on July 11, 2024. The mechanism provides PG&E with the flexibility to energize additional customers by pulling distribution projects forward in time, while protecting ratepayers by only allowing cost recovery in customer bills once projects are completed. The costs are subject to an independent audit and reasonableness review in PG&E's subsequent general rate case.

Collectively, these efforts are advancing the electric grid to support California's economic growth and climate goals. CPUC will continue to pursue improvements in energization processes in 2025.

## SUPPORTING DEMAND FLEXIBILITY THROUGH ELECTRIC RATES

**In 2024, the CPUC approved a restructuring of residential electric bills to incorporate a flat-rate system, promoting equity and decarbonization.**

With appropriate price signals, California customers have shown that they can successfully flex their load to both manage their energy use and support the needs of the modern electric grid. Costs of the system must be distributed fairly among all customers, and California's rate and billing structures can help further this goal. The CPUC is implementing a new electric billing structure for the investor-owned utilities, as directed in The Energy Act (Assembly Bill 205, Committee on Budget, 2022). The structure is designed to shift the recovery of fixed costs for electricity from volumetric rates to a flat rate on customer bills. In the proceeding, the CPUC is examining more rate designs, such as time-varying rates,

and how to promote greater load flexibility through advanced rate design.

Traditionally, California's investor-owned electric utilities have relied on a volumetric fee structure, where customers pay per unit of electricity consumed. This outdated billing structure fails to support the state's decarbonization goals and has led to inequitable outcomes: the fixed costs of infrastructure to connect all customers to the electric grid—such as wires and transformers that send power to and from homes—have been disproportionately borne by lower-income customers.

## The Flat Rate Aims to Ensure Lower Bills for Low-income Customers

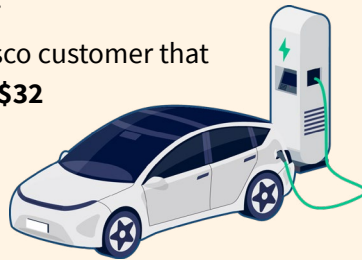


After the billing adjustment, **an average Fresno customer will save \$33** over the summer months.



A customer who electrifies their home and vehicle **will save, on average, \$28 to \$44 a month** compared to today's rates.

For example, a San Francisco customer that electrifies will be **roughly \$32 better off each month**.



In May 2024, the CPUC issued Decision 24-05-007 to implement the provisions of The Energy Act, which implements a new billing structure that shrinks the price of a unit of electricity for all customers and equally distributes a portion of fixed costs with discounts for low-income customers. This decision authorizes all investor-owned utilities—including Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric Company (SDG&E)—to shift a portion of their fixed costs to a separate flat charge on customer bills. This structural change aims to ensure lower bills for low-income customers with average electric usage while maintaining total cost recovery for the utilities. All customers will be better off financially if they choose to electrify their homes or vehicles compared to today's rates.

The decision also establishes a system of discounts for customers participating in income-qualified programs. Specifically, customers of the three large investor-owned utilities enrolled in the California Alternate Rates for Energy program will pay approximately \$6 per month; customers enrolled in the Family Electric Rate Assistance program, or those residing in affordable housing, will see a monthly fee of around \$12; while all other customers will have a fixed monthly charge of \$24.15. Under the implementation timeline, SCE and SDG&E will start applying the new flat rate in the fourth quarter of 2025, with PG&E expected to follow suit in the first quarter of 2026.

A photograph showing a technician in a high-visibility vest and hard hat working on a large, tan-colored industrial pressure vessel. The technician is standing on a green ladder, using a tool to adjust a pressure relief valve. The background is a clear blue sky with some trees visible on the left and right sides.

# Natural Gas:

## AN EQUITABLE AND RELIABLE TRANSITION

California has embarked on reducing greenhouse gas emissions from all sectors of the California economy. A key effort in this task is reducing fossil gas demand and planning for the future of the pipeline system that delivers fossil gas to end-use customers today. The broad reductions will come from electrification, energy efficiency, and exploring resources like hydrogen and renewable natural gas. During this transition to reduce reliance of fossil gas, we must ensure the safety of the pipeline system in California and affordable and reliable service for those customers who may remain on the pipeline system.

*An SDG&E technician conducts a test on a pressure relief valve installed on a pressure vessel, ensuring it activates at the designated set point.*

## POLICIES TO ADVANCE LONG-TERM NATURAL GAS PLANNING FOR A DECARBONIZED FUTURE

In 2024, the CPUC opened a new rulemaking to advance long-term gas planning in support of California’s decarbonization goals.

The CPUC has been strategizing and acting to consider the role of natural gas as California transitions toward a decarbonized economy. From 2020 to today, the CPUC has responded to legislative directives regarding greenhouse gas emissions, safety issues, and operational challenges related to gas infrastructure. This has involved extensive evaluations of gas reliability standards and regulations governing the state’s gas utilities. Over the course of several years, the CPUC has issued seven targeted decisions addressing a range of critical topics, from market structure to criteria for pipeline repairs and replacements, with particular attention devoted to ensuring reliability and safety.

Long-term gas transition planning remains urgent and critical. The CPUC opened Rulemaking 24-09-012 in 2024 to advance long-term gas system planning to support California’s climate goals while prioritizing equity, safety, and affordability. The CPUC incorporated a Joint Agency Gas Transition White Paper, co-written with the California Energy Commission and the California Air Resources Board, to launch the dialogue—emphasizing the CPUC’s focus on facilitating actions that can support decarbonization efforts while managing challenges associated with the transition away from gas.

In the proceeding, the CPUC will engage stakeholders to assess pathways to achieving California’s decarbonization goals, methodologies for gas planning, and identify and act on opportunities for interim actions that can help reduce customer costs in the near term. The CPUC will also address parts of The Gas Corporations: Ceasing Service: Priority Neighborhood Decarbonization Zones Act (Senate Bill 1221, Min, 2024), which requires the CPUC to regulate California’s utilities to pilot innovative approaches to decarbonizing priority neighborhoods.

*Natural gas meters connected to a testing device during a gas odorant intensity test.*



From autonomous vehicles and ride hailing applications to rail transit and freight trains, California supports an ever-increasing abundance of options for transporting people and goods where they need to go. California also recognizes that the full benefits of new transportation innovations—as well as older, time-tested approaches—can only be delivered when safety is a top priority. In 2024, we worked diligently to encourage transportation innovation while keeping a focus on safety, by strengthening safety oversight and establishing emissions standards for passenger transportation companies, and by evaluating the safety of rail transit projects to ensure California is ready to host global sporting events in 2026 and 2028.

*A CalTrain powered by electricity stands ready on the tracks, symbolizing progress and collaboration for a sustainable transportation future.*



# Transportation: INNOVATION ON A FOUNDATION OF SAFETY

## ENSURING PASSENGER SAFETY AND ADDRESSING CLIMATE CHANGE FOR PASSENGER TRANSPORTATION

In 2024, the CPUC adopted greenhouse gas emission targets for transportation network companies, and approved expansion of autonomous vehicle passenger services while strengthening safety oversight over passenger transportation. Passenger safety is enhanced by new reporting requirements for autonomous vehicle companies, and more strict background checks for drivers transporting unaccompanied minors.

The CPUC is focused on public safety and passenger safety in regulating passenger transportation services. Rapidly changing new technologies and evolving business models introduced by Transportation Network Companies (TNCs) like Uber and Lyft, as well as autonomous vehicle (AV) companies, have required the CPUC to be both nimble and thoughtful in its oversight. In close partnership with the California Air Resources Board, the CPUC adopted greenhouse gas

emission targets for TNCs and a drivers assistance program to facilitate access to zero emission vehicles for low and moderate-income drivers. In close coordination with the California Department of Motor Vehicles, the CPUC also updated passenger safety rules during the rollout of AV passenger services in California.

In 2024, the CPUC approved Waymo’s expansion of AV passenger services in San Francisco, neighboring cities, and in Los Angeles—making self-driving technology a transportation option available to the public.

The CPUC implemented enhanced oversight mechanisms for this sector by enforcing a penalty against AV operator Cruise following a major safety incident and ensuring compliance with stringent passenger safety standards.

The CPUC proactively expanded reporting requirements for AV passenger service providers in Decision 24-11-002. Stoppage events—instances when a vehicle is stopped and requires outside assistance to be moved—continue to create issues on local streets, and the CPUC requires operators to report such incidents so that rules can ensure passenger and public safety when they happen.

Last, the CPUC is tightening regulations regarding background checks for TNC drivers who transport unaccompanied minors, prioritizing the safety of the most vulnerable passengers.

*California Highway Patrol, along with CPUC’s Transportation Enforcement Branch Supervisor, Rahmon Momoh, and staff at a joint operation in Placerville, California.*



## ENSURING RAILROAD AND RAIL TRANSIT SAFETY AS CALIFORNIA PREPARES FOR THE GLOBAL STAGE

In 2024, the CPUC enhanced oversight of rail safety in preparation for major upcoming events, reinforcing safety measures and supporting significant transit infrastructure improvements.

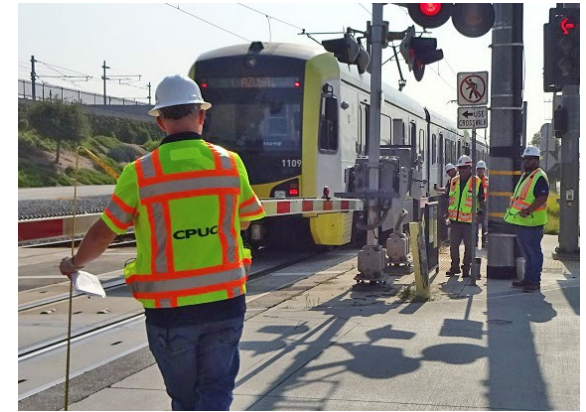
In 2024, the CPUC continued its vital role to ensure the safety and readiness of railroad and rail transit systems in anticipation of global sports and culture events. In just a year, Los Angeles will host the FIFA World Cup 26<sup>th</sup> in 2026, and then the LA28 Olympic and Paralympic Games in 2028. As transportation agencies like the Los Angeles County Metropolitan Transportation Authority (L.A. Metro) undertake major rail transit enhancement projects, the CPUC is committed to facilitating safe and efficient transportation connections to key sports venues across Los Angeles County.

Additionally, the CPUC is providing safety certification oversight for 22 large-scale capital transit projects encompassing a broad array of improvements, including upgrading existing light rail lines, constructing new rail connections, modernizing transit hubs, and enhancing overall accessibility for diverse communities. In a major connectivity initiative, existing transit systems will be integrated with high-speed rail projects.

The CPUC's engineers and inspectors actively engage in these initiatives, participating in early-stage environmental reviews and overseeing planning and developments through the commencement of revenue service to ensure compliance with stringent safety standards.

The safety of all transit passengers and the public is paramount. The CPUC is monitoring critical safety aspects through regular meetings with emergency responders and reviewing documentation related to safety testing of new trains. The oversight extends to inspecting control signal systems that are crucial for safe operations on the rail network. Before any new rail lines are allowed to begin public service, the CPUC must complete a thorough safety certification process, which includes review of all safety records and testing data. The CPUC continues its safety oversight after certification through regular physical inspections and audits of safety records.

Moreover, in 2024, CPUC completed a re-vamp of its transit inspection program to implement a risk-based approach in compliance with new Federal Transit Administration requirements. The new risk-based inspection program enables the CPUC to proactively identify potential safety hazards within California's rail systems. By prioritizing according to risk and conducting rigorous assessments, the CPUC enhances rail transit safety for passengers and communities alike.



*CPUC's Rail Safety Division inspectors conduct a joint inspection on July 9, 2024, of the California Boulevard rail crossing on L.A. Metro's A Line in Monrovia, California, verifying that warning devices comply with applicable rules and regulations.*



# Water: EQUITY THROUGH CONSOLIDATION

*CPUC Water Division staff are briefed by San Jose Water Company on its Emergency Water Distribution Unit, a swift response solution for delivering clean water in disaster situations during their visit on March 11, 2024.*

California's prosperity is linked to its commitment to equity and fairness. All Californians deserve reliable access to clean, safe drinking water, no matter the size of their community or water utility. In 2024, the CPUC took concrete actions to make that vision a reality by facilitating the acquisition of three small, at-risk utilities by larger, more capable companies and continuing work on a plan to streamline and accelerate similar acquisitions in the future.



## SETTING A FRAMEWORK AND ACTING TO KEEP WATER SAFE AND RELIABLE

In 2024, the CPUC facilitated key acquisitions of at-risk water systems, ensuring improved service quality and compliance while advancing water consolidation efforts statewide.

Many communities throughout California are served by very small privately-owned or public water utilities. Some of these small providers have aging, inadequate infrastructure and are either failing, or are at risk of failing to meet the state's standards for clean and safe drinking water. In many cases, the customers of at-risk small water utilities are themselves more vulnerable, making addressing their needs an environmental and social justice priority.

One of the potential solutions to this widespread challenge is for a larger, financially healthy water utility to purchase the smaller, at-risk utility and to continue serving its customers. The CPUC works closely with the State Water Resources Control Board to facilitate such acquisitions when they are in the best interests of customers.

To further strengthen and streamline the process for favorable acquisitions to move forward, in 2024, the CPUC continued work in Rulemaking 22-04-003 to develop a framework to promote favorable acquisitions.

The CPUC's attention on proactively addressing at-risk water systems is already delivering some concrete successes for customers. In three beneficial acquisitions in 2024 across three different counties, the large acquiring

utilities will leverage their expertise in operations and infrastructure development to promote increased reliability and regulatory compliance. For their new customers, this means better and more reliable access to the clean, safe water every Californian deserves.

*CPUC Water Division staff tour San Jose Water Company's distribution system to review the operational processes that support a reliable water supply during emergencies.*



# Affordability and Rates Highlight:

## ACTIONS TO LIMIT COSTS AND SAVE RATEPAYERS MONEY

*Aerial view of solar panels in the California desert.*

In 2024, the CPUC took action wherever possible to cut costs and rates. Read together, the CPUC’s actions in this section show the numerous interdependencies among regulated sectors—actions we take to manage natural gas supply or securitize utility costs, for example, can benefit electric ratepayers. In 2025, the CPUC will continue to take action to limit costs and save ratepayers money.

### **Vegetation Management Spending Caps Limit Costs While Sustaining Wildfire Safety**

The CPUC, in Decisions 21-08-036 and 23-11-069, imposed caps on vegetation management costs for Southern California Edison and Pacific Gas and Electric Company, respectively, to limit their ability to recover vegetation management costs above authorized amounts without a reasonableness showing. Unused authorized amounts are to be returned to ratepayers through balancing account ratemaking mechanisms.

### **Innovative Wildfire Self-Insurance Produces Ratepayer Savings**

Costs for commercial market wildfire insurance have escalated in recent years. The CPUC, in Decisions 23-01-005 and 23-05-013, approved proposals for Pacific Gas and Electric Company and Southern

California Edison, respectively, to implement wildfire self-insurance programs, which saved ratepayers an estimated \$467 million in 2023. Similar savings are anticipated for future years.



**CPUC-approved wildfire self-insurance programs saved ratepayers ~\$467 million in 2023. Similar savings are anticipated for future years.**

### **New Flat Rate That Will Benefit Low-Income Customers, Customers That Electrify Their Homes and Transportation, and Those Most Impacted by Climate Change-Induced Heat Events**

The CPUC, in Decision 24-05-028, moved some existing fixed costs into a “flat rate” line item on bills which shrinks the per-unit price of electricity for all customers and aligns California’s bill structure with other state and nationwide utilities. Customers enrolled in low-income assistance programs and who live in deed-restricted affordable housing will benefit from a discounted flat rate. All customers, regardless of income or location, will be better off financially if they choose to electrify their homes and vehicles under the new billing structure compared to today’s rates.

### **Net Billing Tariff Limits Cost Increases**

The CPUC, in Decision 22-12-056 which adopted the new Net Billing Tariff (NBT), reduced electricity bills for investor-owned utility (IOU) customers by reducing the amount customers pay to other IOU customers who install solar or solar-plus-storage systems in the future. While Net Energy Metering (NEM) 1.0 and 2.0 programs decrease electricity bills for customers participating in the programs, they increase electricity bills for all other customers. The decision does not change the ongoing increased costs that customers pay for other customers to remain on the NEM 1.0 and NEM 2.0 tariffs. It also does not eliminate future bill increases that occur when individuals and businesses install rooftop solar and solar-plus-storage systems, even under the NBT tariff.

### **Virtual Net Billing Tariff and Net Billing Tariff Aggregation Sub-Tariff Limit Cost Increases**

The CPUC, in Decision 23-11-068, reduced electricity bills for IOU customers by reducing the amount customers pay to other IOU customers who install solar or solar-plus-storage systems using the Virtual Net Billing Tariff and Net Billing Tariff Aggregation programs compared to previous Virtual Net

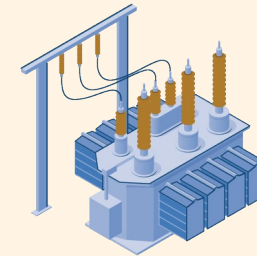
Energy Metering (VNEM) and Net Energy Metering Aggregation (NEMA) programs. While VNEM and NEMA programs decrease electricity bills for customers participating in the programs, they increase electricity bills for all other customers.

### **Revision of Electric Rule 20 Prevents Ratepayers from Funding Inequitable Investments**

The CPUC's Rule 20A program formally subsidized the undergrounding of power lines for aesthetic purposes in localized areas and benefits few ratepayers at the expense of the many ratepayers. The CPUC, in Decision 23-06-008, discontinues and phases down the Rule 20A Program by 2033 to prevent ratepayers from funding inactive and inequitable infrastructure investments. The action is estimated to save \$74 million annually through 2033.

### **Intervention in Transmission Owner Rate Cases Saves Ratepayers Money**

The CPUC intervenes in transmission owner rate cases at the Federal Energy Regulatory Commission on behalf of ratepayers. Ratepayer savings are ongoing and estimated to be \$5 billion since 2018.



**Ratepayer savings are ongoing and estimated to be \$5 billion since 2018 due to the CPUC's transmission work at FERC.**

### **Transmission Project Review Process Increases Transparency of Costs**

The CPUC's Transmission Project Review (TPR) Process is modeled after stakeholder processes negotiated in previous transmission owner rate case settlements at the Federal Energy Regulatory Commission (FERC) and provides transparency of the IOU's FERC jurisdictional transmission projects that exceed \$1 million in costs. Savings during earlier FERC processes saved ratepayers \$500 million to \$1 billion between 2020 and 2023. The CPUC designed the TPR Process to bring more transparency and opportunity for public vetting to transmission costs, and

the affordability benefits to ratepayers are expected to be at least as large.

### **Implementation of Federal Energy Regulatory Commission Order Saves Ratepayers Money**

The Energy and Climate Change Act (Assembly Bill 209, Committee on Budget, 2022) reaffirms and clarifies that IOU participation in the California Independent System Operator is compelled by California law and not voluntary. This clarification confirms that the IOUs cannot collect additional costs from ratepayers as an incentive to participate in an Independent System Operator. The Federal Energy Regulatory Commission ruled in December 2023 and December 2024 that incentives are not appropriate if an action is already mandatory. This adder will not be allowed in future rate cases and has an estimated cost savings of \$86 million in 2024.

### **CPUC Resolution Encouraging and Enabling Ratepayer Savings From Federal Programs**

The CPUC, in Resolution E-5254, encourages electric and gas IOUs to pursue federal grants under the Infrastructure Investment and Jobs Act (IIJA), the Inflation Reduction Act, and the Creating Helpful Incentives to Produce

Semiconductors and Science Act. In October 2023, California was selected to receive up to \$1.2 billion to accelerate the development and deployment of clean renewable hydrogen. In January 2024, Pacific Gas and Electric Company and the United States Department of Energy (USDOE) finalized a credit award agreement of up to \$1.1 billion for Diablo Canyon as part of the IIJA's Civil Nuclear Credit Program. California also secured a \$600 million grant from the USDOE to upgrade 100 miles of electric transmission lines with grid enhancing technologies to improve reliability and deliver clean, affordable electricity faster. CPUC continues to regulate the IOUs and work with state agencies to access federal funding that can reduce rates by displacing the need for ratepayer funding for critical energy projects.

### **Equity Rate Base Exclusion and Optional Securitization Limit Rate Increases**

As directed by The Public Utilities: Wildfires and Employee Protection Act (Assembly Bill 1054, Holden, 2019), the annual revenue requirements approved by the CPUC preclude the IOUs from recovering a return on equity on \$5 billion in wildfire mitigation capital costs. These equity rate-base exclusions should

save ratepayers as much as \$2 billion over the lifetime of the assets. The Public Utilities: Wildfires and Employee Protection Act also allows for securitization of wildfire mitigation capital spending. Securitization benefits ratepayers by allowing the securitized bonds to obtain a lower interest rate than would otherwise be available to finance Wildfire Mitigation Plan capital expenditures. To date, the CPUC has authorized \$10.9 billion in securitization bonds under The Public Utilities: Wildfires and Employee Protection Act and The Wildfires Act (Senate Bill 901, Dodd, 2018).



**Equity rate base exclusions should save ratepayers as much as \$2 billion over the lifetime of the assets.**

## Reducing Bills for Low-Income Customers Through the Self-Generation Incentive Program’s Equity Budget Allocation

The CPUC, in Decision 24-03-071, allocated \$280 million in funding from the Greenhouse Gas Reduction Fund to the Self-Generation Incentive Program (SGIP) Residential Solar and Storage Equity budget consistent with the requirements of The Energy and Climate Change Act (Assembly Bill 209, Committee on Budget, 2022). Roughly 8,300 low-income customers, including tribal customers, will receive funding to offset the upfront costs of battery storage or battery storage paired with rooftop solar through this SGIP Residential Solar and Storage program.

## New Penalty Structure for Natural Gas Helps Manage Price Volatility

The CPUC, in Decision 22-04-042, made the Southern California Gas Company (SoCalGas) Operational Flow Order (OFO) winter noncompliance charges effective year-round, and applied the OFO penalties uniformly to both SoCalGas and Pacific Gas and Electric Company (PG&E). The OFO rules approved in the decision help better manage gas price volatility, which can impact gas and electric bills. The savings from price

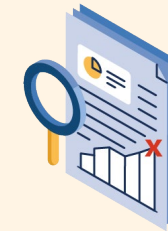
spikes that did not occur cannot be easily quantified. PG&E will provide an estimate of the Operating and Maintenance from the reclassification in its next general rate case.

## Pipeline Reclassification Results in Reduced System Costs

The CPUC, in Decision 23-12-003, approved the reclassification of 600 miles of pipeline from transmission to distribution and set out criteria for future de-rating of transmission lines. This pipeline reclassification will result in lower overall system costs, which will benefit customers.

## Elimination of Subsidies for Gas and Electric Line Extensions to Save Ratepayers Money

To support building decarbonization goals, the CPUC, in Decision 22-09-026, eliminated ratepayer-funded subsidies for gas line extensions—making California the first state in the nation to take this action—and the CPUC, in Decision 23-12-037, further eliminated electric line extensions for buildings constructed with gas lines. Avoiding these additional line extension costs is anticipated to lower the bills of all gas and electricity ratepayers and advance state goals to reduce greenhouse gas emissions associated with energy use in buildings.



**A utility requested a 42% rate increase; the CPUC approved an increase of just ~14%, resulting in significant ratepayer savings.**

## Proactively Protecting Water Ratepayers

The CPUC closely reviews water utilities’ requests for rate increases to evaluate whether they are just and reasonable. As an example of this oversight, in early 2024, a small utility requested a 42% rate increase; however, the CPUC’s analysis determined that a reasonable rate increase would be approximately 14%, resulting in significant ratepayer savings.

A request for a sudden large increase in rates can be a sign that the utility has not been carefully monitoring its system over time. If a utility does not regularly assess its system needs, those needs can accumulate, cause the

utility to fall out of compliance with state regulatory requirements, and create a very large expense that burdens ratepayers. Smaller water utilities with fewer administrative resources are particularly susceptible to this.

To proactively monitor and engage smaller water utilities with outreach and compliance efforts, the CPUC tracks water utility risk factors such as length of time since a utility's prior general rate case, whether the utility is earning its authorized rate of return, and compliance with the State Water Resources Control Board and CPUC requirements. This helps ensure that responsible, regular rate increases provide the technical, managerial, and financial capacity necessary for utilities to remain financially viable and meet the regulatory requirements, while avoiding sudden rate shocks that harm customers.



In December 2024, the CPUC adopted a 2024 revenue requirement of \$3.806 billion for SoCalGas, which is \$628.7 million lower than what the utility requested. Similarly, for SDG&E, the CPUC adopted a revenue requirement of \$2.699 billion for SDG&E, which is \$308 million lower than what the utility requested.

# Informing and Engaging California Consumers

Opening Remarks

- Darcie L. Houck, Commissioner, California Public Utilities Commission
- Amy Dutschke, Regional Director, Pacific Region, Bureau of Indian Affairs, U.S. Department of Interior
- Matthew Baker, Commissioner, California Public Utilities Commission
- Mark Monroe, Deputy Director, California Department of Technology
- James Qaqundah, Special Advisor, on behalf of Noemil Gallardo, Commissioner, California Energy Commission

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CPUC leads a joint workshop on Utility Right-of-Way on Tribal Lands in collaboration with the U.S. Bureau of Indian Affairs, hosted by the Rincon Band of Luiseño Indians in Valley Center, California, on November 14, 2024.



The CPUC continued to increase public participation and engagement through a focused external communications strategy, 40 Public Participation Hearings, and several workshops and webinars. In 2024, the CPUC hosted 19 Voting Meetings in San Francisco, Sacramento, Lake Forest, San Luis Obispo, and Bakersfield. The CPUC ensured broad access by providing remote participation and Spanish language interpreters for all Voting Meetings. Having these meetings throughout the state allows for diverse communities from all regions of California the opportunity to attend in person.

To advance ongoing equity initiatives and enhance access to clean energy for tribes and other underrepresented communities, the CPUC established the Equity & Access Grant Program. The program responds to The Budget Act of 2022 (Assembly Bill 179, Ting, 2022) by allocating funds for capacity grants to tribes and community-based organizations. The Equity, Engagement, and Education (EEE) Grant Account category actively fosters participation in decision-making processes. In 2024, the CPUC executed the EEE grant program by awarding \$1.5 million to nine grant recipients. In addition, The Budget Act of 2024 (Assembly Bill 157, Gabriel, 2024) allocated \$2 million to the Equity & Access Grant Program to create a new grant category. The focus of the grant category is to enhance access to building decarbonization, healthy homes, and their associated health benefits. The program aims to increase access to building decarbonization resources for underserved communities, particularly those located in the Aliso Canyon Disaster Area and the San Fernando Valley.



*CPUC Commissioners at the June 20, 2024, Voting Meeting in San Luis Obispo, California.*

## VOTING MEETING CALENDAR 2024-2025

### 2024 Voting Meetings

January 11	San Francisco
January 25	Sacramento
February 15	Lake Forest
March 7	San Francisco
March 21	San Francisco
April 18	Sacramento
May 9	Sacramento
May 30	Sacramento
June 20	San Luis Obispo
July 11	San Francisco
August 1	San Francisco
August 22	San Francisco
August 29	San Francisco
September 12	Sacramento
September 26	San Francisco
October 17	Sacramento
November 7	Bakersfield
December 5	Sacramento
December 19	San Francisco

### 2025 Voting Meetings

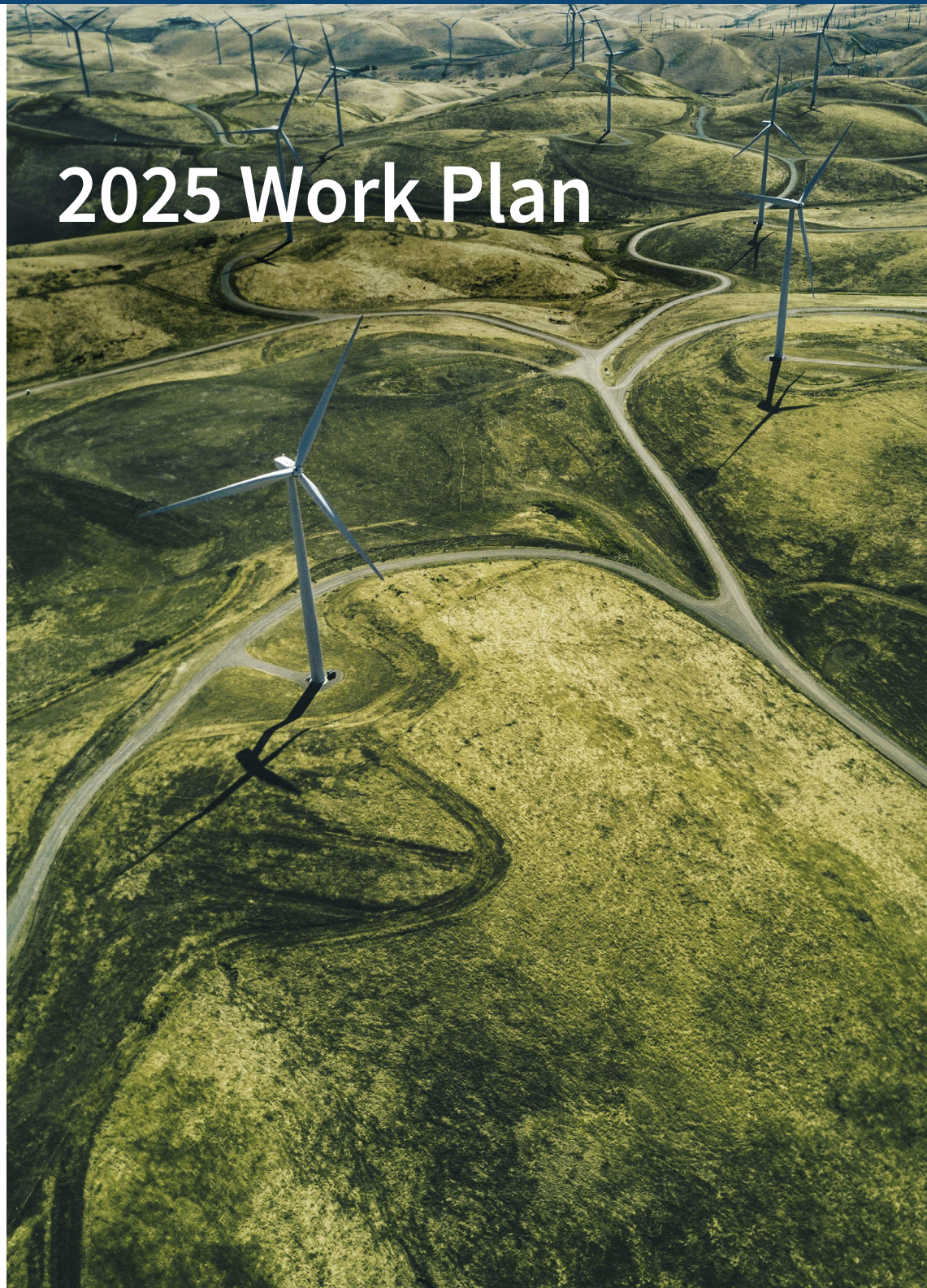
January 16	San Francisco
January 30	Sacramento
February 20	Sacramento
March 13	Travel Meeting*
April 3	San Francisco
April 24	Sacramento
May 15	Travel Meeting*
June 12	Sacramento
June 26	Sacramento
July 24	San Francisco
August 14	Sacramento
August 28	San Francisco
September 18	San Francisco
October 9	Travel Meeting*
October 30	Sacramento
November 20	San Francisco
December 4	San Francisco
December 18	Sacramento

*\*Tentative locations subject to change.*

In 2025, the CPUC will continue its mission of empowering California through access to safe, clean, and affordable utility services and infrastructure. The proceedings and actions listed here span the diverse regulated industries and show the numerous steps the CPUC will take to achieve California's vision of an innovative, inclusive economy in which all Californians can thrive.

# 2025 Work Plan

*Wind turbines at Altamont Pass, representing the state's commitment to renewable energy.*



## COMMUNICATIONS

### Access and Equity | Rulemaking 23-02-016

Congress appropriated \$42.45 billion to the National Telecommunications and Information Administration (NTIA) to administer the Broadband Equity, Access, and Deployment (BEAD) Program established under the Infrastructure Investment and Jobs Act, which became law in November 2021. California has been allocated approximately \$1.86 billion under BEAD and Governor Newsom designated the CPUC to serve as the recipient of and administering agent for the BEAD program for California. The CPUC approved both volumes of its Initial Proposal (Decisions 24-05-029 and 24-09-050), which includes the rules it will use to evaluate and fund BEAD applications. The NTIA approved California's Initial Proposal on October 3, 2024. By October 2, 2025, the CPUC must submit its Final



*Standing by a large spool of fiber, workers in Willits, California, gather in anticipation of a new era of connectivity and progress.*

Proposal to the NTIA, including the subgrantee selection process and proposing the grants it intends to award. The NTIA must then approve this Final Proposal.

### Telecommunications Needs for People Who Are Incarcerated | Rulemaking 20-10-002

To ensure that permanent rates for voice and video calling decided in Phases 1 and 2 of the proceeding translate into high-quality service, Phase 3 will address the ongoing service quality challenges identified by stakeholders in the proceeding. These concerns include connectivity issues, frequent disconnections, delayed communications, and other disruptions that negatively impact the calling experiences of people who are incarcerated and their families.

### Service Quality Reform | Rulemaking 22-03-016

In response to Petition 21-10-003, the CPUC opened this proceeding to assess whether the existing General Order 133-D service quality standards meet the state's mandates and goals, and whether service quality standards should be applied to voice over internet protocol, wireless, and broadband internet service.

### Surcharge Reform | Rulemaking 21-03-002

The CPUC in this rulemaking will continue to review the reasonableness of the public purpose program surcharges and user fees that telecommunications service providers impose on end users. Phase 2 of the rulemaking will investigate the imposition of "junk fees" on customer bills and clarification of Phase 1 definitions and requirements.

### California LifeLine | Rulemaking 20-02-008

The CPUC will continue to update and improve the California LifeLine Program in 2025. For example, the CPUC may consider modifying the subsidy California offers to service providers.

### **Emergency Disaster Relief Program | Rulemaking 18-03-011**

The CPUC in this rulemaking or a successor rulemaking will consider how to clarify telecommunications resiliency definitions and requirements for communications carriers, address technological advancements since the rulemaking was opened in 2018, and consider measures to address non-compliance.

### **California Connect Program Assessment | Rulemaking 23-11-001**

In light of the changing communications landscape and the advancement of telecommunication technologies since the inception of the California Connect program (also known as the Deaf and Disabled Telecommunications Program (DDTP)) in the 1970s and 1980s, the CPUC in this rulemaking will look at whether the California Connect program can be updated to better serve the needs of people with disabilities. Activities include Public Participation Hearings (PPHs) to hear from the community and potentially workshops to discuss issues raised in the proceeding. Upon conclusion of the workshops and PPHs, the Administrative Law Judge will issue a proposed decision on how the California Connect program should be updated, after which parties will have an opportunity to comment.

### **Carrier of Last Resort | Rulemaking 24-06-012**

The CPUC opened this proceeding to consider changes to its Carrier of Last Resort (COLR) rules adopted in Decision 96-10-066 and revised in Decision 12-12-038. The COLR Rules require a designated COLR to serve all customers upon request, both residential and business, who are located within the COLR's designated service area. This proceeding will consider where COLRs obligations are still needed, whether other telecommunications service providers should be designated as COLRs, as well as consumer protection measures.



*Members of the public attend a Public Participation Hearing in Clovis, California.*

### **Video Franchising | Rulemaking 23-04-006**

The CPUC in this proceeding is considering changes to requirements for video franchise holders under the Digital Infrastructure and Video Competition Act and revisions to General Order 169 to incorporate new customer service requirements. The rulemaking will also consider an enforcement process for the new customer service rules and a process for adjudicating customer complaints.

### **California Advanced Services Fund | Rulemaking 20-08-021**

The CPUC in this proceeding will consider changes to the Line Extension Program and other California Advanced Services Fund program rules, as well as any other changes that may impact achievement of the Commission's Environmental and Social Justice Action Plan goals.

### **Verizon and Frontier | Application 24-10-006**

Verizon filed an application with the CPUC to purchase Frontier

California. The CPUC in this proceeding will look at, among other things, whether this is in the public interest.

### **Other Section 851/854 Applications**

The CPUC will open new proceedings as additional applications are filed for asset transfers, mergers, acquisitions, such as T-Mobile US Cellular, or restructurings.

## **ENERGY**

### **Climate Adaptation Community Engagement Plans | Rulemaking 18-04-019**

The CPUC will issue a staff proposal after conducting stakeholder workshops across the state. The staff proposal will recommend refinements to the Climate Adaptation Vulnerability Assessment process along with tools and methods to measure equity impacts within climate adaptation planning in alignment with the CPUC's Environmental and Social Justice Action Plan and other relevant equity frameworks.

### **Electric Program Investment Charge | Rulemaking 19-10-005**

In 2024, the CPUC issued Decision 24-04-007, identifying five Strategic Goals to guide 2026-2030 Electric Program Investment Charge (EPIC) investment plans for electric research and development. These measurable Goals are: (1) Integrated Distributed Energy Resources, (2) Transportation Electrification, (3) Building Decarbonization, (4) Climate Adaptation, and (5) Getting to Net Zero Carbon and the Coordinated Role of Gas. Pursuant to the Strategic Goals decision, staff is developing a proposal to inform a future CPUC decision establishing more granular, measurable Strategic Objectives. In July 2024, the CPUC issued a final workshop report summarizing 13 Strategic Objectives based on a series of 2024 public technical working groups. Objectives are intended to align

EPIC investments with ratepayer benefits, consistent with CPUC proceedings, by supporting the state's goals for climate, equity, and affordability. In 2025, the CPUC plans to issue a decision to establish Strategic Objectives for electric research, which will consider findings from its regular mid-cycle program evaluation.

### **California Renewables Portfolio Standard Program | Rulemaking 24-01-017**

In 2025, the CPUC's Renewables Portfolio Standard (RPS) Program will continue to require electricity retail sellers to meet RPS program requirements and support the state's overall greenhouse gas reduction goals. The program will also consider greater coordination and alignment with the Integrated Resources Planning proceeding and process.

### **Policies, Processes, and Rules to Ensure Safe and Reliable Gas Systems in California and Advance Long-Term Gas System Planning | Rulemaking 24-09-012**

The CPUC, in Decision 24-09-034, closed the previous rulemaking (Rulemaking 20-01-007) and opened a new rulemaking to develop and implement long-term gas transition planning approaches and facilitate decarbonization activities in a way that supports equity and safety, and mitigates reliability challenges, price spikes, and other potential adverse outcomes. The CPUC will also examine and act on opportunities for interim actions that can advance decarbonization, reduce system and ratepayer costs, and mitigate nearer-term risks while long-term gas transition planning is underway.

### **Investigation Into High Natural Gas Prices During Winter 2022-2023 and Resulting Impacts to Energy Markets | Investigation 23-03-008**

The CPUC continues examining the causes and impacts of the winter 2022-23 gas price spikes, the potential for future price spikes, and

mitigation strategies that can reduce the likelihood and impact of future gas and electric price spikes. The CPUC's Energy Division issued the first part of a white paper during the summer of 2024 and will issue the second part in 2025, which will further examine the factors that contributed to the winter 2022-2023 price spikes.

### **Pacific Gas and Electric Company's 2027 General Rate Case**

Pacific Gas and Electric Company (PG&E) is anticipated to file its 2027 general rate case in Spring 2025, seeking approval for its revenue requirements from 2027 through 2030 for its gas and electric operations. Safety, reliability, and affordability will be considered in this application. For PG&E's gas operations, capital costs will be considered in the context of decreasing gas demand and their implications on rates. For electric operations, the CPUC will consider ongoing investments in wildfire risk reductions and how load growth will continue to exert upward pressure on customer rates.

### **Electrical Infrastructure Permitting and Permit Streamlining**

In 2025, the CPUC will implement General Order (GO) 131-E, an update to GO 131-D, to streamline and clarify the application and permitting process for electrical transmission projects. CPUC is currently in the application pre-filing phase or in the active permit processing phase for six California Independent System Operator (CAISO) policy-driven projects, three other projects approved by CAISO in their Transmission Planning Process, and seven reliability projects. Four of the six policy-driven projects have target in-service dates of 2028. The remaining two have target in-service dates of 2032



*In April 2024, Commissioner Karen Douglas joined Governor Gavin Newsom and state leaders, including Liane Randolph, Chair of the California Air Resources Board and former CPUC Commissioner, in Winters to celebrate California's milestone achievement of surpassing 10,000 megawatts of battery energy storage.*

and 2034. CPUC will be striving to complete review of these project applications to meet these target timelines.

### **Modernize the Electric Grid for a High Distributed Energy Resource Future**

The CPUC will implement major improvements to the Distribution Planning and Execution Process in accordance with Decision 24-10-030. The changes will make distribution planning more effective at proactively responding to rising electric demand from electrification. The CPUC will oversee an Electrification Impact Study that will assess different scenarios of achieving a high electrification future.

## **Policies, Procedures, and Rules for the Self-Generation Incentive Program**

The CPUC is launching the Storage and Solar Equity Budget within the established Self-Generation Incentive Program (SGIP). This new budget will bring \$280 million in new funding for low-income residential customers across California. During 2025, the CPUC will release a staff proposal that presents SGIP program successor options that seek to make the program more cost effective and efficient while offering optimal ratepayer and grid benefits.

## **California Environmental Quality Act Support for the Last Mile Federal Funding Account Program**

The Federal Funding Account (FFA), administered by the CPUC, is a \$2 billion grant program for last-mile broadband infrastructure projects to connect unserved Californians. In 2024, CPUC Energy Division staff supported the Communications Division by reviewing over 128 applications submitted for FFA funding to ensure project compliance with the California Environmental Quality Act (CEQA) and providing resolution language. Of the 128 projects submitted for funding, only 35 applications had complete documentation to be deemed CEQA exempt. In 2025, staff will continue to support applicant submissions of the required documents for an exemption or a Proponent's Environmental Assessment.

## **Transmission Project Review Process and Ratepayer Advocacy at the Federal Energy Regulatory Commission | Resolution E-5252**

The Federal Energy Regulatory Commission (FERC) Cost Recovery section launched the Transmission Project Review (TPR) process in January 2024, providing detailed semi-annual data and discovery on recent, current, and forecasted transmission projects. Semi-annual

TPR process cycles include convening technical meetings for the CPUC and stakeholders to understand transmission project planning, prioritization, and implementation. The CPUC and other state agencies will use the data to further California's energy policy goals, support the Commission's risk and safety assessment requirements, inform permitting efforts, and facilitate engagement by stakeholders with the utilities around their transmission projects and interconnection-related network upgrades.

## **Southern California Edison's General Rate Case | Application 23-05-010**

On May 12, 2023, Southern California Edison (SCE) filed its 2025 general rate case application, requesting a revenue requirement of \$10.27 billion for 2025, a 23 percent increase from 2024. A proposed decision is anticipated by early 2025.

## **Liberty General Rate Case | Application 24-09-010**

On September 20, 2024, Liberty Utilities (Liberty) filed its 2025 general rate case application. Liberty is requesting a revenue requirement of \$247.92 million for 2025, or a 19 percent increase from 2024. The CPUC will consider this application in 2025.

## **Cost of Capital Proceeding**

The large investor-owned utilities are expected to file applications to request updates of their 2026-2028 rates of return in March 2025.

## **Building Decarbonization Proceeding | Rulemaking 19-01-011**

In 2025, the CPUC will continue to explore Phase 4 considerations pursuant to the Scoping Ruling issued on July 1, 2024. The CPUC, in Phase 4, will consider strategies for advancing building electrification in an affordable, safe, and equitable manner.



### Renewable Gas Proceeding | Rulemaking 13-02-008

The CPUC aims to conclude this proceeding in 2025 by adopting Renewable Gas Procurement Plans (RGPPs) for the large gas investor-owned utilities (IOUs). The RGPPs will, in turn, provide guidance to the large gas IOUs as to how to direct future procurement of biomethane in a way that helps California develop this nascent industry and scale up production and distribution to help meet California's ambitious climate goals in a cost-effective manner.

### Concurrent Application System | Application 19-11-003

The joint investor-owned utilities filed a tier 3 advice letter in November 2024 seeking approval on the proposed developer contract and budget to implement Phase 1 of the Concurrent Application System (CAS) that will enable customers to apply, or begin to apply, to multiple income-qualified programs from a single statewide platform, including the Energy Savings Assistance, California Alternate Rates for Energy, and Family Electric Rate Assistance programs. The CPUC will vote on a resolution in the first quarter of 2025 for the Phase 1 CAS platform. Separately, the CPUC will consider recommendations from the CAS Working Group for a Phase 2 platform expansion to include other income-qualified programs in 2025.

### 2024-2026 Integrated Resource Planning Cycle and 2026-2027 Transmission Planning Process | Rulemaking 20-05-003

Integrated Resource Planning (IRP) is in the midst of its 2024-2026 cycle that will conclude when the CPUC adopts a Preferred System Plan (PSP) in February 2027. In support of developing that PSP, the IRP team will issue filing requirements for all jurisdictional load-serving entities (LSEs) to use as they develop the individual IRP plans they are required to submit on November 1, 2025. The IRP program will also hold a stakeholder process to update the inputs and assumptions

used to identify optimal resource portfolios. The updated model will be used to develop resource portfolios that the IRP team will pass to the California Independent System Operator for their 2026-2027 Transmission Planning Process.

### Resource Adequacy Program | Rulemaking 23-10-011

The CPUC in the Resource Adequacy (RA) program is currently implementing the new Slice of Day program for the 2025 compliance year. Track 2 of the proceeding considered changes to the Central Procurement Entity framework, calibration of the planning reserve margin for the Slice of Day framework, and additional refinements to the RA program. A proposed decision for Track 2 was issued on October 29, 2024, and is scheduled for a vote on December 19, 2024. Track 3 of the proceeding will begin in early 2025 and will consider further refinements to the RA program, including a planning reserve margin for 2026.



*CPUC Safety Policy Division staff discuss strategy and goals at an all-hands meeting in 2024.*



Commissioner John Reynolds and Executive Director Rachel Peterson attend the celebration of a community-driven solar project in January 2024 at St. Mary's Gardens in Oakland, which received funding through the CPUC's Solar on Multifamily Affordable Housing program.

### **Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues | Rulemaking 13-11-005**

The CPUC adopted total system benefit and energy savings goals for 2024-2035 in its summer 2023 decision (Decision 23-08-005). In 2024, the CPUC addressed several outstanding issues, including approval for a Rural Energy Network in San Diego County, splitting the Rural Regional Energy Network into two entities, an audit of Southern California Gas Company's spending on codes and standards programs, and various party motions.

### **Transportation Electrification Policy and Infrastructure | Rulemaking 23-12-008**

The CPUC will explore and consider improvements to inputs and assumptions that support proactive planning of electric grid infrastructure to meet zero emissions vehicles targets and regulations. The CPUC will also continue to advance vehicle-to-grid integration

efforts. Finally, the CPUC will consider any modifications to the implementation of the Low Carbon Fuel Standard based on changes to California Air Resources Board regulations.

### **Timely Energization | Rulemaking 24-01-018**

The CPUC, as part of Phase 2 of this proceeding, will identify and address new utility actions necessary to accelerate energization targets and timelines, and analyze the progress utilities have made towards meeting the adopted targets and timelines. The CPUC will consider PG&E's motion to modify their energization cost recovery mechanism that was originally established in Decision 24-07-008.

### **Community Solar Proceeding | Application 22-05-022 et al.**

The CPUC is currently considering party comments on implementation design for the future Community Renewable Energy Program that was adopted in Decision 24-05-065. That decision expanded an existing CPUC community solar program and launched this new community solar program that allows California to capture millions of dollars in state and federal funding, including the \$249 million Solar for All grant awarded to California by the United States Environmental Protection Agency. In June, the CPUC issued a ruling asking parties for feedback on how best to implement the new program, including what are the appropriate incentive level amounts on a per project basis. The CPUC is weighing the recorded evidence in the proceeding and will be releasing a proposed decision on these implementation details.

## **RAIL**

### **Rulemaking to Revise General Order 143-B**

In 2025, the CPUC plans to open a rulemaking to revise General Order 143-B, titled "Safety Rules and Regulations Governing Light-Rail Transit."

### Risk-Based Inspection Program for Rail Transit Safety Branch

The CPUC will modify its existing rail transit inspection program to a more risk-based inspection program, as required by the Federal Transit Administration (FTA). On November 12, 2024, FTA approved CPUC's Risk-Based Inspection program plan, and the CPUC started implementing it. In 2025, the CPUC will continue to implement and refine the program and will provide FTA documentation to demonstrate compliance after six months.

### Administration of Federal Transit Administration Grant

The CPUC will continue to apply for and administer annual Federal Transit Administration (FTA) grants for funding up to 80% of the cost of the Commission's program for overseeing the safety of FTA-funded rail transit agencies. In August 2024, the FTA awarded CPUC the latest grant in the amount of \$6.75 million. Since 2015, FTA has awarded the CPUC approximately a total of \$47.5 million in grants to fund its rail transit safety program.

### Oversight of Capital Projects

The CPUC will continue to provide safety oversight of over 20 rail transit agency major capital projects, including eight new vehicle acquisition projects, eleven new rail transit systems and transit line extensions, and five technology upgrades and other projects.

### Rail Transit Safety Program Implementation of Approved Budget Change Proposal

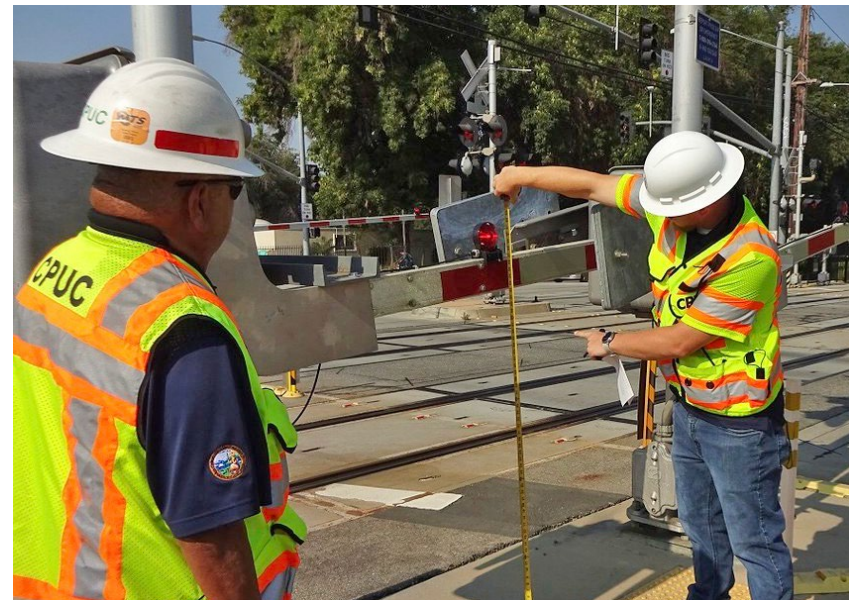
The Budget Act of 2024 (Assembly Bill 107, Gabriel, 2024) appropriated additional resources for the CPUC's rail transit safety program in recognition of the new Risk-Based Inspection program, numerous current and projected capital projects, and other work. The CPUC will work to expeditiously fill the seven newly authorized positions.

### Autonomous Vehicles and Rail Crossings

In 2025, the CPUC will continue to support and provide rail crossing safety input to the California Manual on Uniform Traffic Control Devices, Department of Motor Vehicles, and California Department of Transportation for regulations, licensure, and safety policies for autonomous vehicles.

### Brightline West High-Speed Rail

In 2025, the CPUC will continue to work on the Brightline West high-speed passenger train project, including review of the proposed designs for the more than 30 remaining crossings that require authorization and will prepare draft resolutions for approval to authorize new crossings as appropriate.



*CPUC staff conduct an inspection of the California Boulevard rail crossing on L.A. Metro's A Line in Monrovia, California, on July 9, 2024, verifying that warning devices are in compliance with applicable rules and regulations.*

## California High-Speed Rail Project

In 2025, the CPUC will continue to collaborate with the California High-Speed Rail Authority, review rail crossing applications, provide guidance on filings, and respond to applications in CPUC proceedings.

## The Manual on Uniform Traffic Control Devices

In 2025, CPUC staff will continue to coordinate on rail crossing topics with the California Department of Transportation, Federal Highway Administration, and subject matter experts in developing a major revision to the California Manual on Uniform Traffic Control Devices, with expected publication in January 2026.



*CPUC Consumer Protection and Enforcement Division staff discuss strategy and goals at an all-hands meeting in 2024.*

## TRANSPORTATION

### Clean Miles Standard Program | Rulemaking 21-11-014

The CPUC is scheduled to issue a Phase 2 staff proposal by early 2025, with comments due thereafter. A Phase 2 proposed decision is anticipated but not scheduled in the amended scoping memo for 2025. The Phase 2 decision is anticipated to cover issues such as enforcement, sustainable land use, and autonomous vehicles.

### Transportation Network Company and Autonomous Vehicle Rulemaking | Rulemaking 12-12-011

The CPUC in this proceeding will address remaining Transportation Network Company and Autonomous Vehicle (AV) passenger service issues, including the transport of unaccompanied minors and the confidentiality of reported data, while setting the stage for a new AV-focused proceeding in 2025.

### Transportation Network Company Access for All Program | Rulemaking 19-02-012

The CPUC will continue to administer the Transportation Network Company Access for All Program and work to expand wheelchair accessible vehicle services to more Californians.

### Transportation Compliance and Enforcement

The CPUC will ensure compliance with its rules and regulations for regulated transportation carriers, host safety promotion events, review consumer complaints, conduct field inspections, open investigations, and take appropriate enforcement action as needed in accordance with the Commission's Enforcement Policy.

## WATER

### **Golden State Water Company's General Rate Case Application for Sutter Pointe | Application 24-08-011**

Golden State Water Company's general rate case application establishes rates for its new Sutter Pointe Customer Service Area to be effective January 1, 2026. The application will be considered in 2025.

### **Liberty Utilities Corporation's General Rate Case Applications | Application 24-01-002/003**

The CPUC will review and consider Liberty Utilities Corporation's general rate case application for Apple Valley Ranchos and Park Water rates to be effective July 1, 2025, and expects to issue a decision in mid-2025.

### **2026 California Water Service Company's General Rate Case Application | Application 24-07-003**

California Water Service Company's general rate case application requests new rates to be effective January 1, 2026. The CPUC will review and consider the application and expects to issue a decision during the third quarter of 2025.

### **Great Oaks Water Company's General Rate Case Application | Application 24-07-001**

Great Oaks Water Company general rate case application requests new rates to be effective July 1, 2025. The CPUC will review and consider the application during the first half of 2025.

### **San Gabriel Valley Water Company's General Rate Case Application**

San Gabriel Valley Water Company will file a general rate case application in the first half of 2025 for rates to be effective July 1, 2026. The CPUC will review the application when filed.



*Commissioner Matthew Baker and CPUC staff tour a per- and polyfluoroalkyl substances treatment facility in Southern California on November 10, 2024.*

### **California-American Water Company's General Rate Case Application**

California-American Water Company will file a general rate case application in the second half of 2025 for rates to be effective January 1, 2027. The CPUC will review the application when filed.

### **Application to Authorize a Cost of Capital for the Four Large Class A Water Utilities**

The CPUC expects the four large Class A water utilities to file applications for an authorized cost of capital in the first half of 2025. The CPUC will review these applications when filed.

### **Acquisition Rulemaking | Rulemaking 22-04-003**

The acquisition rulemaking will consider updates to the CPUC's policies on water and sewer utility acquisitions and consolidations. A decision is expected in the third quarter of 2025.

# Executive Director's Letter



A message from the Executive Director:

The California Public Utilities Commission is a mission-driven agency regulating the utility services that are essential to modern life in California, and I am honored to serve as its Executive Director.

As California faces increasingly complex challenges, driven significantly by climate change, the CPUC's regulatory role directing the quality, accessibility, and affordability of electricity, gas, telecommunications, broadband, rail transportation, passenger transportation, and water services becomes all the more vital.

We are meeting these diverse and multifaceted challenges with a unified organizational strategy that focuses on investing in our workforce, implementing our Environmental and Social Justice Action Plan commitments, achieving operational excellence, and continually improving our ability to perform the agency's core functions.

Each year, the Executive Director's letter highlights the CPUC's accomplishments that are critical to ensuring the operational efficiency of the CPUC.

Sincerely,

A handwritten signature in black ink that reads "Rachel Peterson". The signature is written in a cursive, flowing style.

Rachel Peterson, Executive Director  
California Public Utilities Commission

Pursuant to The Public Utilities Commission Act (Senate Bill 512, Hill, 2016), the CPUC assesses the performance of the Executive Director and the CPUC based on “criteria established in the prior year’s Work Plan.” This chapter assesses the Executive Director’s performance against the criteria set out in the 2023 Work Plan and the overall performance of the CPUC.

## CRITERION 1:

Success in executing and continuing progress toward the CPUC’s policy and administrative goals.

### **Environmental and Social Justice (ESJ) Action Plan Commitment Achievements:**

In 2022, the CPUC adopted its second ESJ Action Plan, which outlined more than 90 goals related to health and safety, consumer protection, program benefits, and enforcement in all the sectors the CPUC regulates. In 2024, the CPUC achieved 39 goals related to enhanced outreach to ESJ communities for Energy Efficiency programs, and increasing efforts to support tribes in broadband network development. The CPUC’s goal is to complete the ESJ Action Plan by mid-2025.

**Improving Utility Customer Support:** The CPUC’s Consumer Affairs Branch (CAB) is

the primary point of contact for consumers seeking to make a complaint against a regulated utility, such as an electric or gas utility, telecommunications company, or passenger transportation company. The CPUC has undertaken a multi-year transformation effort in CAB, returning results in 2024 in efficiency, service quality, and staff professional growth opportunity. Highlights from this progress include:

- **Responding to More Calls:** CAB answered 23% more calls in fiscal year 2023-2024 (2,826) than the prior period (2,294).
- **Resolving Complaints Faster:** CAB representatives decreased the average time to close a consumer complaint by 10 days.

- **Employees Earning Promotions:** Of CAB’s 30 operations staff members, 20 have prepared for, applied for, and earned promotions within the CPUC. CPUC

*At a November 13, 2024, quarterly meeting, CPUC’s Consumer Affairs Branch recognize high-performing staff for their exceptional assistance with regulated utility issues. Jennifer Haug (middle), a Consumer Affairs representative, receives recognition from Heather Dunham (right), Consumer Services Supervisor, and Rebekah Singleton (left), Consumer Services Manager.*



**In 2024, CAB’s work helped return \$5,228,303 to utility customers.**

executive leadership focused this workforce investment specifically on CAB as a key strategic pillar within the CPUC's broader diversity, equity, and inclusion efforts in the workplace. A new career ladder now exists for CAB staff members within the civil service merit system, creating opportunities for skill-building, growth, and advancement.

**Centralized Enterprise Geographic Information Systems:** The CPUC Information Technology Services Division continued to enhance Geographic Information Systems (GIS) services at the Commission. This effort is already yielding improved GIS capabilities that staff are leveraging across multiple industries, proceedings, and projects—producing maps

that provide the public and stakeholders with information about the status of regulated industry and infrastructure. See, for example, the Broadband Equity, Access, and Deployment map or the Federal Funding Account awards map.

## CRITERION 2:

Implementation of effective business systems and innovation in core operations.

**Audits and Compliance:** The CPUC successfully closed 58 audit recommendations

in 2024 by implementing new risk mitigation controls across numerous divisions and teams,

including accounting, contracts, human resources, communications, water, energy, and information technology.

**Utility Audits:** CPUC's Utility Audits Branch (UAB) completed 52 external audits of utility companies, encompassing energy, energy procurement, communications, utility balancing accounts, and water and sewer industries. These audits, which require unique expertise, are an important means of ensuring accountability within regulated industries. In



*CPUC's Utility Audits, Risk and Compliance Division holds an all-hands meeting at the San Francisco office in July 2024 to share progress and strategize the agency's external audit and risk mitigation work. Left to right: Masha Vorobyova, Nancy Ta, Lola Odunlami, Rachel Peterson, Cheryl Livingston, Catlin Ha*



2024, UAB auditors found several instances of non-compliance by utilities and directed funds to be returned to ratepayers and customers. In one instance, Pacific Gas and Electric Company overstated or did not substantiate \$5.3 million of claimed expenditures in its cost recovery application for the Gas Safety and Electric Modernization program. In another, Southern California Gas

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**The Utility Audits Branch found several instances of non-compliance by utilities and directed \$10.5 million in remedies.**

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Company incurred \$4.0 million in questioned costs for unallowable activities in its Energy Efficiency Codes and Standards program. In a third, AT&T overclaimed over \$1.2 million

from the California Lifeline Fund. Through the work of UAB, these errors were discovered and remedied to the benefit of the public.

### CRITERION 3:

Progress toward enhancing its safety culture at the CPUC.

#### **A Posture of Readiness for Climate Events:**

In 2024, the CPUC continued to implement a safety culture by enhancing procedures and systems for better monitoring of safety, reliability, and resiliency across regulated industries. This increases the CPUC's preparedness for disasters such as earthquakes and climate-driven events like wildfires, Public Safety Power Shutoffs (PSPS), and grid emergencies, which often occur in the summer and fall. The CPUC integrated safety at multiple levels through a continuous improvement process by observing the utilities conduct tabletop and full-scale all-

hazard training exercises, as well as their participation in a full-scale cybersecurity exercise. As California faced major weather events, including wildfires, PSPS warnings, atmospheric rivers, snowstorms, and Tropical Storm Hillary, the CPUC monitored the utilities' response efforts to ensure their iterative improvements were implemented during the crisis events. Additionally, the

CPUC worked with agencies including the California Governor's Office of Emergency Services, the California Seismic Safety Commission, and the California Energy Commission at multiple levels to further refine crisis coordination efforts, culminating in a CPUC Senior Leadership Team Tabletop Exercise focused on landscape-scale disaster response.

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**In 2024, the CPUC imposed \$4.2 million in penalties against utilities for improper PSPS implementation, which were paid to the state's General Fund.**

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## CRITERION 4:

Progress towards creating an inclusive environment through investing in the CPUC workforce.



*Executive Director Rachel Peterson administering the California State Oath of Allegiance to Nancy Diaz, the CPUC's first Diversity, Equity, and Inclusion and Equal Employment Opportunity Officer, at the Los Angeles Office in October 2024.*

**First Diversity, Equity, and Inclusion Officer Position:** In October, the CPUC hired its first Diversity, Equity, and Inclusion Officer to oversee efforts related to equitable workforce development, inclusiveness in the workplace, and the implementation of the CPUC's Environmental and Social Justice Action Plan. This new position will meaningfully contribute to the CPUC's efforts to create an inclusive and equitable environment inside and outside the agency.

**Integrating Environmental and Social Justice and Tribal Topics Into the CPUC Core Curriculum for New Hires:** The CPUC's Learning & Development Unit oversees eight learning sessions for new employees that provide an overview of the diverse functions, responsibilities and roles of the CPUC. In 2024, over 200 new employees attended an updated Environmental and Social Justice (ESJ) session about the CPUC's

efforts to bring ESJ principles and structural incentives into the agency's far-reaching policy and programs. Employees left the session with connections to online resources and staff contacts to assist them in incorporating ESJ into their day-to-day work.

**Upward Mobility for Career Development:** The Upward Mobility program connects employees in specific designated positions with resources and support for career development and preparation to compete for roles with higher pay and an upward career movement. Since relaunching the program in 2023, the CPUC has seen two participants compete successfully for positions with an upward career track. The CPUC's Talent Acquisition Unit and Equal Employment Opportunity Officer continue to collaboratively work with participants on their professional development and advancement.

## CRITERION 5:

Continued progress toward public and legislative confidence in the CPUC through effective communication.

**Communications Campaigns:** The CPUC continues to build public understanding of its pivotal role as the regulator of essential utility services. In 2024, the CPUC launched a series of strategic communications campaigns highlighting significant regulatory decisions and milestones. The CPUC communicated the complexities of utility rate cases, and the county-by-county awards of over \$1 billion

in Federal Funding Account grants to expand broadband access across California. The campaigns increased accurate, comprehensive media coverage of complex and high-profile issues.

**Office of Governmental Affairs:** The Office of Governmental Affairs (OGA) engages with the California Legislature in the legislative and budget processes on behalf of

*CPUC Senior Leadership Team gathers in Sacramento to set strategy and collaborate on annual goals in October 2024.*

*Left to right, standing: Cesar Vigil Fuentes, Aaron Bloom, Allison Brown, Terence Shia, Lee Palmer, Robert Osborn, Pete Skala, Forest Kaser, Ryan Dulin, Angie Williams, Erin Rodriguez, Terra Curtis. Seated: Shao Pat Tsen, Simon Baker, Kristin Stauffacher, Leuwam Tesfai, Ana Maria Johnson, Christine Hammond, Rachel Peterson, Terrie Prosper, June Landry, Liza Dougherty*



the CPUC. This engagement influences the development of proposed policies and budget appropriations in legislation, ensuring they are designed to effectively address current and emerging challenges in the industries regulated by the CPUC. OGA organized and led formal legislative staff informational briefings in 2024 on a variety of urgent topics and responded to numerous requests for information on proposed legislation and pending issues with representatives of the Executive and Legislative branches.

**Statewide Outreach:** In 2024, the CPUC held public meetings virtually and in-person throughout California. The CPUC hosted 19 in-person Voting Meetings in 2024, split between San Francisco and Sacramento, and traveling to Lake Forest, San Luis Obispo, and Bakersfield. The CPUC ensured broad access by providing Spanish language interpreters for the public comment period of all Voting Meetings. Voting Meetings were attended by 1,857 members of the public, with 229 providing public comment.

In addition, the CPUC held 40 Public Participation Hearings (PPHs), also called Public Forums, to provide opportunities for the public to comment on open CPUC proceedings. Throughout 2024, either in-person or virtually, 983 members of the public attended and 767 provided public comment at PPHs.

**The Office of the Tribal Advisor:** The California Public Utilities Commission is committed to integrating tribal concerns into its programs and policies through active discussions and consultations with tribes. The Office of the Tribal Advisor (OTA) provides information about upcoming forums, hearings, and workshops. In 2024, the OTA joined the California Strategic Growth Council’s review panel for the Tribal Capacity Building Pilot Program, which supports the CPUC’s goals of enhancing participation by California tribes in the work of the CPUC. The OTA also represented the CPUC at the Southern California Tribal Chairmen’s Association Tribal Energy & Climate

Collaborative, and the U.S. Department of Energy’s Tribal Clean Energy Summit.

The OTA continued to support the CPUC’s efforts to update and refine the Commission’s Tribal Land Transfer Policy (TLTP) and Tribal Consultation Policy (TCP) (Rulemaking 22-02-002). This work included conducting workshops, outreach, and communications with California Native American tribes and facilitating consultations. The CPUC’s currently effective TLTP establishes a preference for the transfer of real property to tribes when an investor-owned utility plans to dispose of real property within a tribe’s ancestral territory. The CPUC’s TCP provides a framework to establish and maintain effective relationships with tribes within the context of their sovereignty. Both are the subject of potential revisions in the rulemaking, which has featured extensive consultations with tribes across California.

## SUMMARY EVALUATION OF EXECUTIVE DIRECTOR PERFORMANCE:

Based on the criteria set out in the law, the Executive Director has met the performance criteria established in the 2023 annual report.



*President Alice Reynolds, Commissioners Darcie Houck, John Reynolds, Matthew Baker, and Executive Director Rachel Peterson, along with staff from Surfnet, at the May 2024 CPUC Voting Meeting in San Luis Obispo, California. Surfnet is a regional internet service provider that has been awarded several CPUC broadband grants to deliver last mile broadband service to unserved and disadvantaged communities in the counties of San Luis Obispo and Santa Cruz.*

## PERFORMANCE CRITERIA FOR 2025

In 2025, the criteria against which the Executive Director will be assessed will include:

- Success in executing and progressing toward the CPUC’s regulatory policy and administrative goals.
- Continual improvement in compliance with state rules through the implementation of effective business systems and innovation in core operations.
- Progress towards enhancing the CPUC’s safety culture.
- Progress towards creating an inclusive environment through investing in the CPUC workforce.
- Continued progress toward public and legislative confidence in the CPUC through effective communication.



## CALIFORNIA PUBLIC UTILITIES COMMISSION

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