

COMMISSION POLICY	
Category: Strategic Directive	Title: Risk Management
Date of Adoption:	Policy Number: SD-?
Revision:	Resolution No.
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The CPUC will maintain an enterprise risk management system and internal audit function, with the following objectives:

1. To identify and characterize substantial risks to the achievement of the Commission's goals and strategic objectives, including risks the public faces with respect to entities the CPUC regulates;
2. To prioritize risks of greatest concern, in light of their likelihood, severity, and available options for their mitigation;
3. To consider risk priorities in allocating the CPUC's resources, including budgetary funding and the time and attention of Commissioners and CPUC staff;
4. To test and verify the effectiveness of the CPUC's managerial controls and operations.

Metrics: **TBD**

Monitoring Methods: **Enterprise Risk Management presentation, Chief Internal Auditor reports to the Finance and Administration Committee**

Frequency: **Annual**

SD Direct Links: **Administration, Compliance and Enforcement, Internal Audit**