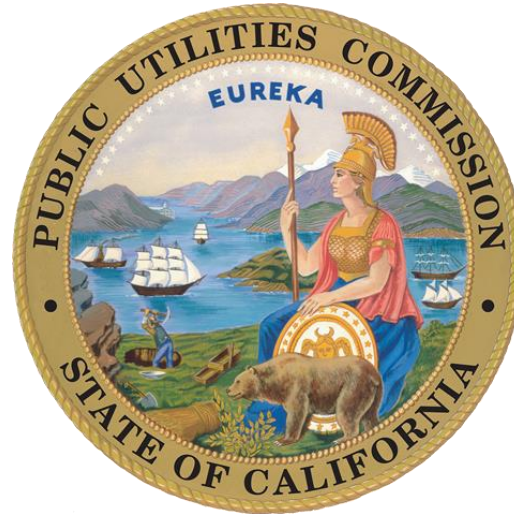




Draft Enforcement Policy



Policy and Governance Committee

California Public Utilities Commission

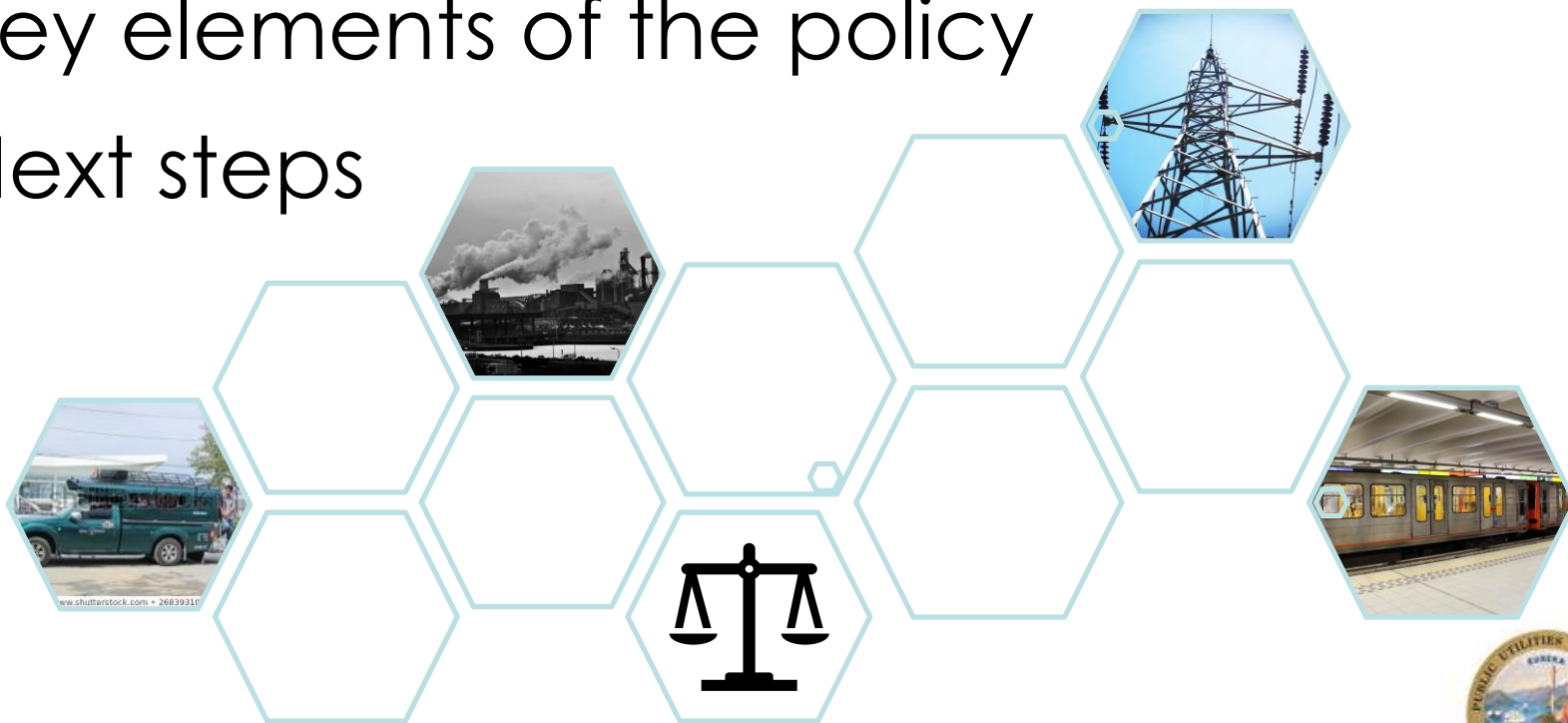
July 1, 2020





Presentation Overview

- Participation today
- Purpose
- Key elements of the policy
- Next steps





Meeting Participation

If you would like to provide comments or ask a question, there are two options:

Dial 1-800-857-1917 and enter code 7218384 and press star one (* 1)

OR

Email PolicyandGovernance@cpuc.ca.gov





Compliance and Enforcement Initiative

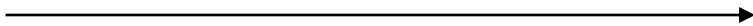
- Initiated in 2018
- Review CPUC enforcement programs and practices
- Identify gaps in enforcement tools and resources
- Establish and implement CPUC Enforcement Policy





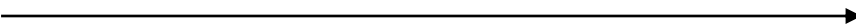
2019 Enforcement Activities

Electrical Incidents Investigated



124

Gas Incidents Investigated



215

Railroad and Rail Transit Incidents Investigated



735

Non-Rail Transportation Incidents Investigated



299

CPUC 2019 Annual Report <https://www.cpuc.ca.gov/annualreports/>





Enforcement Webpage

[Home](#) | [About Us](#) | [Enforcement](#)

Enforcement Actions and Programs

Strong enforcement is critical to ensuring that the CPUC's statutory mandates are carried out and that ratepayers and the public are protected from safety, reliability, service quality, and other violations. The Commission enforces laws and its requirements through a variety of formal and informal means, including the following:

- Formal enforcement investigations (Orders instituting Investigation), which may include fines and other remedies. Staff investigations precede and establish the scope of formal investigations.
- Citation programs, which delegate authority to staff to issue fines for prescribed violations.
- Audits and Inspections
- Our [whistleblower program](#)

Year	Number of Citations and Penalties Per Year, 2007-2019												
	Energy		Communications		Rail		Transportation		Water		All		Total
	Citations	Penalties	Citations	Penalties	Citations	Penalties	Citations	Penalties	Citations	Penalties	Citations	Penalties	
No Date	-	-	-	-	-	-	6	-	-	-	6	-	7
2007	-	-	23	-	-	-	-	-	-	-	23	-	23
2008	-	-	18	-	-	-	-	-	-	-	18	-	18
2009	2	-	26	-	-	-	-	-	-	-	28	-	28
2010	11	-	1	-	-	-	-	-	-	-	12	-	12
2011	2	-	2	-	-	-	-	-	-	-	4	-	4
2012	4	-	-	-	-	-	-	-	-	-	4	-	4
2013	8	-	1	-	-	-	-	-	-	-	9	-	9
2014	3	-	14	-	-	-	-	-	-	-	17	-	17
2015	15	-	4	3	-	1	2	-	-	-	21	4	25
2016	8	-	-	7	-	-	1	-	-	-	9	7	16
2017	10	3	2	4	-	-	95	-	-	1	107	8	115
2018	15	1	65	5	-	2	102	-	-	-	182	8	190
2019	21	-	121	5	-	1	-	-	-	-	142	6	148
Total	99	4	277	24	-	4	206	-	-	1	582	33	615

<https://www.cpuc.ca.gov/enforcement/>





Enforcement Policy

- Articulates principles to guide enforcement activities
- Builds on existing practices
- Applies to all CPUC enforcement activities
- Designed to promote maximum compliance & establish consistent enforcement practices





Guiding Principles

- Promote maximum compliance
- Enforcement that is:
 - Consistent
 - Firm & provides meaningful deterrence
 - Timely
 - Progressive
- Transparency in enforcement activities
- Attention to Environmental Justice and disadvantaged communities
- Adaptive management





Elements of Policy

- Creation of Division & Commission Enforcement Teams
- Range of Enforcement Tools
- Penalty assessment methodology
- Settlement process





Enforcement Teams

Division Enforcement Teams

- Make recommendations about how to proceed with cases
- Prioritization and resource allocation
- Track enforcement activities
- Make public information accessible

Commission Enforcement Team

Discuss enforcement matters with the goal of promoting consistency and efficiency





Range of Enforcement Tools

In-Person or Telephone Communication

Warning Letter or Email

Request for Information

Subpoena

Cease & Desist / Stop Work Order

Notice of Violation

Administrative Consent Order (New)

Citation and Compliance Programs

OR

Administrative Enforcement Order (New)

Order Instituting Investigation

Order to Show Cause

Suspension, Alteration, Amendment, and Revocation/ Receivership

Civil or Criminal Action

Referral to Another Agency





New Administrative Tools

- Administrative Consent Order
 - Staff may negotiate with regulated entities; subject to Commission approval
- Administrative Enforcement Order
 - Staff may issue in lieu of a citation or other enforcement tool; orders are subject to Commission approval
 - Parties entitled to hearing if requested





Proposed Next Steps

- Submit comments by July 15th to PolicyandGovernance@cpuc.ca.gov
- Issue draft resolution for CPUC approval

For additional information, please contact:
Deidre Cyprian at Deidre.Cyprian@cpuc.ca.gov





Thank you for participating in today's
Policy and Governance Committee
meeting

