

STATE OF CALIFORNIA

Public Utilities Commission
San Francisco

M e m o r a n d u m

Date: March 15, 2016

To: The Commission
(Meeting of March 17, 2016)

From: Hazel Miranda, Director
Office of Governmental Affairs (OGA) – Sacramento

Subject: **AB 1651 (Obernolte) – Public Utilities Commission: contracts.**
As amended: January 12, 2016

RECOMMENDED POSITION: SUPPORT AS SPONSOR

SUMMARY OF BILL

This bill would require the California Public Utilities Commission (CPUC) publish on its website a copy of each contract the CPUC enters into and audits conducted by the Department of General Services (DGS).

CURRENT LAW

- Public Utilities (PU) Code Section 583
- Public Records Act

AUTHOR'S PURPOSE

To make more CPUC contract information available.

DIVISION ANALYSIS (Administrative Services)

This bill will impact the CPUC's current workload for Business Services Procurement, Information Technology (IT) Acquisitions and Project Management, and Information Technology units.

This project will require dedicated IT resources to manage the functions, storage, and systems for publishing all contracts related documents on web. It will also require dedicated staff in the contracts section to prepare and digitize the document for publication.

To meet transparency expectations, contracts and related documents from all sources will need to be identified, digitized if there are no digital copies, tracked to audit and confirm that all required publications are publically released, published as a copy to the public website, and search capabilities provided to the public for published documents.

From prior experience to meet public expectations, specifically the CPUC should provide for:

- digitalization of all documents as required
- determination of retention period and additional storage added to meet this need into the future
- linking and tracking that the documents are actually published to the web so there is no question that anything is omitted
- a repository that holds the document of record and a copy is then published - centralized into content server and the web publishing service used to publish the public copy as this will match our current public requirements
- a method for the public to search the documents
- a description of each document for search that is not inside the document
- indexing document content for content search

These are issues that have come up during work with the usage of the current web published public documents such as formal proceeding public publications. The CPUC should meet the current level of public document deployment standards as a minimum as that is what will be expected by the general public.

SAFETY IMPACT

Outside the scope of this analysis.

RELIABILITY IMPACT

The bill will not have an impact under reliability. The state is already required to provide contract information under the Public Records Act.

RATEPAYER IMPACT

Outside the scope of this analysis.

FISCAL IMPACT

Potentially significant fiscal impact driven by IT costs. The CPUC will consider implementation methods and/or amendments to reduce the fiscal impact.

ECONOMIC IMPACT

No direct economic impact

LEGAL IMPACT

State agencies are already generally required to provide contracting information pursuant to the Public Records Act. See, e.g., *Michaelis, Montanari & Johnson v. Superior Court*, 38 Cal. 4th 1065 (2006). Thus, this bill simply requires that information that is generally required to be public is made available on the website. However, to the extent any entity claims that any contract or bid document to which that entity is a party is confidential pursuant to Public Utilities Code Section 583 or other provision, the CPUC should be allowed to withhold publication on its website of any such material as to which that entity meets the burden of proving entitlement to confidential treatment.

Such treatment is allowed in limited circumstances under CPUC Decision 06-06-66 and other decisions adopted in CPUC.

LEGISLATIVE HISTORY

“Information Hearing: California Public Utilities Commission Contracting Practices”,
Assembly Utilities & Commerce August 17, 2015
<http://autl.assembly.ca.gov/2015hearings>

California State Auditor, “California Public Utilities Commission — Contracting Practices and Procedures” (2016-104)
<https://www.auditor.ca.gov/reports/scope/2016-104>

PROGRAM BACKGROUND

Business Services Procurement, Information Technology Acquisitions and Project Management, and Information Technology units contract awards are currently stored in multiple locations and is tracked across multiple systems. The impact, depending on the list of documents required on the web, not all documents will be in digital form as submissions from vendors are often paper based.

OTHER STATES’ INFORMATION

Not available.

SUMMARY OF SUPPORTING ARGUMENTS FOR RECOMMENDATION

This bill should be [approved] for the following reason(s):

- (1) It will make more CPUC contract information available to the public

SUMMARY OF SUGGESTED AMENDMENTS

Possible amendments to reduce the cost of implementation.

SUPPORT/OPPOSITION

None on file.

VOTES

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BILL LANGUAGE:

AB 1651 (Oberholte), as introduced January 12, 1016, Public Utilities Commission:
contracts.

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB1651