

Decision 01-09-019 September 6, 2001

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Rulemaking on the Commission's Own  
Motion for the Purpose of Amending the  
Commission's Conflict of Interest Code.

Rulemaking 01-06-023  
(Filed June 14, 2001)

**ORDER ADOPTING AMENDMENTS  
TO CONFLICT OF INTEREST CODE**

Today we adopt amendments to our Conflict of Interest Code. The code, as amended, is attached to this decision. The code will now be submitted to the Fair Political Practices Commission for its approval.

The adopted amendments are those proposed in our order instituting this rulemaking. We sent that proposal to the Office of Administrative Law, and it was duly published on June 29, 2001, in the California Regulatory Notice Register. Briefly, the amendments are needed to reflect current circumstances, as those circumstances have changed since 1998, when we last amended the code. The amendments are of two basic types. First, certain categories of employees had to be added to or deleted from the lists of designated and nondesignated ("exempt") employees. Second, some categories had to be changed because the classification had been retitled or expanded by inclusion of additional grades.

The adopted amendments were widely circulated to those employees affected by the changes and to the employee collective bargaining representatives. The amendments proved noncontroversial. We have received no comments and no requests for hearing. We are satisfied that the amendments are well suited to their purpose and should be adopted as proposed.

The Fair Political Practices Commission has rules that prescribe the process by which a state agency may amend its Conflict of Interest Code. (See California Code of Regulations, Title 2, § 18750 et seq.) Among other things, these rules require the agency to make certain findings, which we set forth in our order instituting this rulemaking. As with the amendments, the proposed findings proved noncontroversial. Accordingly, we find that the adoption of the amendments (1) will not impose a cost or savings on any state agency, local agency or school district that is required to be reimbursed under Part 7 (commencing with § 17500) of Division 4 of the Government Code; (2) will not result in any nondiscretionary cost or savings to local agencies; (3) will not result in any cost or savings in federal funding to the state; (4) will not impose a mandate on local agencies or school districts; and (5) will not have any potential cost impact on private persons or businesses including small businesses. We also find that no alternative approach to that embodied in the amendments would be more effective in carrying out the purposes of the Political Reform Act or would be as effective and less burdensome to the individuals involved.

Pursuant to Public Utilities Code Section 311(g)(3) and Rule 77.7(f)(8) of the Rules of Practice and Procedure, public review and comment regarding today's decision is being waived.

### **Findings of Fact**

1. The amended Conflict of Interest Code attached to this decision appropriately updates and corrects the Commission's Conflict of Interest Code as last amended in 1998.

2. Adoption of the amendments will not have any of the undesirable consequences set forth in the foregoing opinion.

3. No alternative approach would be more effective in carrying out our responsibilities or would be as effective and less burdensome to the individuals involved.

### **Conclusions of Law**

1. The amended Conflict of Interest Code attached to this decision should be adopted and forwarded to the Fair Political Practices Commission for its approval.

2. As the amendments in today's order have already been subject to public review and comment pursuant to the Administrative Procedure Act, further public review and comment should be waived, as provided by Public Utilities Code Section 311(g)(3) and Rule 77.7(f)(8) of the Commission's Rules of Practice and Procedure.

3. To ensure prompt implementation of these amendments, this order should be effectively immediately.

### **IT IS ORDERED** that:

1. Public review and comment regarding this decision is waived, and the amended Conflict of Interest Code attached to this decision is adopted.

2. The Executive Director shall forward this decision and attached code to the Fair Political Practices Commission.

3. Rulemaking 01-06-023 is closed.

This order is effective today.

Dated September 6, 2001, at San Francisco, California.

LORETTA M. LYNCH

President

HENRY M. DUQUE

RICHARD A. BILAS

CARL W. WOOD

GEOFFREY F. BROWN

Commissioners

ATTACHMENT

Page 1

**CONFLICT OF INTEREST CODE**

As Adopted by the California Public Utilities Commission  
(20 California Code of Regulations, Division 1, Chapter 2)

The Political Reform Act, Government Code Sections 81000, *et seq.*, requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the following list in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the Public Utilities Commission.

**1. Positions and Applicable Disclosure Categories**

**1.1. Designated Employees**

Designated employees shall file statements of economic interests with the agency.

The following are “designated employees” and the applicable disclosure categories:

<b><u>Designated Employees</u></b>	<b><u>Applicable Disclosure Categories</u></b>
Administrative Assistant I	2, 3
Administrative Assistant II	2, 3
Administrative Law Judge I	15
Administrative Law Judge II	15
Assistant Chief ALJ	2, 3, 15
Assistant Chief PU Counsel	2, 3, 15
<del>Assistant Engineer Specialist (Utilities)</del>	<del>15</del>
<del>Assistant Utilities Engineer</del>	<del>15</del>
Associate Budget Analyst	2, 3
Associate Governmental Program Analyst	2, 3, 15
Associate Info Systems Analyst (Spec)	3
Associate Info Systems Analyst (Supv)	3
Associate Management Analyst	2, 3

ATTACHMENT

Page 2

Associate Personnel Analyst	2, 3
Associate Programmer Analyst (Specialist & Supv)	3
Associate Transportation Representative	15
<del>Associate Utilities Engineer</del>	<del>15</del>
Business Services Officer I (Spec)	2, 3
Business Services Officer I (Supv)	2, 3
CEA Level 1	2, 3, 15
CEA Level 2	2, 3, 15
CEA Level 3	2, 3, 15
CEA Level 4	2, 3, 15
Chief Administrative Law Judge	1
Chief Hearing Reporter	2, 3
Computer Operator C	3
Consumer Affairs Representative	15
Consumer Affairs Services Manager	15
Consumer Affairs Services Supervisor	15
Data Processing Manager I	3
Data Processing Manager II	3
Data Processing Manager III	3
<del>Director of Strategic Planning</del>	<del>4</del>
Graduate Legal Assistant	15
Information Officer I (Specialist)	15
Information Officer I (Supervisor)	15
Information Officer II	15
Information Systems Technician C	3
Information Systems Technician Supv I	3
Information Systems Technician Supv II	3
<del>Junior Utilities Engineer</del>	<del>15</del>
Legal Counsel A	15
Legal Counsel B	15
<del>Legislative Analyst</del>	<del>15</del>
Management Services Technician B	2, 3
Personnel Services Specialist I B	2, 3
Personnel Services Specialist II	2, 3
Principal PU Financial Examiner	15
Principal Transportation Division	2, 3, 15
Program and Project Supervisor	2, 3, 15
Program Manager	2, 3, 15
<del>Public Advisor</del>	<del>4</del>
Public Utilities Counsel I, PUC	15

ATTACHMENT

Page 3

Public Utilities Counsel II, PUC	15
Public Utilities Counsel III, PUC	15
Public Utilities Counsel IV, PUC	15
Public Utilities Regulatory Analyst I A	15
Public Utilities Regulatory Analyst I B	15
Public Utilities Regulatory Analyst I C	15
Public Utilities Regulatory Analyst II	15
Public Utilities Regulatory Analyst III	15
Public Utilities Regulatory Analyst IV	15
Public Utilities Regulatory Analyst V	15
Public Utilities Financial Examiner II	15
Public Utilities Financial Examiner III	15
Public Utilities Financial Examiner IV	15
Senior Electrical Engineer	15
<u>Senior Information Systems Analyst (Supv)</u>	<u>3</u>
<u>Senior Programmer Analyst (Supv)</u>	<u>3</u>
Senior Rapid Trans. Comp. Control Syst. Spec	11, 12
<del>Senior Reliability and Quality Engineer</del>	<del>11, 12</del>
<del>Senior Transportation Engineer</del>	<del>11, 12</del>
Senior Transportation Operations Supervisor	11, 12
Senior Transportation Rate Expert	11, 12
Senior Transportation Representative	11, 12
Senior Utilities Engineer (Specialist)	15
Senior Utilities Engineer (Supervisor)	15
Staff Information Systems Analyst (Specialist)	3
Staff Information Systems Analyst (Supervisor)	3
Staff Programmer Analyst (Supervisor) & (Specialist)	3
Staff Services Analyst (General) A, B, C	2, 3
Staff Services Manager I	2, 3
Staff Services Manager II (Managerial)	2, 3
Staff Services Manager II (Supervisory)	2, 3
Staff Services Manager III	2, 3
Supervising Transportation Engineer	11, 12
Supervising Transportation Rate Expert	11, 12
Supervising Transportation Representative	11, 12
Supervisor Operations & Safety Section, PUC	11, 12
Transportation Analyst B, C	15
<u>Utilities Engineer</u>	<u>15</u>

ATTACHMENT

Page 4

**1.2. Exempt Positions**

Legal Advisor I, II	1
Technical Advisor, PUC	1
Executive Director, PUC	1
Executive Coord for Media & Public Relations	15
General Counsel, PUC	1
Legislative Liaison Director, PUC	2, 3, 15
<del>Special Representative of the PUC</del>	<del>1</del>
<del>Affirmative Action Officer, PUC</del>	<del>2, 3, 15</del>
Legislative Analyst, PUC	15
Director of Office of Ratepayer Advocates	1

**1.3. Other**

Commission Consultants	16
------------------------	----

**2. Disclosure Categories**

For purposes of the following categories, “business entity” means any organization or enterprise, including but not limited to a proprietorship, firm, business trust, joint venture, syndicate, corporation or association. “Business position” refers to status as a director, officer, partner, trustee, employee or holder of a position of management in any business entity. Gifts are treated as income for reporting purposes.

Category 1

Designated officials and employees assigned to this category must report all sources of income, interests in real property, and investments and business positions in business entities.

Category 2

Designated employees assigned to this category must report all income from, and investments and business positions in, business entities that provide services, supplies, materials, machinery or equipment of the type purchased, leased, or obtained by contract by the California Public Utilities Commission other than those interests reported under Category 3.

Category 3

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that manufacture, sell, distribute or otherwise provide computers, computer hardware, computer software,

ATTACHMENT

Page 5

computer services, computer models, or computer-related supplies, materials, machinery, equipment of the type utilized by the California Public Utilities Commission.

Category 4

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that design, develop, construct, operate, maintain, sell or acquire facilities that transmit or distribute electricity or natural gas, or that generate electricity.

Category 5

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that are energy consultants, research firms, or engineering firms, or entities that design, build, manufacture, sell, distribute or maintain equipment of the type that is utilized by energy service providers.

Category 6

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that provide energy conservation services or energy management services, and entities that design, build, manufacture, sell, distribute or maintain energy conservation or energy management devices.

Category 7

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that design, develop, construct, operate, maintain, sell or acquire facilities for telecommunications services.

Category 8

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that are telecommunications consultants, research firms, or engineering firms, or entities that design, build, manufacture, sell, distribute or maintain equipment or related products of the type that are utilized by telecommunications providers and end-users.

Category 9

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that design, develop, construct, operate, maintain, sell, or acquire facilities for water utility service, as well as business entities that design, develop, manufacture, operate, maintain or sell water conservation devices or services.

ATTACHMENT

Page 6

Category 10

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that are hydrological or geological consultants, research firms, or engineering firms, or engineering firms, or entities that design, build, manufacture, sell, distribute or maintain equipment or related products of the type that are utilized by water utilities and end-users.

Category 11

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that design, develop, construct, operate, maintain, sell or acquire railroads, light rail transit and other transit systems that are within the jurisdiction of the California Public Utilities Commission.

Category 12

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities that are consultants, research firms, or engineering firms, or entities that design, build manufacture, sell, distribute or maintain equipment or related products of the type that are utilized by motor carriers, railroads, light rail transit and other transit systems that are within the jurisdiction of the California Public Utilities Commission.

Category 13

Designated employees assigned to this category must report all income from, and investment and business positions in, business entities, including non-profit organizations that have applied for, can reasonably be expected to apply for, or have received approval from the California Public Utilities Commission of funding for intervenor participation or other purpose.

Category 14

Designated employees assigned to this category must report all interests in real property located within the state of California other than the reporting employee's primary residence.

Category 15

Designated employees assigned to this category must comply with all the reporting requirements in Categories 4 through 14.

Category 16

Consultants to the California Public Utilities Commission or to a regulated entity on behalf of the Commission (as defined in Title 2, California Code of Regulation § 18700) must disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

ATTACHMENT

Page 7

The executive director may determine in writing that a particular consultant is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements. Such written determination shall include a description of the consultant's duties and, based upon the description, a statement of the extent of disclosure requirements. The determination of the executive director is a public document and shall be retained for public inspection in the same manner and location as the disclosure statements.

(END OF ATTACHMENT)