

State of California

**Public Utilities Commission
San Francisco**

MEMORANDUM

Date: January 14, 2015

To: The Commission
(Agenda Distribution List)

From: Michael Picker, President

Subject: Establishing Commission Subcommittees

This proposal creates Commission Subcommittees on finance and administration and on policy (mostly focused on policy governance matters). This proposal is for the Subcommittees to meet in public earlier in the week of Commission Meetings (less regularly over time, perhaps, as we clarify issues and build some momentum). It's possible that, as I start discussion with Commissioners, we might identify other standing or ad hoc Subcommittees, but these are the two that I think are important to begin soon.

The expectation is that we'll improve communications between Commissioners, become more transparent to various public stakeholders, and develop governance tools that help to guide the organization through challenges.

1. Proposed charter for the Finance and Administration Subcommittee:
 - Offers Commission comments on enterprise risk management activities
 - Provides Commissioner linkage to, and oversight for strategic planning efforts
 - Reviews budget and finance issues for the Commission's business (but including regular overview of public purpose funds to ensure proper compliance by grantees)
 - Comments on priorities for internal audit team, and receives reports

- Conducts personnel reviews for staff with direct Commission reports
 - Provides for Commission participation in hiring staff with direct Commission reports
2. Proposed charter for the Policy Governance Subcommittee:
- Develops a written policy governance framework for the Commission, including, but certainly not limited to:
 - Purpose, mission and vision
 - Core values (e.g., transparency, openness and participation, personnel relations, accountability at different organizational levels, safety, environmental protection, cost effectiveness, etc.)
 - Commission governance (e.g., establishing a Governance policy structure, Commission job description and conduct, agenda planning, interim succession of leadership, internal auditor and other oversight mechanisms, etc.)
 - Commission linkages (e.g., reviewing delegations from Commission to staff, setting monitoring and metrics, evaluating staff with direct reports to Commission, etc.)
 - Provides forum for reviewing actions and monitoring staff performance with respect to delegations