



California Public Utilities Commission

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FOR IMMEDIATE RELEASE

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PRESS RELEASE

Docket #: I.12-10-013

CPUC PENALIZES EDISON \$16.7 MILLION FOR FAILURE TO TIMELY REPORT EX PARTE COMMUNICATIONS

SAN FRANCISCO, December 3, 2015 - The California Public Utilities Commission (CPUC) today penalized Southern California Edison \$16.7 million for failure to timely report ex parte communications and for misleading the CPUC, in violation of CPUC rules.

The CPUC determined that Edison engaged in eight unreported ex parte communications between March 26, 2013 and June 17, 2014 related to the shutdown of the San Onofre Nuclear Generating Station, in violation of Rule 8.4 of the CPUC's Rules of Practice and Procedure stemming from failure to report, before or after, ex parte communications that occurred between an Edison executive(s) and a Commissioner. In addition, the CPUC determined that Edison twice violated Rule 1.1, the CPUC's ethics rule, as a result of the acts and omissions of Edison and its employees, which misled the CPUC, showed disrespect for the CPUC's Rules, and undermined public confidence in the CPUC.

Of the total penalty:

- \$16,520,000 is based on finding that a continuing Rule 1.1 violation was set in motion by Edison's failure to accurately and timely report ex parte communications that occurred in Warsaw, Poland;
- \$190,000 is for Edison's violations of Rule 8.4 related to unreported ex parte communications;
- \$30,000 is for a Rule 1.1 violation related to a false statement about ex parte communications.

Additionally, the CPUC ordered Edison to develop a public website tracking of all non-public individual communications related to the San Onofre Nuclear Generating Station investigation by Edison representatives with Commissioners, and/or their Advisors, and/or CPUC decision-makers



going forward. It is the CPUC's intention that this sanction will result in added scrutiny by Edison of its communications with Commissioners, Advisors, and decision-makers, and the CPUC fully expects that Edison will compel a change in its attitude and culture in favor of robust disclosure. Edison submitted information at the CPUC's request detailing communications to date about the San Onofre Nuclear Generation Station proceeding and investigation, and that information is available through the record of the proceeding.

“Under the CPUC's rules, communications with decision-makers are permitted in ratesetting proceedings, but they must be reported and noticed. In this case, several communications were not properly noticed or reported, although the underlying communications were not prohibited by CPUC rules,” said Commissioner Catherine J.K. Sandoval, the Commissioner assigned to the proceeding. “Ensuring that parties follow reporting requirements is critical to promote transparency. The failure of Edison to follow reporting rules that protect the integrity of a decision-making process merits the significant penalty imposed.”

Said Commissioner Liane M. Randolph, “This fine is a clear statement by the CPUC that these rules matter, that we are watching and that we will enforce them.”

The proposal voted on is available at:

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M156/K155/156155996.PDF>.

For more information about the CPUC, please visit www.cpuc.ca.gov.

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