

Date of Hearing: March 18, 2026

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

AB 1715 (Schiavo) – As Introduced February 4, 2026

**SUBJECT:** Public utilities: reporting

**SUMMARY:** Requires public utilities to create a standardized online database for advice letters submitted to the California Public Utilities Commission (CPUC). The CPUC also requires these entities to provide a link to the advice letter in any associated customer notice of rate change. Additionally, the bill establishes mandatory reporting and accountability requirements for electric and gas utilities regarding their use of taxpayer funding including grants, loans, and bonds from federal and state entities. Specifically, **this bill:**

- 1) Requires each public utility to maintain a searchable database of advice letters submitted to the CPUC on its internet website.
- 2) Requires the CPUC to establish guidelines for each public utility to use when establishing a searchable database, include the following:
  - a. Common indexing scheme.
  - b. Title, number, date filed, date approved, associated docket number, and keywords must be searchable.
  - c. Public responses, protests, and resolutions must be linked with associated advice letter records.
- 3) Requires public utilities to provide a link to advice letters associated with any rate change in a customer notice.
- 4) Defines “taxpayer funding” as any funds received from public entities in the form of grants, loans, or bonds – including those appropriated by the Congress of the United States through the Infrastructure Investment and Jobs Act (IIJA) (Public Law 117-58), the Inflation Reduction Act of 2022 (IRA) (Public Law 117-169), or the Creating Helpful Incentives to Produce Semiconductors and Science Act (CHIPS) (Public Law 117-167).
- 5) Requires investor-owned utilities (IOUs) to include the following in quarterly reports to the CPUC for any taxpayer funding greater than or equal to one million dollars:
  - a. Name and source of funding.
  - b. Dollar amount received or applied for.
  - c. A spending plan detailing:
    - i. Purpose, description, and timeline of expenditures.
    - ii. Whether the spending is for new or existing costs.
    - iii. Whether it offsets existing costs or creates new ones.
  - d. Status of each funding application (approved, denied, pending).
  - e. List of any projects seeking ratepayer funds that also involve taxpayer funding.
  - f. A calculation of expected benefits to ratepayers, for funds received, including:
    - i. Cost reductions (capital, interest, taxes) relative to forecasted amounts.
    - ii. Grid investment savings.
    - iii. Changes in revenue requirements and in average customer bills.
    - iv. Tax savings.

- 6) Mandates the CPUC to require IOU compliance with the quarterly reporting requirements and affirms the CPUC's ability to pursue enforcement action, including imposing penalties.
- 7) Requires the IOU to ensure compliance with federal disclosure requirements.
- 8) Mandates IOUs, in applications for ratepayer funding, to disclose all relevant taxpayer funding greater than or equal to one million dollars that the IOUs are pursuing or have secured.
- 9) Mandates IOUs to promptly pass any cost savings or other benefits of taxpayer funding on to ratepayers. Specifies that the CPUC may adjust IOU revenue requirements or rate applications to account for these savings.
- 10) Requires the CPUC to submit an annual report to the Legislature with a summary of the taxpayer funding reported pursuant to this bill, including demonstrated ratepayer savings, and requires the CPUC to ensure the summary complies with federal disclosure requirements.

**EXISTING LAW:**

- 1) Requires a water corporation with more than 10,000 service connections to maintain an archive of all pending, approved, or rejected advice letters for a period of two rate case cycles on the corporation's website. (Public Utilities Code § 2715)
- 2) Requires the CPUC to publish and maintain a docket card that lists all decisions or rulings issued in proceedings, including, among other items, advice letter filings. (Public Utilities Code § 311.5)
- 3) Establishes and vests the CPUC with regulatory jurisdiction over public utilities, including electrical and gas corporations. (Article XII of the California Constitution)
- 4) Authorizes the CPUC to fix the rates and charges for public utilities and requires those rates and charges to be just and reasonable. (Public Utilities Code § 451)
- 5) Authorizes the CPUC to inspect the accounts, books, papers, and documents of any public utility, or any affiliate, subsidiary, or holding corporation of that utility; and to examine under oath any officer, agent, or employee of such a utility in relation to its business and affairs. (Public Utilities Code § 314)
- 6) Requires the CPUC to track an IOUs actual rate of return relative to its forecasted rate of return and requires the IOUs to identify the cost categories where projected costs differed from actual costs. (Public Utilities Code § 451.8)
- 7) Requires every public utility to furnish to the CPUC all information the CPUC requests, including tabulations, computations, maps, reports, books, and records. (Public Utilities Code §§ 581-582, 585)
- 8) Establishes that information provided by utilities to the CPUC is confidential and not open to public inspection unless ordered by the CPUC. Makes unauthorized disclosure by CPUC personnel a misdemeanor. (Public Utilities Code § 583)

- 9) Mandates the CPUC to require electrical or gas corporations to annually notify the CPUC of each time that capital or expense revenue authorized by the commission for maintenance, safety, or reliability was redirected by the electrical or gas corporation to other purposes. (Public Utilities Code § 591)
- 10) Authorizes the CPUC to require a public utility to correct any rates, practices, equipment or behavior that is unjust, unreasonable, unsafe, improper, inadequate, or insufficient. (Public Utilities Code § 761)
- 11) Prohibits the CPUC from prescribing a system of accounts and form of accounts, records, and memoranda for corporations subject to the regulatory authority of the United States that is inconsistent with that established and updated by or under the authority of the United States. (Public Utilities Code § 793)
- 12) Requires the CPUC to prepare a report on the costs of programs and activities conducted by the major electric and gas IOUs. (Public Utilities Code § 913)
- 13) Requires the CPUC to prepare a report with recommendations for actions that can be undertaken during the succeeding 12 months, and those that may take longer, to limit utility cost and rate increases. (Public Utilities Code § 913.1)

**FISCAL EFFECT:** Unknown. This bill is keyed fiscal and will be referred to the Assembly Committee on Appropriations for its review. A prior, narrower version of this proposal – AB 1020 (Schiavo, 2025) – was estimated by the CPUC to cost \$370,000 annually when heard in the Senate Committee on Appropriations. That bill did not have any requirements on public utilities to maintain an advice letter database.

### **BACKGROUND:**

*Advice letters* – Every year, the CPUC receives thousands of advice letters that are submitted by the regulated utilities and service providers under CPUC jurisdiction. In 2024, the Energy Division Tariff Unit processed 1,567 advice letters, and in 2025, the unit was on track to process 1,800 advice letters.<sup>1</sup> As of the end of February 2026, there were a total of 610 advice letters open at the CPUC, with 396 related to energy.<sup>2</sup> Largely, these letters request approval of tariff changes, program implementation, or other regulatory actions. The advice letter process serves as a “streamlined” mechanism to process utility requests, often in response to implementing CPUC rules or decisions, or for compliance purposes such as resource adequacy filings. Importantly, while some advice letters are posted onto the CPUC’s docket in formal proceedings, many are submitted outside proceedings. There is a CPUC Energy Division advice letter database but unlike proceedings, it does not have a uniform/standardized format where all related information is located.<sup>3</sup>

At the time of their initial filing, all advice letters require a 20-day public comment/protest period. If an advice letter receives protest or comments, it may require a Resolution for

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<sup>1</sup> CPUC Budget Change Proposal, 8660-030-BCP-2026-GB, “Advice Letter Website Support;” January 9, 2026, [https://bcp.dof.ca.gov/2627/FY2627\\_ORG8660\\_BCP8777.pdf](https://bcp.dof.ca.gov/2627/FY2627_ORG8660_BCP8777.pdf)

<sup>2</sup> CPUC Advice Letter Summary Statistics; <https://apps.cpuc.ca.gov/apex/f?p=404:3:>

<sup>3</sup> <https://cpucadviceletters.org/#/home/>

disposition. This is considered a Tier 3 advice letter and those requiring a Resolution must be reviewed and approved by the CPUC commissioners. There are also Tier 1 and 2 advice letters that typically address compliance matters. For example, quarterly reporting from IOUs regarding awarded taxpayer funds, required by Resolution E-5254 (detailed below), is submitted as a Tier 1 advice letter.

*Resolution E-5254* – In April 2023, the CPUC adopted Resolution E-5254 which formalized tracking of IOU federal funding opportunities. Resolution E-5254 establishes procedural mechanisms for California’s electric and gas IOUs to seek cost recovery for expenses (i.e., matching funds and tax liabilities) associated with federal grant programs, including the Infrastructure Investment and Jobs Act (IIJA), the Inflation Reduction Act (IRA), and the Creating Helpful Incentives to Produce Semiconductors and Science Act (CHIPS). The Resolution established reporting, cost recovery, and oversight guidance, as shown in Table 1.

**Table 1:** Summary of CPUC requirements in Resolution E-5254.<sup>4</sup>

| Category                   | Details  |
|----------------------------|--|
| Cost Recovery Framework    | IOUs may establish memorandum accounts to track matching fund costs and tax liabilities from federal grants.                     |
|                            | Cost recovery must go through existing General Rate Case (GRC) or application processes.   |
| Quarterly Reporting        | Required start in Q3 2023.   |
| Requirements               | IOUs must submit quarterly advice letters to the CPUC Energy Division.   |
|                            | Reports must detail federal grant applications, awarded funds, project status, expenditures, and anticipated ratepayer benefits. |
|                            | Standardized templates provided by Energy Division to ensure consistency.  |
| Implementation & Oversight | Utilities must follow established reporting schedules and requirements.  |
|                            | CPUC Energy Division monitors compliance and offers implementation guidance.   |
|                            | Reporting requirements can be adjusted to align with changing federal funding opportunities and state goals.                     |

In response to Governor Newsom’s Executive Order N-5-24,<sup>5</sup> the CPUC summarized the various federal funding opportunities California’s IOUs have secured and reported as part of Resolution

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<sup>4</sup> CPUC Resolution E-5254; April 6, 2023; <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M506/K016/506016078.PDF>  
<sup>5</sup> <https://www.gov.ca.gov/wp-content/uploads/2024/10/energy-EO-10-30-24.pdf>

E-5254, as shown in Table 2. The CPUC noted its continued strong support and encouragement of IOU efforts to secure any and all available non-ratepayer funding.<sup>6</sup>

**Table 2:** Summary of federal funding secured by the IOUs,<sup>7</sup> as of February 2025.

| Applicant   | Project   | Award Amount                                  | Description   |
|---|---|---|---|
| PG&E, SCE, CEC, CPUC, CAISO, UC Berkeley  | CHARGE-2T (California Harnessing Advanced Reliable Grid Enhancing Technologies for Transmission) <sup>8</sup> | \$600M Federal Share / \$901M Ratepayer Share | Reconductor 100+ miles of transmission lines to increase capacity and support renewables integration. Also supports interconnection reform. |
| PG&E, Redwood Coast Energy Authority, Schatz Energy Research Center at Cal Poly Humboldt            | Tribal Energy Resilience and Sovereignty (TERAS) Project <sup>9</sup>   | \$88M Federal / \$89M Ratepayer               | Implement nested microgrids for tribal lands (Hoopa Valley, Yurok, Karuk, and Blue Lake Rancheria) to drastically reduce outage times.      |
| Liberty Utilities   | Project Leapfrog <sup>10</sup>  | \$13M Federal Share / \$13M Ratepayer Share   | Upgrade the distribution system for real-time information gathering, manipulability, and faster outage management.                          |
| CPUC, CEC, CA Infrastructure and Economic Development Bank, CA Labor & Workforce Development Agency | Solar for All <sup>11</sup>   | \$249.8M                                      | Deliver residential solar to low-income and disadvantaged communities across the state.   |
| PG&E  | Maintaining & Enhancing Hydroelectricity (Section 247) <sup>12</sup>  | \$34.5M for 39 projects                       | Maintain and improve existing hydropower facilities.  |
| PG&E  | Project Polaris   | \$15B Loan                                    | Expand hydropower generation, battery storage, and grid-enhancing technologies, including enabling virtual power plants.                    |

<sup>6</sup> Pg. 27 and Table A-3; CPUC; *Response to Executive Order N-5-24*; February 18, 2025.

<sup>7</sup> Table A-3; pg. 34-35; CPUC; *Response to Executive Order N-5-24*; February 18, 2025.

<sup>8</sup> DOE Grid Resilience and Innovation Partnerships Program; GRIP FactSheet;

[https://www.energy.gov/sites/default/files/2024-10/CaliforniaEnergyCommission\\_GRIP%20\\_40103b\\_Fact\\_Sheet.pdf](https://www.energy.gov/sites/default/files/2024-10/CaliforniaEnergyCommission_GRIP%20_40103b_Fact_Sheet.pdf)

<sup>9</sup> DOE Grid Resilience and Innovation Partnerships Program; TERAS FactSheet;

[https://www.energy.gov/sites/default/files/2024-10/RedwoodCoastEnergyAuthority\\_GRIP%20\\_40103b\\_Fact\\_Sheet.pdf](https://www.energy.gov/sites/default/files/2024-10/RedwoodCoastEnergyAuthority_GRIP%20_40103b_Fact_Sheet.pdf)

<sup>10</sup> DOE-GRIP-Liberty-Utilities-CalPeco-Electric-LLC (002).pdf

<sup>11</sup> U.S. EPA "Solar for All" website; <https://www.epa.gov/greenhouse-gas-reduction-fund/solar-all>

<sup>12</sup> <https://www.energy.gov/gdo/section-247-maintaining-and-enhancing-hydroelectricity-incentives>

The data reported in Table 2 reflects the CPUC’s summary as of February 2025. Given the change in the federal administration, and the pausing, revoking, or ongoing litigation surrounding these funding awards, the current status of all such amounts remains unknown and uncertain, as discussed below.

*Pacific Gas & Electric’s \$15 Billion Loan* – The largest, by far, of these federal funding amounts shown in Table 2 is a \$15 billion loan from the U.S. Department of Energy (DOE) to Pacific Gas & Electric (PG&E). Announced in December 2024, the \$15 billion loan is to modernize PG&E’s power grid and expand clean energy infrastructure across Northern and Central California. This initiative, known as Project Polaris, is part of the DOE’s Energy Infrastructure Reinvestment program under the Inflation Reduction Act. The loan’s key objectives include refurbishing PG&E’s 61 hydroelectric powerhouses, supporting the expansion of battery energy storage systems, upgrading transmission lines through reconductoring and grid-enhancements, and deploying virtual power plants. The loan is expected to support ongoing job creation and community investment, as well as generate an estimated \$1 billion in customer savings, according to PG&E, over the life of the loan.<sup>13</sup>

While the loan has been lauded for its potential benefits, some advocacy groups have expressed skepticism. The Environmental Working Group, for instance, has raised concerns about PG&E’s history of passing costs onto consumers and questioned whether the promised savings will materialize.<sup>14</sup> The DOE has stipulated that PG&E must demonstrate that the financial benefits from the loan will be passed on to customers and communities served by the utility.<sup>15</sup> This includes meeting specific technical and financial conditions before the loan is fully disbursed.<sup>16</sup>

As of March 2025, PG&E had testified before the CPUC that they had “not drawn down on any DOE loans and there is substantial uncertainty around when or if those loans will be made.”<sup>17</sup> The committee is unaware of the current status of the loan.

*Funding uncertainty* – Many of the federal funding sources highlighted in Table 2 are subject to ongoing litigation and subsequently remain in limbo. For example, the Solar for All funding has been rescinded by the U.S. Environmental Protection Agency and dozens of states, including California, have sued the Trump administration in response.<sup>18</sup> Additionally, funding for the TERAS program remains uncertain as it appears to be one of the awards that was terminated by

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<sup>13</sup> PG&E News Release; “PG&E Customers Could Save Up to \$1 Billion through Federal Loan Program;” December 17, 2024; <https://www.pge.com/en/newsroom/currents/energy-savings/pg-e-customers-could-save-up-to-1-billion-through-federal-loan-.html>

<sup>14</sup> Alex Formuzis, “Biden administration approves staggering \$15B loan for PG&E;” *EWG News Releases*; December 17, 2024; <https://www.ewg.org/news-insights/news-release/2024/12/biden-administration-approves-staggering-15b-loan-pge>

<sup>15</sup> PG&E 8-K filing, report dated January 17, 2025. Section 7.24 of Loan Guarantee Agreement, p. 185 of PDF. <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001004980/b24ddc84-d39b-4a5a-a66d-5b7653143384.pdf>

<sup>16</sup> DOE Loan Programs Office, “LPO Announces Conditional Commitment to Pacific Gas & Electric Company to Expand Hydropower Generation, Battery Energy Storage, and Transmission;” DOE Blog; December 17, 2024; <https://www.energy.gov/lpo/articles/lpo-announces-conditional-commitment-pacific-gas-electric-company-expand-hydropower>

<sup>17</sup> Pg. 1-16; “Pacific Gas and Electric Company Cost of Capital 2026 Prepared Testimony;” March 20, 2025; <https://docs.cpuc.ca.gov/PublishedDocs/SupDoc/A2503010/8039/559371557.pdf>

<sup>18</sup> Alexa St. John and Jennifer McDermott, “State attorneys general sue Trump administration for canceled solar program funding;” AP; October 16, 2025; <https://apnews.com/article/climate-solar-for-all-trump-biden-lawsuit4501baab3a86a45db941e80ad861cf2d>

the DOE in October 2025.<sup>19</sup> While this uncertainty persists, it seems unlikely that there will be ample taxpayer funding opportunities for utilities to pursue at the federal level.

#### COMMENTS:

- 1) *Author's Statement.* According to the author, "Californians are suffering under high electricity rates that are only expected to grow in the coming years to pay for wildfire safety measures and needed grid infrastructure and resiliency projects. Alternative financing structures, such as the \$15 billion Department of Energy loan to Pacific Gas and Electric, are key strategies to reducing the growth of customer energy bills. Lower financing costs projected from taxpayer funded loans or grants are savings that should be passed on to ratepayers. Assembly Bill 1715 will ensure frequent and transparent reporting on the use of public funds by investor-owned utilities, so Californians can be confident their dollars are going towards lowering their energy bills."
- 2) *Purpose of the bill.* AB 1715 seeks to increase transparency for ratepayers. It seeks to achieve this in two ways: 1) a more open and organized advice letter database across utilities, and 2) more consistent and formalized reporting from utilities on taxpayer funding awards.

According to the CPUC,<sup>20</sup> advice letters are informal submissions that can range from requests to establish memorandum accounts, appointments to various boards, or rate changes to comply with various proceedings. Advice letters are used in lieu of a full proceeding and are streamlined for utilities to comply with existing CPUC rules or decisions. However, unlike the CPUC docket card, which serves as the record for any formal proceeding at the CPUC, there is no standardized database for advice letters. Therefore, it can be difficult for interested parties to follow the "paper-trail" of advice letter submissions, decisions, and possible protests. This bill would seek to remedy that by requiring utilities under CPUC jurisdiction to establish a database for advice letter submissions that is standardized across utilities and includes all associated information, including protests.

As for the taxpayer funding transparency, there were historic levels of federal spending on clean energy infrastructure during the Biden Administration, including more than \$62 billion to the DOE through the IIJA.<sup>21</sup> A significant amount of this funding has been awarded to California's utilities, as shown in Table 2. The goal of that funding was to advance the state's clean energy and climate goals while minimizing the burden to ratepayers. This bill seeks to ensure that these taxpayer funds are used appropriately and that ratepayer funds complement, not duplicate, efforts by requiring regular and transparent disclosure of funding activities. The disclosure requirements in this measure largely mirror the reporting called for by the CPUC in Resolution E-5254, adopted in April 2023.<sup>22</sup> The CPUC Resolution is mostly focused on specific federal programs

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<sup>19</sup> DOE award termination announcement - <https://www.energy.gov/articles/energy-department-announces-termination-223-projects-saving-over-75-billion>

<sup>20</sup> <http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M023/K381/23381302.PDF> General Rule 3.1

<sup>21</sup> U.S. DOE IIJA Overview website; <https://www.energy.gov/gdo/bipartisan-infrastructure-law>

<sup>22</sup> CPUC Resolution E-5254; April 6, 2023;

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M506/K016/506016078.PDF>

(IIJA, IRA, CHIPS), whereas AB 1715 encompasses a broader range of potential taxpayer funding sources, including state-allocated funds. Moreover, this bill requires the CPUC to provide an annual report to the Legislature summarizing taxpayer-funded activities and associated ratepayer benefits. Such public reporting may be especially valuable given the funding disclosed includes both ratepayer and taxpayer sources. While some of the federal funding has been paused or is part of ongoing litigation, many utility-focused awards are still arising from the federal government, including a recent \$26.5 billion loan to Southern Company for energy infrastructure investments in Alabama and Georgia.<sup>23</sup>

- 3) *Redundancy or clarification of responsibility?* As noted for both the advice letter database and taxpayer fund reporting, there are aspects of each that are already publicly available. Indeed, each IOU already maintains its own webpage where advice letters are posted after submission to the CPUC.<sup>24</sup> Relatedly, there are already certain requirements outlined by the CPUC, such as a requirement to post advice letters related to a new tariff sheet within 5 days of submission to the CPUC.<sup>25</sup> However, each utility complies with these requirements with a unique website database. Furthermore, unlike the docket system for proceedings, there is no formalized system for comments, protests, or resolutions to be tracked as they relate to submitted advice letters.

For these reasons, it seems prudent to have one unified advice letter portal to track all known submissions and comments. However, this bill mandates each utility maintain this database on its own website. This raises concerns about the neutrality and integrity of an advice letter record and creates the potential for confusion if the utilities are filing advice letters responding to the same CPUC resolution. Like the proceeding docket, it would seem more appropriate for the advice letter record envisioned by this bill to be hosted and managed by the CPUC as the independent regulatory body overseeing this process and approving these submissions. Moreover, as noted above, the CPUC already maintains a legacy advice letter website, and even submitted a budget request in January 2026 for \$142,000 for a new position to maintain that website.<sup>26</sup> *Given these dynamics, the committee recommends that the CPUC, rather than the utilities, establish a standardized, searchable database for advice letter submissions.*

Under Resolution E-5254, utilities submit quarterly reports regarding requested and received taxpayer funding. AB 1715 expands on Resolution E-5254 to capture a broader funding pool and adds a reporting requirement. Therefore, while similar to existing requirements, AB 1715 adds clarifying language of IOU responsibilities. However, the bill currently lacks any guidance to the CPUC on when and how it must report this information to the Legislature. *Therefore, the committee recommends requiring the first report be due to the Legislature no later than January 1, 2028, and ensuring this report encompasses taxpayer funds dating back to the first report required by Resolution E-*

<sup>23</sup> <https://www.prnewswire.com/news-releases/southern-company-receives-historic-department-of-energy-26-5-billion-loan-guarantees-to-increase-grid-reliability-302697140.html>

<sup>24</sup> PG&E: <https://www.pge.com/tariffs/en/advice-letter.html> | SCE: <https://www.sce.com/regulatory/regulatory-information/advice-letters> | SDGE: <https://www.sdge.com/rates-and-regulations/tariff-information/advice-letters> | SoCalGas: <https://tariffsprd.socalgas.com/scg/filings/>

<sup>25</sup> CPUC GO 96-B ENERGY INDUSTRY RULES Rule 6.1 Internet Publication

<sup>26</sup> CPUC Budget Change Proposal, 8660-030-BCP-2026-GB, "Advice Letter Website Support," January 9, 2026, [https://bcp.dof.ca.gov/2627/FY2627\\_ORG8660\\_BCP8777.pdf](https://bcp.dof.ca.gov/2627/FY2627_ORG8660_BCP8777.pdf)

5254 through 2026. *The committee recommends that each subsequent report summarize taxpayer funds received by each utility during the previous year.*

- 4) *Matching intent.* In the bill, the CPUC is directed to require utilities to provide a link to an advice letter in any customer notice of rate change (Public Utilities Code § 454, Section (a)(2)(C)). However, in this same section, the bill states that notices do not apply to rate change pursuant to an advice letter (Public Utilities Code § 454, Section (a)(2)(A)). It is the intent of the author to require the former. To achieve this intent, *the committee recommends clarifying that notice requirements may apply to advice letters and give authority to the CPUC to decide if utilities must provide a link to the associated advice letter in a customer notice of rate change.*
- 5) *Only the IOUs?* This bill, in the subdivisions related to taxpayer funding transparency requirements, defines “utility” to mean any electrical or gas corporation. Since the reporting requirements only apply to funding received that is at or above one million dollars, this primarily encompasses funding awarded to IOUs, as highlighted above in Table 2. However, the definition of “utility” currently used in the bill is inclusive of electric co-ops. These entities can and do receive taxpayer funding,<sup>27</sup> but have argued their not-for-profit system means they are already operating in the best interest of their customers. Moreover, the CPUC’s own Resolution E-5254 is only applicable to IOUs, and the author has indicated the intent of the bill is on IOU financing. *Therefore, the committee recommends limiting the requirements in Section 3 (Public Utilities Code § 593) to only investor-owned electrical and gas corporations.*
- 6) *Related Legislation.*

AB 2589 (Irwin, 2026) requires the CPUC to evaluate the effects of federal legislation, including recent federal law - House Resolution 1 (Public Law 119-21), on the expenses and tax liabilities incurred by public utilities for payment of federal taxes and if the CPUC determines that the projected expenses and tax liabilities for federal tax are affected, appropriate adjustments to the rates of the utility must be made. Status: set for hearing in this committee on April 8, 2026.

7) *Prior Legislation.*

AB 1020 (Schiavo, 2025) established mandatory reporting and accountability requirements for investor-owned electric and gas utilities (IOUs) regarding their use of taxpayer funding, such as grants, loans, and bonds from public entities. Status: Held in Senate Committee on Appropriations.

AB 1017 (Boerner, 2025) requires that, as part of its general rate case, an IOU must report a number of additional figures regarding costs, including the cost of repairs and replacement of assets, the historical rate of return, and information about distribution capacity. Status: Chapter 177, Statutes of 2025.

SB 620 (Stern, 2025) required the CPUC to prioritize independent verification of utility data used to justify general rate case proposals for capital investments in electrical

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<sup>27</sup> <https://www.sierraclub.org/rural-cooperative-utilities-and-inflation-reduction-act>

distribution and transmission grid infrastructure and the operation and maintenance of that infrastructure. Status: Died in Senate Committee on Energy, Utilities and Communication.

AB 2666 (Boerner) requires the CPUC to review forecasted costs by electric and gas utilities on a more frequent basis after the approval of each GRC, and to adjust the authorized revenue requirement in the subsequent GRC, as appropriate, based on actual past cost. Status: Chapter 413, Statutes of 2024.

AB 3256 (Irwin, 2024) required the CPUC to annually determine if accounts of public utilities have achieved their intended purpose; and if not, to deny ratepayer recovery of the costs recorded therein and to limit the public utility in using such accounts. Additionally required the CPUC to include the status of utilities' accounts as part of an existing report. Status: Held in the Senate Committee on Appropriations.

AB 3264 (Petrie-Norris) includes a suite of proposals to help address energy costs; these include requiring large electrical and gas corporations, as defined, by January 1, 2026, and each year thereafter, to publish on their internet websites and provide to the CPUC a visual representation of certain cost categories included in residential electric or gas rates for the succeeding calendar year. Status: Chapter 762, Statutes of 2024.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

The Utility Reform Network (TURN)

### **Opposition**

San Diego Gas and Electric Company  
Southern California Gas Company

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