

ASSEMBLY THIRD READING

AB 1761 (Rogers)

As Amended March 19, 2026

Majority vote

SUMMARY

Requires the California Public Utilities Commission (CPUC) to ensure that all data serving as a basis for any decision or ruling issued by the CPUC, or in any proposal or analysis provided by CPUC staff, for the determination or application of a calculation methodology for any charge imposed on customers of a load serving entity (LSE) to recover costs associated with contracts, electrical corporation-owned generation or any other resource or value included in that charge, and any other charge derived from those costs, is made available to the LSE and ratepayer advocates on behalf of customers. Also directs the CPUC to require an electrical corporation or other party, in submitting a proposal or analysis for the determination or application of such a calculation methodology to make all data serving as a basis for that proposal or analysis available to LSEs and ratepayer advocates.

Major Provisions

- 1) Requires any such data:
 - a) Be made through a public disclosure, except for market-sensitive data, which shall be made through disclosure to a nonmarket participating reviewing representative pursuant to the terms of a reasonable, CPUC-approved nondisclosure agreement;
 - b) Be made available to the LSE and ratepayer advocates concurrent with any proposals or analyses from the electrical corporation, CPUC staff or any other party, or any CPUC-adopted decision or ruling; and
 - c) Be made available in native file format.
- 2) Provides that a failure to comply, or the identification of good faith errors, omissions or inaccuracies in data disclosed shall not, by itself, affect the validity of any calculation methodology, charge, decision or ruling adopted by the CPUC, unless the good faith error, omission or inaccuracy constitutes one or more of the grounds specified in existing law.

COMMENTS

California has two main types of electric utilities. Investor-owned utilities (IOUs), like Southern California Edison, are private companies that supply electricity in specific territories and are regulated by the CPUC. Publicly-owned utilities (POUs), like the Los Angeles Department of Water and Power (LADWP), are government-run and serve defined areas, with customers required to get all their power from the POU.

Beyond these, several other entities called LSEs can procure power on behalf of customers within IOU territories. Electric Service Providers (ESPs) are private companies that sell electricity directly to large commercial customers – known as "direct access" customers – using the IOU's existing infrastructure. Community Choice Aggregators (CCAs) are local governments that buy power on behalf of residents. Customers are automatically enrolled but can opt out and return to the IOU at any time.

When customers leave an IOU for a CCA or ESP, they still owe a share of costs the IOU previously committed to on their behalf – such as long-term power contracts and power plant investments. This exit fee, called the Power Charge Indifference Adjustment (PCIA), ensures that remaining IOU customers aren't stuck paying for obligations made for customers who have since departed.

The PCIA is calculated as the difference between what the IOU actually paid for power and its current market value. It is updated annually and varies based on when a customer originally left the IOU.

As described by the author, the purpose of this bill is to provide more transparency and accuracy in PCIA calculations.

According to the Author

"Electricity bills in California are on the rise, in part due to challenging market conditions and outdated and inefficient regulatory policies. Families and businesses are feeling the impact. Lawmakers and regulators need practical, consumer-focused solutions that ensure customers do not pay more than their fair share. One tool to ensure customers receive energy bills that are fair and accurate is increased transparency in how Power Charge Indifference Account (PCIA) charges are calculated. The PCIA is a fee designed to ensure customers who leave utility generation service, like customers of a Community Choice Aggregator (CCA) or Energy Service Provider (ESP), pay their portion of legacy power costs. But since the PCIA was implemented, there has been no consistent standard for what data must be made available in any CPUC process or proceeding where the PCIA is set – so, while customers are being asked to pay this charge, they have no ability to fact check it. Everyone makes mistakes, including investor-owned utilities (IOUs) and the California Public Utilities Commission (CPUC). This is why transparency is crucial in the quest to reduce ratepayer costs. CCAs, ESPs and ratepayer advocates should have the data required to independently verify the charges impacting customers. Enabling transparency and ensuring the work is not done in a "black box" will provide the essential checks and balances to ensure that costs to all ratepayers are fair and accurate."

Arguments in Support

Organizations support the bill on the grounds that the PCIA has long lacked a consistent standard for data disclosure, leaving CCAs and consumer advocates unable to verify the accuracy of charges or reliably forecast rates. Supporters argue that by requiring the CPUC and IOUs to disclose all cost inputs, forecasting assumptions, and methodologies used to set the PCIA – while protecting market-sensitive information through existing NDAs – this bill would reduce costly disputes, improve regulatory efficiency, and give local governments and CCAs the transparency they need to protect ratepayers from unexpected rate increases and deliver affordable, clean energy programs to their communities.

Arguments in Opposition

Opponents argue that the bill's language is overbroad, extending well beyond PCIA transparency to potentially cover virtually all utility ratemaking, resource planning, and procurement data, when existing CPUC mechanisms already provide PCIA data to LSEs under confidentiality protections; that the bill conflicts with existing law, creating a compliance dilemma for IOUs; that compliance would impose significant costs on both the CPUC and utilities; and that the bill creates a damaging information asymmetry in California's retail electricity market, giving CCAs

and other LSEs detailed insight into IOU resource valuations, contract pricing, and negotiating strategies.

FISCAL COMMENTS

According to the Assembly Appropriations Committee: This bill requires significant new work of the CPUC to review data for market sensitivity and make it generally available. Such work will likely create new costs in hundreds of thousands of dollars annually to fund the work of one new staff member, at least (Public Utilities Commission Utilities Reimbursement Account). The CPUC estimates these costs to be \$734,000 annually to support (a) three positions (\$654,000) to analyze confidentiality of data, decide what can be shared without adversely affecting the market, support the data-sharing process and assist LSEs, when requested, (b) \$50,000 annually for additional storage capacity and associated software or hardware and (c) \$30,000 for each of three years for training on treatment and retention of market sensitive and confidential data (PUCURA).

VOTES

ASM UTILITIES AND ENERGY: 15-0-3

YES: Petrie-Norris, Patterson, Boerner, Calderon, Mark González, Harabedian, Hart, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur

ABS, ABST OR NV: Chen, Davies, Irwin

ASM APPROPRIATIONS: 13-1-1

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta

NO: Dixon

ABS, ABST OR NV: Tangipa

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CONSULTANT: Suman Tatapudy / U. & E. / (916) 319-2083

FN: 0002714