

GOVERNOR'S VETO
AB 1761 (Rogers)
As Enrolled August 30, 2026
2/3 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 nonbypassable 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, member association, load-serving entity, 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.

Senate Amendments

- 1) Add that the requirements of this bill only apply to nonbypassable charges, as opposed to any charge imposed on a customer of a load-serving entity.
- 2) Clarify that data shared as part of the requirement of this bill will exclude any information that can reasonably be used to identify an individual, family, household, residence, or nonresidential customer.

Governor's Veto Message

This bill would require the California Public Utilities Commission (CPUC) to disclose any data, including market-sensitive data, to load-serving entities and advocacy organizations concurrent with any proposal or analysis related to the Power Charge Indifference Account.

I am concerned that this legislation will result in improper dissemination of market-sensitive information and benefit a limited subset of market participants.

Fortunately, there are already processes in place at the CPUC to make applicable data available to the public and market participants using existing approved confidentiality procedures to review and evaluate the accuracy of all costs associated with contracts, utility-owned generation, and all other resources or value included in charges derived from these costs. The CPUC has worked with load serving entities to develop a process to access the requested information with proper guardrails to ensure confidentiality.

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

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

Several CCAs, including representation from California Community Choice Association members, 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

In opposition to the bill, PG&E argues that the bill's language is overbroad, extending well beyond PCIA transparency to potentially cover transmission-related contract and resource costs, IT-related contract and resource costs, and employee benefits-related contract and resource costs,

when existing CPUC mechanisms already provide PCIA data to LSEs under confidentiality protections; that the CPUC lacks the appropriate implementation framework needed to comply with this bill; 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 Senate Committee on Appropriations, the CPUC estimates ongoing costs likely in the hundreds of thousands of dollars annually.

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

ASSEMBLY FLOOR: 61-8-11

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Wallis, Ward, Wicks, Wilson, Rivas

NO: DeMaio, Dixon, Ellis, Hadwick, Johnson, Macedo, Sanchez, Valencia

ABS, ABST OR NV: Carrillo, Castillo, Chen, Davies, Flora, Gallagher, Lackey, Celeste Rodriguez, Blanca Rubio, Tangipa, Zbur

SENATE FLOOR: 40-0-0

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ASSEMBLY FLOOR: 65-9-5

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NO: DeMaio, Dixon, Ellis, Hadwick, Johnson, Macedo, Patterson, Sanchez, Tangipa

ABS, ABST OR NV: Castillo, Chen, Davies, Flora, Lackey

UPDATED

VERSION: August 30, 2026

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FN: 0004590