Date of Hearing: May 13, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
AB 2181 (Petrie-Norris) – As Introduced February 19, 2026

Policy Committee: Utilities and Energy Vote: 18 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill states that, in appointing members of the California Public Utilities Commission (CPUC), the Governor is to ensure a diverse composition of commissioners by considering factors, including, but not limited to, geographic diversity, including rural and urban residents.

FISCAL EFFECT:

Negligible direct state costs.

COMMENTS:

The California Constitution establishes the CPUC as a five-member body, each member appointed by the Governor and approved by the Senate, a majority of the membership concurring, for staggered six-year terms. The constitution charges the CPUC to, among other things, fix rates, establish rules, examine records, issue subpoenas, administer oaths, take testimony, punish for contempt and prescribe a uniform system of accounts for all public utilities subject to its jurisdiction. Such public utilities are commonly referred to as IOUs.

Existing state law—Section 451 of the Public Resources Code—specifies the requirements of charges, such as rates, imposed by an IOU:

a) All charges demanded or received by any public utility, or by any two or more public utilities, for any product or commodity furnished or to be furnished or any service rendered or to be rendered shall be just and reasonable. Every unjust or unreasonable charge demanded or received for such product or commodity or service is unlawful.
b) Every public utility shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment and facilities, including telephone facilities, as defined in Section 54.1 of the Civil Code, as are necessary to promote the safety, health, comfort and convenience of its patrons, employees and the public.
c) All rules made by a public utility affecting or pertaining to its charges or service to the public shall be just and reasonable.

It is the CPUC's job to authorize an IOU to collect only those rates for service that are just and reasonable.

Neither the constitution nor state law directs the Governor, in selecting the members of the CPUC, to ensure a diverse composition of commissioners by considering factors such as geographic diversity.

Analysis Prepared by: Jay Dickenson / APPR. / (916) 319-2081