# SENATE COMMITTEE ON APPROPRIATIONS
**Senator Sabrina Cervantes, Chair**
**2025 - 2026 Regular Session**

**AB 2463 (Petrie-Norris) - Public Utilities Commission: rates: returns on equity**

**Version:** April 13, 2026
**Urgency:** No
**Hearing Date:** August 13, 2026

**Policy Vote:** E., U. & C. 17 - 0
**Mandate:** Yes
**Consultant:** Ashley Ames

**Bill Summary:** This bill would require the California Public Utilities Commission (CPUC), in any decision issued on or after January 1, 2028, determining an authorized return on equity (ROE) for an electrical corporation or gas corporation, to include specified information reflecting the CPUC's analytical basis for making that determination.

## *********** ANALYSIS ADDENDUM – SUSPENSE FILE ***********
**The following information is revised to reflect amendments adopted by the committee on August 13, 2026**

**Fiscal Impact:**
- Unknown but likely significant ongoing costs (ratepayer funds) for the CPUC to publish information used to make decisions, build and maintain financial models and capital-market risk framework, and manage complex document production, among other things.

**Author Amendments:** Author amendments would narrow scope, delay implementation, delete requirement that the CPUC initiate a rulemaking, and make other changes. Specifically, they would require the CPUC, in any proceeding in which the commission considers and determines the authorized return on equity for an electrical corporation or gas corporation, to be known as a cost of capital proceeding, that results in a decision issued on or after December 31, 2030, to include its own assessment of the proposals submitted by the parties and specified information.

**-- END --**