

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.

- 2) 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.
- 3) 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.

Despite the CPUC oversight of IOUs, the author contends the Legislature needs to be kept "fully informed" as risks to IOUs emerge. According to the author:

Large investor-owned utilities (IOUs) in California regularly report record shareholder profits. Despite this, over the past two decades, major IOUs have repeatedly faced financial distress and at times have even declared bankruptcy. During these periods, the Legislature and regulators have lacked timely, detailed insight into the distressed utility's financial condition until a crisis is imminent. This information gap limits California's ability to proactively protect ratepayers from bearing unnecessary recovery costs. AB 2710 requires an IOU that receives a 'near-distress' credit rating to provide the Legislature with detailed, ongoing financial disclosures derived from its federal securities filings. By ensuring policymakers are kept fully informed as risks emerge, AB 2710 supports earlier intervention, strengthens oversight of at-risk IOUs, and safeguards ratepayers from downstream consequences of utility bankruptcies.

The bill is opposed by the state's largest electrical and natural gas IOUs. For example, Southern California Edison describes AB 2710 as relying on "inaccurate financial characterizations and establishes duplicative reporting requirements that risk undermining regulatory stability and increasing costs for customers," while San Diego Gas and Electric characterizes the bill as raising "significant practical, legal, and operational concerns that undermine its stated objectives and provide no clear benefit to justify the added burden."

There is no support registered for this bill.

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