

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

**A. GENERAL INFORMATION**

1. Date

09/14/18

2. Department

California Public Utilities Commission

3. Organizational Placement (Division/Branch/Office Name)

Executive

4. CEA Position Title

Deputy Executive Director for Communications and Water

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

This position will serve as the Deputy Executive Director second only to the Executive Director to oversee all policies and work related to the Commission's diverse Communications and Water programs. This position will be the sole policy maker to oversee the work related to Communication and Water utility rates, access, and overall services in California.

6. Reports to: (Class Title/Level)

Executive Director

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain):

8. Organizational Level (Select one)

- 1st
- 2nd
- 3rd
- 4th
- 5th (mega departments only - 17,001+ allocated positions)

**B. SUMMARY OF REQUEST**

**9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.**

This position will be the sole policy maker and responsible for all policy creation, administration, and oversight as it pertains to the Communications and Water programs.

The Communications Division assists the CPUC in developing and implementing policies and programs to ensure safe universally accessible, high quality, affordable communication services to California's consumers and businesses. Additionally, the Division assists the CPUC in developing clean and fair telecommunication regulations, overseeing carrier compliance to fund universal service programs and protecting the public interest by ensuring that the competitive model adopted by the CPUC results in a vital and well-functioning industry market.

The Water Division is responsible for ensuring California's investor owned water utilities deliver clean, safe and reliable water to their customers at reasonable rates. There are over 100 water utilities under the CPUC's jurisdiction, providing water service to about 16 percent of California's residents. Each large water company provides its own low-income assistance program for water customers in need.

For the Divisions above, the Deputy Executive Director must collaborate with internal and external stakeholders including but not limited to utility providers, other state agencies, the legislature, Governor's Office, Commissioners, control agencies and members of the public. By way of the role, this position will oversee the two CEAs that oversee the Water and Communications divisions to ensure the day to day operations and initiatives align with the Executive Director and five-member commission itself. This includes oversight of the budget and spending, complying with and pushing down organizational and managerial best practices, and providing responsive and transparent reporting to the CPUC Deputy Director.

Institute changes based on communications and water in California.

**B. SUMMARY OF REQUEST (continued)**

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. The essential services regulated include electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies.

Water and telecommunications are critical programs to the CPUC. These programs are also changing - LAN lines to wireless, water rates are rising, but consumption has gone down - these are critical areas where new policies are being scrutinized, argued and implemented.

## B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

This position currently does not exist. This position will serve as the policy decision maker for the Communication and Water Divisions and will coordinate within the two and across the organization, and directly supports the Executive Director's realignment and objective to reduce the number of direct reports and instill consistency across the CPUC.

Currently these two divisions are undergoing massive changes due to industry changes. This position is needed to oversee and ensure policies are up to date and provide the best services to California residents.

Communications currently regulates the following:

The Communications Division is responsible for licensing, registration and the processing tariffs of local exchange carriers, competitive local carriers, and non-dominant interexchange carriers. It is also responsible for registration of wireless service providers and franchising of video service providers. The Division tracks compliance with commission decisions and monitors consumer protection and service issues and Commission reliability standards for safe and adequate service. The Communications Division is responsible for oversight and implementation of the six public purpose Universal Service Programs. The programs are, California Advanced Services Fund, California High Cost Fund A, California High Cost B, California Lifeline, California Tele-connect and the Deaf and Disabled Telecommunications Program.

The Division also reviews General Orders and policies to reflect the emerging competitive environment and changing regulatory structure for the telecommunications industry. The Communications Division is responsible for the implementation and oversight of local competition and competitive issues. The Division reviews, analyzes, and advises on carrier-to-carrier arrangements and interconnection agreements, as well as, competitive access issues. The Division responds to utility applications for mergers, divestitures and acquisitions. The Division also implements Area Code Policy, equal access reform and analysis on number resource allocation issues. The Division develops, advises and implements policy on 911, back-up power and other consumer protection issues.

Many of the above areas are being evaluated for change both internally by the CPUC and the legislature, for example,

- The CPUC is looking at competition in the Communications market. Service providers have been directed to provide the CPUC information, so staff could provide analysis on the state of competition – this report is due in December 2018 along with survey information on consumer broadband experiences.
- As part of the CPUC responsibility to promote Safety and competition, a rulemaking has opened on access to poles, conduit and other utility support structures, as well as other administrative and safety issues regarding right of way.
- Communications is also working on a communications network examination on the state of networks in California which provide access to 911 and public safety services.
- Communications will implement change to the Lifeline Program based on the Federal Communications Commission (FCC) 2016 Lifeline Modernization Order (FCC 16-38) which establishes a number of significant reforms over the course of four years, notably the FCC eliminated certain government assisted programs to receive federal support, shifted its focus to provide federal support to broadband service while phasing out voice only support by December 1, 2021.
- Per PU Code Section 280 (SB 1212, Hueso, 2012), in 2018 the CPUC took over managing \$1.5 million budget for 211 service expansion to unserved counties and oversee the 211 Information and referral database development and implementation.

The Water Division currently regulates the following:

Water Division regulates over a 100 investor-owned water and sewer utilities under the CPUC's jurisdiction providing water service to about 16 percent of California's residents. Approximately 95 percent of that total is served by 9 large water utilities each serving more than 10,000 connections. Annual water and wastewater revenues under the CPUC's regulation total \$1.4 billion. The Water Division investigates water and sewer system service quality issues, analyzes, and processes utility rate change requests. The CPUC works directly with utility management to track and certify compliance with CPUC requirements.

Below are some examples of what has changed for this program:

- Governor Brown ended the drought state of emergency in most of California on 4/7/2017, while maintaining water reporting requirements and prohibitions on wasteful practices, such as watering during or right after rainfall. "This drought emergency is over, but the next drought could be around the corner," said Governor Brown. "Conservation must remain a way of life." Executive Order B-40-17 lifts the drought emergency in all California counties except Fresno, Kings, Tulare and Tuolumne, where emergency drinking water projects will continue to help address diminished groundwater supplies. The importance of this for the CPUC is that water rates are continuing to increase, and water usage has decreased. This is an on-going effort of review and analysis with the Governor's Office, Legislature and Department of Water Resources and Water Resources Control Board.
- AB 746 (passed in 2017) requires community water systems that serve school-sites of a local educational agency with a building constructed before January 1, 2010 to test for lead in the potable water system of the school-site before January 1, 2019. The CPUC must ensure this occurs and the information is reported accordingly as well as appropriate action as needed.

### C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

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**C. ROLE IN POLICY INFLUENCE (continued)**

13. What is the CEA position's scope and nature of decision-making authority?

This position will serve as only second to the Executive Director to oversee all managerial responsibilities related to the hiring and evaluation of staff and the programs to ensure all policies are administered, amended, and drafted to support the Executive Director.

Position works directly with water providers and communication companies as well as legislature, commissioners and executive director.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

Yes. This CEA will oversee all major policy direction as discussed throughout.