

## **2021-117 AUDIT SCOPE AND OBJECTIVES**

### **California Public Utilities Commission— Electrical System Safety Oversight**

The audit by the California State Auditor will provide independently developed and verified information related to the California Public Utilities Commission's (CPUC) role in ensuring a safe and reliable electrical system in California. The audit's scope will include, but not be limited to, the following activities:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Review the CPUC's mission and determine whether the CPUC is performing all of its required functions related to overseeing the safety of the electrical system.
3. For the past five years, evaluate the steps that the CPUC has taken to oversee the safety of utilities' electric systems by determining the following:
  - (a) The staffing and budget resources the CPUC has allocated to this purpose.
  - (b) Whether the CPUC has assessed needed infrastructure improvements.
  - (c) Whether the CPUC has developed all reasonable wildfire mitigation protocols.
  - (d) Whether the CPUC has identified and procured needed wildfire mitigation equipment.
4. For the past five years, review the CPUC's efforts to fulfill its mission through its oversight of utilities' Public Safety Power Shutoffs (power shutoffs) by determining the following:
  - (a) Whether the CPUC's oversight decisions have been objectively reasonable and consistent with its mission, state laws, and CPUC rules and regulations.
  - (b) Whether CPUC's efforts have been appropriately targeted and whether the outcomes of these efforts are being appropriately tracked, measured, and evaluated.
  - (c) The extent to which the CPUC is reporting accurate and reliable information and data on power shutoffs.
5. Evaluate the processes the CPUC has established for reviewing and approving utilities' plans for power shutoffs or, in the case of Pacific Gas and Electric Company, its biweekly reports. Include an identification and evaluation of the criteria the CPUC uses to review and approve the plans and reports.
6. Evaluate whether any identified concerns should be addressed through changes in state law or the CPUC's practices.
7. Review and assess any other issues that are significant to the audit.