

Bond Case Briefs

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PUBLIC UTILITIES - CALIFORNIA

Southern California Gas Company v. Public Utilities Commission

Court of Appeal, Second District, Division 1, California - January 6, 2023 - Cal.Rptr.3d - 2023 WL 118496

Investor-owned natural gas utility petitioned for writ of mandate to directing Public Utilities Commission (PUC) to rescind its data requests, initiated by its Public Advocate's Office (PAO) division, seeking to discover whether utility's political activities were funded by utility's shareholders or ratepayers, on the ground that the requests infringed on utility's First Amendment associational rights.

The Court of Appeal held that:

- Utility was afforded procedural due process, but
- Data requests violated utility's First Amendment associational rights.

Investor-owned natural gas utility was afforded procedural due process with respect to data requests initiated by Public Advocate's Office (PAO), as a division of Public Utilities Commission (PUC), seeking to discover whether utility's political activities were funded by utility's shareholders or ratepayers, even though the dispute did not involve a formal proceeding in which PUC rules of practice and procedure and filing requirements would apply, where, at each step of process in utility's case, the PAO defended discrete discovery requests focused on the information needed to perform its statutory duties, and utility had an opportunity to challenge the PAO's motions, submit motions itself, and move for the full PUC to act on the requests.

Public Utilities Commission's (PUC) data requests, initiated by its Public Advocate's Office (PAO) division, seeking to discover whether political activities of investor-owned natural gas utility were funded by utility's shareholders or ratepayers were not narrowly tailored to serve a compelling governmental interest, and therefore the requests violated utility's First Amendment associational rights, where the requests, which were about all sources of funding for utility's lobbying activities, went beyond ratepayer expenditures, and insofar as the requests sought information about shareholder expenditures, they exceeded the PAO's mandate to obtain the lowest possible costs for ratepayers and its authority to compel disclosure of information necessary for that task.