



Tribal Land Transfer Policy Section 851 Approval Process

PU Code Section 851
Requires CPUC approval for
the sale or other
disposition of any Investor
Owned Utility (IOU) assets.

Therefore, transfers of IOU
real property to Tribes
pursuant to the Tribal Land
Transfer Policy (TLTP) will
be subject to Section 851
approval by the CPUC.

Formal Application or Advice Letter Process

Section 851 transfers of real property may require the IOU to file a formal application resulting in a CPUC Decision.

In some situations, Section 851 transfers of real property may be approved by the expedited General Order 173 process by which CPUC approval can be received via Advice Letter filing by the IOU.

Formal Application Process

- Generally, for transactions valued at over \$5 million, the CPUC will require IOUs to file an application with the CPUC seeking approval for Section 851 transaction.
- The application process is managed by the CPUC's Administrative Law Judge Division (ALJ Division).
- The Assigned ALJ will send a Scoping Memo to interested parties to determine whether testimony or evidentiary hearings are necessary to develop a legal record from which a Proposed Decision (PD) can be drafted.
- The full Commission votes to approve the PD by 3/5 majority vote.

General Order (GO)173 Advice Letter (AL) Process

- Some Section 851 Approvals can be processed under the GO 173 expedited AL Process when seeking approval of less complex transactions where formal testimony or hearings are not necessary provided:
 - California Environmental Quality Act (CEQA) review is not required;
 - The value of the real property transaction is under \$5 million; and
 - The AL filing is NOT subject to a valid protest.
- If a valid protest is filed, the IOU must submit a formal application seeking Section 851 approval.

GO 173 AL Process

- The IOU seeking Section 851 approval files the AL containing ALL the information outlined in the TLTP Implementation Guidelines.
- The AL is assigned to a lead analyst within the industry division to which the AL pertains.
- Any protests must be filed within 20 calendar days after the AL is filed. To be valid, a protest must raise a substantive issue within the scope of the AL request.
- The lead analyst reviews protests, replies, public comments and any work papers related to the AL. The lead analyst may submit a data request to the IOU if more information is needed.
- The lead analyst must complete the analysis and close the AL within 30 days or send a suspension notice to the IOU, any protestants, any respondents, and the division's tariff unit.

GO 173 AL Resolution Process

- When the Industry Division determines that a substantive issue related to the IOU request needs to be decided by the Commission, or when the IOU's request for Section 851 approval requires a Commission order:
 - The lead analyst writes a proposed draft resolution for the Commission to consider—the Industry Division is not the decider;
 - The draft resolution is sent to the appropriate service list for public comment.;
 - The lead analyst considers received comments and, if necessary, revises the draft resolution; and
 - The revised draft resolution is then placed on the Commission agenda for the next voting meeting.