

The California State Auditor released the following report today:

California Public Utilities Commission

It Needs to Improve the Quality of Its Consumer Complaint Data and the Controls Over Its Information Systems

BACKGROUND

Responsible for regulating privately owned utilities, such as those that provide energy and telecommunication services, the California Public Utilities Commission (commission) and its Consumer Affairs Branch (branch) collects, analyzes, and addresses customer comments and complaints concerning the utilities it regulates. Commission staff use the Consumer Information Management System (CIMS) to track consumer complaints and to perform research and analysis of trends in utility customer complaints. Although the commission does not generally regulate Internet-based Voice over Internet Protocol (VoIP) services, it does track, monitor, and report on consumer complaints about VoIP services and informally assists complainants with their VoIP-related issues.

KEY FINDINGS

During our review of the commission's practices for compiling and disclosing consumer complaint data regarding telecommunication services, we noted the following:

- Although the commission entities use consumer complaint data the branch collects to make policy and identify trends, the data are not always accurate—we found that almost 40 percent of the 45 complaints we reviewed were incorrectly classified in CIMS.
 - ✓ Of the 30 general complaints we reviewed, staff incorrectly classified nine complaints in CIMS and incorrectly classified eight of the 15 VoIP complaints.
 - ✓ The branch is not capturing enough information about complaints to fully understand the nature of complainant concerns.
 - ✓ Branch staff are insufficiently trained regarding the accurate classification of general complaints as well as those that are VoIP-related.
- The commission's ability to identify VoIP complaints is limited due to the ambiguity in state law related to whether VoIP providers must provide information to the commission that would assist in responding informally to VoIP complaints—some telecommunications providers have declined to provide the commission information about VoIP offerings.
- The commission does not effectively use its website to make complaint data available.
- Despite pervasive weaknesses in general controls that the commission has over its information systems, the commission repeatedly misrepresented its information security posture to CalTech in its annual certifications.
 - ✓ Its inventory of information assets is incomplete, and it has not assessed the risks to its assets.
 - ✓ It has not developed an information security plan or an incident response plan.
 - ✓ Its technology recovery plan lacks key elements.

KEY RECOMMENDATIONS

We recommend that the Legislature give the commission authority to collect information from providers about their VoIP customers and require VoIP providers to furnish the information to the commission. We further made other recommendations to the commission, including the following:

- Update and further train staff on properly classifying and categorizing complaints and on VoIP-related issues.
- Collect information and attributes of each complaint in the data it records in CIMS to ensure consumer data is meaningful and complete.
- Create an updated plan that specifies the types of data to be posted online and a timeline for implementing it.
- Create a process for those who view its complaint data to provide feedback to the branch to ensure that the public can assess the value to the public of the complaint data presented on its website.
- Ensure that it complies with all state policy requirements related to information systems.