

AMENDED IN ASSEMBLY APRIL 3, 2008

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 2792

Introduced by Assembly Member Blakeslee

February 22, 2008

An act to amend Section ~~399.15 of the Public Utilities 14300 of, and to add Section 14307.5 to, the Public Resources Code, relating to electrical restructuring public resources.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2792, as amended, Blakeslee. ~~Electrical restructuring: renewable energy portfolio standard. California Conservation Corps: Green Collar Apprenticeship Program.~~

Existing law establishes the California Conservation Corps that provides training to corpsmembers in areas including, but not limited to, emergency response, energy conservation, and conservation and development of natural resources.

This bill would require the Director of the California Conservation Corps to develop a Green Collar Apprenticeship Program that would provide training for a person participating in the corps to begin a career as a skilled laborer in the clean technology economy and provide post program placement for graduates of the program. A person who successfully completes the program would be certified by the director as a "Green Collar Apprentice."

~~Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. The Public Utilities Act requires the PUC to review and adopt a renewable energy procurement plan for each electrical~~

corporation pursuant to the California Renewables Portfolio Standard Program.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the
2 following:

3 (1) In 2006, California green technology companies earned one
4 billion one hundred eighty million dollars (\$1,180,000,000) of
5 venture capital, or 48 percent of all North America’s green
6 investments. Despite this fact, California currently lacks a sufficient
7 workforce to sustain the developing clean technology economy.

8 (2) The success of California’s clean technology economy hinges
9 on the development of a workforce that includes college-educated
10 engineers, as well as thousands of skilled laborers.

11 (3) The California Conservation Corps currently provides
12 trained work crews for projects that include emergency response,
13 energy conservation and retrofitting, irrigation system installment,
14 landscape management, and boardwalk construction.

15 (4) The California Conservation Corps members are
16 experienced in working on a variety of environmental, business,
17 and community projects, and trained in advanced tool use, safety,
18 and first aid. The specialized training prepares members for both
19 advancing their education and pursuing entry-level employment.

20 (b) It is the intent of the Legislature to do both of the following:

21 (1) Promote policies that will develop the skilled workforce
22 necessary to realize a California clean technology economy.

23 (2) Harness and build upon the success of the existing California
24 Conservation Corps programs by creating a Green Collar
25 Apprenticeship Program within the corps.

26 SEC. 2. Section 14300 of the Public Resources Code is
27 amended to read:

28 14300. Young women and men participating in the corps
29 program shall generally be engaged in projects ~~which~~ that do any
30 of the following:

1 (a) Preserve, maintain, and enhance environmentally important
2 lands and waters.

3 (b) Accomplish useful and needed public works projects in both
4 urban and rural areas.

5 (c) Conserve, maintain, improve, and develop natural resources
6 in both urban and rural areas.

7 (d) Provide opportunities for public use of, or education in, the
8 areas, projects, and resources described in subdivisions (a), (b),
9 and (c).

10 (e) Assist in emergency operations, such as natural disaster
11 relief and the rescue of lost and injured persons.

12 (f) Assist in fire prevention and suppression.

13 (g) Directly contribute to the conservation of energy.

14 (h) Contribute toward making public facilities accessible to
15 persons with disabilities.

16 (i) Assist departments within the Resources Agency in
17 developing, rehabilitating, and restoring parklands, recreational
18 facilities, and historical resources; restoring salmon and steelhead
19 spawning, nursery, and rearing habitat; restoring and preserving
20 wildlife habitat; and enhancing reforestation in both urban and
21 rural areas.

22 (j) *Provide necessary training to participants in the clean
23 technology economy.*

24 *SEC. 3. Section 14307.5 is added to the Public Resources Code,
25 to read:*

26 *14307.5. (a) The director shall establish a Green Collar
27 Apprenticeship Program that would provide young men and women
28 participating in the corps with the necessary training to begin a
29 career as a skilled laborer in the clean technology economy and
30 provide post program job placement for participants who
31 successfully completed the program.*

32 *(b) The director shall certify a corpsmember who successfully
33 completes the program as a "Green Collar Apprentice."*

34 ~~SECTION 1. Section 399.15 of the Public Utilities Code is
35 amended to read:~~

36 ~~399.15. (a) In order to fulfill unmet long-term resource needs,
37 the commission shall establish a renewables portfolio standard
38 requiring all electrical corporations to procure a minimum quantity
39 of electricity generated by eligible renewable energy resources as
40 a specified percentage of total kilowatthours sold to their retail~~

1 end-use customers each calendar year, subject to limits on the total
2 amount of costs expended above the market prices determined in
3 subdivision (c), to achieve the targets established under this article.

4 (b) ~~The commission shall implement annual procurement targets
5 for each retail seller as follows:~~

6 (1) ~~Each retail seller shall, pursuant to subdivision (a), increase
7 its total procurement of eligible renewable energy resources by at
8 least an additional 1 percent of retail sales per year so that 20
9 percent of its retail sales are procured from eligible renewable
10 energy resources no later than December 31, 2010. A retail seller
11 with 20 percent of retail sales procured from eligible renewable
12 energy resources in any year shall not be required to increase its
13 procurement of renewable energy resources in the following year.~~

14 (2) ~~For the purpose of setting annual procurement targets, the
15 commission shall establish an initial baseline for each retail seller
16 based on the actual percentage of retail sales procured from eligible
17 renewable energy resources in 2001, and to the extent applicable,
18 adjusted going forward pursuant to Section 399.12.~~

19 (3) ~~Only for purposes of establishing these targets, the
20 commission shall include all electricity sold to retail customers by
21 the Department of Water Resources pursuant to Section 80100 of
22 the Water Code in the calculation of retail sales by an electrical
23 corporation.~~

24 (4) ~~If a retail seller fails to procure sufficient eligible renewable
25 energy resources to meet any annual target established pursuant
26 to this subdivision in any given year, the retail seller shall procure
27 additional eligible renewable energy resources in subsequent years
28 to compensate for the shortfall, subject to the limitation on costs
29 for electrical corporations established pursuant to subdivision (d).~~

30 (e) ~~The commission shall establish a methodology to determine
31 the market price of electricity for terms corresponding to the length
32 of contracts with eligible renewable energy resources, in
33 consideration of the following:~~

34 (1) ~~The long-term market price of electricity for fixed price
35 contracts, determined pursuant to an electrical corporation's general
36 procurement activities as authorized by the commission.~~

37 (2) ~~The long-term ownership, operating, and fixed-price fuel
38 costs associated with fixed-price electricity from new generating
39 facilities.~~

1 ~~(3) The value of different products including baseload, peaking,~~
2 ~~and as-available electricity.~~

3 ~~(d) The commission shall establish, for each electrical~~
4 ~~corporation, a limitation on the total costs expended above the~~
5 ~~market prices determined in subdivision (c) for the procurement~~
6 ~~of eligible renewable energy resources to achieve the annual~~
7 ~~procurement targets established under this article.~~

8 ~~(1) The cost limitation shall be equal to the amount of funds~~
9 ~~transferred to each electrical corporation by the Energy~~
10 ~~Commission pursuant to subdivision (b) of Section 25743 of the~~
11 ~~Public Resources Code and the 51.5 percent of the funds that would~~
12 ~~have been collected through January 1, 2012, from the customers~~
13 ~~of the electrical corporation based on the renewable energy public~~
14 ~~goods charge in effect as of January 1, 2007.~~

15 ~~(2) The above-market costs of a contract selected by an electrical~~
16 ~~corporation may be counted toward the cost limitation if all of the~~
17 ~~following conditions are satisfied:~~

18 ~~(A) The contract has been approved by the commission and was~~
19 ~~selected through a competitive solicitation pursuant to the~~
20 ~~requirements of subdivision (d) of Section 399.14.~~

21 ~~(B) The contract covers a duration of no less than 10 years.~~

22 ~~(C) The contracted project is a new or repowered facility~~
23 ~~commencing commercial operations on or after January 1, 2005.~~

24 ~~(D) No purchases of renewable energy credits may be eligible~~
25 ~~for consideration as an above-market cost.~~

26 ~~(E) The above-market costs of a contract do not include any~~
27 ~~indirect expenses including imbalance energy charges, sale of~~
28 ~~excess energy, decreased generation from existing resources, or~~
29 ~~transmission upgrades.~~

30 ~~(3) If the cost limitation for an electrical corporation is~~
31 ~~insufficient to support the total costs expended above the market~~
32 ~~prices determined in subdivision (c) for the procurement of eligible~~
33 ~~renewable energy resources satisfying the conditions of paragraph~~
34 ~~(2), the commission shall allow the electrical corporation to limit~~
35 ~~its procurement to the quantity of eligible renewable energy~~
36 ~~resources that can be procured at or below the market prices~~
37 ~~established in subdivision (c).~~

38 ~~(4) Nothing in this section prevents an electrical corporation~~
39 ~~from voluntarily proposing to procure eligible renewable energy~~
40 ~~resources at above-market prices that are not counted toward the~~

1 cost limitation. Any voluntary procurement involving above-market
2 costs shall be subject to commission approval prior to the expense
3 being recovered in rates.
4 (e) ~~The establishment of a renewables portfolio standard shall~~
5 ~~not constitute implementation by the commission of the federal~~
6 ~~Public Utility Regulatory Policies Act of 1978 (Public Law~~
7 ~~95-617).~~
8 (f) ~~The commission shall consult with the Energy Commission~~
9 ~~in calculating market prices under subdivision (e) and establishing~~
10 ~~other renewables portfolio standard policies.~~