

AMENDED IN ASSEMBLY MAY 16, 2011  
AMENDED IN ASSEMBLY MARCH 31, 2011  
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1073**

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**Introduced by Assembly Member Fuentes**

February 18, 2011

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An act to add ~~Section 717 to Chapter 6 (commencing with Section 8390)~~ to Division 4.1 of the Public Utilities Code, relating to energy efficiency.

LEGISLATIVE COUNSEL'S DIGEST

AB 1073, as amended, Fuentes. Electrical corporation energy efficiency programs: application requirements.

Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations *and gas corporations, as defined*. The Public Utilities Act requires the PUC to review and adopt a procurement plan for each electrical corporation in accordance with specified elements, incentive mechanisms, and objectives. The act requires that an electrical corporation's proposed procurement plan include certain elements, including a showing that the electrical corporation will first meet its unmet needs through all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible. The act requires the PUC, in consultation with the State Energy Resources Conservation and Development Commission, to identify all potentially achievable cost-effective electricity efficiency savings and to establish efficiency targets for electrical corporations to achieve pursuant to their procurement plan. *The act additionally requires the PUC, in consultation*

*with the Energy Commission, to identify all potentially achievable cost-effective natural gas efficiency savings and to establish efficiency targets for a gas corporation to achieve and requires that a gas corporation first meet its unmet resource needs through all available natural gas efficiency and demand response resources that are cost effective, reliable, and feasible. The PUC has approved various energy efficiency programs by electrical corporations and gas corporations.*

*Existing law requires that a local publicly owned electric utility, in procuring energy to serve the load of its retail end-use customers, to first acquire all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible, to establish annual targets for energy efficiency savings and demand reduction, and to report those targets and their basis to the Energy Commission.*

*This bill would require that a written building or construction permit be submitted to the electrical corporation at the time of application for any ratepayer-funded energy efficiency incentive for a project that involves a physical alteration or addition to a residential, commercial, or industrial structure the recipient of ratepayer-funded energy efficiency incentives certify that any applicable permits, as appropriate, for a project that involves a physical alteration or addition to a residential, commercial, or industrial structure have been obtained and approved prior to applying for incentives from an energy utility, as defined.*

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

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

- 1     ~~SECTION 1. Section 717 is added to the Public Utilities Code,~~
- 2     ~~to read:~~
- 3     ~~717. A written building or construction permit shall be~~
- 4     ~~submitted to the electrical corporation at the time of application~~
- 5     ~~for any ratepayer-funded energy efficiency incentive for a project~~
- 6     ~~that involves a physical alteration or addition to a residential,~~
- 7     ~~commercial, or industrial structure.~~
- 8     ~~SECTION 1. Chapter 6 (commencing with Section 8390) is~~
- 9     ~~added to Division 4.1 of the Public Utilities Code, to read:~~

1                    *CHAPTER 6. ENERGY EFFICIENCY PROGRAMS*

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3        8390. (a) *For purposes of this chapter, “energy utility” means*  
4 *an electrical corporation, gas corporation, local publicly owned*  
5 *electric utility, or municipal corporation that provides gas service.*

6        (b) *The recipient of ratepayer-funded energy efficiency*  
7 *incentives shall certify that any applicable permits, as appropriate,*  
8 *for a project that involves a physical alteration or addition to a*  
9 *residential, commercial, or industrial structure have been obtained*  
10 *and approved prior to applying for incentives from an energy*  
11 *utility. This requirement does not apply to an application for*  
12 *ratepayer-funded energy efficiency incentives for appliances or*  
13 *changes, alterations, or repairs to structures that are of a minor*  
14 *nature not affecting structural features, egress, sanitation, safety,*  
15 *or accessibility, as determined by the entity of local government*  
16 *responsible for the issuance of building or construction permits.*