

AMENDED IN SENATE JULY 12, 2011

AMENDED IN ASSEMBLY MAY 16, 2011

AMENDED IN ASSEMBLY MARCH 31, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1073

Introduced by Assembly Member Fuentes

February 18, 2011

An act to add 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 (*Energy 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. *Existing law, adopted as part of electrical restructuring and continued in the Reliable Electric Service Investments Act, requires the PUC to supervise the administration of certain low-income energy efficiency programs, in consultation with the Low-Income Oversight Board, funded through a nonbypassable charge upon distribution.* 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. *Existing law requires every publicly owned electric and gas utility that provides the energy for space heating for low-income customers to also provide home weatherization services for those customers if a significant need for those services exists in the utility's service territory, in consideration of certain factors. Existing law requires that each local publicly owned electric and gas utility develop and implement its low-income weatherization program in consultation with gas and electrical corporations and the Department of Economic Opportunity, to avoid duplication and to ensure the most efficient use of public and private resources.*

~~This bill would require that 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 prohibit an energy utility, as defined, from issuing rebates or incentives for energy efficiency improvements unless the recipient of the rebate or incentive certifies that the improvement or installation has complied with applicable permitting requirements and appropriate licensing requirements.~~

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. Chapter 6 (commencing with Section 8390) is
2 added to Division 4.1 of the Public Utilities Code, to read:

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CHAPTER 6. ENERGY EFFICIENCY PROGRAMS

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6 8390. (a) For purposes of this chapter, “energy utility” means
7 an electrical corporation, gas corporation, local publicly owned
8 electric utility, or municipal corporation that provides gas service.

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

20 *(b) (1) Any rebates or incentives offered by an energy utility*
21 *for an energy efficiency improvement or installation of energy*
22 *efficient components, equipment, or appliances in buildings shall*
23 *be provided only if the recipient of the rebate or incentive certifies*
24 *that the improvement or installation has complied with any*
25 *applicable permitting requirements and, if a contractor performed*
26 *the installation or improvement, that the contractor holds the*
27 *appropriate license for the work performed.*

28 *(2) This subdivision does not imply or create authority or*
29 *responsibility, or expand existing authority or responsibility, of*
30 *an energy utility for the enforcement of the building energy and*
31 *water efficiency standards adopted pursuant to subdivision (a) or*
32 *(b) of Section 25402 of the Public Resources Code, or appliance*
33 *efficiency standards and certification requirements adopted*

1 *pursuant to subdivision (c) of Section 25402 of the Public*
2 *Resources Code.*

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