

AMENDED IN SENATE MARCH 24, 2011

SENATE BILL

No. 843

Introduced by Senator Wolk

February 18, 2011

An act to amend ~~Section 2830 of the Public Utilities Code, relating to electricity~~. Sections 1010 and 1011 of the Military and Veterans Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

SB 843, as amended, Wolk. ~~Local government renewable energy self-generation program~~. Veterans' Home of California.

Existing law provides for the establishment and operation of the Veterans' Home of California at various sites, and for an administrator for each home or homesite. Existing law defines "administrator" to mean the Administrator of the Veterans' Home of California, Yountville, and the Administrator of the Veterans' Home of California, Barstow.

This bill would update that definition to include the Administrators of the Veterans' Home of California, Chula Vista, the Veterans' Home of California, Ventura, the Veterans' Home of California, Lancaster, and the Veterans' Home of California, West Los Angeles.

Existing law declares that there is in the Department of Veterans Affairs a Veterans' Home of California, Yountville, authorizes the department to construct a second and additional homes and declares that the second home is a new state function.

This bill would update that provision to declare that additionally there are in the department a Veterans' Home of California, Barstow, a Veterans' Home of California, Chula Vista, a Veterans' Home of California, Lancaster, a Veterans' Home of California, Ventura, and

a Veterans' Home of California, West Los Angeles. This bill would also declare that all homes are a new state function.

~~Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. The local government renewable energy self-generation program authorizes a local government, as defined, to receive a bill credit, as defined, to be applied to a designated benefiting account for electricity exported to the electrical grid by an eligible renewable generating facility, as defined, and requires the commission to adopt a rate tariff for the benefiting account. The program requires that a benefiting account be mutually agreed upon by the local government or campus and the electrical corporation.~~

~~This bill would authorize the local government or campus to designate the benefiting account.~~

~~The existing program requires that the benefiting account receives service under a time-of-use rate schedule and requires that a bill credit is to be calculated based upon the time-of-use electricity generation component of the electricity usage charge of the generating account, multiplied by the quantities of electricity generated by an eligible renewable generating facility that are exported to the grid during the corresponding time period.~~

~~This bill would delete the requirement that the benefiting account receive service under a time-of-use rate schedule and require that the bill credit be calculated based upon the bundled electricity rate charged the benefiting account, with differing calculations depending upon whether the benefiting account receives service pursuant to a time-of-use rate schedule, a single bundled rate, or fixed rates with different rates charged for different tiers of usage.~~

~~The existing program limits the generating capacity of an eligible renewable generating facility to no more than one megawatt and requires that the facility be owned by, operated by, or be located on property under the control of the local government or campus.~~

~~This bill would limit the generating capacity of an eligible renewable generating facility to no more than 20 megawatts. The bill would delete the requirement that the eligible renewable generating facility be owned by, operated by, or be located on, property under the control of the local government or campus.~~

The existing program provides that an electrical corporation is not obligated to provide a bill credit to a benefiting account that is not designated prior to the point in time that the combined statewide cumulative rated generating capacity of all eligible renewable generating facilities within the service territories of the state's 3 largest electrical corporations reaches 250 megawatts.

This bill would delete this 250 megawatts limitation upon the obligation of an electrical corporation to provide a bill credit.

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

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

1 SECTION 1. Section 1010 of the Military and Veterans Code
2 is amended to read:

3 1010. As used in this chapter:

4 (a) "Home" means the Veterans' Home of California,
5 Yountville, and the Veterans' Home of California, Barstow.

6 (b) "Administrator" means the Administrator of the Veterans'
7 Home of California, Yountville, and the Administrator of each site
8 of the southern California Veterans' Home, including, but not
9 limited to, the Veterans' Home of California, Barstow, *the*
10 *Veterans' Home of California, Chula Vista, the Veterans' Home*
11 *of California, Ventura, the Veterans' Home of California,*
12 *Lancaster, and the Veterans' Home of California, West Los*
13 *Angeles.*

14 (c) "Department" means the Department of Veterans Affairs.

15 (d) "Director" means the Director of Veterans Affairs.

16 (e) "Veteran" means a member of the home.

17 SEC. 2. Section 1011 of the Military and Veterans Code is
18 amended to read:

19 1011. (a) There is in the department a Veterans' Home of
20 California, Yountville, situated at Veterans' Home, Napa County.

21 ~~(b) (1) The department may establish and construct a second~~
22 ~~home that shall be situated in the County of Imperial, Los Angeles,~~
23 ~~Orange, Riverside, San Bernardino, San Diego, or Ventura. The~~
24 ~~home may be located on one or more sites. The department shall~~
25 ~~operate the second home concurrently with the first home.~~

1 ~~(2) The initial site is the Veterans' Home of California, Barstow,~~
 2 ~~situated in Barstow, San Bernardino County. That site may provide~~
 3 ~~skilled nursing care for up to 250 residents.~~

4 ~~(3) When completed, the second site shall be the Veterans'~~
 5 ~~Home of California, Chula Vista, situated in Chula Vista, San~~
 6 ~~Diego County, pursuant to the recommendations made by the~~
 7 ~~commission established pursuant to former Section 1011.5.~~

8 ~~(4) When completed, the third site shall be the Veterans' Home~~
 9 ~~of California, Lancaster, situated in Lancaster, Los Angeles County,~~
 10 ~~pursuant to the recommendations made by the commission~~
 11 ~~established pursuant to former Section 1011.5.~~

12 ~~(5) When completed, the fourth site shall be the Veterans' Home~~
 13 ~~of California, Ventura, situated in the community of Saticoy,~~
 14 ~~Ventura County.~~

15 ~~(6) There shall be an administrator for, and located at, each site~~
 16 ~~of the southern California home.~~

17 ~~(7) The department may complete any preapplication process~~
 18 ~~necessary with the United States Department of Veterans Affairs~~
 19 ~~for construction of the second home.~~

20 ~~(b) There is in the department a Veterans' Home of California,~~
 21 ~~Barstow, situated in San Bernardino County.~~

22 ~~(c) There is in the department a Veterans' Home of California,~~
 23 ~~Chula Vista, situated in San Diego County.~~

24 ~~(d) There is in the department a Veterans' Home of California,~~
 25 ~~Lancaster, situated in Los Angeles County.~~

26 ~~(e) There is in the department a Veterans' Home of California,~~
 27 ~~Ventura, situated in Ventura County.~~

28 ~~(f) There is in the department a Veterans' Home of California,~~
 29 ~~West Los Angeles, situated in Los Angeles County.~~

30 ~~(e)~~

31 ~~(g) The Legislature hereby finds and declares that the second~~
 32 ~~home is homes are a new state function. The department may~~
 33 ~~perform any or all work in operating the second home homes by~~
 34 ~~independent contractors, except the overall administration and~~
 35 ~~management of the home homes. Any and all actions of the~~
 36 ~~department taken before September 17, 1996, that are consistent~~
 37 ~~with this subdivision are hereby ratified and confirmed, it having~~
 38 ~~at all times been the intent of the Legislature that the department~~
 39 ~~be so authorized.~~

40 ~~(d)~~

1 (h) There shall be an administrator for each home or homesite,
2 who shall be recommended by the Secretary of Veterans Affairs
3 and appointed by the Governor, and shall be located at that home
4 or homesite. The salary for each administrator shall be subject to
5 the approval of the Department of Personnel Administration.

6 ~~SECTION 1. Section 2830 of the Public Utilities Code is~~
7 ~~amended to read:~~

8 2830. (a) ~~As used in this section, the following terms have the~~
9 ~~following meanings:~~

10 (1) ~~“Benefiting account” means an electricity account, or more~~
11 ~~than one account, located within the geographical boundaries of~~
12 ~~a local government or, for a campus, within the geographical~~
13 ~~boundary of the city, county, or city and county in which the~~
14 ~~campus is located, that is designated by the local government or~~
15 ~~campus.~~

16 (2) ~~“Bill credit” means an amount of money credited to a~~
17 ~~benefiting account that is calculated based upon the bundled~~
18 ~~electricity rate charged the benefiting account by the electrical~~
19 ~~corporation.~~

20 (A) ~~If the benefiting account receives service pursuant to a~~
21 ~~time-of-use rate, the amount of the bill credit is to be calculated~~
22 ~~by measuring the amount of electricity exported to the electrical~~
23 ~~grid by an eligible renewable generating facility multiplied by the~~
24 ~~corresponding time-of-use electricity rate of the benefiting account.~~

25 (B) ~~If the benefiting account receives service pursuant to a fixed~~
26 ~~single rate, the credit shall be calculated by measuring the amount~~
27 ~~of electricity exported to the electrical grid by an eligible renewable~~
28 ~~generating facility multiplied by that rate.~~

29 (C) ~~If the benefiting account receives service pursuant to fixed~~
30 ~~rates, with different rates charged for different tiers of usage, the~~
31 ~~bill credit will be at the first tier or baseline usage rate for~~
32 ~~electricity exported to the electrical grid by an eligible renewable~~
33 ~~generating facility, up to the baseline quantity of electricity for~~
34 ~~that benefiting account. The bill credit for electricity exported to~~
35 ~~the grid by an eligible renewable generating facility that is above~~
36 ~~the baseline amount shall be calculated based upon the next lowest~~
37 ~~tiered rate, up to that tier of usage, and then upon the next lowest~~
38 ~~tiered rate, up to that tier of usage, until the bill credit reaches 100~~
39 ~~percent of the bill to the benefiting account.~~

1 ~~(D) Electricity is exported to the grid if it is generated by an~~
2 ~~eligible renewable generating facility, is not utilized onsite by the~~
3 ~~local government or campus, and the electricity flows through the~~
4 ~~meter site and on to the electrical corporation's distribution or~~
5 ~~transmission infrastructure.~~

6 ~~(3) "Campus" means an individual community college campus,~~
7 ~~individual California State University campus, or individual~~
8 ~~University of California campus.~~

9 ~~(4) "Eligible renewable generating facility" means a generation~~
10 ~~facility that meets all of the following requirements:~~

11 ~~(A) Has a generating capacity of no more than 20 megawatts.~~

12 ~~(B) Is an eligible renewable energy resource, as defined in~~
13 ~~Article 16 (commencing with Section 399.11) of Part 1.~~

14 ~~(C) Is located within the geographical boundary of the local~~
15 ~~government or, for a campus, within the geographical boundary~~
16 ~~of the city or city and county, if the campus is located in an~~
17 ~~incorporated area, or county, if the campus is located in an~~
18 ~~unincorporated area.~~

19 ~~(D) Is sized to offset all or part of the electrical load of the~~
20 ~~benefiting account.~~

21 ~~(5) "Generating account" means the time-of-use electric service~~
22 ~~account of the local government or campus where the eligible~~
23 ~~renewable generating facility is located.~~

24 ~~(6) "Local government" means a city, county, whether general~~
25 ~~law or chartered, city and county, special district, school district,~~
26 ~~political subdivision, or other local public agency, but shall not~~
27 ~~mean a joint powers authority, the state or any agency or~~
28 ~~department of the state, other than an individual campus of the~~
29 ~~University of California or the California State University.~~

30 ~~(b) Subject to the limitation in subdivision (h), a local~~
31 ~~government may elect to receive electric service pursuant to this~~
32 ~~section, if all of the following conditions are met:~~

33 ~~(1) The local government designates one or more benefiting~~
34 ~~accounts to receive a bill credit.~~

35 ~~(2) The benefiting account is the responsibility of, and serves~~
36 ~~property that is owned, operated, or on property under the control~~
37 ~~of the local government or campus.~~

38 ~~(3) The electrical output of the eligible renewable generating~~
39 ~~facility is metered for time of use to allow calculation of the bill~~
40 ~~credit based upon when the electricity is exported to the grid.~~

1 ~~(4) All costs associated with the metering requirements of~~
2 ~~paragraphs (2) and (4) are the responsibility of the local~~
3 ~~government.~~

4 ~~(5) All costs associated with interconnection are the~~
5 ~~responsibility of the holder of the benefiting account. For purposes~~
6 ~~of this paragraph, “interconnection” has the same meaning as~~
7 ~~defined in Section 2803, except that it applies to the interconnection~~
8 ~~of an eligible renewable generating facility rather than the energy~~
9 ~~source of a private energy producer.~~

10 ~~(6) The owner of the eligible renewable generating facility does~~
11 ~~not sell electricity exported to the electrical grid to a third party.~~

12 ~~(7) All electricity exported to the grid by the eligible renewable~~
13 ~~generating facility becomes the property of the electrical~~
14 ~~corporation to which the facility is interconnected, but shall not~~
15 ~~be counted toward the electrical corporation’s total retail sales for~~
16 ~~purposes of Article 16 (commencing with Section 399.11) of~~
17 ~~Chapter 2.3 of Part 1. Ownership of the renewable energy credits,~~
18 ~~as defined in Section 399.12, shall be the same as the ownership~~
19 ~~of the renewable energy credits associated with electricity that is~~
20 ~~net metered pursuant to Section 2827.~~

21 ~~(e) (1) A benefiting account shall be billed for all electricity~~
22 ~~usage, and for each bill component, at the rate schedule applicable~~
23 ~~to the benefiting account, including any cost-responsibility~~
24 ~~surcharge or other cost recovery mechanism, as determined by the~~
25 ~~commission, to reimburse the Department of Water Resources for~~
26 ~~purchases of electricity, pursuant to Division 27 (commencing~~
27 ~~with Section 80000) of the Water Code.~~

28 ~~(2) The bill shall then credit the designated benefiting account~~
29 ~~by the amount of the bill credit. The generation component credited~~
30 ~~to the benefiting account may not include the cost-responsibility~~
31 ~~surcharge or other cost recovery mechanism, as determined by the~~
32 ~~commission, to reimburse the Department of Water Resources for~~
33 ~~purchases of electricity, pursuant to Division 27 (commencing~~
34 ~~with Section 80000) of the Water Code. The electrical corporation~~
35 ~~shall ensure that the local government receives the full bill credit.~~

36 ~~(3) If, during the billing cycle, the electricity usage charges~~
37 ~~exceeds the bill credit, the benefiting account shall be billed for~~
38 ~~the difference.~~

39 ~~(4) If, during the billing cycle, the bill credit applied pursuant~~
40 ~~to paragraph (2) exceeds the electricity usage charges, the~~

1 difference shall be carried forward as a financial credit to the next
2 billing cycle.

3 ~~(5) After the electricity usage charge pursuant to paragraph (1)~~
4 ~~and the credit pursuant to paragraph (2) are determined for the last~~
5 ~~billing cycle of a 12-month period, any remaining bill credit~~
6 ~~resulting from the application of this section shall be reset to zero,~~
7 ~~and the owner of the eligible renewable generating facility may~~
8 ~~elect to receive compensation pursuant to Section 399.20, for any~~
9 ~~electricity exported to the electrical grid that is not credited to a~~
10 ~~benefiting account.~~

11 ~~(d) The commission shall ensure that the transfer of a bill credit~~
12 ~~to a benefiting account does not result in a shifting of costs to~~
13 ~~bundled service subscribers. The costs associated with the transfer~~
14 ~~of a bill credit shall include all billing-related expenses.~~

15 ~~(e) Not more frequently than once per year, and upon providing~~
16 ~~the electrical corporation with a minimum of 60 days' notice, the~~
17 ~~local government or campus may elect to change a benefiting~~
18 ~~account. Any credit resulting from the application of this section~~
19 ~~earned prior to the change in a benefiting account that has not been~~
20 ~~used as of the date of the change in the benefiting account, shall~~
21 ~~be applied, and may only be applied, to a benefiting account as~~
22 ~~changed.~~

23 ~~(f) A local government or campus shall provide the electrical~~
24 ~~corporation to which the eligible renewable generating facility will~~
25 ~~be interconnected with not less than 60 days' notice prior to the~~
26 ~~eligible renewable generating facility becoming operational. The~~
27 ~~electrical corporation shall file an advice letter with the~~
28 ~~commission, that complies with this section, not later than 30 days~~
29 ~~after receipt of the notice, proposing a rate tariff for a benefiting~~
30 ~~account. The commission, within 30 days of the date of filing,~~
31 ~~shall approve the proposed tariff, or specify conforming changes~~
32 ~~to be made by the electrical corporation to be filed in a new advice~~
33 ~~letter.~~

34 ~~(g) The local government or campus may terminate its election~~
35 ~~pursuant to subdivision (b), upon providing the electrical~~
36 ~~corporation with a minimum of 60 days' notice. Should the~~
37 ~~electricity generated by the eligible renewable generating facility~~
38 ~~be sold to a third party, no further bill credit pursuant to paragraph~~

- 1 ~~(3) of subdivision (b) may be earned. Only credit earned prior to~~
- 2 ~~that date shall be made to a benefiting account.~~

O