

AMENDED IN SENATE SEPTEMBER 3, 2013

AMENDED IN SENATE AUGUST 12, 2013

AMENDED IN SENATE JUNE 25, 2013

AMENDED IN SENATE JUNE 11, 2013

AMENDED IN ASSEMBLY MAY 8, 2013

AMENDED IN ASSEMBLY MARCH 14, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 66

Introduced by Assembly Member Muratsuchi
(Coauthors: Senators Hill and Pavley)

January 7, 2013

An act to add Section 2774.1 to the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 66, as amended, Muratsuchi. Electricity: system reliability.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined. The Public Utilities Act authorizes the commission to ascertain and fix just and reasonable standards, classifications, regulations, practices, measurements, or service to be furnished, imposed, observed, and followed by specified public utilities, including all electrical corporations. If the commission finds after a hearing that the rules, practices, equipment, appliances, facilities, or service of any public utility, or of the methods of manufacture, distribution, transmission, storage, or supply employed by the public utility, are unjust,

unreasonable, unsafe, improper, inadequate, or insufficient, the act requires that the commission determine and, by order or rule, fix the rules, practices, equipment, appliances, facilities, service, or methods to be observed, furnished, constructed, enforced, or employed. Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

This bill would require the commission to require an electrical corporation to include in annual reliability reports, required by a specified decision of the commission, that are due after July 1, 2014, information on the reliability of service to end use customers that identifies the frequency and duration of interruptions in services and indicates areas with both the most frequent and longest outages, using ~~geographic regions~~ *local areas* determined by the commission. The bill would require the commission to use the information to require cost-effective remediation of reliability deficiencies if the report, or more than one report, identifies repeated deficiencies in the same ~~geographic region~~. *local area and would authorize the commission to suspend this requirement upon specified findings.* The bill would require the electrical corporations to conspicuously post their annual reports on their Internet Web site. Because a violation of any order, decision, rule, direction, demand, or requirement of the commission is a crime, this bill would impose a state-mandated local program by expanding the definition of a crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

- 1 SECTION 1. Section 2774.1 is added to the Public Utilities
- 2 Code, to read:
- 3 2774.1. (a) (1) The commission shall require an electrical
- 4 corporation to include in an annual reliability report, required
- 5 pursuant to Decision 96-09-045, *as amended, or a decision that*
- 6 *supersedes Decision 96-09-045*, information on the reliability of
- 7 service to end use customers that identifies, but is not limited to,

1 the frequency and duration of interruptions in services. This
2 information shall indicate areas with both the most frequent and
3 longest outages, using ~~geographic regions~~ *local areas* determined
4 by the commission. The commission, in consultation with the
5 electrical corporation, shall ensure that the geographical boundaries
6 of ~~regions~~ *local areas* do not split up *circuits for reporting*
7 *purposes, if the electrical corporation aggregates data by circuits.*
8 The information shall be sufficiently aggregated to both maintain
9 electrical system security, and be of use and relevance to affected
10 customers of the electrical corporation.

11 (2) Before July 1, 2014, the commission shall determine the
12 ~~geographic regions~~ *local areas* for the purposes of paragraph (1).

13 (3) The requirements of paragraph (1) shall apply to annual
14 reports due after July 1, 2014.

15 (4) The electrical corporation shall conspicuously post on its
16 Internet Web site the annual report required pursuant to Decision
17 96-09-045, *as amended, or a decision that supersedes Decision*
18 *96-09-045.*

19 (b) (1) The commission shall use the information contained in
20 an electrical corporation's annual reliability report to require
21 cost-effective remediation of reliability deficiencies if the report,
22 or more than one report, identifies repeated deficiencies in the
23 same ~~geographic region~~ *local area* as determined by the
24 commission pursuant to paragraph (1) of subdivision (a). In
25 requiring cost-effective remediation, the commission ~~may~~ *shall*
26 consult with the electrical corporation and consider mitigating
27 factors that may impede an electrical corporation from
28 implementing required cost-effective remediation, including, but
29 not limited to, local permitting matters or other events or conditions
30 or public policy considerations that may present higher priority
31 safety or reliability issues.

32 ~~(2) The commission shall determine the procedures for using~~
33 ~~the information contained in the electrical corporation's annual~~
34 ~~reliability report to require remediation of reliability deficiencies~~
35 ~~and shall continue to exercise its discretion as to how to remediate~~
36 ~~those deficiencies.~~

37 ~~(3)~~

38 (2) The commission may suspend ~~an electrical corporation's~~
39 ~~remediation of reliability deficiencies~~ *the requirements of*
40 *paragraph (1)* if the commission finds that expenditures by the

1 electrical corporation ~~for those purposes to comply with that~~
2 ~~paragraph~~ are not justified or reasonable or that the remediation
3 measures undertaken by the electrical corporation are not effective
4 at improving safety and reliability.

5 (c) (1) The commission may order an electrical corporation to
6 make more frequent trend analyses of ~~regional~~ *local area* service
7 reliability and to make those analyses publicly available.

8 (2) The information made publicly available shall provide
9 sufficient confidentiality for purposes of protecting electrical
10 system security.

11 (3) The commission may make those analyses publicly available.

12 SEC. 2. (a) It is the intent of the Legislature in adding Section
13 2774.1 to the Public Utilities Code, that the required system
14 reliability information be included in the annual report required
15 by the Public Utilities Commission in Decision 96-09-045
16 (September 4, 1996), while preserving the discretion of the
17 commission to modify an electrical corporation's reporting
18 requirements.

19 (b) It is the further intent of the Legislature ~~that the existing~~
20 ~~reporting limits be revised to accomplish both of the following: to~~
21 ~~require an annual reliability report to include and differentiate~~
22 ~~both sustained outages and momentary outages, as defined by the~~
23 ~~Public Utilities Commission.~~

24 ~~(1) To require an annual reliability report to include and~~
25 ~~differentiate both sustained outages and momentary outages, as~~
26 ~~defined by the commission.~~

27 ~~(2) That the geographic boundaries used in an annual reliability~~
28 ~~report not split up circuits, but will still use boundaries that are~~
29 ~~understandable to the general public.~~

30 SEC. 3. No reimbursement is required by this act pursuant to
31 Section 6 of Article XIII B of the California Constitution because
32 the only costs that may be incurred by a local agency or school
33 district will be incurred because this act creates a new crime or
34 infraction, eliminates a crime or infraction, or changes the penalty
35 for a crime or infraction, within the meaning of Section 17556 of
36 the Government Code, or changes the definition of a crime within
37 the meaning of Section 6 of Article XIII B of the California
38 Constitution.

O