

ASSEMBLY BILL

No. 217

Introduced by Assembly Member Bradford
(Principal coauthor: Senator De León)

January 31, 2013

An act to add Article 1.5 (commencing with Section 2855) to Chapter 9 of Part 2 of Division 1 of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 217, as introduced, Bradford. Electricity: solar electricity: low-income households.

Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. Decisions of the PUC adopted the California Solar Initiative. Existing law requires the PUC to ensure that not less than 10% of the funds for the California Solar Initiative are utilized for the installation of solar energy systems, as defined, on low-income residential housing, as defined. Pursuant to this requirement, the PUC adopted decisions that established the Single-Family Affordable Solar Homes Program (SASH) and the Multifamily Affordable Solar Housing Program (MASH), which provide monetary incentives for the installation of solar energy systems on low-income residential housing. The SASH and MASH programs will operate until December 31, 2015, or until budgeted funds are exhausted, whichever occurs sooner.

This bill would require the PUC to adopt a program, pursuant to prescribed requirements, to provide monetary incentives for the installation of solar energy systems on low-income residential housing commencing January 1, 2015, to December 31, 2021, inclusive. This bill would require the program to be funded by charges collected from

customers of specified investor-owned utilities, subject to prescribed limitations. This bill would prohibit the total cost of the program from exceeding \$108,000,000. This bill would establish the Low Income Solar Energy Fund, would require the moneys collected to be deposited therein, and to be made available to the commission for the purposes of this bill upon appropriation by the Legislature.

This bill would require that all moneys set aside for the purpose of funding the installation of solar energy systems on low-income residential housing, that are unexpended and unencumbered on January 1, 2022, be utilized to augment existing cost-effective energy efficiency measures in low-income residential housing that benefit ratepayers.

By imposing a charge on customers to fund the Solar Energy Program for Low-Income Residential Housing, the bill would constitute a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of 2/3 of the membership of each house of the Legislature.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Article 1.5 (commencing with Section 2855) is
2 added to Chapter 9 of Part 2 of Division 1 of the Public Utilities
3 Code, to read:

4
5 Article 1.5. Solar Energy Program for Low-Income Residential
6 Housing

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8 2855. The Legislature finds and declares that it is the goal of
9 the state to establish a program to install solar energy systems that
10 have a generating capacity equivalent of 50 megawatts on
11 low-income residential housing during the period from January 1,
12 2016, to December 31, 2021, inclusive.

13 2856. As used in this article, the following terms have the
14 following meanings:

15 (a) “Low-income residential housing” has the same meaning as
16 that term is defined in Section 2852.

17 (b) “Solar energy system” has the same meaning as that term
18 is defined in Section 2852.

1 2857. Commencing January 1, 2015, until December 31, 2021,
2 the commission shall adopt a program to provide monetary
3 incentives for the installation of solar energy systems on
4 low-income residential housing receiving service from San Diego
5 Gas and Electric Company, Southern California Edison Company,
6 and Pacific Gas and Electric Company.

7 2858. The program adopted by the commission, pursuant to
8 this article, shall do all of the following:

9 (a) Be a cost-effective investment by ratepayers in peak
10 electricity generation capacity where ratepayers recoup the cost
11 of their investment through lower rates as a result of avoiding
12 purchases of electricity at peak rates, with additional system
13 reliability and pollution reduction benefits.

14 (b) Require reasonable and cost-effective energy efficiency
15 improvements in existing buildings as a condition of providing
16 incentives for eligible solar energy systems, with appropriate
17 exemptions or limitations to accommodate the limited financial
18 resources of low-income residential housing.

19 (c) Require participants who receive monetary incentives to
20 enroll in the Energy Savings Assistance Program established
21 pursuant to Section 382, if eligible.

22 (d) Provide job training and employment opportunities in the
23 solar energy and energy efficiency sectors of the economy.

24 (e) Prohibit participants in the program from receiving monetary
25 incentives in those locations where incentives are available
26 pursuant to Section 2852.

27 2859. (a) The program shall be funded by charges collected
28 from customers of San Diego Gas and Electric Company, Southern
29 California Edison Company, and Pacific Gas and Electric
30 Company. The total cost over the duration of the program shall
31 not exceed one hundred eight million dollars (\$108,000,000).

32 (b) In establishing the program, moneys shall not be diverted
33 from any existing programs for low-income ratepayers, or from
34 cost-effective energy efficiency or demand response programs.

35 (c) (1) The commission shall not impose any charge upon the
36 consumption of natural gas, or upon natural gas ratepayers, to fund
37 the program.

38 (2) Notwithstanding any other law, any charge imposed to fund
39 the program adopted and implemented pursuant to this article shall
40 be imposed upon all customers not participating in the California

1 Alternate Rates for Energy (CARE) or family electric rate
2 assistance (FERA) programs, including those residential customers
3 subject to the rate cap required by Section 80110 of the Water
4 Code for existing baseline quantities or usage up to 130 percent
5 of existing baseline quantities of electricity.

6 (3) The costs of the program adopted and implemented pursuant
7 to this section shall not be recovered from customers participating
8 in the CARE program established pursuant to Section 739.1, except
9 to the extent that program costs are recovered out of the
10 nonbypassable system benefits charge authorized pursuant to
11 Section 399.8.

12 (d) All moneys set aside for the purpose of funding the
13 installation of solar energy systems on low-income residential
14 housing that are unexpended and unencumbered on January 1,
15 2022, except to the extent those moneys are encumbered pursuant
16 to this article, shall be utilized to augment existing cost-effective
17 energy efficiency measures in low-income residential housing that
18 benefit ratepayers.

19 (e) The Low Income Solar Energy Fund is hereby established
20 in the State Treasury. Moneys collected pursuant to this article
21 shall be deposited into the fund and made available to the
22 commission for the purposes of this article upon appropriation by
23 the Legislature.