

AMENDED IN ASSEMBLY MAY 8, 2013

AMENDED IN ASSEMBLY APRIL 2, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1079

Introduced by Assembly Member Bradford
(Principal coauthor: Assembly Member Bocanegra)
(Coauthor: Assembly Member V. Manuel Pérez)

February 22, 2013

An act to add Sections 7083.1, 7083.2, and 63045.1 to the Government Code, relating to enterprise zones.

LEGISLATIVE COUNSEL'S DIGEST

AB 1079, as amended, Bradford. Enterprise zones: energy management plans.

The Enterprise Zone Act provides for the designation of zones according to specified criteria, pursuant to which certain entities within each zone may receive regulatory, tax, and other incentives for economic and employment development and private investment.

This bill would amend the Enterprise Zone Act to authorize a city, county, or city and county to propose one or more energy management plans, developed jointly with an electrical corporation, gas corporation, local publicly owned electric utility, or rural electric cooperative, serving an enterprise zone other than an area within a harbor or port district formed pursuant to specified law, in order to reduce air emissions and to promote economic development, the addition of new business, and the retention of existing businesses in that enterprise zone. The bill would require the Public Utilities Commission, if the city, county, or city and county has developed jointly with an electrical or gas

corporation one or more plan elements that involve special programs to be offered to the enterprise zone and administered by the electrical or gas corporation to facilitate economic development, to provide expedited review of the proposed jointly developed elements. The bill would require the commission to encourage electrical or gas corporations to participate jointly with local agencies in developing, implementing, and administering viable energy management plans for enterprise zones, and would prohibit the commission from limiting the role of the electrical or gas corporation that was cooperatively developed in the energy management plan. *This bill would require the city, county, or city and county to report the progress of the plan implementation in its biannual report to the Department of Housing and Community Development, as provided.*

Under the Bergeson-Peace Infrastructure and Economic Development Bank Act, the California Infrastructure and Economic Development Bank is established within state government for the purpose of funding specified types of infrastructure development projects.

The bill would make a project, to promote economic development in enterprise zones developed pursuant to an energy management plan in accordance with the bill, eligible for funding through the bank. The bill would require the bank to consider ~~appropriate action to remove unnecessary barriers for~~ *acts it may take, at its discretion, that facilitate the financing of that project.*

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

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

- 1 SECTION 1. Section 7083.1 is added to the Government Code,
- 2 to read:
- 3 7083.1. The Legislature finds and declares all of the following:
- 4 (a) The state should encourage the development of new
- 5 businesses and the retention of existing businesses within enterprise
- 6 zones.
- 7 (b) Energy utility customers can benefit from the addition of
- 8 new business and the retention of existing business through
- 9 increased energy cost certainty.
- 10 (c) Businesses in enterprise zones could benefit through greater
- 11 stability and certainty in the cost of energy services.

1 (d) Investor-owned utilities and publicly owned utilities are in
2 an optimal position, and should be encouraged to engage in joint
3 projects with government administering enterprise zones, to provide
4 and administer energy-related service alternatives and programs
5 that can promote economic development and retention in enterprise
6 zones.

7 SEC. 2. Section 7083.2 is added to the Government Code, to
8 read:

9 7083.2. (a) A city, county, or city and county may propose
10 one or more energy management plans, developed jointly with an
11 electrical corporation, gas corporation, or local publicly owned
12 electric utility, as defined in the Public Utilities Code, or a rural
13 electric cooperative, serving an enterprise zone other than an area
14 within a harbor or port district formed pursuant to Division 8
15 (commencing with Section 5800) of the Harbors and Navigation
16 Code, in order to reduce air emissions and to promote economic
17 development, the addition of new businesses, and the retention of
18 existing businesses in that enterprise zone.

19 (b) The energy management plan shall include, at a minimum,
20 the following:

21 *(1) An assessment of current energy consumption within the*
22 *zone by energy source and type of users. Examples of users may*
23 *include commercial, industrial, governmental, individual transport,*
24 *and product transport.*

25 *(2) In addition to other energy efficiency and management issues*
26 *that the city, county, or city and county, decides to assess in order*
27 *to inform the development of specific goals and actions that reduce*
28 *air emissions and promote economic development, all of the*
29 *following:*

30 ~~(1)~~

31 (A) An electric or natural gas load forecast, developed in
32 coordination with the serving electrical corporation, gas
33 corporation, or local publicly owned electric utility, or rural electric
34 cooperative, that reflects anticipated load growth within the
35 enterprise zone.

36 ~~(2)~~

37 (B) Consideration of the role that distributed generation,
38 combined with accurately priced utility services, could play in
39 providing greater rate stability and energy cost certainty to aid in
40 economic development, and proposed actions with respect to that

1 role. This assessment shall be developed jointly with the serving
 2 electrical corporation, gas corporation, local publicly owned electric
 3 utility, or rural electric cooperative.

4 *(C) An assessment, in consultation with business and industry,*
 5 *to identify current and emerging processes and technologies that*
 6 *reduce energy consumption and improve energy efficiency.*

7 *(3) A set of measurable energy performance and management*
 8 *goals that reduce air pollution and promote economic development,*
 9 *and a prioritized list of infrastructure projects, public education*
 10 *initiatives, and other actions that the city, county, or city and*
 11 *county will undertake to achieve those goals. In addition to these*
 12 *projects and actions, the plan shall include:*

13 ~~(3)~~

14 (A) Proposed actions, developed jointly with the serving
 15 electrical corporation, gas corporation, local publicly owned electric
 16 utility, or rural electric cooperative, for the enhanced use of
 17 cost-effective energy efficiency and demand-side management in
 18 existing buildings and the inclusion of energy efficiency measures
 19 as part of the development of new buildings.

20 ~~(4)~~

21 (B) Proposed actions, developed jointly with the serving
 22 electrical corporation, natural gas corporation, local publicly owned
 23 electric utility, or rural electric cooperative, for the development
 24 of infrastructure, in appropriate areas, to aid in the refueling of
 25 alternative fuel vehicles, including utility ownership or operation
 26 of those facilities to provide services to the community.

27 ~~(5)~~

28 (C) Other actions and associated utility services to implement
 29 the jointly developed energy management plan.

30 *(4) An identification of government and nongovernment*
 31 *impediments to implementing the plan and recommendations on*
 32 *how these impediments may be overcome.*

33 *(5) One-year, three-year, five-year, 10-year, and 15-year*
 34 *objectives for implementing the plan. These objectives shall be in*
 35 *sufficient detail to allow the district to undertake a meaningful*
 36 *annual review of the plan's progress.*

37 (6) (A) Proposed methods to fund the activities included in the
 38 plan, including funding through utility ratepayer-funded programs
 39 and financing through the California Infrastructure and Economic
 40 Development Bank established pursuant to Division 1

1 (commencing with Section 63000) of Title 6.7, the California
2 Alternative Energy and Advanced Transportation Financing
3 Authority established pursuant to Section 26004 of the Public
4 Resources Code, or other appropriate sources.

5 *(B) A city, county, or city and county shall engage with zone*
6 *residents, businesses, as well as small business technical assistance*
7 *providers to assist in the identification of joint or collaborative*
8 *energy efficiency project opportunities, public education activities,*
9 *and financing opportunities that implement the actions and projects*
10 *in the plan.*

11 *(7) The consideration of other related energy plans, mandates,*
12 *and requirements, and, to the extent possible, means for leveraging*
13 *opportunities for achieving energy efficiency and sustainable*
14 *energy production while also not overburdening impacted*
15 *businesses.*

16 (c) (1) If the city, county, or city and county has developed
17 jointly with an electrical or gas corporation one or more plan
18 elements that involves special programs to be offered in the
19 enterprise zone and administered by the electrical or gas
20 corporation to facilitate economic development, including, but not
21 limited to, energy efficiency, the use of biogas for direct injection
22 into common carrier pipelines, economic development rates,
23 distributed generation, energy storage, and alternative fuel vehicle
24 infrastructure, the Public Utilities Commission shall provide
25 expedited review of the proposed jointly developed elements. ~~The~~

26 (2) *The Public Utilities Commission shall encourage electrical*
27 *or gas corporations to participate jointly with local agencies in*
28 *developing, implementing, and administering viable energy*
29 *management plans for enterprise zones, and shall not limit the role*
30 *of the electrical or gas corporation that was cooperatively*
31 *developed in the energy management plan. The governing boards*
32 *of local publicly owned utilities and rural electric cooperatives*
33 *shall encourage joint participation with local agencies and gas*
34 *corporations in developing, implementing, and administering viable*
35 *energy management plans for enterprise zones.*

36 (d) The energy management plan shall consider the development
37 of projects that provide greater certainty of energy costs over a
38 period of up to 15 years for businesses developing in the enterprise
39 zone and shall consider applying to the California Infrastructure

1 and Economic Development Bank for financial support of those
2 projects under Section 63045.1.

3 *(e) In approving the plan, the city, county, or city and county*
4 *shall make a finding that there is an equitable distribution of costs*
5 *and benefits of projects and actions proposed in the plan.*

6 *(f) The city, county, or city and county shall report the progress*
7 *of the plan implementation in its biannual report to the Department*
8 *of Housing and Community Development pursuant to Section*
9 *7085.1 of the Government Code.*

10 SEC. 3. Section 63045.1 is added to the Government Code, to
11 read:

12 63045.1. A project to promote economic development in
13 enterprise zones developed pursuant to an energy management
14 plan in accordance with Section 7083.2 shall be eligible for funding
15 under this ~~article~~ *division*. The bank shall consider ~~appropriate~~
16 ~~action to remove unnecessary barriers for~~ *acts it may take, at its*
17 *discretion, that facilitate the financing of that project.*