

**ASSEMBLY BILL**

**No. 1258**

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**Introduced by Assembly Member Skinner**

February 22, 2013

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An act to amend Section 2836 of the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 1258, as introduced, Skinner. Electricity: hydroelectric facilities.

Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities and can establish its own procedures, subject to statutory limitations or directions and constitutional requirements of due process.

Existing law requires the PUC to open a new proceeding to determine the appropriate targets, if any, for each load-serving entity to procure viable and cost-effective energy storage systems to be achieved by December 31, 2015, and December 31, 2020.

This bill would require the commission to open a new proceeding or expand the scope of an existing proceeding to determine the potential use of hydroelectric facilities and specified pumped storage facilities to provide energy resources with deliverability characteristics that may include dispatchable baseload, firm, and as-available capacity.

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. It is the intent of the Legislature that load serving
- 2 entities maximize the use of existing hydroelectric and pumped

1 storage facilities for energy storage and renewable energy  
2 integration, subject to constraints required to protect fish, wildlife,  
3 and public safety.

4 SEC. 2. Section 2836 of the Public Utilities Code is amended  
5 to read:

6 2836. (a) (1) On or before March 1, 2012, the commission  
7 shall open a proceeding to determine appropriate targets, if any,  
8 for each load-serving entity to procure viable and cost-effective  
9 energy storage systems to be achieved by December 31, 2015, and  
10 December 31, 2020. As part of this proceeding, the commission  
11 may consider a variety of possible policies to encourage the  
12 cost-effective deployment of energy storage systems, including  
13 refinement of existing procurement methods to properly value  
14 energy storage systems.

15 (2) The commission shall adopt the procurement targets, if  
16 determined to be appropriate pursuant to paragraph (1), by October  
17 1, 2013.

18 (3) The commission shall reevaluate the determinations made  
19 pursuant to this subdivision not less than once every three years.

20 (4) Nothing in this section prohibits the commission's evaluation  
21 and approval of any application for funding or recovery of costs  
22 of any ongoing or new development, trialing, and testing of energy  
23 storage projects or technologies outside of the proceeding required  
24 by this chapter.

25 (b) (1) On or before March 1, 2012, the governing board of  
26 each local publicly owned electric utility shall initiate a process  
27 to determine appropriate targets, if any, for the utility to procure  
28 viable and cost-effective energy storage systems to be achieved  
29 by December 31, 2016, and December 31, 2020. As part of this  
30 proceeding, the governing board may consider a variety of possible  
31 policies to encourage the cost-effective deployment of energy  
32 storage systems, including refinement of existing procurement  
33 methods to properly value energy storage systems.

34 (2) The governing board shall adopt the procurement targets, if  
35 determined to be appropriate pursuant to paragraph (1), by October  
36 1, 2014.

37 (3) The governing board shall reevaluate the determinations  
38 made pursuant to this subdivision not less than once every three  
39 years.

1     (c) (1) *On or before March 1, 2014, the commission shall open*  
2 *a new proceeding or expand the scope of an existing proceeding*  
3 *to determine the potential use of hydroelectric facilities and*  
4 *pumped storage facilities specified in paragraph (2) to provide*  
5 *energy resources with deliverability characteristics that may*  
6 *include dispatchable baseload, firm, and as-available capacity.*  
7     (2) *The pumped storage facilities to which paragraph (1) applies*  
8 *are the Helms pumped storage facility, the Balsam Meadow*  
9 *pumped storage facility, the Oroville pumped storage facility, and*  
10 *the San Luis pumped storage facility.*

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