AMENDED IN ASSEMBLY MARCH 13, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL No. 1258

Introduced by Assembly Member Skinner

February 22, 2013

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

LEGISLATIVE COUNSEL'S DIGEST

AB 1258, as amended, 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~~ *PUC, on or before March 1, 2014,* to open a new proceeding or expand the scope of an existing proceeding to determine the potential use of *existing* hydroelectric facilities and specified pumped storage facilities to provide ~~energy resources with deliverability characteristics that may include dispatchable baseload, firm, and as-available capacity~~ *additional operational flexibility that could facilitate the integration of renewable resources*.

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

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

SECTION 1. It is the intent of the Legislature that load serving entities maximize the use of existing hydroelectric and pumped storage facilities for energy storage and renewable energy integration, subject to constraints required to protect fish, wildlife, and public safety.

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

2836. (a) (1) On or before March 1, 2012, the commission shall open a proceeding to determine 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. As part of this proceeding, the commission may consider a variety of possible policies to encourage the cost-effective deployment of energy storage systems, including refinement of existing procurement methods to properly value energy storage systems.

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

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

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

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

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

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

(c) (1) On or before March 1, 2014, the commission shall open a new proceeding or expand the scope of an existing proceeding to determine the potential use of *existing* hydroelectric facilities and pumped storage facilities specified in paragraph (2) to provide ~~energy resources with deliverability characteristics that may include dispatchable baseload, firm, and as-available capacity~~ *additional operational flexibility that could facilitate the integration of renewable resources*.

(2) The pumped storage facilities to which paragraph (1) applies are the Helms pumped storage facility, the Balsam Meadow pumped storage facility, the Oroville pumped storage facility, *the Castaic pumped storage facility,* and the San Luis pumped storage facility.

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