

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1763

Introduced by Assembly Member Perea

February 14, 2014

An act to ~~amend Section 25301~~ *add and repeal Section 25303.6* of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1763, as amended, Perea. ~~Energy: assessments and forecasts. State energy plan for 2030 and 2050.~~

Existing law requires the State Energy Resources Conservation and Development Commission, at least every ~~two~~ 2 years, to conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery, distribution, demand, and prices.

~~This bill would make a technical, nonsubstantive change to the above provision.~~

This bill would require the commission, in consultation with the Independent System Operator, other relevant state and local agencies, and interested stakeholders, in an open and public process, to develop and submit to the Governor and the Legislature, by January 1, 2016, a report containing a state energy plan for 2030 and 2050 that promotes economic growth, ensures reliable and affordable energy supplies, and positions the state as a leader in the United States and world energy markets. For these purposes, "energy" is defined to mean electricity, natural gas, and transportation fuels that are used for powering homes, businesses, motor vehicles, and aircraft in the state.

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

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

1 *SECTION 1. The Legislature finds and declares all of the*
2 *following:*

3 *(a) California is the most populous state in the nation and the*
4 *eighth largest economy in the world.*

5 *(b) It is in the interest of California and its citizens to ensure*
6 *that an adequate and reliable supply of energy be available for*
7 *the benefit of residents and commerce.*

8 *(c) California continues to lead the nation in designing and*
9 *implementing innovative policies and strategies to use energy more*
10 *efficiently, replace use of fossil fuels with renewable energy*
11 *resources, and develop the electrical infrastructure needed to*
12 *deliver safe, reliable, and affordable electricity to consumers and*
13 *businesses throughout the state.*

14 *(d) California must adopt and implement an energy plan that*
15 *assures its electricity and transportation fuel needs will be met in*
16 *2030 and 2050.*

17 *(e) It is important to make sure that the infrastructure needed*
18 *to generate and deliver adequate electricity and natural gas is in*
19 *place.*

20 *(f) Movement of people and goods by vehicles, rail, airplanes,*
21 *and other transportation modes accounts for about 40 percent of*
22 *all energy consumed within the state. The transportation sector is*
23 *a major user of energy and is essential to California's economy.*

24 *(g) Although gasoline consumption continues to decrease, the*
25 *state's population continues to grow, and the penetration of*
26 *alternative vehicles and fuels remains relatively low.*

27 *(h) State law charges the State Energy Resources Conservation*
28 *and Development Commission with the responsibility of conducting*
29 *energy forecasting and assessment activities, including assessments*
30 *of the opportunities and risks relative to the delivery of electricity*
31 *and transportation fuels to consumers and the associated impact*
32 *of these opportunities and risks on the state's economy.*

33 *(i) Under state law, these energy forecasts and assessments are*
34 *included in the biennial integrated energy policy report adopted*
35 *by the commission. For the purposes of ensuring consistency in*
36 *the underlying information that forms the foundation of energy*
37 *policies and decisions affecting the state, existing law requires the*
38 *State Air Resources Board and other state agencies to carry out*

1 *their energy-related duties and responsibilities based upon the*
2 *information and analyses contained in the report.*

3 *SEC. 2. Section 25303.6 is added to the Public Resources Code,*
4 *to read:*

5 *25303.6. (a) For the purposes of this section, “energy” means*
6 *electricity, natural gas, and transportation fuels that are used for*
7 *powering homes, businesses, motor vehicles, and aircraft in the*
8 *state.*

9 *(b) On or before January 1, 2016, the commission, in*
10 *consultation with the Independent System Operator, other relevant*
11 *state and local agencies, and interested stakeholders, in an open*
12 *and public process, shall develop and submit to the Governor and*
13 *the Legislature a report containing a state energy plan for 2030*
14 *and 2050 that promotes economic growth, ensures reliable and*
15 *affordable energy supplies, and positions the state as a leader in*
16 *the United States and world energy markets.*

17 *(c) In developing the state energy plan, the commission shall*
18 *consider all of the following:*

19 *(1) Energy forecasts based upon California’s current and future*
20 *energy supply mix forecast to 2030 and 2050.*

21 *(2) An analysis of California’s energy infrastructure needs,*
22 *including a review of current infrastructure and new infrastructure*
23 *needed for an evolving supply mix forecast to 2030 and 2050.*

24 *(3) Recommendations on ensuring long-term energy supply*
25 *reliability and affordability through 2030 and 2050.*

26 *(d) The report submitted pursuant to subdivision (b) is intended*
27 *to assist in establishing state policy and does not independently*
28 *change any statute, regulation, or regulatory decision.*

29 *(e) The report shall be submitted in compliance with Section*
30 *9795 of the Government Code.*

31 *(f) Pursuant to Section 10231.5 of the Government Code, this*
32 *section is repealed on January 1, 2020.*

33 ~~**SECTION 1. Section 25301 of the Public Resources Code is**~~
34 ~~**amended to read:**~~

35 ~~25301. (a) At least every other year, the commission shall~~
36 ~~conduct assessments and forecasts of all aspects of energy industry~~
37 ~~supply, production, transportation, delivery and distribution,~~
38 ~~demand, and prices. The commission shall use these assessments~~
39 ~~and forecasts to develop energy policies that conserve resources,~~
40 ~~protect the environment, ensure energy reliability, enhance the~~

1 state's economy, and protect public health and safety. To perform
2 these assessments and forecasts, the commission may require
3 submission of demand forecasts, resource plans, market
4 assessments, and related outlooks from electric and natural gas
5 utilities, transportation fuel and technology suppliers, and other
6 market participants. These assessments and forecasts shall be done
7 in consultation with the appropriate state and federal agencies
8 including, but not limited to, the Public Utilities Commission, the
9 Office of Ratepayer Advocates, the State Air Resources Board,
10 the Electricity Oversight Board, the Independent System Operator,
11 the Department of Water Resources, the California Consumer
12 Power and Conservation Financing Authority, the Department of
13 Transportation, and the Department of Motor Vehicles.

14 (b) In developing the assessments and forecasts prepared
15 pursuant to subdivision (a), the commission shall do all of the
16 following:

17 (1) Provide information about the performance of energy
18 industries.

19 (2) Develop and maintain the analytical capability sufficient to
20 answer inquiries about energy issues from government, market
21 participants, and the public.

22 (3) Analyze and develop energy policies.

23 (4) Provide an analytical foundation for regulatory and policy
24 decisionmaking.

25 (5) Facilitate efficient and reliable energy markets.