

ASSEMBLY BILL

No. 2584

Introduced by Assembly Member Nestande

February 21, 2014

An act to amend Section 399.11 of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 2584, as introduced, Nestande. Energy: California Renewables Portfolio Standard Program.

Existing law requires the Public Utilities Commission to review and adopt a renewable energy procurement plan for each electrical corporation, as defined, pursuant to the California Renewables Portfolio Standard Program.

This bill would make technical and nonsubstantive changes to the program's legislative findings and declarations.

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

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

- 1 SECTION 1. Section 399.11 of the Public Utilities Code is
- 2 amended to read:
- 3 399.11. The Legislature finds and declares all of the following:
- 4 (a) ~~In order to~~To attain a target of generating 20 percent of total
- 5 retail sales of electricity in California from eligible renewable
- 6 energy resources by December 31, 2013, and 33 percent by
- 7 December 31, 2020, it is the intent of the Legislature that the

1 commission and the Energy Commission implement the California
2 Renewables Portfolio Standard Program described in this article.
3 (b) Achieving the renewables portfolio standard through the
4 procurement of various electricity products from eligible renewable
5 energy resources is intended to provide unique benefits to
6 California, including all of the following, each of which
7 independently justifies the program:
8 (1) Displacing fossil fuel consumption within the state.
9 (2) Adding new electrical generating facilities in the
10 transmission network within the Western Electricity Coordinating
11 Council service area.
12 (3) Reducing air pollution in the state.
13 (4) Meeting the state’s climate change goals by reducing
14 emissions of greenhouse gases associated with electrical generation.
15 (5) Promoting stable retail rates for electric service.
16 (6) Meeting the state’s need for a diversified and balanced
17 energy generation portfolio.
18 (7) Assistance with meeting the state’s resource adequacy
19 requirements.
20 (8) Contributing to the safe and reliable operation of the
21 electrical grid, including providing predictable electrical supply,
22 voltage support, lower line losses, and congestion relief.
23 (9) Implementing the state’s transmission and land use planning
24 activities related to development of eligible renewable energy
25 resources.
26 (c) The California Renewables Portfolio Standard Program is
27 intended to complement the Renewable Energy Resources Program
28 administered by the Energy Commission and established pursuant
29 to Chapter 8.6 (commencing with Section 25740) of Division 15
30 of the Public Resources Code.
31 (d) New and modified electric transmission facilities may be
32 necessary to facilitate the state achieving its renewables portfolio
33 standard targets.
34 (e) (1) Supplying electricity to California end-use customers
35 that is generated by eligible renewable energy resources is
36 necessary to improve California’s air quality and public health,
37 and the commission shall ensure rates are just and reasonable, and
38 are not significantly affected by the procurement requirements of
39 this article. This electricity may be generated anywhere in the

1 interconnected grid that includes many states, and areas of both
2 Canada and Mexico.

3 (2) This article requires generating resources located outside of
4 California that are able to supply that electricity to California
5 end-use customers to be treated identically to generating resources
6 located within the state, without discrimination.

7 (3) California electrical corporations have already executed,
8 and the commission has approved, power purchase agreements
9 with eligible renewable energy resources located outside of
10 California that will supply electricity to California end-use
11 customers. These resources will fully count toward meeting the
12 renewables portfolio standard procurement requirements. In
13 addition, there are nearly 7,000 megawatts of additional proposed
14 renewable energy resources located outside of California that are
15 awaiting interconnection approval from the Independent System
16 Operator. All of these resources, if procured, will count as eligible
17 renewable energy resources that satisfy the portfolio content
18 requirements of paragraph (1) of subdivision (c) of Section 399.16.