

AMENDED IN SENATE APRIL 1, 2013

SENATE BILL

No. 418

Introduced by Senator Jackson
(Principal coauthor: Senator Block)
(Principal coauthor: Assembly Member Atkins)

February 20, 2013

An act to ~~amend Section 382 of~~ *add Section 1091.5 to* the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 418, as amended, Jackson. Energy: ~~low-income energy efficiency programs; nuclear fission powerplants.~~

(1) Under existing law, the Public Utilities Commission, commonly known as the PUC, has regulatory authority over public utilities, including electrical corporations, as defined. The Public Utilities Act prohibits any electrical corporation from beginning the construction of, among other things, a line, plant, or system, or of any extension thereof, without having first obtained from the PUC a certificate that the present or future public convenience and necessity require or will require that construction. A violation of the act, or an order, decision, rule, direction, demand, or requirement of the PUC is a crime.

Existing federal law requires an operator of a nuclear fission thermal powerplant to obtain from the federal Nuclear Regulatory Commission a license for the operation of the powerplant.

This bill would enact the Nuclear Energy Planning and Responsibility Act and would require the PUC to require an applicant electrical corporation applying for ratepayer funding, or reopening an existing application for ratepayer funding, for the relicensing of a nuclear fission thermal powerplant with a generation capacity of 50 megawatts or

greater by the federal Nuclear Regulatory Commission, to submit a detailed study of the project needs and costs in order to assess the cost-effectiveness of the continued operation of the nuclear fission thermal powerplant. The bill would require the PUC to review the study to assess the cost-effectiveness of the continued operation of the nuclear fission thermal powerplant. Because a violation of this provision is a crime, this bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~Existing law requires the Public Utilities Commission to establish a program of assistance to low-income electric and gas customers, referred to as the California Alternate Rates for Energy or CARE program. Existing law requires programs provided to low-income electricity customers to be funded at not less than 1996 authorized levels based on an assessment of customer need.~~

~~This bill instead would require programs provided to low-income electricity customers to be funded at not less than 2000 authorized levels based on an assessment of customer need.~~

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

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

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Nuclear Energy Planning and Responsibility Act.
- 3 SEC. 2. Section 1091.5 is added to the Public Utilities Code,
- 4 to read:
- 5 1091.5. (a) Upon application to the commission for ratepayer
- 6 funding, or reopening of an existing application for ratepayer
- 7 funding, for the relicensing of a nuclear fission thermal powerplant
- 8 with a generation capacity of 50 megawatts or greater by the
- 9 federal Nuclear Regulatory Commission, the commission shall
- 10 require the applicant electrical corporation operating the nuclear
- 11 fission thermal powerplant to submit a detailed study of the project
- 12 needs and costs in order to assess the cost-effectiveness of the
- 13 continued operation of the nuclear fission thermal powerplant.

1 (b) The study shall include, but is not limited to, all of the
2 following areas of concern:

3 (1) The effect of the nuclear fission thermal powerplant on
4 system reliability and the affordable supply of electricity, including
5 planned provisions for emergency operations and unplanned
6 shutdowns as well as the costs of replacement power.

7 (2) The costs attributable to major disruptions in electrical
8 generation due to aging or major seismic events that may require
9 repair, replacement, or retrofit in excess of fifty million dollars
10 (\$50,000,000) at the nuclear fission thermal powerplant.

11 (3) The costs of responding to, or mitigating for, any new federal
12 requirements that have arisen or are anticipated to become
13 enforceable during the period of the license extension.

14 (4) Potential state and local costs and impacts associated with
15 current and accumulating high-level radioactive waste and its
16 ongoing storage at the nuclear fission thermal powerplant.

17 (5) Potential state and local costs associated with mitigation
18 or alternatives to the use of once-through cooling at the nuclear
19 fission thermal powerplant as required by state or federal law.

20 (6) Potential state and local costs associated with expanding
21 and maintaining emergency planning zones.

22 (7) Costs associated with achieving compliance with
23 requirements for a federal consistency certification granted by the
24 California Coastal Commission to the electrical corporation,
25 required for the relicensing of the nuclear fission thermal
26 powerplant by the federal Nuclear Regulatory Commission.

27 (c) The commission shall independently review the study to
28 assess the cost-effectiveness of the continued operation of the
29 nuclear fission thermal powerplant.

30 SEC. 3. No reimbursement is required by this act pursuant to
31 Section 6 of Article XIII B of the California Constitution because
32 the only costs that may be incurred by a local agency or school
33 district will be incurred because this act creates a new crime or
34 infraction, eliminates a crime or infraction, or changes the penalty
35 for a crime or infraction, within the meaning of Section 17556 of
36 the Government Code, or changes the definition of a crime within
37 the meaning of Section 6 of Article XIII B of the California
38 Constitution.

39 SECTION 1. ~~Section 382 of the Public Utilities Code is~~
40 ~~amended to read:~~

1 382. ~~(a) Programs provided to low-income electricity~~
2 ~~customers, including, but not limited to, targeted energy efficiency~~
3 ~~services and the California Alternate Rates for Energy program,~~
4 ~~shall be funded at not less than 2000 authorized levels based on~~
5 ~~an assessment of customer need.~~

6 ~~(b) In order to meet legitimate needs of electric and gas~~
7 ~~customers who are unable to pay their electric and gas bills and~~
8 ~~who satisfy eligibility criteria for assistance, recognizing that~~
9 ~~electricity is a basic necessity, and that all residents of the state~~
10 ~~should be able to afford essential electricity and gas supplies, the~~
11 ~~commission shall ensure that low-income ratepayers are not~~
12 ~~jeopardized or overburdened by monthly energy expenditures.~~
13 ~~Energy expenditure may be reduced through the establishment of~~
14 ~~different rates for low-income ratepayers, different levels of rate~~
15 ~~assistance, and energy efficiency programs.~~

16 ~~(c) Nothing in this section shall be construed to prohibit electric~~
17 ~~and gas providers from offering any special rate or program for~~
18 ~~low-income ratepayers that is not specifically required in this~~
19 ~~section.~~

20 ~~(d) Beginning in 2002, an assessment of the needs of~~
21 ~~low-income electricity and gas ratepayers shall be conducted~~
22 ~~periodically by the commission with the assistance of the~~
23 ~~Low-Income Oversight Board. The assessment shall evaluate~~
24 ~~low-income program implementation and the effectiveness of~~
25 ~~weatherization services and energy efficiency measures in~~
26 ~~low-income households. The assessment shall consider whether~~
27 ~~existing programs adequately address low-income electricity and~~
28 ~~gas customers' energy expenditures, hardship, language needs,~~
29 ~~and economic burdens.~~

30 ~~(e) The commission shall, by not later than December 31, 2020,~~
31 ~~ensure that all eligible low-income electricity and gas customers~~
32 ~~are given the opportunity to participate in low-income energy~~
33 ~~efficiency programs, including customers occupying apartments~~
34 ~~or similar multiunit residential structures. The commission and~~
35 ~~electrical corporations and gas corporations shall make all~~
36 ~~reasonable efforts to coordinate ratepayer-funded programs with~~
37 ~~other energy conservation and efficiency programs and to obtain~~
38 ~~additional federal funding to support actions undertaken pursuant~~
39 ~~to this subdivision. These programs shall be designed to provide~~
40 ~~long-term reductions in energy consumption at the dwelling unit~~

1 ~~based on an audit or assessment of the dwelling unit, and may~~
2 ~~include improved insulation, energy efficient appliances, measures~~
3 ~~that utilize solar energy, and other improvements to the physical~~
4 ~~structure.~~

5 ~~(f) The commission shall allocate funds necessary to meet the~~
6 ~~low-income objectives in this section.~~

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