

**Assembly Bill No. 793**

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Passed the Assembly September 3, 2015

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*Chief Clerk of the Assembly*

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Passed the Senate September 2, 2015

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 2790 of, and to add Section 717 to, the Public Utilities Code, relating to public utilities.

## LEGISLATIVE COUNSEL'S DIGEST

AB 793, Quirk. Energy efficiency.

(1) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and gas corporations, as defined. Existing law requires the commission to require an electrical or gas corporation to perform home weatherization services for low-income customers if the commission determines that a significant need for those services exists in the corporation's service territory. For these purposes, existing law authorizes weatherization, where feasible, to include certain measures for a dwelling unit. Existing law also authorizes weatherization, for these purposes, to include other measures determined by the commission to be feasible, taking into consideration the cost-effectiveness of the measures as a whole and the policy of reducing energy-related hardships facing low-income households.

This bill would authorize weatherization, for the above-specified purposes, to include energy management technology determined by the commission to be feasible, taking into consideration the above-described factors.

(2) Existing law requires the commission, by July 1, 2010, and in consultation with the State Energy Resources Conservation and Development Commission, the Independent System Operator, and other key stakeholders, to determine the requirements for a smart grid deployment plan consistent with specified policies and federal law. Existing law requires each electrical corporation, by July 1, 2011, to develop and submit a smart grid deployment plan to the commission for approval.

This bill would require the commission to require an electrical or gas corporation to develop a program to provide incentives to a residential or small or medium business customer to acquire energy management technology for use in the customer's home or place of business. The bill would require the commission to

require an electrical or gas corporation to develop a plan to educate residential customers and small and medium business customers about the incentive program. The bill would require the commission to require the electrical or gas corporation to annually report to the commission on actual customer savings resulting from the incentive program.

The bill would require the commission to evaluate all electrical or gas corporation energy savings claims achieved pursuant to the incentive program described above in a manner consistent with commission-adopted evaluation protocols.

(3) Because a violation of any part of any order, decision, rule, direction, demand, or requirement of the Public Utilities Commission is a crime, this bill would impose a state-mandated local program.

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.

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

SECTION 1. Section 717 is added to the Public Utilities Code, to read:

717. (a) The commission shall require an electrical or gas corporation to do all of the following:

(1) Develop a program no later than January 1, 2017, within the electrical or gas corporation's demand-side management programs authorized by the commission, to provide incentives to a residential or small or medium business customer to acquire energy management technology for use in the customer's home or place of business. The electrical or gas corporation may allow third parties or local governments to apply for incentives on behalf of customers. The electrical or gas corporation shall work with third parties, local governments, and other interested parties in developing the program. The electrical or gas corporation shall establish incentive amounts based on savings estimation and baseline policies adopted by the commission.

(2) Develop a plan by September 30, 2016, to educate residential customers and small and medium business customers about the incentive program developed pursuant to paragraph (1). The commission may require that the plan be integrated into, or coordinated with, any education campaign required by the commission.

(3) Annually report to the commission on actual customer savings resulting from the incentive program established pursuant to this section. The commission shall evaluate all electrical or gas corporation energy savings claims achieved pursuant to the incentive program in a manner consistent with commission-adopted evaluation protocols and determine if the program shall continue or be modified.

(b) For purposes of this section, “energy management technology” may include a product, service, or software that allows a customer to better understand and manage electricity or gas use in the customer’s home or place of business.

(c) Nothing in this section shall be construed to amend or limit the ability of a community choice aggregator to apply to administer an energy efficiency or conservation program or a demand-side management program as set forth in Section 381.1.

SEC. 2. Section 2790 of the Public Utilities Code is amended to read:

2790. (a) The commission shall require an electrical or gas corporation to perform home weatherization services for low-income customers, as determined by the commission under Section 739, if the commission determines that a significant need for those services exists in the corporation’s service territory, taking into consideration both the cost-effectiveness of the services and the policy of reducing the hardships facing low-income households.

(b) (1) For purposes of this section, “weatherization” may include, where feasible, any of the following measures for any dwelling unit:

(A) Attic insulation.

(B) Caulking.

(C) Weatherstripping.

(D) Low flow showerhead.

(E) Waterheater blanket.

(F) Door and building envelope repairs that reduce air infiltration.

(2) The commission shall direct any electrical or gas corporation to provide as many of these measures as are feasible for each eligible low-income dwelling unit.

(c) “Weatherization” may also include other building conservation measures, energy management technology, energy-efficient appliances, and energy education programs determined by the commission to be feasible, taking into consideration for all measures both the cost-effectiveness of the measures as a whole and the policy of reducing energy-related hardships facing low-income households.

(d) Weatherization programs shall use the needs assessment pursuant to Section 382.1 to maximize efficiency of delivery.

(e) For purposes of this section, “energy management technology” may include a product, service, or software that allows a customer to better understand and manage electricity or gas use in the customer’s home.

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





Approved \_\_\_\_\_, 2015

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*Governor*