

AMENDED IN SENATE JUNE 19, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1110

Introduced by Assembly Member Ting

February 27, 2015

An act to amend ~~Section 4115~~ Sections 398.1, 398.2, and 398.4 of the ~~Revenue and Taxation Code~~, *Public Utilities Code*, relating to ~~taxation~~: *energy*.

LEGISLATIVE COUNSEL'S DIGEST

AB 1110, as amended, Ting. ~~Property taxation: redemption deficiency. Emissions of greenhouse gases reporting: retail electricity suppliers.~~

Under existing law, entities offering electric services in California are required to disclose information on the sources of energy that are used to provide electric services. Existing law requires every retail supplier, as defined, that makes an offer to sell electricity that is consumed in California to disclose its electricity sources for the previous calendar year. These disclosures are required to be made to end-use customers and potential end-use customers. Existing law requires a retail supplier to disclose its electricity sources as a percentage of annual sales that is derived from specified sources of energy, including eligible renewable energy resources.

This bill would require a retail supplier, including an electrical corporation, local publicly owned electric utility, electric service provider, and community choice aggregator to also disclose the emissions of greenhouse gases associated with its electricity sources. The bill would prohibit an adjustment in the calculation of emissions of greenhouse gases through the application of renewable energy

credits, carbon offset credits, or other attributes acquired from any facility not providing the actual delivered electricity used to serve a retail customer.

The Public Utilities Act makes any public utility and any corporation other than a public utility, that violates the act, or that fails to comply with any part of any order, decision, rule, direction, demand, or requirement of the commission, guilty of a crime.

Because the provisions of this bill would be a part of the act and because a violation of an order or decision of the commission implementing its requirements by an electrical corporation or electric service provider would be a crime, the bill would impose a state-mandated local program by expanding what is a crime. By placing additional reporting duties upon local publicly owned electric utilities, the 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 specified reasons.

~~Under existing property tax law, unpaid property taxes are declared delinquent and subject to penalties and costs, and, if the taxes remain unpaid, the property is declared tax-defaulted and subject to sale. Existing law authorizes the tax collector to provide notification of the tax-defaulted status of the property to the property owner, as specified, and authorizes the property to be redeemed until the right of redemption is terminated. Existing law requires the tax collector to issue a certification of redemption when tax-defaulted property is redeemed, as specified. Existing law authorizes a tax collector, if that tax collector has erroneously computed the amount necessary to redeem a parcel of property as to which a redemption certificate has been issued and that error resulted in an underpayment of the amount required to redeem the property, to collect the amount of the redemption deficiency if the tax collector sends notice of, or a bill for, the underpayment, as specified. Existing law requires the redemption deficiency to be collected, as provided, if payment of the redemption deficiency is not made by the property owner within 30 days following the mailing of the notice or bill.~~

~~This bill would instead extend the time available to make a redemption deficiency from 30 days to 45 days following the mailing of the notice or bill.~~

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

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

1 SECTION 1. Section 398.1 of the Public Utilities Code is
2 amended to read:

3 398.1. (a) The Legislature finds and declares that there is a
4 need for reliable, accurate, and timely information regarding fuel
5 sources for electric generation offered for retail sale in California.

6 (b) The purpose of this article is to establish a program under
7 which entities offering electric services in California disclose
8 accurate, reliable, and simple to understand information on the
9 sources of ~~energy~~ energy, and the associated emissions of
10 greenhouse gases, that are used to provide electric services.

11 SEC. 2. Section 398.2 of the Public Utilities Code is amended
12 to read:

13 398.2. The definitions set forth in this section shall govern the
14 construction of this article.

15 (a) “Retail supplier” means an entity that offers an electricity
16 product for sale to retail consumers in ~~California~~. California,
17 including an electrical corporation, local publicly owned electric
18 utility, electric service provider, and community choice aggregator.

19 (b) “System operator” means the Independent System Operator
20 with responsibility for the efficient use and reliable operation of
21 the transmission grid, as provided by Section 345, or a local
22 publicly owned electric utility that does not utilize the Independent
23 System Operator.

24 (c) “Specific purchases” means electricity transactions ~~which~~
25 that are traceable to specific generation sources by any auditable
26 contract trail or equivalent, such as a tradable commodity system,
27 that provides commercial verification that the electricity source
28 claimed has been sold once and only once to a retail consumer.
29 Retail suppliers may rely on annual data to meet this requirement,
30 rather than hour-by-hour matching of loads and resources.

31 (d) “Unspecified sources of power” means electricity that is not
32 traceable to specific generation sources by any auditable contract

1 trail or equivalent, including a tradable commodity system, that
2 provides commercial verification that the electricity source claimed
3 has been sold once, and only once, to a retail consumer.

4 *SEC. 3. Section 398.4 of the Public Utilities Code is amended*
5 *to read:*

6 398.4. (a) Every retail supplier that makes an offering to sell
7 electricity that is consumed in California shall disclose its
8 electricity sources *and the associated emissions of greenhouse*
9 *gases* for the previous calendar year.

10 (b) The disclosures required by this section shall be made to
11 potential end-use consumers in all product-specific written
12 promotional materials that are distributed to consumers by either
13 printed or electronic means, including the retail supplier's Internet
14 Web site, if one exists, except that advertisements and notices in
15 general circulation media shall not be subject to this requirement.

16 (c) The disclosures required by this section shall be made
17 annually to end-use consumers of the offered electricity. The annual
18 disclosure shall be made by the end of the first complete billing
19 cycle for the third quarter of the year, and shall be consistent with
20 information provided to the Energy Commission pursuant to
21 Section 398.5.

22 (d) The disclosures required by this section shall be made
23 separately for each offering made by the retail supplier.

24 (e) On or before January 1, 1998, the Energy Commission shall
25 specify guidelines for the format and means for disclosure required
26 by Section 398.3 and this section, based on the requirements of
27 this article and subject to public hearing.

28 (f) The costs of making the disclosures required by this section
29 shall be considered to be generation related.

30 (g) The disclosures required by this section shall comply with
31 the following:

32 (1) A retail supplier's disclosure of its electricity sources shall
33 be expressed as a percentage of annual sales derived from each of
34 the following categories:

35 (A) Unspecified sources of electricity.

36 (B) Specific purchases.

37 (2) A retail supplier's disclosure of its electricity sources shall
38 also separately identify total California system electricity, which
39 is the sum of all in-state generation and net electricity imports by
40 fuel type.

1 (h) Each of the categories specified in subdivision (g) shall be
2 additionally identified as a percentage of annual sales that is
3 derived from the following fuels or sources of energy:

- 4 (1) Coal.
- 5 (2) Large hydroelectric (greater than 30 megawatts).
- 6 (3) Natural gas.
- 7 (4) Nuclear.

8 (5) Eligible renewable energy resources pursuant to the
9 California Renewables Portfolio Standard Program (Article 16
10 commencing with Section 399.11)), *identified by the*
11 *corresponding categories described in subdivision (b) of Section*
12 *399.16*, including any of the following:

- 13 (A) Biomass and biowaste.
- 14 (B) Geothermal.
- 15 (C) Eligible hydroelectric.
- 16 (D) Solar.
- 17 (E) Wind.

18 (6) Other categories as determined by the Energy Commission.

19 (i) All electricity sources disclosed as specific purchases shall
20 meet the requirements of subdivision (c) of Section 398.2.

21 (j) Specific purchases identified pursuant to this section shall
22 be from sources connected to the Western Electricity Coordinating
23 Council interconnected grid.

24 ~~(k) Compliance with this section by a local publicly owned~~
25 ~~electric utility shall constitute compliance with paragraph (2) of~~
26 ~~subdivision (b) of Section 387.~~

27 (k) *The emissions of greenhouse gases associated with a retail*
28 *supplier's electricity sources shall be reported as the sum of all*
29 *annual emissions of greenhouse gases divided by annual retail*
30 *electric sales. Emissions of greenhouse gases shall be calculated*
31 *using the emissions reported for electricity supplied by entities*
32 *required to report emissions of greenhouse gases pursuant to*
33 *Article 2 (commencing with Section 95100) of Subchapter 10 of*
34 *Chapter 1 of Division 3 of Title 17 of the California Code of*
35 *Regulations. Emissions of greenhouse gases shall include any*
36 *emissions otherwise attributable to any first deliverer, as defined*
37 *in paragraph (178) of subdivision (a) of Section 95102 of Title 17*
38 *of the California Code of Regulations, supplying electricity directly*
39 *or indirectly to the retail supplier. For purposes of this calculation,*
40 *no adjustment shall be made to the calculation of emissions of*

1 *greenhouse gases assigned to any retail supplier through the*
2 *application of the following:*

3 *(1) Renewable energy credits, as defined in subdivision (h) of*
4 *Section 399.12.*

5 *(2) Offset credits issued pursuant to Article 5 (commencing with*
6 *Section 95801) of Subchapter 10 of Chapter 1 of Division 3 of*
7 *Title 17 of the California Code of Regulations.*

8 *(3) Other attributes acquired from any facility not providing*
9 *the actual delivered electricity used to serve a retail customer.*

10 *(l) The provisions of this section shall not apply to generators*
11 *providing electric service onsite, under an over-the-fence*
12 *transaction as described in Section 218, or to an affiliate or*
13 *affiliates, as defined in subdivision (a) of Section 372.*

14 *SEC. 4. No reimbursement is required by this act pursuant to*
15 *Section 6 of Article XIII B of the California Constitution because*
16 *a local agency or school district has the authority to levy service*
17 *charges, fees, or assessments sufficient to pay for the program or*
18 *level of service mandated by this act or because costs that may be*
19 *incurred by a local agency or school district will be incurred*
20 *because this act creates a new crime or infraction, eliminates a*
21 *crime or infraction, or changes the penalty for a crime or*
22 *infraction, within the meaning of Section 17556 of the Government*
23 *Code, or changes the definition of a crime within the meaning of*
24 *Section 6 of Article XIII B of the California Constitution.*

25 ~~SECTION 1. Section 4115 of the Revenue and Taxation Code~~
26 ~~is amended to read:~~

27 ~~4115. If payment of the redemption deficiency is not made~~
28 ~~within 45 days following the mailing of the notice or bill required~~
29 ~~by Section 4114, the deficiency shall be transferred to the secured~~
30 ~~roll prepared or being prepared for the assessment year in which~~
31 ~~such notice or bill is mailed to the assessee, and shall thereafter~~
32 ~~be treated and collected like other taxes on such roll; provided,~~
33 ~~however, that if before the date of transfer to the secured roll, with~~
34 ~~the date of entry specified thereon, the real property on which such~~
35 ~~redemption deficiency constitutes a lien has been transferred or~~
36 ~~conveyed to a bona fide purchaser for value or becomes subject~~
37 ~~to a bona fide encumbrance for value, such redemption deficiency~~
38 ~~shall not create, impose or constitute a lien on such real property~~
39 ~~but shall be transferred to the unsecured roll in the name of the~~
40 ~~assessee at the time the original insufficient payment was made~~

1 and shall thereafter be treated and collected like other taxes on
2 said roll.

3 The entry on the roll shall be followed with “Deficiency in
4 Redemption of Parcel Number _____ on _____, 20_.” The
5 foregoing entry may be made on a document separate from the
6 roll if reference is made on the roll to the document wherein the
7 entry is made. The delinquent tax abstract from which the
8 redemption deficiency is transferred may, at the option of the
9 county, serve as the separate document.

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