

ASSEMBLY BILL

No. 1150

Introduced by Assembly Member Levine

February 27, 2015

An act to add Section 25404.5 to the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1150, as introduced, Levine. Energy: University of California partnership.

The Warren-Alquist State Energy Resources Conservation and Development Act establishes the State Energy Resources Conservation and Development Commission. The act requires the State Energy Resources Conservation and Development Commission, beginning November 1, 2003, and by November 1 of every odd year thereafter, to adopt an integrated energy policy report which includes an overview of major energy trends and issues facing the state, an assessment and forecast of system reliability, and the need for resource additions, efficiency, and conservation.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and gas corporations, as defined, while local publicly owned electric utilities, as defined, and local publicly owned gas utilities are under the direction of their governing board.

This bill would require the State Energy Resources Conservation and Development Commission, in consultation with the Public Utilities Commission and the University of California, to expand the existing statewide institutional partnership between the University of California and investor-owned energy utilities, as defined, to create an integrated

and flexible program across all University of California facilities, that accomplishes specified matter, including extending participation to University of California facilities served by local publicly owned energy utilities that choose to participate. As a condition for participation in the expanded partnership, the bill would require the University of California to report to the State Energy Resources Conservation and Development Commission the annual reduction in emissions of greenhouse gases from the expanded partnership at all participating University of California facilities.

Vote: majority. Appropriation: no. Fiscal committee: 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) The University of California has committed to achieving
- 4 carbon neutrality through aggressive measures to increase energy
- 5 efficiency and develop renewable energy resources.
- 6 (b) Because of its size and subsequent required energy
- 7 consumption, there are significant opportunities for reducing
- 8 emissions of carbon dioxide and other greenhouse gases at
- 9 University of California facilities.
- 10 (c) Collectively the University of California has substantially
- 11 contributed to the state’s energy efficiency goals by saving 373
- 12 million kilowatthours per year and 18,700,000 therms per year
- 13 through 2014 as part of an institutional statewide partnership with
- 14 investor-owned energy utilities established in 2004.
- 15 (d) Additional deep energy efficiency potential exists at
- 16 University of California facilities. The identified potential deep
- 17 energy efficiency projects could produce savings of 426,000,000
- 18 kilowatthours per year and 15,700,000 therms per year, equating
- 19 to \$59 million per year in utility cost savings.
- 20 (e) There is a need to expand the existing University of
- 21 California institutional statewide partnership to capture carbon
- 22 and reduce emissions of greenhouse gases and to ensure meaningful
- 23 and reliable energy assessments, cost-effective energy efficiency
- 24 improvements, and the incorporation of projects that are
- 25 demonstrated to be cost effective on a carbon basis.

1 SEC. 2. Section 25404.5 is added to the Public Resources Code,
2 to read:

3 25404.5. (a) For purposes of this section, the following terms
4 have the following meanings:

5 (1) “Investor-owned energy utilities” means the state’s three
6 largest electrical corporations, as defined in Section 218 of the
7 Public Utilities Code, and each gas corporation, as defined in
8 Section 222 of the Public Utilities Code, of the state.

9 (2) “Local publicly owned energy utility” means a local publicly
10 owned electric utility, as defined in Section 224.3 of the Public
11 Utilities Code, or a local publicly owned gas utility.

12 (3) “Partnership” means the statewide institutional partnership
13 between the University of California and investor-owned energy
14 utilities.

15 (b) The commission, in consultation with the Public Utilities
16 Commission and the University of California, shall expand the
17 statewide institutional partnership between the University of
18 California and investor-owned energy utilities to create an
19 integrated and flexible program across all University of California
20 facilities, that accomplishes all of the following:

21 (1) Participation in the partnership is extended to University of
22 California facilities served by local publicly owned energy utilities
23 that choose to participate. The commission shall collaborate with
24 those local publicly owned energy utilities serving the University
25 of California to ensure the participation of the University of
26 California and local publicly owned energy utilities.

27 (2) A project is evaluated based upon the project’s effect in
28 reducing emissions of greenhouse gases and the cost effectiveness
29 in achieving those reductions, including, but not limited to, deep
30 energy efficiency and eligible renewable energy resources, subject
31 to applicable funding.

32 (3) Wherever feasible, the partnership utilizes whole-building,
33 or whole-campus, meter based verification in order to reduce costs
34 associated with traditional field verification and engineering hand
35 calculations.

36 (c) The Public Utilities Commission and the commission shall
37 leverage the existing partnership to allow flexibility and to
38 accommodate the potential for multiple funding sources, and the
39 partnership’s existing administrative framework shall, subject to
40 subdivision (e), be utilized to allocate any future funding from the

1 state for energy projects or projects for reducing emissions of
2 greenhouse gases.

3 (d) This section does not affect the eligibility of the University
4 of California to receive resources from federal, state, and local
5 government, or from public utilities or other sources through the
6 partnership, and to leverage those resources.

7 (e) Funds associated with an investor-owned energy utility shall
8 be used only for projects that are in compliance with Public
9 Utilities Commission requirements at University of California
10 facilities within the service territory of the investor-owned energy
11 utility.

12 (f) As a condition to participation in the expanded partnership,
13 the University of California shall report to the commission the
14 annual reduction in emissions of greenhouse gases from the
15 expanded partnership at all participating University of California
16 facilities, by a mutually agreed upon date. When reporting the
17 results of partnership projects, all savings calculations shall utilize
18 a baseline reflecting the existing conditions prior to the upgrade.

19 (g) The Public Utilities Commission and the commission, to
20 the extent possible, shall utilize existing resources, administrative
21 structures, and expertise in implementing this section.