

AMENDED IN ASSEMBLY MAY 14, 2015

AMENDED IN ASSEMBLY MAY 5, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1150**

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**Introduced by Assembly Member Levine**

February 27, 2015

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

LEGISLATIVE COUNSEL'S DIGEST

AB 1150, as amended, Levine. Energy: University of California and California State University 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.

Existing law establishes the system of public postsecondary education in the state, which includes the University of California, administered

by the Regents of the University of California, and the California State University, administered by the Trustees of the California State University.

~~This bill would require the State Energy Resources Conservation and Development Commission, in consultation with the Public Utilities Commission, the California State University, and the University of California, request the Regents of the University of California, and require the California State University, in consultation with the State Energy Resources Conservation and Development Commission and Public Utilities Commission, to expand the existing statewide institutional partnership between the California State University, the University of California, and with investor-owned energy utilities, as defined, to create an integrated and flexible program across all the California State University and University of California facilities, that accomplishes specified matter, including extending participation to the California State University and 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 California State University and the University of California to report to the State Energy Resources Conservation and Development Commission each investor-owned energy utility or local publicly owned energy utility the annual reduction in emissions of greenhouse gases from the expanded partnership at all participating California State University and University of California facilities. facilities within that utility's service territory.~~

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.

1 (c) Collectively the University of California has substantially  
2 contributed to the state’s energy efficiency goals by saving 373  
3 million kilowatthours per year and 18,700,000 therms per year  
4 through 2014 as part of an institutional statewide partnership with  
5 investor-owned energy utilities established in 2004.

6 (d) Additional deep energy efficiency potential exists at  
7 University of California facilities. The identified potential deep  
8 energy efficiency projects could produce savings of 426,000,000  
9 kilowatthours per year and 15,700,000 therms per year, equating  
10 to \$59 million per year in utility cost savings.

11 (e) There is a need to expand the existing University of  
12 California institutional statewide partnership to capture carbon  
13 and reduce emissions of greenhouse gases and to ensure meaningful  
14 and reliable energy assessments, cost-effective energy efficiency  
15 improvements, and the incorporation of projects that are  
16 demonstrated to be cost effective on a carbon basis.

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

19 25404.5. (a) For purposes of this section, the following terms  
20 have the following meanings:

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

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

28 (3) “Partnership” means the statewide institutional partnership  
29 between the California State University, the University of  
30 California, and investor-owned energy utilities.

31 (b) ~~The commission, in consultation with the Public Utilities~~  
32 ~~Commission, the California State University, and the University~~  
33 ~~of California, shall~~ *The Regents of the University of California are*  
34 *requested to, and the California State University shall, in*  
35 *consultation with the commission and the Public Utilities*  
36 *Commission, expand the statewide institutional partnership between*  
37 ~~the California State University, the University of California, and~~  
38 *with investor-owned energy utilities to create an integrated and*  
39 *flexible program across all the California State University and*

1 University of California facilities, that accomplishes all of the  
 2 following:

3 (1) Participation in the partnership is extended to California  
 4 State University and University of California facilities served by  
 5 local publicly owned energy utilities that choose to participate.  
 6 ~~The commission shall collaborate with~~ *request the participation*  
 7 *of those local publicly owned energy utilities serving the California*  
 8 *State University and the University of California to ensure the*  
 9 *participation of the California State University, the University of*  
 10 *California, and local publicly owned energy utilities. California.*

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

16 (3) Wherever feasible, the partnership utilizes whole-building,  
 17 or whole-campus, meter based verification in order to reduce costs  
 18 associated with traditional field verification and engineering hand  
 19 calculations.

20 (c) The Public Utilities Commission and the commission shall  
 21 ~~leverage~~ *authorize* the existing partnership to ~~allow flexibility and~~  
 22 ~~to~~ accommodate the potential for multiple funding sources, and  
 23 the partnership’s existing administrative framework shall, subject  
 24 to subdivision (e), be utilized to allocate any future funding from  
 25 the state for energy projects or projects for reducing emissions of  
 26 greenhouse gases.

27 (d) This section does not affect the eligibility of the California  
 28 State University and the University of California to receive  
 29 resources from federal, state, and local government, or from public  
 30 utilities or other sources through the partnership, and to leverage  
 31 those resources.

32 (e) Funds associated with an investor-owned energy utility shall  
 33 be used only for projects that are in compliance with Public  
 34 Utilities Commission requirements at the California State  
 35 University and University of California facilities within the service  
 36 territory of the investor-owned energy utility.

37 (f) As a condition to participation in the expanded partnership,  
 38 the California State University and the University of California  
 39 shall report to ~~the commission~~ *each investor-owned energy utility*  
 40 *or local publicly owned energy utility* the annual reduction in

1 emissions of greenhouse gases from the expanded partnership at  
2 all ~~participating~~ California State University and University of  
3 California ~~facilities~~, *facilities within that utility's service territory*,  
4 by a mutually agreed upon date. When reporting the results of  
5 partnership projects, all savings calculations shall utilize a baseline  
6 reflecting the existing conditions prior to the upgrade.

7 ~~(g) The Public Utilities Commission and the commission, to~~  
8 ~~the extent possible, shall utilize existing resources, administrative~~  
9 ~~structures, and expertise in implementing this section.~~

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