

AMENDED IN SENATE JULY 9, 2015
AMENDED IN ASSEMBLY MAY 14, 2015
AMENDED IN ASSEMBLY MAY 5, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

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 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 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 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 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 California State University and University of California 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.
- 10 (c) ~~Collectively~~ *Collectively*, the University of California has
- 11 substantially contributed to the state’s energy efficiency goals by
- 12 saving 373 million kilowatthours per year and 18,700,000 therms
- 13 per year through 2014 as part of an institutional statewide

1 partnership with investor-owned energy utilities established in
2 2004.

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

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

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

16 25404.5. (a) For purposes of this section, the following terms
17 have the following meanings:

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

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

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

28 (b) The Regents of the University of California are requested
29 to, and the California State University shall, in consultation with
30 the commission and the Public Utilities Commission, expand the
31 statewide institutional partnership with investor-owned energy
32 utilities to create an integrated and flexible program across all the
33 California State University and University of California facilities,
34 that accomplishes all of the following:

35 (1) Participation in the partnership is extended to California
36 State University and University of California facilities served by
37 local publicly owned energy utilities that choose to participate.
38 The commission shall request the participation of those local
39 publicly owned energy utilities serving the California State
40 University and the University of California.

1 (2) A project is evaluated based upon the project’s *adherence*
2 *to the Public Utilities Commission’s energy efficiency and savings*
3 *protocols, and, secondarily, upon the project’s effect in reducing*
4 emissions of greenhouse gases and the cost effectiveness in
5 achieving those reductions, including, but not limited to, deep
6 energy efficiency and eligible renewable energy resources, subject
7 to applicable funding.

8 (3) Wherever feasible, the partnership utilizes whole-building,
9 or whole-campus, meter based verification in order to reduce costs
10 associated with traditional field verification and engineering hand
11 calculations.

12 (c) The Public Utilities Commission and the commission shall
13 authorize the existing partnership to accommodate the potential
14 for multiple funding sources, and the partnership’s existing
15 administrative framework shall, subject to subdivision (e), be
16 utilized to allocate any future funding from the state for energy
17 projects or projects for reducing emissions of greenhouse gases.

18 (d) This section does not affect the eligibility of the California
19 State University and the University of California to receive
20 resources from federal, state, and local government, or from public
21 utilities or other sources through the partnership, and to leverage
22 those resources.

23 (e) Funds associated with an investor-owned energy utility shall
24 be used only for projects that are in compliance with Public
25 Utilities Commission requirements at the California State
26 University and University of California facilities within the service
27 territory of the investor-owned energy utility.

28 (f) As a condition to participation in the expanded partnership,
29 the California State University and the University of California
30 shall report to each investor-owned energy utility or local publicly
31 owned energy utility the annual reduction in emissions of
32 greenhouse gases from the expanded partnership at all California
33 State University and University of California facilities within that
34 utility’s service territory, by a mutually agreed upon date. When
35 reporting the results of partnership projects, all savings calculations
36 shall utilize a baseline reflecting the existing conditions prior to
37 the upgrade.

O