

## Assembly Bill No. 1330

### CHAPTER 812

An act to amend Sections 454.55 and 454.56 of the Public Utilities Code, relating to energy.

[Approved by Governor September 29, 2016. Filed with  
Secretary of State September 29, 2016.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1330, Bloom. Energy efficiency.

Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical and gas corporations. Existing law requires the State Energy Resources Conservation and Development Commission, on or before November 1, 2017, and every 3rd year thereafter, in collaboration with the PUC and local publicly owned electric utilities, to establish annual targets for statewide energy efficiency savings and demand reduction that will achieve a cumulative doubling of statewide energy efficiency savings in electricity and natural gas final end uses of retail customers by January 1, 2030. Existing law requires the PUC to identify all potentially achievable cost-effective electricity and natural gas efficiency savings and to establish efficiency targets for electrical and gas corporations to achieve.

This bill would require the PUC to ensure that there are sufficient moneys available for electrical and gas corporations to meet those efficiency targets.

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

SECTION 1. Section 454.55 of the Public Utilities Code is amended to read:

454.55. (a) The commission, in consultation with the Energy Commission, shall identify all potentially achievable cost-effective electricity efficiency savings and establish efficiency targets for an electrical corporation to achieve, pursuant to Section 454.5, consistent with the targets established pursuant to subdivision (c) of Section 25310 of the Public Resources Code.

(1) By July 1, 2018, and every four years thereafter, each electrical corporation shall report on its progress toward achieving the targets established pursuant to subdivision (a).

(2) By July 1, 2019, and every four years thereafter, the commission shall, pursuant to Section 9795 of the Government Code, report to the Legislature on the progress toward achieving the targets established pursuant to subdivision (a). The commission shall include specific strategies for, and

an update on, progress toward maximizing the contribution of electricity efficiency savings in disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code.

(b) (1) By December 31, 2023, the commission shall, in a new or existing proceeding, undertake a comprehensive review of the feasibility, costs, barriers, and benefits of achieving a cumulative doubling of energy efficiency savings and demand reduction by 2030 pursuant to subdivision (c) of Section 25310 of the Public Resources Code.

(2) Notwithstanding subdivision (c) of Section 25310 of the Public Resources Code, if the commission concludes the targets established for electrical corporations to achieve pursuant to subdivision (a) are not cost effective, feasible, or pose potential adverse impacts to public health and safety, the commission shall revise the targets to the level that optimizes the amount of energy efficiency savings and demand reduction and shall modify, revise, or update its policies as needed to address barriers preventing achievement of those targets.

(c) The commission shall ensure that there are sufficient moneys available to electrical corporations to meet the efficiency targets established pursuant to subdivision (a). This subdivision shall not be construed to authorize the commission to impose or increase any tax.

SEC. 2. Section 454.56 of the Public Utilities Code is amended to read:

454.56. (a) The commission, in consultation with the Energy Commission, shall identify all potentially achievable cost-effective natural gas efficiency savings and establish efficiency targets for the gas corporation to achieve, consistent with the targets established pursuant to subdivision (c) of Section 25310 of the Public Resources Code.

(b) A gas corporation shall first meet its unmet resource needs through all available natural gas efficiency and demand reduction resources that are cost effective, reliable, and feasible.

(c) By July 1, 2018, and every four years thereafter, each gas corporation shall report on its progress toward achieving the targets established pursuant to subdivision (a).

(d) By July 1, 2019, and every four years thereafter, the commission shall, pursuant to Section 9795 of the Government Code, report to the Legislature on the progress toward achieving the targets established pursuant to subdivision (a). The commission shall include specific strategies for, and an update on, progress toward maximizing the contribution of energy efficiency savings in disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code.

(e) Notwithstanding subdivision (c) of Section 25310 of the Public Resources Code, if the commission concludes in its review pursuant to paragraph (1) of subdivision (b) of Section 454.55 that the targets established for gas corporations to achieve pursuant to subdivision (a) are not cost effective, feasible, or pose potential adverse impacts to public health and safety, the commission shall revise the targets to the level that maximizes the amount of energy efficiency savings and demand reduction and shall

modify, revise, or update its policies as needed to address barriers preventing achievement of those targets.

(f) The commission shall ensure that there are sufficient moneys available to gas corporations to meet the efficiency targets established pursuant to subdivision (a). This subdivision shall not be construed to authorize the commission to impose or increase any tax.

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