SENATE BILL   No. 993

Introduced by Senator Fuller

February 10, 2016

An act to amend Section 399.14 of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 993, as introduced, Fuller. Renewable energy resources.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined, while local publicly owned electric utilities, as defined, are under the direction of their governing boards. The existing Renewables Portfolio Standard Program requires retail sellers of electricity, as defined, and local publicly owned electric utilities to purchase specified minimum quantities of electricity products from eligible renewable energy resources, as defined. The quantities of electricity products are based upon a percentage of the utility's total retail sales of electricity in California. The program authorizes an electrical corporation to apply to the commission for approval to construct, own, and operate an eligible renewable energy resource, and requires the commission to approve the application if certain conditions are met.

This bill would make nonsubstantive changes to this authorization for an electrical corporation to apply to the commission for approval to construct, own, and operate an eligible renewable energy resource.

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

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

1   SECTION 1. Section 399.14 of the Public Utilities Code is
2 amended to read:
3   399.14. (a) (1) An electrical corporation, pursuant to Chapter
4 5 (commencing with Section 1001), and in order to meet its unmet
5 renewables portfolio standard procurement requirements, may
6 apply to the commission for approval to construct, own, and operate
7 an eligible renewable energy resource.
8   (2) If the proposed eligible renewable energy resource complies
9 with the requirements of subdivision (b), the commission shall
10 approve an application filed pursuant to paragraph (1), until the
11 commission has approved applications for eligible renewable
12 energy resources for the electrical corporation that, when
13 constructed and operating, will provide 8.25 percent of the
14 electrical corporation's anticipated retail sales by December 31,
15 2020, and thereafter.
16   (3) The commission may approve additional applications for
17 eligible renewable energy resources once the commission has
18 approved sufficient applications for eligible renewable energy
19 resources for the electrical corporation that, when constructed and
20 operating, will provide 8.25 percent of the electrical corporation's
21 anticipated retail sales by December 31, 2020, and thereafter.
22   (b) The commission shall not approve ~~any~~ *an* application by an
23 electrical corporation pursuant to subdivision (a) unless both of
24 the following conditions are met:
25   (1) The eligible renewable energy resource utilizes a viable
26 technology at a reasonable cost.
27   (2) The eligible renewable energy resource provides comparable
28 or superior value to ratepayers when compared to then recent
29 contracts for generation provided by eligible renewable energy
30 resources.
31   (c) In approving ~~any~~ *an* application by an electrical corporation
32 for approval to construct, own, and operate an eligible renewable
33 energy resource, the commission shall apply traditional
34 cost-of-service ratemaking. When applying traditional
35 cost-of-service ratemaking, the commission, in the certificate
36 authorizing the new construction, shall specify the maximum cost
37 determined to be reasonable and prudent for the construction of
38 the facility and the cost of initial operation of the facility. Upon a

1 filing by the electrical corporation, the commission may authorize
2 an increase in the maximum cost of construction if it determines
3 that the cost has in fact increased, that the cost increase is
4 determined to be reasonable and prudent, and that the present or
5 future public convenience or necessity require construction of the
6 project at the increased cost.

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