

CALIFORNIA LEGISLATURE
2011–12 FIRST EXTRAORDINARY SESSION

SENATE DAILY JOURNAL

SIXTY-SIXTH LEGISLATIVE DAY

IN SENATE

Senate Chamber, Sacramento
Monday, August 22, 2011

The Senate met at 2:15 p.m.

Hon. Curren D. Price, Jr, of the 26th District, presiding.

Secretary Greg Schmidt at the Desk.

Assistant Secretary Zachary L. Twilla reading.

ROLL CALL

The roll was called and the following Senators answered to their names:

Alquist, Anderson, Berryhill, Blakeslee, Cannella, Corbett, Correa, De León, DeSaulnier, Dutton, Emmerson, Evans, Fuller, Gaines, Hancock, Harman, Hernandez, Huff, Kehoe, La Malfa, Leno, Lieu, Liu, Lowenthal, Negrete McLeod, Padilla, Pavley, Price, Rubio, Runner, Simitian, Steinberg, Vargas, Walters, Wolk, Wright, and Yee—37.

Quorum present.

(NOTE: Senators Strickland and Wyland will be excused this day on personal business and Senator Calderon will be excused this day due to illness.)



PRAYER

Prayer was offered by the Chaplain, Rabbi Mona Alfi:

O Gracious and Loving God, You have given us inspiration and guidance through Your prophets, so that we might live a life of righteousness and meaning. Through Your prophet Micah You taught us that it is not sacrifices that you want from us, but action. What You require of us is only to do justice, to love goodness, and to walk humbly with our God. (Micah 6:8)

May we live by this prophet's teaching and be known for the wisdom of our deeds and our quest to do what is just and good. May we act with love towards one another, and may we be ever humble before our Creator and all humanity. May this be Gods will.—AMEN.

PLEDGE OF ALLEGIANCE TO THE FLAG

Senator Alquist led the Senate in the pledge of allegiance to the Flag.

**CONSIDERATION OF DAILY FILE
THIRD READING OF SENATE BILLS**

Senate Bill 3—An act to add and repeal Article 20 (commencing with Section 18895) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, relating to taxation.

Bill read third time and presented by Senator La Malfa.

Roll Call

The roll was called and the bill was passed by the following vote:

AYES (26)—Senators Alquist, Anderson, Berryhill, Blakeslee, Cannella, Corbett, Correa, DeSaulnier, Dutton, Emmerson, Fuller, Gaines, Harman, Hernandez, Huff, La Malfa, Lieu, Lowenthal, Negrete McLeod, Price, Rubio, Runner, Vargas, Walters, Wolk, and Wright.

NOES (5)—Senators De León, Hancock, Kehoe, Leno, and Steinberg.

Bill ordered transmitted to the Assembly.

UNANIMOUS CONSENT TO PRINT IN JOURNAL

Without objection, the following letter was printed in the Journal.

August 17, 2011

Mr. Gregory Schmidt
Secretary of the Senate

Dear Mr. Schmidt,

The purpose of this letter is to clarify the intent of Section 399.30(o)(1) of Senate Bill 2 of the First Extraordinary Session (SB 2X), which concerns the authority of the California Air Resources Board (CARB) to impose penalties upon local publicly owned utilities for non-compliance with the 33% Renewable Portfolio Standard (RPS) under the authority granted them by Part 6 of Division 25.5 of the Health and Safety Code.



Specifically, Section 399.30(o)(1) states:

Upon a determination by the Energy Commission that a local publicly owned electric utility has failed to comply with this article, the Energy Commission shall refer the failure to comply with this article to the State Air Resources Board, which may impose penalties to enforce this article consistent with Part 6 (commencing with Section 38580) of Division 25.5 of the Health and Safety Code. Any penalties imposed shall be comparable to those adopted by the commission for noncompliance by retail sellers.

As written, it is the intention that any penalties or fines imposed by the CARB be levied by the Air Resources Board itself, and not be delegated to any one of the state's 35 regional air quality control districts. This legislation requires uniformity and equal treatment of all utilities in the state. It would be inconsistent with the provisions of SB 2X and unacceptable for a non-compliant utility in one region of the state to be penalized any more or less than a non-compliant utility in another region for the same violation.

Sincerely,

S. JOSEPH SIMITIAN
State Senator, Eleventh District

UNANIMOUS CONSENT TO PRINT IN JOURNAL

Without objection, the following letter was printed in the Journal.

August 17, 2011

Mr. Gregory Schmidt
Secretary of the Senate

Re: Senate Bill 2 in the First Extraordinary Session (2X), the Chokecherry and Sierra Madre Wind Energy Project and the TransWest Express Transmission Project

Dear Mr. Schmidt:

The purpose of this letter is to clarify the intent of specific provisions contained with Senate Bill 2X (provisions which were also contained in SB 722 (Simitian, 2010)) which modifies California's current Renewable Portfolio Standard (RPS) of 20 percent by 2010, requiring that 33 percent of the electric energy sold by electric utilities to retail customers in California be generated from eligible renewable generation resources by 2020. Senate Bill 2X will require that electric utilities obtain the majority of this required renewable energy from renewable generation resources that meet certain additional criteria pursuant to Section 21, Section 399.16(b)(1)(A) and (c)(1) (Portfolio Content Category 1).

It is the intent of SB 2X as passed by the California State Legislature in March 2011 that the wind energy generated by the Chokecherry and



Sierra Madre Wind Energy Project located near Rawlins, Wyoming and transmitted via the TransWest Express Transmission Project's direct-current transmission line without substituting power from another source to one or more California balancing authorities in the El Dorado Valley, Nevada can qualify as Portfolio Content Category 1 Products for purposes of RPS compliance.

It is important that this issue be clarified given that the Assembly Appropriations Committee Analysis dated August 4, 2010 regarding SB 722, which contains the same language as SB 2X, *incorrectly* stated "the bill requires 75% of electricity that comes from eligible renewable resources for RPS compliance to be produced in-state." Senate Bill 2X allows for the participation of out-of-state resources as long as they meet the requirements set out in SB 2X for the Portfolio Content Categories.

The California Legislature acknowledges this letter shall be filed in the legislative file pertaining to SB 2X and shall serve as clarifying and determining that the wind energy generated by the Chokecherry and Sierra Madre Wind Project as described in this letter qualifies for Portfolio Content Category 1 when sold to California electric utilities provided it meets the requirements for Portfolio Category 1 set out in Section 399.16 (b)(1) of the Public Utilities Code.

Sincerely,

S. JOSEPH SIMITIAN
State Senator, Eleventh District

REQUEST TO BE ADDED TO ROLL CALL

August 22, 2011

Mr. Secretary: Pursuant to the provisions of Senate Rule 44, I request to be recorded as voting on the following measure taken up on this day:

SB 3—No

DARRELL STEINBERG, President pro Tempore

SENATE COMMITTEE ROLL CALLS
Committee on Appropriations

SB 3—Do pass

AYES (5)—Senators Alquist, Emmerson, Lieu, Pavley, and Walters.

NOES (2)—Senators Kehoe and Price.

Date of Hearing: 8/15/2011

Kehoe (Chair)



LEAVES OF ABSENCE FOR THE DAY

The following Senators were granted leaves of absence for the day due to personal business: Senators Strickland and Wyland.

The following Senator was granted leave of absence for the day due to illness: Senator Calderon.

ADJOURNMENT

At 3:30 p.m., the President declared the Senate adjourned on call of the President pro Tempore.

PAULA K. ROSSETTO, Minute Clerk

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