

AMENDED IN ASSEMBLY JUNE 1, 2009

AMENDED IN ASSEMBLY MAY 13, 2009

AMENDED IN ASSEMBLY MAY 5, 2009

AMENDED IN ASSEMBLY APRIL 22, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 1316

**Introduced by Assembly Member Ma
(Coauthor: Assembly Member Furutani)**

February 27, 2009

An act to amend Sections 382 and 382.1 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1316, as amended, Ma. Public utilities: low-income customers.

Existing law requires the Public Utilities Commission to establish a program of assistance to low-income electric and gas customers, which is referred to as the California Alternate Rates for Energy (CARE) program. Existing law establishes the Low-Income Oversight Board, composed of 11 members, for the purpose of advising the commission on low-income electric, gas, and water customer issues and serving as a liaison for the commission to low-income ratepayers and representatives. *The board is required, to the extent possible, to monitor and evaluate all proceedings before the commission that impact low-income electricity, gas, and water customers.* Existing law requires the commission, with the assistance of the board, to conduct periodically an assessment of the needs of low-income electricity and gas ratepayers. The board is authorized to establish a technical advisory committee and

to request utility representatives and the staff of the commission to assist the technical advisory committee.

This bill would require the ~~board~~ *president of the commission* to ~~report biannually to the Legislature regarding~~ *appear annually before the appropriate policy committees of the Senate and Assembly to report on* the status of low-income programs, and to the extent possible, the results of each assessment. The board would be required to review and make recommendations to the commission regarding the proposed budgets for programs provided to low-income electricity, gas, and water customers. *The bill would delete that requirement that the board monitor and evaluate certain proceedings.* The bill would delete the authority of the board to establish a technical advisory committee but would require the board to establish an advisory committee to assist the board. The bill would also expand the membership of the board to include a member selected by the State Air Resources Board.

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. Section 382 of the Public Utilities Code is
- 2 amended to read:
- 3 382. (a) Programs provided to low-income electricity
- 4 customers, including, but not limited to, targeted energy-efficiency
- 5 services and the California Alternate Rates for Energy program
- 6 shall be funded at not less than 1996 authorized levels based on
- 7 an assessment of customer need.
- 8 (b) In order to meet legitimate needs of electric and gas
- 9 customers who are unable to pay their electric and gas bills and
- 10 who satisfy eligibility criteria for assistance, recognizing that
- 11 electricity is a basic necessity, and that all residents of the state
- 12 should be able to afford essential electricity and gas supplies, the
- 13 commission shall ensure that low-income ratepayers are not
- 14 jeopardized or overburdened by monthly energy expenditures.
- 15 Energy expenditure may be reduced through the establishment of
- 16 different rates for low-income ratepayers, different levels of rate
- 17 assistance, and energy efficiency programs.
- 18 (c) Nothing in this section shall be construed to prohibit electric
- 19 and gas providers from offering any special rate or program for

1 low-income ratepayers that is not specifically required in this
2 section.

3 (d) The commission shall allocate funds necessary to meet the
4 low-income objectives in this section.

5 (e) Commencing in 2002, an assessment of the needs of
6 low-income electricity and gas ratepayers shall be conducted
7 periodically by the commission with the assistance of the
8 Low-Income Oversight Board. The assessment shall evaluate
9 low-income program implementation and the effectiveness of
10 weatherization services and energy efficiency measures in
11 low-income households. The assessment shall consider whether
12 existing programs adequately address low-income electricity and
13 gas customers' energy expenditures, hardship, language needs,
14 and economic burdens.

15 ~~(f) The Low-Income Oversight Board shall report biannually~~
16 ~~to the Legislature regarding~~

17 *(f) The president of the commission shall annually appear before*
18 *the appropriate policy committees of the Senate and Assembly to*
19 *report on the status of low-income programs, including, but not*
20 *limited to, CARE participation rates, the number of low-income*
21 *households served, current and proposed outreach efforts, and, to*
22 *the extent possible, the results of each assessment conducted*
23 *pursuant to subdivision (e).*

24 SEC. 2. Section 382.1 of the Public Utilities Code is amended
25 to read:

26 382.1. (a) There is hereby established a Low-Income Oversight
27 Board, which ~~shall~~ *may* advise the commission on all low-income
28 electric, gas, and water customer issues and shall serve as a liaison
29 for the commission to low-income ratepayers and representatives.
30 The Low-Income Oversight Board shall do all of the following to
31 represent the needs and interests of low-income ratepayers:

32 (1) Monitor and evaluate implementation of all programs
33 provided to low-income electricity, gas, and water customers.

34 (2) Review and make recommendations regarding the proposed
35 budgets for programs described in paragraph (1) prior to approval
36 by the commission.

37 (3) Assist the commission in the development and analysis of
38 any assessments of low-income customer need.

39 (4) Encourage collaboration between state and utility programs
40 for low-income electricity and gas customers to maximize the

1 leverage of state and federal energy efficiency funds to both lower
2 the bills and increase the comfort of low-income customers.

3 (5) Provide ~~reports~~ *information* to the Legislature, as requested,
4 summarizing the assessment of need, audits, and analysis of
5 program implementation.

6 (6) Provide recommendations to the Legislature, as requested,
7 on policy or legislation impacting low-income customers.

8 (7) Assist the commission in streamlining the application and
9 enrollment process of programs for low-income electricity and gas
10 customers with other nongas and electric low-income programs,
11 including, but not limited to, the Universal Lifeline Telephone
12 Service (ULTS) program and, including compliance with Section
13 739.1.

14 (8) Encourage the usage of the network of community service
15 providers in accordance with Section 381.5.

16 ~~(9) To the extent possible, monitor and evaluate all proceedings~~
17 ~~before the commission that impact low-income electricity, gas,~~
18 ~~and water customers.~~

19 ~~(10) Solicit public input and recommendations through town~~
20 ~~hall meetings and other forums that target underserved areas.~~

21 *(9) To the extent possible, solicit public input and*
22 *recommendations from underserved communities through*
23 *community outreach activities such as town hall meetings and*
24 *forums.*

25 (b) The Low-Income Oversight Board shall be composed of 12
26 members to be selected as follows:

27 (1) Five members selected by the commission who have
28 expertise in the low-income community and who are not affiliated
29 with any state agency or utility group. These members shall be
30 selected in a manner to ensure an equitable geographic distribution.

31 (2) One member selected by the Governor.

32 (3) One member selected by the commission who is a
33 commissioner or commissioner designee.

34 (4) One member selected by the Department of Community
35 Services and Development.

36 (5) One member selected by the commission who is a
37 representative of private weatherization contractors.

38 (6) One member selected by the commission who is a
39 representative of an electrical or gas corporation.

1 (7) One member selected by the commission who is a
2 representative of a water corporation.

3 (8) One member selected by the State Air Resources Board.

4 (c) The Low-Income Oversight Board shall alternate meeting
5 locations between northern, central, and southern California.

6 (d) The Low-Income Oversight Board shall establish an advisory
7 committee to assist the board in its duties. The committee may
8 request assistance from the commission staff, utility
9 representatives, low-income service providers, and consumer
10 organizations.

11 (e) The commission shall do all of the following in conjunction
12 with the board:

13 (1) Work with the board, interested parties, and
14 community-based organizations to increase participation in
15 programs for low-income customers.

16 (2) Provide technical support to the board.

17 (3) Ensure that the energy burden of low-income electricity and
18 gas customers is reduced.

19 (4) Provide formal notice of board meetings in the commission's
20 daily calendar.

21 (f) (1) Members of the board shall be eligible for compensation
22 in accordance with state guidelines for necessary travel.

23 (2) Members of the board who are not salaried state service
24 employees shall be eligible for reasonable compensation for
25 attendance at board meetings.

26 (3) All reasonable costs incurred by the board in carrying out
27 its duties pursuant to subdivision (a), including staffing, travel,
28 and administrative costs, shall be reimbursed through the public
29 utilities reimbursement account and shall be part of the budget of
30 the commission and the commission shall consult with the board
31 in the preparation of that portion of the commission's annual
32 proposed budget.