SENATE BILL   No. 176

Introduced by Senator Simitian

February 14, 2009

An act to amend Section 395.5 of the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

SB 176, as amended, Simitian. Electricity: charges: charitable organizations.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Existing law defines an "electric service provider" as an entity that offers electrical service to customers within the service territory of an electrical corporation, excluding electrical corporations, local publicly owned electric utilities, and certain cogenerators. Provisions of the existing Public Utilities Act restructuring the electrical services industry require that electric service providers register with the commission, and provide for the authorization of direct transactions between electric service providers and retail end-use customers. The act requires the commission, pursuant to electrical restructuring, to authorize and facilitate direct transactions between electricity suppliers and retail end-use customers. However, other existing law suspends the right of retail end-use customers other than community aggregators, as defined, to acquire service from certain electricity suppliers, after a period of time to be determined by the commission, until the Department of Water Resources no longer supplies electricity under that law. Notwithstanding this suspension, existing law authorizes a nonprofit charitable organization to acquire electric commodity service through a direct transaction with

an electric service provider, until January 1, 2010, if electric commodity service is donated free of charge without compensation. This authorization will repeal on January 1, 2010, unless the date is extended or deleted.

This bill would ~~delete~~ *extend* the repeal date *until January 1, 2015*.

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 395.5 of the Public Utilities Code is
2   amended to read:
3   395.5. (a) For purposes of this section, the following terms
4   have the following meanings:
5   (1) "Nonprofit charitable organization" means any charitable
6   organization described in Section 501(c)(3) of the federal Internal
7   Revenue Code that has as its primary purpose serving the needs
8   of the poor or elderly.
9   (2) "Electric commodity" means electricity used by the customer
10   or a supply of electricity available for use by the customer, and
11   does not include services associated with the transmission and
12   distribution of electricity.
13   (b) Notwithstanding Section 80110 of the Water Code, a
14   nonprofit charitable organization may acquire electric commodity
15   service through a direct transaction with an electric service provider
16   if electric commodity service is donated free of charge without
17   compensation.
18   (c) A nonprofit charitable organization that acquires donated
19   electric commodity service through a direct transaction pursuant
20   to this section shall be responsible for paying all of the following:
21   (1) Those charges and surcharges that would be imposed upon
22   a retail end-use customer of a community aggregator pursuant to
23   subdivisions (d), (e), (f), and (g) of Section 366.2.
24   (2) The transmission and distribution charges of an electrical
25   corporation or a local publicly owned electric utility.
26   (3) A nonbypassable charge imposed pursuant to Article 7
27   (commencing with Section 381), Article 8 (commencing with
28   Section 385), or Article 15 (commencing with Section 399).
29   (4) Costs imposed upon a load-serving entity pursuant to Section
30   380.

1   (d) Existing direct access rules and all service obligations
2 otherwise applicable to electric service providers shall govern
3 transactions under this section.
4   *(e) This section shall remain in effect only until January 1, 2015,*
5 *and as of that date is repealed, unless a later enacted statute, that*
6 *is enacted before January 1, 2015, deletes or extends that date.*

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