

AMENDED IN ASSEMBLY AUGUST 31, 2009

AMENDED IN ASSEMBLY AUGUST 17, 2009

AMENDED IN ASSEMBLY JULY 15, 2009

AMENDED IN ASSEMBLY JUNE 15, 2009

AMENDED IN SENATE MAY 28, 2009

AMENDED IN SENATE MAY 20, 2009

AMENDED IN SENATE MAY 5, 2009

AMENDED IN SENATE APRIL 14, 2009

SENATE BILL

No. 488

Introduced by Senator Pavley

February 26, 2009

An act to amend Section 25310 of the Public Resources Code, and to add and repeal Sections 715 and 9615.5 of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 488, as amended, Pavley. Energy: energy usage information.

(1) Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations and gas corporations, as defined. The existing Public Utilities Act requires the PUC to review and adopt a procurement plan for each electrical corporation. The act requires the PUC, in consultation with the State Energy Resources Conservation and Development Commission (Energy Commission), to identify all potentially achievable cost-effective electricity efficiency savings and to establish efficiency

targets for an electrical corporation to achieve pursuant to its procurement plan. The act requires that an electrical corporation's procurement plan include a showing that the electrical corporation will first meet its unmet resource needs through all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible. The act requires the PUC, in consultation with the Energy Commission, to identify all potentially achievable cost-effective natural gas efficiency savings and to establish efficiency targets for the gas corporation to achieve these targets and to require that a gas corporation first meet its unmet gas resource needs through all available natural gas efficiency and demand reduction resources that are cost effective, reliable, and feasible. The act requires each electrical corporation and each gas corporation to disclose on the residential customer's billing statement specified information on usage and cost, and contact information for the PUC's Consumer Affairs Branch, and to make available online to residential customers specified information on usage and energy conservation measures. The act authorizes the PUC to modify, adjust, or add to these requirements as the individual circumstances of each electrical corporation or gas corporation merit, or for master-meter customers, as individual circumstances merit. The act requires the PUC, as part of the general rate case of an electrical corporation or gas corporation, to assess opportunities to improve the quality of information contained in the utility's periodic billings.

This bill would require each electrical corporation and gas corporation having a comparative energy usage disclosure program, as defined, to report to the PUC the nature of the utility's program and the energy savings resulting from that program on or before March 15, 2010, or within 90 days of having collected a year's worth of data, and each March 15, or one year from the last reporting date, thereafter, up to and including March 15, 2014. The bill would require the PUC, using an experimental design, as defined, to evaluate the information supplied by electrical corporations and gas corporations relative to their comparative energy usage disclosure programs and to determine the net energy savings that are currently being achieved and which could be achieved through expansion of comparative energy usage disclosure programs. The bill would require the PUC to report to the Energy Commission and the Legislature on the results of its evaluation and any action undertaken by the PUC in response to the evaluation. These requirements would become inoperative on July 1, 2015, and would repeal on January 1, 2016.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the PUC is a crime.

Because the provisions of this bill are within the act and a violation of the bill's requirements would be a crime, the bill would impose a state-mandated local program by creating a new crime.

(2) The Warren-Alquist State Energy Resources Conservation and Development Act establishes the Energy Commission and requires it to prepare an integrated energy policy report on or before November 1, 2003, and every 2 years thereafter. Existing law requires the Energy Commission, on or before November 1, 2007, and every 3 years thereafter, in consultation with the PUC and local publicly owned electric utilities, in a public process that allows input from other stakeholders, to develop a statewide estimate of all potentially achievable cost-effective electricity and natural gas efficiency savings and establish statewide annual targets for energy efficiency savings and demand reduction over 10 years. Existing law requires the Energy Commission to include in the integrated energy policy report, for each electrical corporation and each gas corporation, a comparison of the public utility's annual energy efficiency targets, and the public utility's actual energy efficiency savings and demand reductions.

Existing law requires each local publicly owned electric utility, as defined, in procuring energy, to first acquire all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible. Existing law requires each local publicly owned electric utility to report annually to its customers and to the Energy Commission; its investment in energy efficiency and demand reduction programs, as specified. Existing law requires a local publicly owned electric utility, on or before June 1, 2007, and every 3 years thereafter, to identify all potentially achievable cost-effective electricity efficiency savings and to establish annual targets for energy efficiency savings and demand reduction over 10 years. Existing law requires a local publicly owned electric utility to report those targets to the Energy Commission within 60 days of the date of adoption.

This bill would require each local publicly owned electric utility having a *an active* comparative electricity usage disclosure program, as defined, to report to the Energy Commission the nature of the utility's program and the energy savings resulting from that program on or before March 15, 2010, or within 90 days of having collected a year's worth of data, and each March 15, or one year from the last reporting date, thereafter, up to and including, March 15, 2014. The bill would authorize

the Energy Commission to request ~~additional~~ information from a local publicly owned electric utility that the Energy Commission determines is needed to evaluate the potentially achievable cost-effective electricity efficiency savings achievable through an expansion or statewide deployment of comparative electricity usage disclosure programs. The bill would authorize the PUC, for comparison purposes in performing the above-described evaluation, to request that the Energy Commission supply the PUC with the information supplied by a local publicly owned electric utility about its comparative electricity usage disclosure program. These requirements would become inoperative on July 1, 2015, and would repeal on January 1, 2016.

This bill would require that the Energy Commission, in developing a statewide estimate of all potentially achievable cost-effective electricity and natural gas efficiency savings and establishing targets for statewide annual energy efficiency savings and demand reduction, to consider the information supplied relative to comparative energy or electricity usage disclosure programs.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

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

1 SECTION 1. Section 25310 of the Public Resources Code is
2 amended to read:
3 25310. On or before November 1, 2007, and by November 1
4 of every third year thereafter, the commission in consultation with
5 the Public Utilities Commission and local publicly owned electric
6 utilities, in a public process that allows input from other
7 stakeholders, shall develop a statewide estimate of all potentially
8 achievable cost-effective electricity and natural gas efficiency
9 savings and establish targets for statewide annual energy efficiency
10 savings and demand reduction for the next 10-year period. The
11 commission shall base its estimate at least in part on information
12 developed pursuant to Sections 454.55, 454.56, 715, 9615, and
13 9615.5 of the Public Utilities Code. The commission shall, for

1 each electrical corporation and each gas corporation, include in
2 the integrated energy policy report, a comparison of the public
3 utility's annual targets established pursuant to Sections 454.55 and
4 454.56, and the public utility's actual energy efficiency savings
5 and demand reductions.

6 SEC. 2. Section 715 is added to the Public Utilities Code, to
7 read:

8 715. (a) For purposes of this section, the following terms have
9 the following meanings:

10 (1) "Comparative energy usage disclosure program" means a
11 program pursuant to which an electrical corporation or gas
12 corporation discloses information to residential subscribers relative
13 to the amount of energy used by the metered residence compared
14 to similar residences in the subscriber's geographical area.

15 (2) "Experimental design" with respect to an energy efficiency
16 evaluation has that meaning as described on pages 30 and 31 of
17 the commission's publication titled "California Energy Efficiency
18 Evaluation Protocols: Technical, Methodological, and Reporting
19 Requirements for Evaluation-Professionals" and *Professionals*,"
20 dated April 2006.

21 (b) In order for the commission to evaluate potential energy
22 savings that can be achieved through behavioral change, on or
23 before March 15, 2010, or within 90 days of having collected a
24 year's worth of data, and each March 15, or one year from the last
25 reporting date, thereafter, up to and including March 15, 2014,
26 each electrical corporation and gas corporation having a
27 comparative energy usage disclosure program shall report to the
28 commission the nature of the utility's program and the energy
29 savings resulting from that program.

30 (c) (1) The commission shall, using an experimental design,
31 evaluate the information supplied by electrical corporations and
32 gas corporations relative to their comparative energy usage
33 disclosure programs and determine the net energy savings that are
34 currently being achieved and which could be achieved through
35 expansion of comparative energy usage disclosure programs.

36 (2) The commission may request additional information from
37 an electrical corporation or gas corporation that the commission
38 determines is needed to perform the evaluation pursuant to
39 paragraph (1). An electrical corporation or gas corporation from
40 which the commission requests additional information shall timely

1 provide the commission with the information requested if it is
2 reasonably available. The commission may, for comparison
3 purposes, additionally request that the Energy Commission supply
4 the commission with that information supplied by a local publicly
5 owned electric utility pursuant to Section 9615.5.

6 (d) The commission shall report to the Energy Commission and
7 the Legislature on the results of its evaluation and any action
8 undertaken by the commission in response to the evaluation.

9 (e) Nothing in this section limits the authority of the
10 commission, pursuant to paragraph (3) of subdivision (e) of Section
11 739, to require an electrical corporation or gas corporation to
12 disclose comparative energy usage information on the billing
13 statement of a residential customer.

14 (f) This section shall become inoperative on July 1, 2015, and,
15 as of January 1, 2016, is repealed, unless a later enacted statute,
16 that becomes operative on or before January 1, 2016, deletes or
17 extends the dates on which it becomes inoperative and is repealed.

18 SEC. 3. Section 9615.5 is added to the Public Utilities Code,
19 to read:

20 9615.5. (a) For purposes of this section, “comparative
21 electricity usage disclosure program” means a program pursuant
22 to which a local publicly owned electric utility discloses
23 information to residential subscribers relative to the amount of
24 electricity used by the metered residence compared to similar
25 residences in the subscriber’s geographical area.

26 (b) In order for the Energy Commission to evaluate potential
27 cost-effective energy savings and demand reductions that can be
28 achieved through behavioral change and to incorporate that
29 information in establishing targets for statewide annual energy
30 efficiency savings pursuant to Section 25310 of the Public
31 Resources Code, on or before March 15, 2010, or within 90 days
32 of having collected a year’s worth of data, and each March 15, or
33 one year from the last reporting date, thereafter, up to and including
34 March 15, 2014, each local publicly owned electric utility having
35 a *an active* comparative electricity usage disclosure program; shall
36 report to the Energy Commission, *in its annual report prepared*
37 *pursuant to subdivision (d) of Section 9615*, the nature of the
38 utility’s program and the energy savings resulting from that
39 program.

1 (c) The Energy Commission may request additional information
2 from a local publicly owned electric utility that the Energy
3 Commission determines is needed to evaluate the potentially
4 achievable cost-effective electricity efficiency savings achievable
5 through an expansion or statewide deployment of comparative
6 electricity usage disclosure programs.

7 (d) This section shall become inoperative on July 1, 2015, and,
8 as of January 1, 2016, is repealed, unless a later enacted statute,
9 that becomes operative on or before January 1, 2016, deletes or
10 extends the dates on which it becomes inoperative and is repealed.

11 SEC. 4. No reimbursement is required by this act pursuant to
12 Section 6 of Article XIII B of the California Constitution for certain
13 costs that may be incurred by a local agency or school district
14 because, in that regard, this act creates a new crime or infraction,
15 eliminates a crime or infraction, or changes the penalty for a crime
16 or infraction, within the meaning of Section 17556 of the
17 Government Code, or changes the definition of a crime within the
18 meaning of Section 6 of Article XIII B of the California
19 Constitution.

20 With respect to certain other costs, no reimbursement is required
21 by this act pursuant to Section 6 of Article XIII B of the California
22 Constitution because a local agency or school district has the
23 authority to levy service charges, fees, or assessments sufficient
24 to pay for the program or level of service mandated by this act,
25 within the meaning of Section 17556 of the Government Code.