

AMENDED IN ASSEMBLY JUNE 16, 2010

AMENDED IN SENATE APRIL 5, 2010

SENATE BILL

No. 1435

Introduced by ~~Senator Padilla~~ Senators *Padilla and Kehoe*

February 19, 2010

~~An act to amend Section 25217.5 of, and to repeal the heading of Chapter 6.5 (commencing with Section 25550) of Division 15 of, the Public Resources Code, relating to energy. An act to amend Section 216 of, and to add Chapter 3 (commencing with Section 4100) to Division 2 of, the Public Utilities Code, relating to electric vehicle charging stations.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1435, as amended, Padilla. ~~State Energy Resources Conservation and Development Commission: chair: duties. Electricity: electric and plug-in hybrid vehicles: charging stations.~~

(1) Under existing law, the Public Utilities Commission has regulatory authority over public utilities, as defined. The existing Public Utilities Act requires every public utility to furnish and maintain adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.

This bill would provide that the ownership, control, operation, or management of a facility that supplies electricity only for use to power electric vehicles or plug-in hybrid vehicles does not make the corporation or person a public utility for purposes of the act.

(2) Existing law requires the Public Utilities Commission, in consultation with the State Energy Resources Conservation and Development Commission, the State Air Resources Board, electrical

corporations, and the motor vehicle industry, to evaluate policies to develop infrastructure sufficient to overcome any barriers to the widespread deployment and use of plug-in hybrid and electric vehicles and, by July 1, 2011, to adopt rules that address specified matters.

This bill would require the Public Utilities Commission to adopt rules that are applicable to each facility that supplies electricity for use to power electric vehicles or plug-in hybrid vehicles, which is located within the service territory of an electrical corporation, to achieve certain results.

~~Existing law requires the Chair of the State Energy Resources Conservation and Development Commission to direct the adviser, the executive director, and other staff in the performance of their duties in conformance with the policies and guidelines established by the commission.~~

~~This bill would require the chair of the commission to also appear annually before the Senate Committee on Energy, Utilities and Communications and the Assembly Committee on Utilities and Commerce to report on the activities of the commission.~~

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 25217.5 of the Public Resources Code~~
- 2 ~~is amended to read:~~
- 3 ~~25217.5. The chair of the commission shall do both of the~~
- 4 ~~following:~~
- 5 ~~(a) Direct the adviser, the executive director, and other staff in~~
- 6 ~~the performance of their duties in conformance with the policies~~
- 7 ~~and guidelines established by the commission.~~
- 8 ~~(b) Annually appear before the Senate Committee on Energy,~~
- 9 ~~Utilities and Communications and the Assembly Committee on~~
- 10 ~~Utilities and Commerce to report on the activities of the~~
- 11 ~~commission.~~
- 12 ~~SEC. 2. The heading of Chapter 6.5 (commencing with Section~~
- 13 ~~25550) of Division 15 of the Public Resources Code is repealed.~~
- 14 ~~SECTION 1. Section 216 of the Public Utilities Code is~~
- 15 ~~amended to read:~~
- 16 ~~216. (a) "Public utility" includes every common carrier, toll~~
- 17 ~~bridge corporation, pipeline corporation, gas corporation, electrical~~

1 corporation, telephone corporation, telegraph corporation, water
2 corporation, sewer system corporation, and heat corporation, where
3 the service is performed for, or the commodity is delivered to, the
4 public or any portion thereof.

5 (b) Whenever any common carrier, toll bridge corporation,
6 pipeline corporation, gas corporation, electrical corporation,
7 telephone corporation, telegraph corporation, water corporation,
8 sewer system corporation, or heat corporation performs a service
9 for, or delivers a commodity to, the public or any portion thereof
10 for which any compensation or payment whatsoever is received,
11 that common carrier, toll bridge corporation, pipeline corporation,
12 gas corporation, electrical corporation, telephone corporation,
13 telegraph corporation, water corporation, sewer system corporation,
14 or heat corporation, is a public utility subject to the jurisdiction,
15 control, and regulation of the commission and the provisions of
16 this part.

17 (c) When any person or corporation performs any service for,
18 or delivers any commodity to, any person, private corporation,
19 municipality, or other political subdivision of the state, that in turn
20 either directly or indirectly, mediately or immediately, performs
21 that service for, or delivers that commodity to, the public or any
22 portion thereof, that person or corporation is a public utility subject
23 to the jurisdiction, control, and regulation of the commission and
24 the provisions of this part.

25 (d) Ownership or operation of a facility that employs
26 cogeneration technology or produces power from other than a
27 conventional power source or the ownership or operation of a
28 facility which employs landfill gas technology does not make a
29 corporation or person a public utility within the meaning of this
30 section solely because of the ownership or operation of that facility.

31 (e) Any corporation or person engaged directly or indirectly in
32 developing, producing, transmitting, distributing, delivering, or
33 selling any form of heat derived from geothermal or solar resources
34 or from cogeneration technology to any privately owned or publicly
35 owned public utility, or to the public or any portion thereof, is not
36 a public utility within the meaning of this section solely by reason
37 of engaging in any of those activities.

38 (f) The ownership or operation of a facility that sells compressed
39 natural gas at retail to the public for use only as a motor vehicle
40 fuel, and the selling of compressed natural gas at retail from that

1 facility to the public for use only as a motor vehicle fuel, does not
2 make the corporation or person a public utility within the meaning
3 of this section solely because of that ownership, operation, or sale.

4 (g) Ownership or operation of a facility that is an exempt
5 wholesale generator, as defined in the Public Utility Holding
6 Company Act of 2005 (42 U.S.C. Sec. 16451(6)), does not make
7 a corporation or person a public utility within the meaning of this
8 section, solely due to the ownership or operation of that facility.

9 (h) The ownership, control, operation, or management of an
10 electric plant used for direct transactions or participation directly
11 or indirectly in direct transactions, as permitted by subdivision (b)
12 of Section 365, sales into a market established and operated by the
13 Independent System Operator or any other wholesale electricity
14 market, or the use or sale as permitted under subdivisions (b) to
15 (d), inclusive, of Section 218, shall not make a corporation or
16 person a public utility within the meaning of this section solely
17 because of that ownership, participation, or sale.

18 (i) *The ownership, control, operation, or management of a*
19 *facility that supplies electricity only for use to power electric*
20 *vehicles or plug-in hybrid vehicles does not make the corporation*
21 *or person a public utility within the meaning of this section solely*
22 *because of that ownership, control, operation, or management.*

23 SEC. 2. Chapter 3 (commencing with Section 4100) is added
24 to Division 2 of the Public Utilities Code, to read:

25
26 CHAPTER 3. ELECTRICAL VEHICLE CHARGING STATIONS
27

28 4100. The Legislature finds and declares all of the following:

29 (a) Within the next five years automakers are expected to release
30 10 to 15 electric vehicle models into California's new car market.

31 (b) Electric and plug-in hybrid vehicles can benefit the
32 environment by reducing tailpipe emissions, but electrification of
33 the transportation sector could result in the construction of more
34 conventional powerplants using fossil fuels to generate electricity
35 to meet increased peak demand loads resulting in increased
36 powerplant emissions if the charging of those vehicles is not
37 properly managed.

38 (c) Electric and plug-in hybrid vehicle charging will place new
39 demands on the state's electrical distribution and transmission
40 system, but managed properly that demand can benefit ratepayers.

1 (d) Third-party providers of electric and plug-in hybrid vehicle
2 recharging systems will cumulatively provide charging services
3 for tens of thousands of vehicles. These recharging systems, if not
4 carefully integrated and controlled, have the potential to negatively
5 impact electrical grid operations and system reliability.

6 (e) A well-planned electric and plug-in hybrid vehicle charging
7 infrastructure can shift a significant amount of charging to off-peak
8 times, thereby avoiding the need to build new powerplants and
9 increasing utilization of existing powerplants, encouraging
10 customers to use electricity generated from eligible renewable
11 energy resources to charge their vehicles, and promoting the most
12 energy efficient electric and plug-in hybrid vehicles.

13 (f) To meet these goals, the Public Utilities Commission should
14 exercise limited jurisdiction over third-party electric and plug-in
15 hybrid vehicle charging providers to ensure effective load
16 management, which will also result in improved environmental
17 performance of the system, including integration with eligible
18 renewable energy resources and reduced emissions of greenhouse
19 gases.

20 4105. The commission shall adopt rules that are applicable to
21 each facility that supplies electricity for use to power electric
22 vehicles or plug-in hybrid vehicles, which is located within the
23 service territory of an electrical corporation, to achieve all of the
24 following:

25 (a) Minimize negative impacts to the electrical distribution grid
26 and maximize potential benefits to ratepayers through management
27 of the grid.

28 (b) Shift a significant portion of electric and plug-in hybrid
29 vehicle charging to off-peak periods, thereby avoiding the need to
30 build new generating capacity and increasing the efficient use of
31 existing generating capacity.

32 (c) Encourage the integration of intermittent eligible renewable
33 energy resources into the electrical transmission and distribution
34 grid by encouraging charging when those resources are more
35 likely to be generating electricity.

36 (d) Promote use of the most energy efficient electric and plug-in
37 hybrid vehicles.