



# 2009 Legislative Wrap Up



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September 24, 2009





# Presentation Overview

- ENERGY BILLS
- TELECOMMUNICATIONS BILLS
- TRANSPORTATION BILLS
- WATER BILLS
- MISCELLANEOUS BILLS





# 2009 Legislative Wrap Up

## ENERGY BILLS

### Assembly Bills 21 & 64 (Krekorian) and Senate Bills 14 & 62 (Simitian)

#### – Renewable Portfolio Standard (RPS): 33% RPS by 2020

- Moves current target of 20% by 2010 to 2013, and establishes new targets of 25% by 2016 and 33% by 2020
- Establishes a hard cost cap of 6% of an IOU's total 2008 bundled electric revenues multiplied by the number of years remaining until 2020, and applies it to all renewable procurement starting January 1, 2010
- Expands the flexible compliance rules for IOUs that are having difficulty procuring renewables due to project delays and lack of transmission lines
- Modifies the eligibility requirements for the state's RPS program, including substantially changing the definition of delivery for purposes of counting out-of-state renewable resources
- For the use of RECs from otherwise ineligible out-of-state renewable resources, establishes a cap of 25-30% of 33% RPS target
- Requires the CPUC to approve a transmission CPCN within 18-months of receipt of a complete application unless the CPUC finds that the line threatens the environment and requires a longer process
- *All of the RPS bills have been enrolled - speculation as to whether the Legislature will release them to the Governor's desk in order to avoid veto*





# 2009 Legislative Wrap Up

## ENERGY BILLS

### **Assembly Bill 413 (Fuentes) and Senate Bill 695 (Kehoe)**

#### – **Energy: rates: AB 1x fix and miscellaneous provisions**

- Allows the CPUC to increase non-CARE residential Tier 1 & 2 rates over a period of years and as prescribed by the bill
- Removes the cap on residential CARE rates for usage up to 130% of baseline and allows for rate increases based on percentage increases to CalWORKs benefits
- Allows the CPUC to employ default time-variant pricing after January 1, 2014, and only after certain consumer education measures have been operational for two years
- Codifies existing income eligibility for CARE at 200% of the federal poverty guidelines and the equal cents recovery method for program costs
- Prohibits the CPUC from reopening direct access without express statutory authority and provides a modest expansion of the direct access market not to exceed pre-suspension levels
- *AB 413 was held on the inactive file on the Senate Floor*
- *SB 695 is on the Governor's desk, and will take effect immediately*





# 2009 Legislative Wrap Up

## ENERGY BILLS

### **Assembly Bill 920 (Huffman) and Senate Bill 7 (Wiggins)**

- **Net Energy Metering (NEM): reimbursement for excess generation**
  - SB 7 allows NEM customers who produce more electricity than they consume in a given year to carry the credits for the excess production forward for an additional two years
  - AB 920 allows NEM customers to sell any excess electricity they produce over the course of a year to their electric utility at a rate to be determined by the CPUC
  - *SB 7 was held on the inactive file on the Assembly Floor*
  - *AB 920 is on the Governor's desk*

### **Assembly Bill 560 (Skinner)**

- **Net Energy Metering (NEM) Cap**
  - Would increase the existing NEM cap from 2.5 percent of a utility's peak demand to 5 percent
  - Would prohibit solar installations of greater than 250 kilowatts from being done by a C-46 licensee
  - *AB 560 was held in the Senate Business and Professions Committee*





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## ENERGY BILLS

### Assembly Bill 1106 (Fuentes)

#### – Feed-In Tariff (FIT) Program

- Sunsets the current FIT program on June 30, 2011 and establishes a new FIT program of 10MW
- Establishes a two tier pricing structure - Tier 1 capacity is 5 MW or less and Tier 2 capacity is over 5 MW and less than 10 MW
- *AB 1106 was held by the author and is a two-year bill*

### Senate Bill 32 (Negrete McLeod)

#### – Feed-In Tariff (FIT) Program

- Increases the FIT program from 1.5 MW to 3MW and requires the CPUC to adjust the price based upon the MPR plus other attributes
- Increases the statewide total capacity cap from 500 MW to 750 MW
- *SB 32 is on the Governor's desk*





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## ENERGY BILLS

### **Assembly Bill 51 (Blakeslee) and Senate Bill 806 (Wiggins)**

#### – **Administrative cost cap on energy efficiency programs**

- Requires the CPUC to limit the administrative costs for each IOU energy efficiency program to no more than a small percentage of the funds expended (AB 51 – 10% cap; SB 806 – 5% cap)
- *AB 51 was held in Senate EU&C at the request of the author*
- *SB 806 was held on suspense in Senate Appropriations*

### **Assembly Bill 758 (Skinner)**

#### – **In-home energy efficiency audits**

- Requires the CEC to develop a comprehensive energy audit program for residential and nonresidential building stock
- Requires the CPUC to investigate the viability of various utility-run financing options for the purposes of implementing the energy efficiency program
- Requires the CPUC to report its findings as part of its triennial energy efficiency report to the Legislature
- *AB 758 is on the Governor's desk*





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## ENERGY BILLS

### Senate Bill 542 (Wiggins)

#### – Solar and Energy Efficiency Programs

- Requires the Commission to develop and implement a strategy, by July 1, 2010, to expand the participation of multi-unit residential and commercial rental properties in energy efficiency and solar energy programs
- *SB 542 was held on Suspense in Assembly Appropriations*

### Senate Bill 17 (Padilla)

#### – Smart Grid Technology

- Requires the commission, in consultation with the ISO, CEC and IOUs, to determine smart grid technology requirements by July 1, 2010
- Requires electrical corporations, by July 1, 2011, to develop and submit a smart grid deployment plan to the Commission for approval
- *SB 17 is on the Governor's desk*

### Senate Bill 626 (Kehoe)

#### – Plug-in hybrid and electrical vehicle (PEVs) charging infrastructure

- Requires the CPUC, in consultation with the CEC, ARB, IOUs, and others, to evaluate policies for the development of fueling infrastructure for PEVs
- *SB 626 is on the Governor's desk*





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## ENERGY BILLS

### Assembly Bill 1110 (Fuentes)

#### – Advanced electrical distributed generation (AEDG)

- Authorizes the CPUC and ARB to treat AEDG technology as cogeneration
- Extends preferential natural gas rates for cogeneration technologies to AEDG
- Sunsets on January 1, 2014
- *AB 1110 is on the Governor's desk*

### Senate Bill 412 (Kehoe)

#### – Self-Generation Incentive Program (SGIP)

- Allows the CPUC authority to determine eligible technologies for SGIP based on AB 32 (Pavley, 2006) greenhouse gas (GHG) emissions standards developed by CARB
- Authorizes the commission to collect funds to support SGIP through December 31, 2011 and continue administration of the program through January 1, 2016
- *SB 412 is on the Governor's Desk*





# 2009 Legislative Wrap Up

## ENERGY BILLS

### **Assembly Bill 1031 (Blumenfield)**

- **Local Government Renewable Energy Self-Generation Program**
  - Includes college campuses in the program that allows local governments to generate renewable energy at one facility and credit excess generation to the electricity consumption at their other facilities
  - *AB 1031 is on the Governor's desk.*

### **Assembly Bill 1318 (Perez, V.)**

- **South coast air credits for CPV Sentinel power plant**
  - Provides a limited CEQA exemption to allow the South Coast Air Quality Management District (SCAQMD) to issue permits for the proposed Sentinel Power Plant
  - Requires the ARB, in consultation with the CPUC, CEC, CAISO, and the State Water Resources Control Board (SWRCB), to submit a report to the Governor and Legislature that evaluates the system reliability needs of the South Coast Air Basin
  - *AB 1318 is on the Governor's desk*





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## ENERGY BILLS

### Senate Bills 696 and 827 (Wright)

#### – SCAQMD air credit permits

- Provides a limited CEQA exemption to allow SCAQMD to issue permits for essential public services and power plants that are located in the region
- Amended in Senate Environmental Quality to limit the bill's scope to only essential public services
- To comply with Assembly House Rules deadlines, the bill's provisions were amended into SB 827 (Wright)
- *Held at Assembly Desk*

### Senate Bill 42 (Corbett)

#### – Once-through cooling (OTC) ban

- Imposes a ban on new power plants that use OTC after January 1, 2010
- Requires the SWRCB to implement a statewide policy on OTC power plants, in consultation with the CEC and other relevant agencies, by March 2010
- *Held at author's request in Senate EU&C*





# 2009 Legislative Wrap Up

## TELECOMMUNICATIONS BILLS

### **Assembly Bill 1553 (Fuentes)**

- **Deaf and Disabled Telecommunications Program (DDTP)**
  - This bill extends the sunset date from January 1, 2010 to January 1, 2014 for the funding and operation of DDTP
  - *AB 1553 is on the Governor's desk*

### **Assembly Bill 1555 (Perez and Fuentes)**

- **California Advanced Services Fund**
  - Permits any entity eligible for grants or loan programs under the federal American Recovery and Reinvestment Act of 2009 (ARRA) to apply to participate in the CASF program for the sole purpose of seeking funds to help meet the ARRA matching fund requirement
  - This bill is an urgency measure, and took effect immediately
  - *Chaptered by Secretary of State - Chapter 24, Statutes of 2009*





# 2009 Legislative Wrap Up

## TRANSPORTATION BILLS

### **Assembly Bill 636 (Jones)**

#### – Charter-party carriers license revocation

- Requires the CPUC to permanently revoke the operating authority of a charter-party carrier under certain conditions
- Imposes a five-year suspension on unlicensed drivers
- The bill is double-joined to AB 951 (Lieu)
- *AB 636 is on the Governor's desk*

### **Assembly Bill 951 (Lieu)**

#### – Charter-party carriers fines and penalties

- Increases the levels of fines and penalties under various sections of the Charter-Party Carrier's Act
- The bill is double-joined to AB 636 (Jones)
- *AB 951 is on the Governor's desk*





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## TRANSPORTATION BILLS

### Assembly Bill 709 (Lieu)

- **Charter-party carriers and background checks**
  - Requires charter-party carriers that provide transportation to and from airports, to have their drivers undergo criminal background checks
  - Requires the CPUC to issue a credential for those drivers once the background checks have been completed
  - *Held in the Assembly Appropriations Committee*

### Senate Bill 409 (Ducheny)

- **Department of Railroads**
  - Would have stripped the CPUC and Caltrans of their railroad oversight authority and transferred it to a newly created Department of Railroads
  - *Placed on the Senate Inactive File at the request of the author*





# 2009 Legislative Wrap Up

## WATER BILLS

### Assembly Bill 49 (Feuer)

- **Water conservation: proposed conference report no. 1**
  - Requires the state to achieve 20% reduction in urban water use in California by December 31, 2020
  - Requires agricultural water suppliers to adopt agricultural water management plans
  - Amended to become one of several Conference Committee water bills
  - *Conference Report not adopted*

### Assembly Bill 975 (Fong)

- **Water meters**
  - Requires water corporations regulated by the CPUC to install water meters on new service connections and on unmetered connections
  - Authorizes the CPUC to require a water corporation with less than 500 customers to install water meters if the CPUC makes one of the specific findings contained in the bill
  - *AB 975 is on the Governor's desk*





# 2009 Legislative Wrap Up

## MISC BILLS

### **Assembly Bill 698 (Skinner)**

#### – **Utility Property Divestitures**

- Authorizes a staff director of the Commission to approve the disposal of a utility's property when the transaction is valued under \$5 million and the utility's application is not contested by any party
- *AB 698 is on the Governor's desk*

### **Assembly Bill 1108 (Fuentes)**

#### – **Electric and gas utility service: master-meter customers**

- Requires owners of master-meter electricity and natural gas systems that serve mobile home parks and manufactured housing developments to transfer ownership and operation of those systems to the utilities
- Requires the Commission to open a proceeding to develop procedures and schedules for the transfers
- *This bill is being held by the author as a two-year bill*





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## MISC BILLS

### Assembly Bill 1315 (Ruskin)

#### – CPUC governance

- Replaces the Governor's appointment of CPUC president with the Commission selecting a president from among themselves
- Places the direction of the Executive Director and General Counsel under the Commission as a whole rather than the president
- *Held at the request of the author in the Senate EU&C*

### Assembly Bill 1316 (Ma)

#### – Low-Income Oversight Board (LIOB)

- Requires the LIOB to provide recommendations to the Legislature, as requested, on policy or legislation impacting low-income customers
- Allows the LIOB to solicit public input through hosting town hall meetings and forums on low-income issues
- *Held at the request of the author in the Senate EU&C*





**Thank you!**  
**For Additional Information:**

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