## AMENDED IN ASSEMBLY MARCH 12, 2001

CALIFORNIA LEGISLATURE-2001-02 FIRST EXTRAORDINARY SESSION

## ASSEMBLY BILL

No. 60

## **Introduced by Assembly Member Hertzberg**

February 16, 2001

An act to add Section 25525.3 to the Public Resources Code, and to add Section 367.3 to the Public Utilities Code, relating to electrical generation, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

AB 60, as amended, Hertzberg. Electrical generating facilities: certification.

(1) Existing law requires the State Energy Resources Conservation and Development Commission to approve the siting of electrical generating facilities, as specified.

Existing law requires the Department of Water Resources to purchase electrical power until January 1, 2003, for the benefit of California citizens.

This bill would require, as a condition of certification by the commission, that an applicant offer to *enter into a contract to* sell to an electrical corporation, a municipal corporation, or the Department of Water Resources, at a just and reasonable cost base price electrical power generated by the facility at its initial and continuing available capacity pursuant to specified terms. The bill would require the commission to adopt rules and regulations for these purposes.

(2) Existing law requires every public utility to furnish and maintain adequate and efficient facilities.

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This bill would prohibit a person or entity, as defined, from operating an electrical generation facility unless the person or entity has submitted to the commission, within the time prescribed by regulations adopted by the commission, a maintenance and outage schedule, and the commission has approved that schedule.

(3) A violation of the provisions of the Public Utilities Act is a crime. This bill by creating new duties under that act would expand the definition of a crime, and thus create a state-mandated program.

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.

(4) The bill would declare it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes-no.

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

- 1 SECTION 1. Section 25525.3 is added to the Public 2 Resources Code, to read:
- 3 25525.3. (a) Notwithstanding any other provision of law, the
- commission shall require, as a condition of certification, that the
- applicant -offer shall offer to enter into a contract to sell to an 5
- electrical corporation as defined in Section 218 of the Public
- 7 Utilities Code, a municipal corporation as defined in Section 2904
- 9601 of the Public Utilities Code, or the Department of Water
- Resources, at a just and reasonable cost base price, electrical power
- generated by the facility at its initial and continuing available
- capacity on terms not less favorable than the terms of the next offer
- that the applicant makes for the sale of electrical power generated 12
- 13 by that facility.
- (b) This section applies to applications filed prior to the effective date of the act that added this section that have not been 15 certified by the commission prior to that date.
- 17 SEC. 2. Section 367.3 is added to the Public Utilities Code, to 18 read:

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367.3. (a) Notwithstanding any provision of Sections 216, 218, and 228.5, or any other provision of law, for purposes of this section, a corporation, or person owning, controlling, operating, or managing any electrical generation facility in this state, where the electricity generated is generated for compensation and is delivered to the public, or any portion thereof, is subject to the jurisdiction of the commission for purposes of this section.

- (b) No person or entity described in subdivision (a) may operate an electrical generation facility unless the person or entity has submitted to the commission within the time prescribed by regulations adopted by the commission a maintenance and outage schedule, and the commission has approved that schedule.
- SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 4.

- (c) Nothing in this section shall be construed to authorize the commission to delay the adoption of a final decision in any proceeding in which the public record has been closed and submitted for a final decision.
- (d) The commission shall adopt rules and regulations for the implementation and enforcement of this section.
- SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that new generating capacity is made available to the state to meet its statutory obligation to provide reasonably priced electric service, and that electrical generation facilities operate pursuant to an approved maintenance and outage schedule, for the safety, health, and well-being of the people of California, it is necessary that this act take effect immediately.

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