

ASSEMBLY BILL

No. 549

Introduced by Assembly Member Longville

February 21, 2001

An act to add Section 25402.6 to the Public Resources Code, and to amend Section 399.15 of the Public Utilities Code, relating to energy resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 549, as introduced, Longville. California Energy Commission: building efficiency standards.

(1) Existing law requires the State Energy Resources Conservation and Development Commission to prescribe, by regulation, various energy efficiency design standards for residential and nonresidential buildings.

This bill would require the commission to monitor compliance with building energy efficiency standards by checking compliance documentation with actual construction in the field.

This bill would require the commission to investigate options and develop a plan to decrease wasteful peak load energy consumption in existing residential and nonresidential construction. The bill would require the commission to report its findings, on or before January 1, 2002, to the Legislature.

(2) Existing law requires the Public Utilities Commission, in consultation with the Independent System Operator, to consult with the State Energy Resources Conservation and Development Commission and adopt energy conservation initiatives to reduce demand for electricity and reduce load during peak demand periods.

This bill would add, as another initiative, support for building standards and other cost-effective energy efficiency regulations and support for development of the infrastructure to implement those standards and other regulations.

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 25402.6 is added to the Public
2 Resources Code, to read:

3 25402.6. (a) In conjunction with the existing activities of
4 local building departments, the commission shall, as it determines
5 appropriate, monitor compliance with the building energy
6 efficiency standards by checking compliance documentation with
7 actual construction in the field.

8 (b) The commission shall investigate options and develop a
9 plan to decrease wasteful load energy consumption in existing
10 residential and nonresidential construction. On or before January
11 1, 2002, the commission shall report its findings to the Legislature,
12 including, but not limited to, any changes in law necessary to
13 implement the plan to decrease wasteful peak load energy
14 consumption in existing residential and nonresidential
15 construction.

16 SEC. 2. Section 399.15 of the Public Utilities Code is
17 amended to read:

18 399.15. Notwithstanding any other provision of law, within
19 180 days of the effective date of this section, the commission, in
20 consultation with the Independent System Operator, shall take all
21 of the following actions, and shall include the reasonable costs
22 involved in taking those actions in the distribution revenue
23 requirements of utilities regulated by the commission, as
24 appropriate:

25 (a) (1) Identify and undertake those actions necessary to
26 reduce or remove constraints on the state's existing electrical
27 transmission and distribution system, including, but not limited to,
28 reconductoring of transmission lines, the addition of capacitors to
29 increase voltage, the reinforcement of existing transmission
30 capacity, and the installation of new transformer banks. The
31 commission shall, in consultation with the Independent System



Operator, give first priority to those geographical regions where congestion reduces or impedes electrical transmission and supply.

(2) Consistent with the existing statutory authority of the commission, the commission shall afford electrical corporations a reasonable opportunity to fully recover costs it determines are reasonable and prudent to plan, finance, construct, operate, and maintain any facilities under its jurisdiction required by this section.

(b) In consultation with the State Energy Resources Conservation and Development Commission, adopt energy conservation demand-side management and other initiatives in order to reduce demand for electricity and reduce load during peak demand periods. Those initiatives shall include, but not be limited to, all of the following:

(1) Expansion and acceleration of residential and commercial weatherization programs.

(2) Expansion and acceleration of programs to inspect and improve the operating efficiency of heating, ventilation, and air-conditioning equipment in new and existing buildings, to ensure that these systems achieve the maximum feasible cost-effective energy efficiency.

(3) Expansion and acceleration of programs to improve energy efficiency in new buildings, in order to achieve the maximum feasible reductions in uneconomic energy and peak electricity consumption.

(4) Incentives to equip commercial buildings with the capacity to automatically shut down or dim nonessential lighting and incrementally raise thermostats during peak electricity demand period.

(5) Evaluation of installing local infrastructure to link temperature setback thermostats to real-time price signals.

(6) Incentives for load control and distributed generation to be paid for enhancing reliability.

(7) Differential incentives for renewable or super clean distributed generation resources.

(8) Reevaluation of all efficiency cost-effectiveness tests in light of increases in wholesale electricity costs and of natural gas costs to explicitly include the system value of reduced load on reducing market clearing prices and volatility.

1 (9) *Support for building standards and other regulations*
2 *pursuant to Section 25402 and subdivision (b) of Section 25553 of*
3 *the Public Resources Code and for development of the*
4 *infrastructure to implement those standards and other regulations.*

5 (c) In consultation with the Energy Resources Conservation
6 and Development Commission, adopt and implement a
7 residential, commercial, and industrial peak reduction program
8 that encourages electric customers to reduce electricity
9 consumption during peak power periods.

