

AMENDED IN ASSEMBLY APRIL 5, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

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, *and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 549, as amended, 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~~ buildings. The bill would require the commission to report its findings, on or before ~~January~~ April 1, 2002, to the Legislature.

The bill would require the commission to certify energy consultants, installers, field verifiers, and nonresidential building standards agents, as it determines appropriate, to ensure compliance with all applicable building energy efficiency standards.

(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.

(3) *The bill would appropriate \$500,000 from the General Fund to the commission, to be expended for the purposes of the compliance monitoring required by the bill.*

Vote: ~~majority~~ ²/₃. Appropriation: ~~no~~ yes. 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~~ *upon the receipt of a complaint by a local building*
6 *official*, monitor compliance with the building energy efficiency
7 standards by checking compliance documentation with actual
8 construction in the field.
9 (b) The commission shall investigate options and develop a
10 plan to decrease wasteful load energy consumption in existing
11 residential and nonresidential ~~construction~~. ~~On or before January~~
12 ~~buildings. On or before April 1, 2002~~, the commission shall report
13 its findings to the Legislature, including, but not limited to, any
14 changes in law necessary to implement the plan to decrease
15 wasteful peak load energy consumption in existing residential and
16 nonresidential ~~construction~~ *buildings*.
17 (c) *The commission shall certify energy consultants, installers,*
18 *field verifiers, and nonresidential building standards agents, as it*
19 *determines appropriate, to ensure compliance with all applicable*
20 *building energy efficiency standards. To the extent feasible, the*
21 *commission shall approve private organizations to conduct the*
22 *certification program required by this subdivision. The*

1 *certification program shall also include a complaint response*
2 *process.*

3 SEC. 2. Section 399.15 of the Public Utilities Code is
4 amended to read:

5 399.15. Notwithstanding any other provision of law, within
6 180 days of the effective date of this section, the commission, in
7 consultation with the Independent System Operator, shall take all
8 of the following actions, and shall include the reasonable costs
9 involved in taking those actions in the distribution revenue
10 requirements of utilities regulated by the commission, as
11 appropriate:

12 (a) (1) Identify and undertake those actions necessary to
13 reduce or remove constraints on the state's existing electrical
14 transmission and distribution system, including, but not limited to,
15 reconductoring of transmission lines, the addition of capacitors to
16 increase voltage, the reinforcement of existing transmission
17 capacity, and the installation of new transformer banks. The
18 commission shall, in consultation with the Independent System
19 Operator, give first priority to those geographical regions where
20 congestion reduces or impedes electrical transmission and supply.

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

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

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

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

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

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

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

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

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

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

19 (9) Support for building standards and other regulations
20 pursuant to Section 25402 of, and subdivision (b) of Section 25553
21 of, the Public Resources Code and for development of the
22 infrastructure to implement those standards and other regulations.

23 (c) In consultation with the Energy Resources Conservation
24 and Development Commission, adopt and implement a
25 residential, commercial, and industrial peak reduction program
26 that encourages electric customers to reduce electricity
27 consumption during peak power periods.

28 *SEC. 3. The sum of five hundred thousand dollars (\$500,000)*
29 *is hereby appropriated from the General Fund to the State Energy*
30 *Resources Conservation and Development Commission, to be*
31 *expended for the purposes of Section 25402.6 of the Public*
32 *Resources Code.*