

AMENDED IN ASSEMBLY MAY 14, 2001

AMENDED IN ASSEMBLY MAY 1, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1031

Introduced by Assembly Member Canciamilla

February 23, 2001

An act to add Section 776 to the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1031, as amended, Canciamilla. Natural gas supplies.

Existing law establishes the Public Utilities Commission and authorizes the commission to supervise and regulate every public utility in the state, including every gas corporation, that provides a service or a commodity to the public.

This bill would require the commission to report to the Legislature by January 1, 2004, and every 2 years thereafter, the 10-year forecast of the demand for natural gas in the state. The bill would require that forecast to analyze long-term trends in natural gas demand in the state ~~and~~, to evaluate a wide variety of natural gas demand scenarios, including, but not limited to, average conditions, and best- and worst-case scenarios, *and to evaluate the impact of increasing renewable resources on natural gas demand.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Past predictions by the Public Utilities Commission regarding demand levels for natural gas in the state have underestimated the actual demand.

(2) The incorrect estimates of the actual demand for natural gas may have led to a failure to adequately plan for peak demands in the state, by assuring that the existing natural gas infrastructure in the state could meet those peak demands.

(3) The incorrect estimates may lead to higher natural gas prices, as infrastructure limitations may lead to an imbalance between the demand and supply of natural gas.

(b) It is the intent of the Legislature in enacting this act to do both of the following:

(1) Promote more reliable projections of the demand for natural gas in the state.

(2) Encourage any agency in the state that forecasts natural gas demand in the future to make those projections based on a wide variety of potential scenarios and conditions in the state.

SEC. 2. Section 776 is added to the Public Utilities Code, to read:

776. By January 1, 2004, and every two years thereafter, the commission shall report to the Legislature the 10-year forecast of the demand for natural gas in the state. The forecast shall do both of the following:

(a) Analyze long-term trends in natural gas demand in the state.

(b) Evaluate a wide variety of natural gas demand scenarios, including, but not limited to, average conditions, and best- and worst-case scenarios.

(c) *Evaluate the impact of increasing renewable resources on natural gas demand.*