

**ASSEMBLY BILL**

**No. 1235**

**Introduced by Assembly Member Pescetti**

February 23, 2001

---

---

An act to amend Section 891 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1235, as introduced, Pescetti. Natural gas surcharge: interstate pipelines.

The Public Utilities Act requires the Public Utilities Commission to establish a surcharge on all natural gas consumed in this state to fund certain low-income assistance programs, cost-effective energy efficiency and conservation activities, and public interest research and development, as prescribed. The act requires that, except as specified, all persons consuming natural gas in this state that has been transported by an interstate pipeline be liable for that surcharge. The term “interstate pipeline” is defined to mean any entity that owns or operates a natural gas pipeline delivering natural gas to consumers in the state and is subject to rate regulation by the Federal Energy Regulatory Commission (FERC).

This bill would modify the definition of the term “interstate pipeline” to mean any entity that owns or operates a natural gas pipeline delivering natural gas to consumers in the state and is subject to regulation by FERC.

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

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

1     SECTION 1. Section 891 of the Public Utilities Code is  
2     amended to read:  
3     891. (a) “Gas utility” means any public utility gas  
4     corporation or interstate pipeline as defined in this section.  
5     (b) “Public utility gas corporation” means a public utility gas  
6     corporation as defined in Section 216.  
7     (c) “Interstate pipeline” means any entity that owns or  
8     operates a natural gas pipeline delivering natural gas to consumers  
9     in the state and is subject to ~~rate~~ regulation by the Federal Energy  
10    Regulatory Commission.  
11    (d) Each gas utility shall notify the State Board of Equalization  
12    of its status under this section. Each person who consumes natural  
13    gas delivered by an interstate pipeline shall annually register with  
14    the State Board of Equalization. The State Board of Equalization  
15    may require any documentation that it determines to be necessary  
16    to implement this article.

