

**ASSEMBLY BILL**

**No. 1881**

**Introduced by Assembly Member Pescetti**  
(Principal coauthor: Senator Murray)

February 4, 2002

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An act to amend Section 14684 of the Government Code, as added by Chapter 10 of the Statutes of the 2001–02 Second Extraordinary Session, and to amend Section 1 of Chapter 10 of the Statutes of the 2001–02 Second Extraordinary Session, relating to solar energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1881, as introduced, Pescetti. Solar energy systems: solar thermal energy.

Chapter 10 of the Statutes of the 2001–02 Second Extraordinary Session (Chapter 10), which will become operative 91 days following the adjournment of that session, will require, upon the operative date of that chapter, the Department of General Services, in consultation with the State Energy Resources Conservation and Development Commission, to ensure that solar energy equipment, as defined, is installed, no later than January 1, 2007, on all state buildings and state parking facilities where feasible, as defined. Chapter 10 also will require solar energy equipment to be installed where feasible as part of the construction of all state buildings and state parking facilities that commences after December 31, 2002.

This bill would modify the definition of feasible to require installation of solar energy equipment if there is adequate space adjacent to a building in addition to on a building. The bill would clarify that funding would be required to be available for the installation of energy equipment to be feasible.

Chapter 10 will define cost-effective and requires the department to take into consideration air emission reduction benefits in its present value assessment for cost-effectiveness.

This bill would also require the department to take into consideration the value of stable energy costs for cost-effectiveness.

Chapter 10 will define solar energy equipment as equipment whose primary purpose is to provide for the collection, conversion, storage, or control of solar energy for electricity generation.

This bill would additionally include within the definition of solar energy equipment, equipment whose primary purpose is to provide for the collection, conversion, storage, or control of solar energy for the purpose of heat production.

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 1 of Chapter 10 of the Statutes of the  
2 2001–02 Second Extraordinary Session is amended to read:

3 Sec. 1. The Legislature finds and declares all of the following:

4 (a) California is experiencing severe electrical shortages,  
5 which endanger the health, safety, and economic development  
6 opportunity of its citizens. *California is also experiencing natural*  
7 *gas shortages and price volatility that adversely affect electricity*  
8 *price and availability.*

9 (b) Immediate measures are needed to increase the electrical  
10 generation capacity within California, including energy from solar  
11 energy systems, *and to reduce the consumption of natural gas for*  
12 *purposes other than the generation of electricity within California.*

13 (c) California has been a leader in the development of solar  
14 energy systems.

15 (d) California must take all reasonable actions necessary to  
16 encourage the use of solar energy systems at state buildings and  
17 facilities.

18 SEC. 2. Section 14684 of the Government Code as added by  
19 Chapter 10 of the Statutes of the 2001–02 Second Extraordinary  
20 Session is amended to read:

21 14684. (a) The department, in consultation with the State  
22 Energy Resources Conservation and Development Commission,  
23 shall ensure that solar energy equipment is installed, no later than



January 1, 2007, on all state buildings and state parking facilities, where feasible. The department shall establish a schedule designating when solar energy equipment will be installed on each building and facility, with priority given to buildings and facilities where installation is most feasible, both for state building and facility use and consumption and local publicly owned electric utility use, where feasible.

(b) Solar energy equipment shall be installed where feasible as part of the construction of all state buildings and state parking facilities that commences after December 31, 2002.

(c) For purposes of this section, it is feasible to install solar energy equipment if adequate space on *or adjacent to* a building is available, ~~and~~ if the solar energy equipment is cost-effective, ~~and if~~ funding is available.

(d) No part of this section ~~shall~~ *may* be construed to exempt the state from any applicable fee or requirement imposed by the Public Utilities Commission.

(e) The department may adopt regulations for the purposes of this section as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1. For purposes of Chapter 3.5 (commencing with Section 11340) of Part 1, including, but not limited to, Section 11349.6, the adoption of the regulations shall be considered by the Office of Administrative Law to be necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding the 120-day limit specified in subdivision (e) of Section 11346.1, the regulations shall be repealed 180 days after their effective date, unless the department complies with Chapter 3.5 (commencing with Section 11340) of Part 1 as provided in subdivision (e) of Section 11346.1.

(f) For purposes of this section, the following terms have the following meanings:

(1) "Cost-effective" means that the present value of the savings generated over the life of the solar energy system, including consideration of the value of the energy produced during peak and off-peak demand periods and the value of a reliable energy supply not subject to price volatility, shall exceed the present value cost of the solar energy equipment by not less than 10 percent. The present value cost of the solar energy equipment does not include the cost of unrelated building components. The

1 department, in making the present value assessment, shall obtain  
2 interest rates, discount rates, and consumer price index figures  
3 from the Treasurer, and shall take into consideration air emission  
4 reduction benefits *and the value of stable energy costs*.

5 (2) “Local publicly owned electric utility” means a local  
6 publicly owned electric utility as defined in *subdivision (d) of*  
7 Section 9604 of the Public Utilities Code.

8 (3) “Solar energy equipment” means equipment whose  
9 primary purpose is to provide for the collection, conversion,  
10 storage, or control of solar energy for *the purpose of heat*  
11 *production or* electricity generation.

12 SEC. 3. Sections 1 and 2 of this act shall become operative  
13 only if Chapter 10 of the Statutes of the 2001–02 Second  
14 Extraordinary Session becomes operative, in which case Sections  
15 1 and 2 shall become operative consistent with Section 8 of Article  
16 IV of the California Constitution.

