

SENATE BILL

No. 41

Introduced by Senator Speier

May 17, 2001

An act to amend Section 739 of the Public Utilities Code, relating to public utilities, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 41, as introduced, Speier. Public Utilities Commission: gas and electricity: baseline quantities.

(1) The Public Utilities Act requires the commission to designate a baseline quantity, as defined, of gas and electricity which is necessary to supply a significant portion of the reasonable energy needs of the average residential customer. The act requires the commission, in establishing the baseline quantities, to take into account climatic and seasonal variations in consumption and the availability of gas service. The act requires the commission to review and revise baseline quantities, as prescribed.

The bill would require the commission to also take into account the number of inhabitants located at the site of a residential customer, and increase baseline quantities accordingly, up to an unspecified maximum number of inhabitants.

(2) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

SECTION 1. Section 739 of the Public Utilities Code is amended to read:

739. (a) The commission shall designate a baseline quantity of gas and electricity which is necessary to supply a significant portion of the reasonable energy needs of the average residential customer. In estimating those quantities, the commission shall take into account differentials in energy needs between customers whose residential energy needs are currently supplied by electricity alone or by both electricity and gas. The commission shall develop a separate baseline quantity for all-electric residential customers. For these purposes, “all-electric residential customers” are residential customers having electrical service only or whose space heating is provided by electricity, or both. The commission shall also take into account differentials in energy use by climatic zone and season.

(b) (1) The commission shall establish a standard limited allowance which shall be in addition to the baseline quantity of gas and electricity for residential customers dependent on life-support equipment, including, but not limited to, emphysema and pulmonary patients. A residential customer dependent on life-support equipment shall be given a higher energy allocation than the average residential customer.

(2) “Life-support equipment” means that equipment which utilizes mechanical or artificial means to sustain, restore, or supplant a vital function, or mechanical equipment which is relied upon for mobility both within and outside of buildings. “Life-support equipment,” as used in this subdivision, includes all of the following: all types of respirators, iron lungs, hemodialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines, and motorized wheelchairs.

(3) The limited additional allowance shall also be made available to paraplegic and quadriplegic persons in consideration of the increased heating and cooling needs of those persons.

(4) The limited additional allowance shall also be made available to multiple sclerosis patients in consideration of the increased heating and cooling needs of those persons.

(5) The limited additional allowance shall also be made available to scleroderma patients in consideration of the increased heating needs of those persons.

(6) The limited allowance shall also be made available to persons who are being treated for a life-threatening illness or have a compromised immune system, provided that a licensed physician and surgeon or a person licensed pursuant to the Osteopathic Initiative Act certifies in writing to the utility that the additional heating or cooling allowance, or both, made available pursuant to this subdivision is medically necessary to sustain the life of the person or prevent deterioration of the person's medical condition.

(c) (1) The commission shall require that every electrical and gas corporation file a schedule of rates and charges providing baseline rates. The baseline rates shall apply to the first or lowest block of an increasing block rate structure which shall be the baseline quantity. In establishing these rates, the commission shall avoid excessive rate increases for residential customers, and shall establish an appropriate gradual differential between the rates for the respective blocks of usage.

(2) In establishing residential electric and gas rates, including baseline rates, the commission shall ~~assure~~ ensure that the rates are sufficient to enable the electrical corporation or gas corporation to recover a just and reasonable amount of revenue from residential customers as a class, while observing the principle that electricity and gas services are necessities, for which a low affordable rate is desirable.

(d) As used in this section *the following terms have the following meanings:*

(1) "Baseline quantity" means a quantity of electricity or gas for residential customers to be established by the commission based on from 50 to 60 percent of average residential consumption of these commodities, except that, for residential gas customers and for all-electric residential customers, the baseline quantity shall be established at from 60 to 70 percent of average residential consumption during the winter heating season. In establishing the baseline quantities, the commission shall take into account climatic and seasonal variations in consumption and the availability of gas service. The commission shall review and revise baseline quantities as average consumption patterns change in

1 order to maintain these ratios. *The commission shall also take into*
2 *account the number of inhabitants located at the site of a*
3 *residential customer, and increase baseline quantities accordingly,*
4 *up to a maximum of ____ inhabitants.*

5 (2) “Residential customer” means those customers receiving
6 electrical or gas service pursuant to a domestic rate schedule and
7 excludes industrial, commercial, and every other category of
8 customer.

9 (e) Wholesale electrical or gas purchases, and the rates charged
10 therefor, are exempt from this section.

11 (f) Nothing contained in this section shall be construed to
12 prohibit experimentation with alternative gas or electrical rate
13 schedules for the purpose of achieving energy conservation.

14 SEC. 2. This act is an urgency statute necessary for the
15 immediate preservation of the public peace, health, or safety
16 within the meaning of Article IV of the Constitution and shall go
17 into immediate effect. The facts constituting the necessity are:

18 In order to require the Public Utilities Commission, when
19 determining gas and electricity baseline quantities, to also take
20 into account the number of inhabitants located at the site of a
21 residential customer, and increase baseline quantities accordingly,
22 thereby preserving the public peace, health, and safety, it is
23 necessary for this act to take effect immediately.

