

AMENDED IN SENATE MAY 25, 2001

CALIFORNIA LEGISLATURE—2001–02 SECOND EXTRAORDINARY SESSION

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 amended, 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~~ *presence of dependent children under the age of 18 years in the household* of a residential customer, *pursuant to self-certification by the 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:

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

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

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

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

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



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

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

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

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

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

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

33 (1) "Baseline quantity" means a quantity of electricity or gas
34 for residential customers to be established by the commission
35 based on from 50 to 60 percent of average residential consumption
36 of these commodities, except that, for residential gas customers
37 and for all-electric residential customers, the baseline quantity
38 shall be established at from 60 to 70 percent of average residential
39 consumption during the winter heating season. In establishing the
40 baseline quantities, the commission shall take into account



1 climatic and seasonal variations in consumption and the
 2 availability of gas service. The commission shall review and revise
 3 baseline quantities as average consumption patterns change in
 4 order to maintain these ratios. The commission shall also take into
 5 ~~account the number of inhabitants located at the site of a residential~~
 6 ~~customer, and increase baseline quantities accordingly, up to a~~
 7 ~~maximum of _____ inhabitants.~~ *account the presence of dependent*
 8 *children under the age of 18 years in the household of a residential*
 9 *customer, pursuant to self-certification by the residential customer,*
 10 *and shall increase baseline quantities accordingly.*

11 (2) “Residential customer” means those customers receiving
 12 electrical or gas service pursuant to a domestic rate schedule and
 13 excludes industrial, commercial, and every other category of
 14 customer.

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

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

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

24 In order to require the Public Utilities Commission, when
 25 determining gas and electricity baseline quantities, to also take
 26 into account the number of inhabitants located at the site of a
 27 residential customer, and increase baseline quantities accordingly,
 28 thereby preserving the public peace, health, and safety, it is
 29 necessary for this act to take effect immediately.

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