

**Introduced by Senator Bowen
(Coauthors: Senators Burton, Dunn, and Sher)**

February 21, 2002

An act to add Section 345.5 to the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1753, as introduced, Bowen. Independent System Operator: duties.

(1) Existing law provides for the establishment of an Independent System Operator, a nonprofit, public benefit corporation, to ensure efficient use and reliable operation of the electrical transmission grid.

This bill would require the Independent System Operator to conduct its operations consistent with applicable state laws and consistent with the interests of the people of the state. The bill would also require the Independent System Operator to manage the transmission grid in a manner that makes the most efficient use of available energy resources, facilitates reliable electricity service at the least economic and environmental cost to the state's consumers. The bill would also require the Independent System Operator to ensure that its purposes and functions are consistent with those of a nonprofit public benefit corporation, maintain open meetings, and provide public access to corporate records. Since under existing law a violation of the bill's requirements would be a crime, this bill would impose a state-mandated local program by changing the definition of a crime.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. Section 345.5 is added to the Public Utilities
2 Code, to read:

3 345.5. The Independent System Operator, as a nonprofit,
4 public benefit corporation, shall conduct its operations consistent
5 with applicable state laws and consistent with the interests of the
6 people of the state. The Independent System Operator shall do all
7 of the following:

8 (a) Manage the transmission grid and related energy markets in
9 a manner that makes the most efficient use of available energy
10 resources and facilitates reliable electricity service at the least
11 overall economic and environmental cost to the state's consumers.

12 (b) Consult and coordinate with appropriate state and local
13 agencies to ensure that the Independent System Operator operates
14 in furtherance of state policies regarding consumer and
15 environmental protection.

16 (c) Ensure that the purposes and functions of the Independent
17 System Operator are consistent with the purposes and functions of
18 nonprofit, public benefit corporations in the state, including duties
19 of care and conflict-of-interest standards for officers and directors
20 of a corporation.

21 (d) Maintain open meeting standards and meeting notice
22 requirements consistent with the Bagley-Keene Open Meetings
23 Act (Article 9 (commencing with Section 11120) of Chapter 1 of
24 Part 1 of the Government Code) and affording the public the
25 greatest possible access, consistent with other duties of the
26 corporation.

27 (e) Provide public access to corporate records consistent with
28 the California Public Records Act (Chapter 3.5 (commencing with
29 Section 6250) of Division 7 of Title 1 of the Government Code)
30 and affording the public the greatest possible access, consistent
31 with the other duties of the corporation.

32 SEC. 2. No reimbursement is required by this act pursuant to
33 Section 6 of Article XIII B of the California Constitution because



1 the only costs that may be incurred by a local agency or school
2 district will be incurred because this act creates a new crime or
3 infraction, eliminates a crime or infraction, or changes the penalty
4 for a crime or infraction, within the meaning of Section 17556 of
5 the Government Code, or changes the definition of a crime within
6 the meaning of Section 6 of Article XIII B of the California
7 Constitution.

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