

AMENDED IN SENATE JUNE 19, 2003  
AMENDED IN ASSEMBLY MARCH 25, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

## ASSEMBLY BILL

**No. 583**

**Introduced by Assembly Member Leslie**

February 18, 2003

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An act to ~~amend Section 377 of~~ *add Section 377.2 to* the Public Utilities Code, relating to public utilities.

### LEGISLATIVE COUNSEL'S DIGEST

AB 583, as amended, Leslie. Generation facilities: regulation.

Existing law requires the Public Utilities Commission to regulate facilities for the generation of electricity owned by any public utility prior to January 1, 1997, until the owner of those facilities has applied to the commission to dispose of those facilities and has been authorized by the commission to undertake that disposal. Existing law prohibits any facility for the generation of electricity owned by a public utility to be disposed of prior to January 1, 2006.

This bill would exempt from those provisions the ~~sale, transfer, abandonment, or other~~ disposition of a facility for the generation of electricity, or the ~~sale, transfer, abandonment, or other~~ disposition of an interest in a facility for the generation of electricity, that is located outside of this state, ~~and is owned exclusively by a public utility that serves 60,000 or fewer service connections~~ *customer accounts* in this state, *and is not necessary to serve the public utility's customers in this state, upon the approval of the commission or upon an exemption by the commission pursuant to existing provisions of law.*

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 377 of the Public Utilities Code is~~

2 *SECTION 1. Section 377.2 is added to the Public Utilities Code,*  
3 *to read:*

4 *377.2. Notwithstanding Section 377, a facility for the*  
5 *generation of electricity, or an interest in a facility for the*  
6 *generation of electricity, that is located outside of this state, is*  
7 *owned by a public utility that serves 60,000 or fewer customer*  
8 *accounts in this state, and is not necessary to serve that public*  
9 *utility's customers in this state may be disposed of upon approval*  
10 *of the commission pursuant to Section 851 or upon exemption by*  
11 *the commission pursuant to Section 853.*

12 ~~amended to read:~~

13 ~~377.—(a) Except as provided in subdivision (b), the~~  
14 ~~commission shall continue to regulate the facilities for the~~  
15 ~~generation of electricity owned by any public utility prior to~~  
16 ~~January 1, 1997, that are subject to commission regulation until the~~  
17 ~~owner of those facilities has applied to the commission to dispose~~  
18 ~~of those facilities and has been authorized by the commission~~  
19 ~~under Section 851 to undertake that disposal. Notwithstanding any~~  
20 ~~other provision of law, except as provided in subdivision (b), no~~  
21 ~~facility for the generation of electricity owned by a public utility~~  
22 ~~may be disposed of prior to January 1, 2006. The commission shall~~  
23 ~~ensure that public utility generation assets remain dedicated to~~  
24 ~~service for the benefit of California ratepayers.~~

25 ~~(b) Notwithstanding subdivision (a), this section does not~~  
26 ~~apply to the sale, transfer, abandonment, or other disposition of a~~  
27 ~~facility for the generation of electricity, or the sale, transfer,~~  
28 ~~abandonment, or other disposition of an interest in a facility for the~~  
29 ~~generation of electricity, that is located outside of this state and is~~  
30 ~~owned exclusively by a public utility that serves 60,000 or fewer~~  
31 ~~service connections in this state.~~