AMENDED IN ASSEMBLY APRIL 10, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL No. 1685

Introduced by Assembly Member Leno

February 21, 2003

An act to add Section 379.6 to the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1685, as amended, Leno. Energy: self generation incentive program.

Existing law requires the Public Utilities Commission (PUC), in consultation with the Independent System Operator and the State Energy Resources Conservation and Development Commission (Energy Commission), to adopt initiatives, on or before March 7, 2001, to reduce demand for electricity and reduce load during peak demand periods, including differential incentives for renewable or superclean distributed generation resources. Pursuant to this requirement, the PUC has developed a Self Generation Incentive Program to encourage customers of electrical corporations to install distributed generation that operates on renewable fuel or contributes to system reliability.

This bill would require the PUC, in consultation with the Energy Commission, to administer a self generation incentive program for solar electricity generation *until January 1, 2017, in the form that exists on January 1, 2004*.

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

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

SECTION 1. The Legislature finds and declares each of the following:

(a) Increasing California's reliance on renewable energy resources, particularly solar electricity generation, promotes stable electricity prices, protects public health, improves environmental quality, stimulates sustainable economic development, creates new employment opportunities, and reduces reliance on imported fuels.

(b) The development of renewable energy resources, particularly nonpolluting solar electricity generation, ameliorates air quality problems throughout the state and improves public health by reducing the burning of fossil fuels and the associated environmental impacts.

(c) The Self Generation Incentive Program administered by the Public Utilities Commission and established pursuant to Section 379.5 (Decision 01-03- 073, March 27, 2001), has been a critically important subsidy for the growth of solar electricity generation in California, but is set to expire at the end of 2004.

(d) The Legislature intends that the commission continue the Self Generation Incentive Program in order to subsidize solar electricity generation.

SEC. 2. Section 379.6 is added to the Public Utilities Code, to read:

379.6. The commission, in consultation with the State Energy Resources Conservation and Development Commission, shall *until January 1, 2017,* administer a self generation incentive program for solar electricity generation *in the same form as exists on January 1, 2004*.

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