

AMENDED IN ASSEMBLY MAY 13, 2003

AMENDED IN ASSEMBLY APRIL 24, 2003

AMENDED IN ASSEMBLY APRIL 10, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1685**

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**Introduced by Assembly Member Leno**

*(Coauthors: Assembly Members Hancock, Jackson, and Koretz)*

February 21, 2003

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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, ~~2006~~ 2008, 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:*

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

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

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

14 (c) The Self Generation Incentive Program administered by the  
15 Public Utilities Commission and established pursuant to Section  
16 379.5 (Decision 01-03- 073, March 27, 2001), has been a critically  
17 important subsidy for the growth of solar electricity generation in  
18 California, but is set to expire at the end of 2004.

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

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

24 379.6. The commission, in consultation with the State Energy  
25 Resources Conservation and Development Commission, shall  
26 until January 1, ~~2006~~ 2008, administer a self generation incentive  
27 program ~~for solar electricity generation~~ in the same form as exists  
28 on January 1, 2004.

