

ASSEMBLY BILL

No. 2767

Introduced by Assembly Members Richman and Canciamilla

February 20, 2004

An act to amend Section 80260 of the Water Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 2767, as introduced, Richman. Department of Water Resources: electricity purchases: contracts.

Existing law that provides for the purchase of electricity by the Department of Water Resources for sale to retail end-use customers and to requesting local publicly owned electric utilities, as practicable, prohibits the department from contracting for the purchase of electrical power under those provisions on and after January 1, 2003, but states that the authority of the department to administer contracts entered into prior to that date, or the department's authority to sell electricity, is unaffected.

This bill would clarify that the authority of the department to administer each contract entered into under those provisions includes, but is not limited to, the authority to renegotiate, novate, or otherwise amend that contract to include any contractual term that the department determines to be necessary, appropriate, or convenient to further the purposes of those provisions. The bill would authorize the department to enter into arrangements that it determines to be necessary, appropriate, or convenient to implement that authority. The bill would declare that its provisions are declaratory of existing law.

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

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

1 SECTION 1. Section 80260 of the Water Code is amended to
2 read:

3 80260. (a) On and after January 1, 2003, the department shall
4 not contract under this division for the purchase of electrical
5 power. This section does not affect the authority of the department
6 to administer contracts entered into prior to that date or the
7 department’s authority to sell electricity.

8 (b) *Notwithstanding any other provision of law, the authority of*
9 *the department to administer each contract entered into under this*
10 *division includes, but is not limited to, the authority to renegotiate,*
11 *novate, or otherwise amend that contract to include any*
12 *contractual term that the department determines to be necessary,*
13 *appropriate, or convenient to further the purposes of the program*
14 *described in this division. The department may enter into*
15 *arrangements that it determines to be necessary, appropriate, or*
16 *convenient to implement this subdivision. The Legislature finds*
17 *and declares that this subdivision is declaratory of existing law.*

