

AMENDED IN ASSEMBLY MAY 25, 2004

AMENDED IN ASSEMBLY APRIL 29, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2869**

**Introduced by Assembly Member Levine**

February 20, 2004

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An act to amend Section 9601 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2869, as amended, Levine. Local publicly owned electric utilities: condemnation process: distribution facilities.

Existing law relating to electrical restructuring prohibits a local publicly owned electric utility or an electrical corporation from selling electric power to the retail customers of another local publicly owned electric utility or electrical corporation unless the first utility has agreed to let the second utility make sales of electric power to the retail customers of the first utility.

This bill would specify that those provisions do not apply to customers affected by a utility completing a mutually agreeable condemnation process ~~of distribution facilities of another utility, related to a city or county annexation or detachment initiated prior to February 1, 2000~~ *to resolve a fringe area agreement in which there exists a balance of benefits between the customers of the local publicly owned electric utility and the electrical corporation.*

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 9601 of the Public Utilities Code is  
2 amended to read:

3 9601. (a) Except with respect to supply options of the nature  
4 specified in Section 218, with the exception of paragraph (3) of  
5 subdivision (b) of that section, as it existed on December 20, 1995,  
6 no person, corporation, electrical corporation, or local publicly  
7 owned electric utility or other governmental entity other than a  
8 retail customer’s existing electric service provider as of December  
9 20, 1995, shall provide partial or full electric service to a retail  
10 customer of a local publicly owned electric utility unless the  
11 customer first confirms in writing an obligation to pay, through  
12 tariff or otherwise, to the utility currently providing electric  
13 service, a nonbypassable generation-related severance fee or  
14 transition charge established by the regulatory body for that utility.  
15 The severance fee or transition charge shall be paid directly to the  
16 local publicly owned utility providing electricity service in the  
17 service area in which the consumer is located.

18 (b) Except as provided in subdivision (a) of Section 374, no  
19 local publicly owned electric utility or other governmental entity  
20 shall provide partial or full electric service to a retail customer of  
21 an electrical corporation unless the customer of that electrical  
22 corporation first confirms in writing an obligation to pay, through  
23 tariff or otherwise, to the electrical corporation currently  
24 providing electric service, a nonbypassable generation-related  
25 transition charge established by the regulatory body for that  
26 electrical corporation. The charge shall be paid directly to the  
27 electrical corporation providing electricity in the service area in  
28 which the consumer is located.

29 (c) No local publicly owned electric utility or electrical  
30 corporation shall sell electric power to the retail customers of  
31 another local publicly owned electric utility or electrical  
32 corporation unless the first utility has agreed to allow the second  
33 utility to make sales of electric power to the retail customers of the  
34 first utility.

35 (d) This section does not apply to customers affected by a  
36 utility completing a mutually agreeable condemnation process of  
37 ~~distribution facilities of another utility, related to a city or county~~  
38 ~~annexation or detachment that was initiated prior to February 1,~~



- 1 ~~2000.~~ *to resolve a fringe area agreement in which there exists a*
- 2 *balance of benefits between the customers of the local publicly*
- 3 *owned electric utility and electrical corporation.*

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