

AMENDED IN SENATE AUGUST 26, 2003

AMENDED IN SENATE JULY 16, 2003

**Senate Concurrent Resolution**

**No. 30**

**Introduced by Senator Poochigian**  
**(Coauthors: Senators Ashburn, Battin, Johnson, Margett,**  
**McClintock, McPherson, and Morrow)**

May 1, 2003

---

Senate Concurrent Resolution No. 30—Relative to electricity cost refunds.

LEGISLATIVE COUNSEL'S DIGEST

SCR 30, as amended, Poochigian. Electricity cost refunds.

This measure would urge that energy-related refunds ordered by the Federal Energy Regulatory Commission, or negotiated by the Attorney General, the Governor, or any other agent of the state, should be used to benefit ratepayers who were harmed and that, in order to provide relief, money from energy-related refunds should be dedicated to reduce those ratepayers' costs, to the maximum extent possible, through reduction of rates or the reduction of ratepayer debt obligations incurred as a result of the energy crisis. *The measure would also urge that energy-related refunds should be used to reimburse reasonable litigation expenses incurred by the Attorney General.*

Fiscal committee: yes.

- 1 WHEREAS, In 2000–01, this state experienced skyrocketing
- 2 electricity costs and an unprecedented number of rolling
- 3 blackouts. California ratepayers will experience the hardship of
- 4 excessive electricity costs for many years; and

1 WHEREAS, The Department of Water Resources began to  
2 purchase electricity for the customers of the investor-owned  
3 utilities in January 2001 to avoid electricity service disruptions and  
4 to minimize the adverse effect on California's economy; and

5 WHEREAS, California issued approximately \$12,000,000,000  
6 in revenue bonds, the largest municipal bond sale in the history of  
7 the United States, to finance *the* Department of Water Resources  
8 energy purchases and repay funds borrowed from the state's  
9 General Fund; and

10 WHEREAS, Ratepayers are now forced to pay an energy  
11 surcharge for the debt service of the energy ~~bond~~ bonds over 20  
12 years, totaling approximately \$17,400,000,000; and

13 WHEREAS, The ratepayers of California deserve relief from  
14 exorbitant energy prices ; and

15 WHEREAS, The Federal Energy Regulatory Commission must  
16 determine refunds, which may be due to California for unjust and  
17 unreasonable wholesale electricity charges; and

18 WHEREAS, The Attorney General has initiated legal  
19 proceedings to recover funds from market participants, and has  
20 negotiated settlements on several energy lawsuits; now, therefore,  
21 be it

22 *Resolved by the Senate of the State of California, the Assembly*  
23 *thereof concurring*, That energy-related refunds ordered by the  
24 Federal Energy Regulatory Commission, or negotiated by the  
25 Attorney General, the Governor, or any other agent of the state,  
26 should be used to benefit the ratepayers who were harmed *and to*  
27 *reimburse reasonable litigation expenses incurred by the Attorney*  
28 *General*; and be it further

29 *Resolved*, That, in order to provide relief, money from energy  
30 refunds should be dedicated to reduce those ratepayers' costs, to  
31 the maximum extent possible, through reduction of rates or the  
32 reduction of ratepayer debt obligations incurred as a result of the  
33 energy crisis; and be it further

34 *Resolved*, That the Secretary of the Senate transmit copies of  
35 this resolution to each member of the Federal Energy Regulatory  
36 Commission, the Governor, the Attorney General, each member  
37 of the Public Utilities Commission, and the Director of Water  
38 Resources.

O

