

AMENDED IN ASSEMBLY APRIL 7, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1348**

**Introduced by Assembly Member Sharon Runner**

February 22, 2005

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An act to add Section 761 to the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 1348, as amended, Sharon Runner. Electricity: voluntary time-of-use tariff rates.

Existing law authorizes the Public Utilities Commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law requires electrical corporations furnishing electricity to an agricultural producer to prepare and file tariffs providing for optional off-peak demand service, including the availability of time-differentiating meters or other measurement devices.

This bill would require the commission to require every electrical corporation to file tariffs by March 1, 2006, that provide a voluntary unbundled time-of-use tariff rate, as defined, for eligible customers, as defined.

Under existing law, a violation of the Public Utilities Act or an order or direction of the commission is a crime.

The provisions of this bill would be part of the act and an order or other action of the commission would be required to implement its provisions. Because a violation of the bill's provisions or of an implementing order or decision of the commission would be a crime, this bill would impose a state-mandated local program by creating new crimes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. The Legislature finds and declares that  
2 voluntary time-of-use rates for commercial and industrial  
3 customers is one means to reduce electricity consumption during  
4 periods of peak demand, to reward private investment in solar  
5 and other renewable energy technologies, to stabilize California's  
6 electrical infrastructure, reduce air pollution, increase energy  
7 independence, and enhance the diversification of California's  
8 energy mix.

9 SEC. 2. Section 761 is added to the Public Utilities Code, to  
10 read:

11 761. (a) As used in this section, the following terms have the  
12 following meanings:

13 (1) "Eligible customer" means a commercial or industrial  
14 customer of an electrical corporation with a billed electricity  
15 usage of less than 1,000 kilowatts for three consecutive months  
16 ~~or~~ and a commercial or industrial customer that generates 25  
17 percent or more of the electricity used by the customer from a  
18 solar energy system or other ultraclean and low-emission  
19 distributed generation source.

20 (2) "Solar energy system" means a photovoltaic solar collector  
21 or other photovoltaic solar energy device that has a primary  
22 purpose of providing for the collection, and distribution of solar  
23 energy for the generation of electricity.

24 (3) "Ultraclean and low-emission distributed generation"  
25 means an electricity generation source that uses technology that  
26 meets the definition of an "ultra-clean and low-emission  
27 distributed generation" in subdivision (a) of Section 353.2.

28 (4) "Unbundled time-of-use tariff rate" means a rate that  
29 allocates the cost of electricity and distribution costs on a per

1 kilowatthour basis for different time periods, without a demand  
2 charge.

3 (b) The commission shall require that every electrical  
4 corporation by March 1, 2006, file tariffs that provide a voluntary  
5 unbundled time-of-use tariff rate for eligible customers *that*  
6 *shall be net revenue neutral on a per kilowatthour basis.*

7 (c) Eligible customers that elect to take service under a  
8 voluntary time-of-use tariff rate of an electrical corporation shall  
9 have a meter that measures electricity usage on a real time basis.

10 (d) Eligible customers that generate electricity using a solar  
11 energy system or using ultraclean and low-emission distributed  
12 generation are eligible for net energy metering. Eligible  
13 customers that generate electricity using a solar energy system or  
14 using ultraclean and low-emission distributed generation shall  
15 have a metering system capable of separately measuring  
16 electricity flow in both directions. Eligible customers that  
17 generate electricity using a solar energy system or using  
18 ultraclean and low-emission distributed generation shall be  
19 credited for the electricity and distribution components of the  
20 time-of-use tariff rates, for the net amount of electricity  
21 contributed during periods when the eligible customer  
22 contributes electricity to the electrical distribution system, *up to*  
23 *the limits established by the commission in an approved net*  
24 *metering tariff.*

25 SEC. 3. No reimbursement is required by this act pursuant to  
26 Section 6 of Article XIII B of the California Constitution because  
27 the only costs that may be incurred by a local agency or school  
28 district will be incurred because this act creates a new crime or  
29 infraction, eliminates a crime or infraction, or changes the  
30 penalty for a crime or infraction, within the meaning of Section  
31 17556 of the Government Code, or changes the definition of a  
32 crime within the meaning of Section 6 of Article XIII B of the  
33 California Constitution.