

AMENDED IN ASSEMBLY APRIL 19, 2005

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

An act to add Section ~~761~~ 379.7 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. Antelope Valley Fairgrounds EE and PV Synergy Demonstration Project.~~

Existing law requires the commission, in consultation with the Energy Commission, to administer, until January 1, 2008, a self-generation incentive program for distributed generation resources in the same form that exists on January 1, 2004.

This bill would require the Public Utilities Commission to establish the Antelope Valley Fairgrounds EE and PV Synergy Demonstration Project, as specified.

~~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~~ no.

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 ~~SECTION 1. The Legislature finds and declares all of the~~
- 4 ~~following:~~
- 5 ~~(a) Investment in cost-effective energy efficiency produces~~
- 6 ~~energy savings, reduces customer demand, and contributes to the~~
- 7 ~~safe and reliable operation of the electric distribution grid.~~
- 8 ~~(b) Investment in solar technology that generates electricity~~
- 9 ~~directly from sunlight produces on-peak generating capacity,~~
- 10 ~~reduces dependence on fossil fuels, and can increase system~~
- 11 ~~reliability.~~
- 12 ~~(c) Investment in cost-effective energy efficiency and solar~~
- 13 ~~technology on the same site in a location with above-average~~
- 14 ~~solar incidence on an annual basis could provide synergies that~~
- 15 ~~optimize ratepayer benefits.~~
- 16 ~~(d) A demonstration project, if properly structured, would~~
- 17 ~~provide empirical data by which to evaluate synergies between~~
- 18 ~~energy efficiency and solar technology. A properly structured~~
- 19 ~~demonstration project would provide for all of the following:~~

1 (1) *The installation of cost-effective energy efficient equipment*
2 *and fixtures.*

3 (2) *The installation of solar generating capacity to optimize*
4 *operating efficiency.*

5 (3) *The adoption of an incentive rate to support investment in,*
6 *and test durability of, solar generating capacity.*

7 (4) *On-going monitoring of performance to test efficiency,*
8 *durability, and synergy.*

9 (e) *The Antelope Valley Fairgrounds, recently completed the*
10 *construction of a complex, including exhibition halls,*
11 *administration building, cattle and sheep barn, swine barn, show*
12 *arena, and clock tower. The Antelope Valley Fairgrounds is*
13 *located in Climate Zone 14, and enjoys more than “300” days of*
14 *sunshine on an average annual basis.*

15 (f) *An energy audit performed on that site on July 27, 2004,*
16 *found that cost-effective energy efficient heating, ventilation, and*
17 *air conditioning (HVAC) equipment and cost-effective energy*
18 *efficient lighting fixtures had been installed, along with a state of*
19 *the art energy management system (EMS).*

20 (g) *The Antelope Valley Fairgrounds has applied through the*
21 *Self-Generation Incentive Program (SGIP) for incentives to*
22 *install an onsite photovoltaic solar system to provide*
23 *cost-effective energy savings.*

24 SEC. 2. *Section 379.7 is added to the Public Utilities Code, to*
25 *read:*

26 379.7. *The commission shall establish a demonstration*
27 *project at the Antelope Valley Fairgrounds to be referred to as*
28 *the Antelope Valley Fairgrounds EE and PV Synergy*
29 *Demonstration Project, that would require all of the following:*

30 (a) *The calibration of energy management system (EMS)*
31 *settings, the installation of variable speed drive on exhaust fans,*
32 *the relocation of compressor-condenser units, the installation of*
33 *occupancy sensors for lighting control, and the inclusion of all*
34 *cost-effective energy efficient equipment in future expansions of*
35 *fair facilities.*

36 (b) *The installation of an onsite 630kW photovoltaic (PV)solar*
37 *system, for which an incentive application has been made*
38 *through the Self-Generation Incentive Program, in a manner that*
39 *optimizes operating efficiency, including appropriate siting.*
40 *Authorized incentives shall recognize the energy efficiency*

1 synergy of the project. All components of the solar energy system
2 shall be new and unused and shall have a warranty of not less
3 than 10 years to protect against defects and undue degradation
4 of electrical generation output.

5 (c) The establishment of incentive rate that provides rate
6 stability and certainty over a 10-year period in an amount and in
7 a manner that would support investment in, and test the
8 durability of, the photovoltaic solar system to be established. The
9 incentive rate together with an SGIP incentive that recognizes
10 the energy efficiency investments made in the project, as
11 authorized pursuant to subdivision (c) of Section 379.6, shall
12 provide for a 10-year payback period.

13 (d) The performance of annual energy audits conducted by the
14 electrical corporation providing electrical service to further
15 calibrate the EMS, the ongoing monitoring of PV systems
16 conducted to determine performance, operating efficiencies, and
17 durability, the installation of meters to track actual demand and
18 actual energy production on a time-of-use basis, and the
19 preparation of biennial reports to be submitted to the
20 commission.

21 ~~customers is one means to reduce electricity consumption during~~
22 ~~periods of peak demand, to reward private investment in solar~~
23 ~~and other renewable energy technologies, to stabilize California's~~
24 ~~electrical infrastructure, reduce air pollution, increase energy~~
25 ~~independence, and enhance the diversification of California's~~
26 ~~energy mix.~~

27 SEC. 2. ~~Section 761 is added to the Public Utilities Code, to~~
28 ~~read:~~

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

31 (1) ~~"Eligible customer" means a commercial or industrial~~
32 ~~customer of an electrical corporation with a billed electricity~~
33 ~~usage of less than 1,000 kilowatts for three consecutive months~~
34 ~~and a commercial or industrial customer that generates 25~~
35 ~~percent or more of the electricity used by the customer from a~~
36 ~~solar energy system or other ultraclean and low-emission~~
37 ~~distributed generation source.~~

38 (2) ~~"Solar energy system" means a photovoltaic solar collector~~
39 ~~or other photovoltaic solar energy device that has a primary~~

1 ~~purpose of providing for the collection, and distribution of solar~~
2 ~~energy for the generation of electricity.~~

3 ~~(3) “Ultra-clean and low-emission distributed generation”~~
4 ~~means an electricity generation source that uses technology that~~
5 ~~meets the definition of an “ultra-clean and low-emission~~
6 ~~distributed generation” in subdivision (a) of Section 353.2.~~

7 ~~(4) “Unbundled time-of-use tariff rate” means a rate that~~
8 ~~allocates the cost of electricity and distribution costs on a per~~
9 ~~kilowatthour basis for different time periods, without a demand~~
10 ~~charge.~~

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

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

18 ~~(d) Eligible customers that generate electricity using a solar~~
19 ~~energy system or using ultra-clean and low-emission distributed~~
20 ~~generation are eligible for net energy metering. Eligible~~
21 ~~customers that generate electricity using a solar energy system or~~
22 ~~using ultra-clean and low-emission distributed generation shall~~
23 ~~have a metering system capable of separately measuring~~
24 ~~electricity flow in both directions. Eligible customers that~~
25 ~~generate electricity using a solar energy system or using~~
26 ~~ultra-clean and low-emission distributed generation shall be~~
27 ~~credited for the electricity and distribution components of the~~
28 ~~time-of-use tariff rates, for the net amount of electricity~~
29 ~~contributed during periods when the eligible customer~~
30 ~~contributes electricity to the electrical distribution system, up to~~
31 ~~the limits established by the commission in an approved net~~
32 ~~metering tariff.~~

33 ~~SEC. 3. No reimbursement is required by this act pursuant to~~
34 ~~Section 6 of Article XIII B of the California Constitution because~~
35 ~~the only costs that may be incurred by a local agency or school~~
36 ~~district will be incurred because this act creates a new crime or~~
37 ~~infraction, eliminates a crime or infraction, or changes the~~
38 ~~penalty for a crime or infraction, within the meaning of Section~~
39 ~~17556 of the Government Code, or changes the definition of a~~

- 1 ~~crime within the meaning of Section 6 of Article XIII B of the~~
- 2 ~~California Constitution.~~

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