

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 448

Introduced by Assembly Member Quirk

February 19, 2013

An act to ~~amend Section 399.11 of the Public Utilities Code~~ *add Section 25305.7 to the Public Resources Code*, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 448, as amended, Quirk. Renewable energy resources.

Existing law establishes the California Renewables Portfolio Standard Program, which requires the Public Utilities Commission to implement annual procurement targets for the procurement of eligible renewable energy resources, as defined, for all retail sellers, as defined, to achieve the targets and goals of the program.

Existing law requires the State Energy Resources Conservation and Development Commission to adopt, on a biennial basis, an integrated energy policy report, containing among other things, an overview of major energy trends and issues facing the state.

This bill would require the State Energy Resources Conservation and Development Commission to include an assessment of various aspects of the California Renewables Portfolio Standards Program in its integrated energy policy report.

~~Existing law requires the Public Utilities Commission to review and adopt a renewable energy procurement plan for each electrical corporation, as defined, pursuant to the California Renewables Portfolio Standard Program.~~

~~This bill would make nonsubstantive changes to the program's legislative findings and declarations.~~

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

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

1 SECTION 1. Section 25305.7 is added to the Public Resources
2 Code, to read:

3 25305.7. The commission shall include in its integrated energy
4 policy report an assessment of all of the following:

5 (a) The costs to electrical corporations for compliance with the
6 requirements of the California Renewables Portfolio Standard
7 Program (Article 16 (commencing with Section 399.11) of Chapter
8 2.3 of Part 1 of Division 1 of the Public Utilities Code).

9 (b) The effect of compliance with the renewables portfolio
10 standard targets on the price of electricity paid by ratepayers.

11 (c) The overall impact on air quality that compliance with the
12 renewables portfolio standard targets is expected to have by
13 December 31, 2020.

14 (d) Whether achieving the renewables portfolio standard target
15 of generating 33 percent of total retail sales of electricity in
16 California from eligible renewable energy resources by December
17 31, 2020, will affect system reliability.

18 (e) Potential options for increasing cost effectiveness and system
19 reliability in regard to achieving the renewables portfolio standard
20 targets.

21 ~~SECTION 1. Section 399.11 of the Public Utilities Code is~~
22 ~~amended to read:~~

23 ~~399.11. The Legislature finds and declares all of the following:~~

24 ~~(a) In order to attain a target of generating 20 percent of total~~
25 ~~retail sales of electricity in California from eligible renewable~~
26 ~~energy resources by December 31, 2013, and 33 percent by~~
27 ~~December 31, 2020, it is the intent of the Legislature that the~~
28 ~~commission and the Energy Commission implement the California~~
29 ~~Renewables Portfolio Standard Program described in this article.~~

30 ~~(b) Achieving the renewables portfolio standard through the~~
31 ~~procurement of various electricity products from eligible renewable~~
32 ~~energy resources is intended to provide unique benefits to~~
33 ~~California, including all of the following benefits, each of which~~
34 ~~independently justifies the program:~~

35 ~~(1) Displacing fossil fuel consumption within the state.~~

- 1 ~~(2) Adding new electrical generating facilities in the~~
2 ~~transmission network within the Western Electricity Coordinating~~
3 ~~Council service area.~~
- 4 ~~(3) Reducing air pollution in the state.~~
- 5 ~~(4) Meeting the state's climate change goals by reducing~~
6 ~~emissions of greenhouse gases associated with electrical generation.~~
- 7 ~~(5) Promoting stable retail rates for electric service.~~
- 8 ~~(6) Meeting the state's need for a diversified and balanced~~
9 ~~energy generation portfolio.~~
- 10 ~~(7) Assistance with meeting the state's resource adequacy~~
11 ~~requirements.~~
- 12 ~~(8) Contributing to the safe and reliable operation of the~~
13 ~~electrical grid, including the provision of predictable electrical~~
14 ~~supply, voltage support, lower line losses, and congestion relief.~~
- 15 ~~(9) Implementing the state's transmission and land use planning~~
16 ~~activities related to development of eligible renewable energy~~
17 ~~resources.~~
- 18 ~~(e) The California Renewables Portfolio Standard Program is~~
19 ~~intended to complement the Renewable Energy Resources Program~~
20 ~~administered by the Energy Commission and established pursuant~~
21 ~~to Chapter 8.6 (commencing with Section 25740) of Division 15~~
22 ~~of the Public Resources Code.~~
- 23 ~~(d) New and modified electric transmission facilities may be~~
24 ~~necessary to facilitate the state achieving its renewables portfolio~~
25 ~~standard targets.~~
- 26 ~~(e) (1) Supplying electricity to California end-use customers~~
27 ~~that is generated by eligible renewable energy resources is~~
28 ~~necessary to improve California's air quality and public health,~~
29 ~~and the commission shall ensure rates are just and reasonable, and~~
30 ~~are not significantly affected by the procurement requirements of~~
31 ~~this article. This electricity may be generated anywhere in the~~
32 ~~interconnected grid that includes many states, and areas of both~~
33 ~~Canada and Mexico.~~
- 34 ~~(2) This article requires that generating resources located outside~~
35 ~~of California that are able to supply that electricity to California~~
36 ~~end-use customers be treated identically to generating resources~~
37 ~~located within the state, without discrimination.~~
- 38 ~~(3) California electrical corporations have already executed,~~
39 ~~and the commission has approved, power purchase agreements~~
40 ~~with eligible renewable energy resources located outside of~~

1 ~~California that will supply electricity to California end-use~~
2 ~~customers. These resources will fully count toward meeting the~~
3 ~~renewables portfolio standard procurement requirements. In~~
4 ~~addition, there are nearly 7,000 megawatts of additional proposed~~
5 ~~renewable energy resources located outside of California that are~~
6 ~~awaiting interconnection approval from the Independent System~~
7 ~~Operator. All of these resources, if procured, will count as eligible~~
8 ~~renewable energy resources that satisfy the portfolio content~~
9 ~~requirements of paragraph (1) of subdivision (c) of Section 399.16.~~

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