

AMENDED IN SENATE SEPTEMBER 3, 1999

AMENDED IN SENATE JUNE 29, 1999

AMENDED IN SENATE JUNE 16, 1999

AMENDED IN ASSEMBLY MAY 24, 1999

AMENDED IN ASSEMBLY APRIL 15, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 1393

Introduced by Assembly Member Wright

February 26, 1999

An act to amend Section 2790 of, and to add ~~Section 327~~ *Sections 327 and 381.5* to, the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1393, as amended, R. Wright. Low-income electric and gas customers.

(1) The Public Utilities Act requires the Public Utilities Commission to establish a program of assistance to low-income electric and gas customers, which is referred to as the California Alternate Rates for Energy or CARE program.

This bill would require the electric corporations and gas corporations that participate in the CARE program to administer low-income energy efficiency and rate assistance programs, as described, subject to commission oversight. The bill would require the administrators of the program to undertake certain functions and would allow the commission

to require these participating corporations to competitively bid, to the extent practical, service delivery components of these programs. The bill would require the bidding criteria to recognize specified factors, subject to commission modification. The bill would make conforming changes. *The bill would set forth the intent of the Legislature regarding community service providers.*

Because a violation of the act is a crime, this bill would impose a state-mandated local program by creating new crimes.

(2) Existing law requires the commission to require an electric or gas corporation to perform home weatherization services, as defined, for low-income customers, as determined by the commission.

This bill would revise the definition of “weatherization.”

(3) 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. Section 327 is added to the Public
2 Utilities Code, to read:

3 327. (a) The electric and gas corporations that
4 participate in the California Alternative Rates for Energy
5 program, as established pursuant to Section 739.1, shall
6 administer low-income energy efficiency and rate
7 assistance programs described in Sections 739.1, 739.2,
8 and 2790, subject to commission oversight. In
9 administering the programs described in Section 2790,
10 the electric and gas corporations, to the extent practical,
11 shall do all of the following:

12 (1) Continue to leverage funds collected to fund the
13 program described in subdivision (a) with funds available
14 from state and federal sources.



(2) Work with state and local agencies, community-based organizations, and other entities to ensure efficient and effective delivery of programs.

(3) Encourage local employment and job skill development.

(4) Maximize the participation of eligible participants.

(5) Work to reduce consumers electric and gas consumption, and bills.

~~(b) The commission may require the electric and gas corporations described in subdivision (a) to competitively bid, to the extent practical, service delivery components of these programs. The bidding criteria, at a minimum, shall recognize all of the following factors:~~

(b) If the commission requires low-income energy efficiency programs to be subject to competitive bidding, the electric and gas corporation described in subdivision (a), as part of their bid evaluation criteria, shall consider both cost-of-service criteria and quality-of-service criteria. The bidding criteria, at a minimum, shall recognize all of the following factors:

(1) The bidder's experience in delivering programs and services, including, but not limited to, weatherization, appliance repair and maintenance, energy education, outreach and enrollment services, and bill payment assistance programs to targeted communities.

(2) The bidder's knowledge of the targeted communities.

(3) The bidder's ability to reach targeted communities.

(4) The bidder's ability to utilize and employ people from the local area.

(5) *The bidder's general contractor's license and evidence of good standing with the Contractors' State License Board.*

(6) *The bidder's performance quality as verified by the funding source.*

(7) *The bidder's financial stability.*

(8) The bidder's ability to provide local job training.

1 ~~(6)–~~

2 (9) Other attributes that benefit local communities.

3 (c) Notwithstanding subdivision (b), the commission
4 may modify ~~its~~ the bid criteria based upon public input
5 from a variety of sources, including representatives from
6 low-income communities and the program
7 administrators identified in subdivision (b), in order to
8 ensure the effective and efficient delivery of high quality
9 low-income energy efficiency programs.

10 SEC. 2. Section 381.5 is added to the Public Utilities
11 Code, to read:

12 381.5. It is the intent of the Legislature to protect and
13 strengthen the current network of community service
14 providers by doing the following:

15 (a) Directing that any evaluation of the effectiveness
16 of the low-income energy efficiency programs shall be
17 based not solely on cost criteria, but also on the degree to
18 which the provision of services allows maximum program
19 accessibility to quality programs to low-income
20 communities by entities that have demonstrated
21 performance in effectively delivering services to the
22 communities.

23 (b) Ensuring that high quality, low-income energy
24 efficiency programs are delivered to the maximum
25 number of eligible participants at a reasonable cost.

26 SEC. 3. Section 2790 of the Public Utilities Code is
27 amended to read:

28 2790. (a) The commission shall require an electrical
29 or gas corporation to perform home weatherization
30 services for low-income customers, as determined by the
31 commission under Section 739, if the commission
32 determines that a significant need for those services exists
33 in the corporation's service territory, taking into
34 consideration both the cost effectiveness of the services
35 and the policy of reducing the hardships facing
36 low-income households.

37 (b) (1) For purposes of this section, "weatherization"
38 may include, where feasible, any of the following
39 measures for any dwelling unit:

40 (A) Attic insulation.

(B) Caulking.

(C) Weatherstripping.

(D) Low flow showerhead.

(E) Waterheater blanket.

(F) Door and building envelope repairs that reduce air infiltration.

(2) The commission shall direct any electrical or gas corporation to provide as many of these measures as are feasible for each eligible low-income dwelling unit.

(c) “Weatherization” may also include other building conservation measures, energy-efficient appliances, and energy education programs determined by the commission to be feasible, taking into consideration for all measures both the cost effectiveness of the measures as a whole and the policy of reducing energy-related hardships facing low-income households.

~~SEC. 3.—~~

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.