

## **Assembly Bill No. 1421**

### **CHAPTER 909**

An act to add Sections 328.1, 328.2, and 374.5 to, and to repeal and add Section 328 of, the Public Utilities Code, relating to public utilities.

[Approved by Governor October 9, 1999. Filed  
with Secretary of State October 10, 1999.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 1421, R. Wright. Gas and electric service.

(1) Existing law permits the Public Utilities Commission to investigate the restructuring of natural gas services, as specified, but prohibits the commission, prior to January 1, 2000, from enacting any gas industry restructuring decisions and from enforcing any natural gas restructuring decisions for core customers as considered in Rulemaking 98-01-011 enacted after July 1, 1998, but prior to August 25, 1998.

This bill would repeal that provision, and, instead, would require the commission to require each gas corporation to provide bundled basic gas service, as defined, to all core customers in its service territory unless the customer chooses or contracts to have natural gas purchased and supplied by another entity. The bill would specify that a public utility gas corporation shall continue to be the exclusive provider of revenue cycle services, as defined, in its service territory, except as specified, and would require the commission to require the distribution rate to continue to include after-meter services, as defined. The bill would make related legislative findings and declarations.

(2) Existing law relating to electrical restructuring states that nothing in those provisions prevents the commission from exercising its authority to investigate a process for the certification and regulation of the rates, charges, terms, and conditions of default service, and if the commission determines that a process for the certification and regulation of default service is in the public interest, existing law requires the commission to submit its findings and recommendations to the Legislature for approval.

This bill would require electrical corporations serving certain agricultural customers to conduct research to determine the typical simultaneous peak load of those customers and report the results of the research to the customers and the commission not later than a specified date. The bill would require the commission to consider the results of the research when setting future electric distribution rates for those customers.

(3) Because a violation by a public utility of a requirement of the commission is a crime, this bill would impose a state-mandated local program by creating new crimes.

(4) 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.

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

SECTION 1. Section 328 of the Public Utilities Code is repealed.

SEC. 2. Section 328 is added to the Public Utilities Code, to read:

328. The Legislature finds and declares both of the following:

(a) In order to ensure that all core customers of a gas corporation continue to receive safe basic gas service in a competitive market, each existing gas corporation should continue to provide this essential service.

(b) No customer should have to pay separate fees for utilizing services that protect public or customer safety.

SEC. 3. Section 328.1 is added to the Public Utilities Code, to read:

328.1. As used in this chapter, the following terms have the following meanings:

(a) “Basic gas service” includes transmission, storage for reliability of service, and distribution of natural gas, purchasing natural gas on behalf of a customer, revenue cycle services, and after-meter services.

(b) “Revenue cycle services” means metering services, billing the customer, collection, and related customer services.

(c) “After-meter services” includes, but is not limited to, leak investigation, inspecting customer piping and appliances, carbon monoxide investigation, pilot relighting, and high bill investigation.

(d) “Metering services” includes, but is not limited to, gas meter installation, meter maintenance, meter testing, collecting and processing consumption data, and all related services associated with the meter.

SEC. 4. Section 328.2 is added to the Public Utilities Code, to read:

328.2. The commission shall require each gas corporation to provide bundled basic gas service to all core customers in its service territory unless the customer chooses or contracts to have natural gas purchased and supplied by another entity. A public utility gas corporation shall continue to be the exclusive provider of revenue cycle services to all customers in its service territory, except that an entity purchasing and supplying natural gas under the commission’s existing core aggregation program may perform billing and collection services for its customers under the same terms as

currently authorized by the commission, and except that a supplier of natural gas to noncore customers may perform billing and collection for natural gas supply for its customers. The gas corporation shall continue to calculate its charges for services provided by that corporation. If the commission establishes credits to be provided by the gas corporation to core aggregation or noncore customers who obtain billing or collection services from entities other than the gas corporation, the credit shall be equal to the billing and collection services costs actually avoided by the gas corporation. The commission shall require the distribution rate to continue to include after-meter services.

SEC. 5. Section 374.5 is added to the Public Utilities Code, to read:

374.5. Any electrical corporation serving agricultural customers that have multiple electric meters shall conduct research based on a statistically valid sample of those customers and meters to determine the typical simultaneous peak load of those customers. The results of the research shall be reported to the customers and the commission not later than July 1, 2001. The commission shall consider the research results in setting future electric distribution rates for those customers.

SEC. 6. 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.

