## Senate Bill No. 1299

| Passed the Senate     | August 30, 2000                   |
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|                       |                                   |
|                       | Secretary of the Senate           |
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| Passed the Assembly   | y August 25, 2000                 |
|                       |                                   |
|                       | Chief Clerk of the Assembly       |
|                       |                                   |
| This bill was receive | ved by the Governor this day      |
| f                     | , 2000, at o'clockM.              |
|                       |                                   |
|                       | Private Secretary of the Governor |

## CHAPTER \_\_\_\_\_

An act to amend Sections 25421, 25449.4, 25620.5, and 25620.8 of the Public Resources Code, relating to public resources, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1299, Committee on Energy, Utilities and Communications. Energy resources conservation.

(1) Existing law requires the State Energy Resources Conservation and Development Commission to administer the State Energy Conservation Assistance Account, a continuously appropriated account, in the General Fund until January 1, 2001, to provide grants and loans to local governments and public institutions to maximize energy use savings. All loans outstanding as of that date are required to continue to be repaid as specified until paid in full, and all unexpended funds in the account on and after that date, except as specified, are required to revert to the General Fund.

This bill would extend the operation of those provisions to January 1, 2011, and would thereby make an appropriation by extending the time during which the funds in a continuously appropriated account are made available.

(2) Existing law, until January 1, 2002, requires the commission to enter into agreements with the Regents of the University of California, the Trustees of the California State University, the Board of Governors of the California Community Colleges, and the State Department of Education to expend specified funds for certain purposes relating to energy conservation. Existing law creates the Local Jurisdiction Energy Assistance Account in the General Fund for the purposes of these provisions and requires the funds in the account to be disbursed by the Controller as authorized by the commission. All loans outstanding as of January 1, 2002, are required to continue to be repaid as specified until paid in full, and all unexpended funds in the account on and after that date,

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except as specified, are required to be deposited in the Federal Trust Fund and expended for the purposes for which federal oil overcharge funds are available.

This bill would extend the operation of those provisions to January 1, 2011, and would thereby make an appropriation by extending the time during which the specified funds are available for disbursement.

(3) The existing Warren-Alquist State Energy Resources Conservation and Development Act requires the commission to submit quarterly reports to the Legislative Analyst and to the appropriate fiscal and policy committees of the Legislature that review bills relating to energy and public utilities.

This bill would, instead, require that those reports be submitted on a semiannual basis.

(4) The act requires the commission to prepare and submit to the Legislature an annual report on awards of grants made by the commission for public interest energy research and development projects.

This bill would require that annual report to be submitted to the Legislature not later than March 31 of each year.

Appropriation: yes.

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

SECTION 1. Section 25421 of the Public Resources Code is amended to read:

- 25421. (a) Except as provided in subdivision (b), this chapter shall remain in effect only until January 1, 2011, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2011, deletes or extends that date.
- (b) All loans outstanding as of January 1, 2011, shall continue to be repaid on a semiannual basis, as specified in Section 25415, until paid in full. All unexpended funds in the State Energy Conservation Assistance Account on January 1, 2011, and thereafter, except to the extent those funds are encumbered pursuant to Section 25417.5, shall revert to the General Fund.

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SEC. 2. Section 25449.4 of the Public Resources Code is amended to read:

25449.4. (a) Except as provided in subdivision (b), this chapter shall remain in effect until January 1, 2011, and as of that date is repealed, unless a later enacted statute which is enacted before January 1, 2011, deletes or extends that date.

- (b) All loans outstanding as of January 1, 2011, shall continue to be repaid in accordance with a schedule established by the commission pursuant to Section 25442.7, until paid in full. All unexpended funds in the Local Jurisdiction Energy Assistance Account on January 1, 2011, and thereafter, except to the extent that those funds are encumbered pursuant to Section 25443.5, shall be deposited in the Federal Trust Fund and be available for the purposes for which federal oil overcharge funds are available pursuant to court judgment or federal agency order.
- SEC. 3. Section 25620.5 of the Public Resources Code is amended to read:
- 25620.5. (a) The commission may solicit applications for awards, using a sealed competitive bid, competitive negotiation process, multiparty agreement, single source, or sole source method.
- (b) A sealed bid method may be used when goods and services to be acquired can be described with sufficient specificity so that bids can be evaluated against specifications and criteria set forth in the solicitation for bids.
- (c) The commission may use a competitive negotiation process in any of the following circumstances:
- (1) Whenever the desired contract is not for a fixed price.
- (2) Whenever project specifications cannot be drafted in sufficient detail so as to be applicable to a sealed competitive bid.
- (3) Whenever there is a need to compare the different price, quality, and contractual factors of the bids submitted.

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(4) Whenever there is a need to afford bidders an opportunity to revise their proposals.

- (5) Whenever oral or written discussions with bidders concerning the technical and price aspects of their proposals will provide better projects to the state.
- (6) Whenever the price of the contract is not the determining factor.
- (d) The commission may establish multiparty and interagency agreements with other entities to advance a defined research, development, and demonstration project purposes. The commission shall be a party to those agreements and shall share in the roles, responsibilities, risks, investments, and results of the agreement.
- (e) The commission may choose from among two or more business entities capable of supplying or providing goods or services that meet a specified need of the commission. The cost to the state shall be reasonable and the commission shall only enter into a single source contract with a particular entity if the commission determines that it is in the state's best interests.
- (f) The commission, in accordance with subdivision (g), may select projects on a sole source basis when the cost to the state is reasonable and when, in consultation with the Department of General Services, the commission makes any of the following determinations:
- (1) The proposal was unsolicited and meets the evaluation criteria of this chapter.
  - (2) The expertise, service, or product is unique.
- (3) The urgency of the need for the information or deliverable is such that a competitive solicitation would frustrate timely performance.
- (4) The contract funds the next phase of a multiphased proposal and the existing agreement is being satisfactorily performed.
- (5) When it is determined by the commission to be in the best interests of the state.
- (g) The commission shall not utilize a sole source basis for a project pursuant to subdivision (f), unless both of the following conditions are met:

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- (1) The commission, at least 30 days prior to taking an action pursuant to subdivision (f), notifies the Joint Legislative Budget Committee, in writing, of its intent to take the proposed action.
- (2) The Joint Legislative Budget Committee either approves or does not disapprove the proposed action within 30 days from the date of notification required by paragraph (1).
- (h) The commission shall submit semiannual reports to the Legislative Analyst and to the appropriate fiscal and policy committees of the Legislature that review bills relating to energy and public utilities. The reports shall contain an evaluation of the progress and status of the implementation of this section.
- (i) The provisions of this section are severable. If any provision of this section or its application is held to be invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
- SEC. 4. Section 25620.8 of the Public Resources Code is amended to read:

25620.8. The commission shall prepare and submit to the Legislature an annual report, not later than March 31 of each year, on awards made pursuant to this chapter. The report shall include information on the names of award recipients, the amount of awards, and the types of projects funded, an evaluation of the success of any funded projects, and recommendations for any improvements in the program. The commission shall for protecting procedures establish confidential proprietary information and shall consult all interested parties in the preparation of the annual report.

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|   |          |  | Governor |   |

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