

AMENDED IN ASSEMBLY JUNE 20, 2000

AMENDED IN SENATE MAY 16, 2000

AMENDED IN SENATE MAY 4, 2000

AMENDED IN SENATE APRIL 24, 2000

AMENDED IN SENATE APRIL 12, 2000

SENATE BILL

No. 1388

Introduced by Senator Peace

January 24, 2000

An act to amend Sections 25519 and 25523 of, and to repeal Section 25524 of, the Public Resources Code, and to add Sections 393 and 454.1 to the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1388, as amended, Peace. Electrical power facilities.

(1) The Warren-Alquist State Energy Resources Conservation and Development Act requires the State Energy Resources Conservation and Development Commission to certify sufficient sites and related facilities that are required to provide a supply of electric power sufficient to accommodate projected demand for power statewide. The act requires that the commission forward an application for certification of a power facility to local governmental agencies having land use and related jurisdiction in the area of the proposed site and related facility, and requires those local agencies to review the application and submit comments, as

prescribed. The act requires the commission to transmit a copy of the application to each federal and state agency having jurisdiction or special interest in matters pertinent to the proposed site and related facilities and to the Attorney General.

This bill would require local and state agencies having jurisdiction or special interest in matters pertinent to the proposed site and related facilities to provide their comments and recommendations on the project within 180 days of the date of filing of an application.

(2) The act requires that the commission prepare a written decision after a public hearing on an application for certification, containing specified information, including, with respect to a geothermal site and related facility, findings on whether there are sufficient commercial quantities of geothermal resources available to operate the proposed facility for its planned life. The act prohibits the commission from certifying any geothermal site and related facility unless it finds that the geothermal field dedicated to the proposed powerplant is reasonably capable of providing geothermal resources in sufficient commercial quantities to supply the powerplant over its planned life.

This bill would delete the above provisions relating to certifying geothermal sites and related facilities.

(3) The Public Utilities Act requires the Public Utilities Commission to implement specified provisions of the restructuring of the electrical industry in the state.

This bill would require the commission to conduct a pilot study of certain customers of each electrical corporation to determine the relative value to ratepayers of information, rate design, and metering innovations using specified approaches. The commission would be required to report initial results of the study to the Legislature on or before March 31, 2002, and results for a specified electrical corporation 15 months after a certain rate level is no longer in effect. The bill would require the commission and the Electricity Oversight Board to facilitate efforts to obtain federal authorization to recover certain expenses of electrical corporations related to reconfiguration, replacement, or expansion of transmission facilities. *The bill would authorize*



the commission to periodically review and adjust depreciation schedules and rates authorized for an electric plant that is under the jurisdiction of the commission and owned by electrical corporations and to periodically review and adjust depreciation schedules and rates authorized for a gas plant that is under the jurisdiction of the commission and owned by gas corporations. Because a violation of the act is a crime, this bill would ~~imposed~~ impose a state-mandated local program.

(4) The bill would make legislative findings and declarations with regard to the reliability and cost of electricity service and the need for an electricity consumer infrastructure that will provide electricity consumption information to customers.

(5) 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. The Legislature finds and declares all of
2 the following:
3 (a) Reliable, reasonably priced electricity service is
4 and always has been essential for California's economic
5 growth and for the health and welfare of its citizens.
6 (b) To improve the reliability and cost of electricity
7 service in California, Chapter 854 of the Statutes of 1996
8 (hereafter AB 1890) restructured the state's electricity
9 industry to allow market-based competition in the supply
10 of electric power and created the Independent System
11 Operator to ensure reliability, efficiently operate the
12 statewide transmission system, and ensure that necessary
13 new transmission capacity was planned for and
14 constructed.
15 (c) Prior to electric industry restructuring, California
16 had experienced a decade-long hiatus in powerplant

1 construction that, in conjunction with strong,
2 population-driven electricity demand growth, had begun
3 to jeopardize electric system reliability.

4 (d) The passage of AB 1890 ended this construction
5 hiatus and stimulated private developers to file an
6 unprecedented number of applications to build new,
7 environmentally superior merchant powerplants in
8 California.

9 (e) However, because these new powerplants will not
10 be completed until 2002 or 2003, the state's electric system
11 reliability will remain vulnerable during the next few
12 years during periods when California and its neighboring
13 states simultaneously experience very hot weather.

14 (f) This vulnerability will be exacerbated, in the event
15 of a drought, by California's dependence on
16 rainfall-driven hydroelectric power for over 20 percent of
17 its annual electricity requirements.

18 (g) Adequate generation, transmission, and
19 consumer-demand responsiveness alternatives are
20 critical to managing the vulnerability of the state's
21 electric system and ensuring reliable, reasonably priced,
22 electricity.

23 (h) Therefore all of the following are necessary:

24 (1) Timely and efficient public processes for siting,
25 licensing, and interconnecting new generation and
26 transmission facilities.

27 (2) Providing tools and information to the state's
28 electricity consumers to enable them to manage their
29 energy use during periods when electricity is most costly.

30 (3) Equipping public and private institutions that
31 protect the interests of California's citizens with the tools
32 and authority they need to facilitate the timely
33 development of required physical and policy
34 infrastructure.

35 (i) This act is intended to ensure that needed processes
36 and institutional capabilities are in place so California's
37 citizens and businesses will continue to be assured
38 reliable, reasonably priced, electricity service.
39 Specifically, this bill is intended to do all of the following:

1 (1) Expedite the deployment of new in-state electric
2 generation capacity.

3 (2) Expedite the development of necessary
4 transmission capacity identified by the Independent
5 System Operator.

6 (3) Expedite the development of necessary
7 distribution capacity identified by the Public Utilities
8 Commission.

9 (4) Maximize the potential benefits of energy
10 conservation by facilitating the deployment of
11 appropriate metering and communication and control
12 technologies through the distribution system.

13 (j) The Legislature further finds and declares all of the
14 following:

15 (1) There is a need to establish an electricity consumer
16 information infrastructure that will provide electricity
17 consumption information to residential and small
18 commercial customers to help them better manage their
19 electricity use and costs and improve the demand
20 responsiveness of the electricity market.

21 (2) A fundamental tool residential and small
22 electricity consumers require to better manage their
23 electricity use is real-time information about their
24 electricity consumption. Currently, the only electricity
25 usage information consumers have is a monthly bill that
26 summarizes historical electricity consumption. Real-time
27 electricity usage information is required for consumers to
28 understand the relationship between their current
29 activities and the amount of electricity they are
30 consuming. However, at present, few consumers have
31 technology installed to monitor their electricity
32 consumption on a real-time basis.

33 (3) Technology exists that could help consumers
34 acquire the real-time information they would need to
35 understand and manage their electricity consumption.
36 However, the current stock of installed electricity meters
37 is not capable of allowing ready access to this information.

38 (4) It may be possible to economically retrofit or, in
39 certain cases, replace the current stock of electricity
40 meters to allow real-time usage information to be made

1 available to consumers through a standard output
2 interface. A standard output interface would allow
3 consumers to purchase a variety of energy information
4 and management technologies that would meet their
5 individual energy management objectives.

6 (5) Today, no energy information and management
7 technologies are commercially available to the small
8 consumer market at a cost low enough to encourage
9 participation. However, the ubiquitous availability of
10 standard electricity usage information at a standard
11 output interface, along with rates that reward customers
12 for managing their electricity usage and costs, will
13 provide an incentive to customers to change their usage
14 patterns and to third party providers to develop
15 value-added technological solutions to help consumers
16 use their electricity usage information to manage their
17 electricity consumption and meet their individual energy
18 management objectives and improve the demand
19 responsiveness of the electricity market.

20 (k) The Legislature further finds and declares all of
21 the following:

22 (1) The electric facilities owned by electrical
23 corporations that are used in California for the
24 transmission of electric energy at high voltages, whether
25 or not in interstate commerce, are facilities essential to
26 the well-being of California residents and businesses.

27 (2) It is in the public interest to reconfigure and add
28 transfer and replacement capacity to electric
29 transmission facilities to facilitate competition in electric
30 generation markets, ensure open, nondiscriminatory
31 access to all buyers and sellers of electricity, to assure all
32 buyers and sellers of electricity that they will receive
33 comparable service, and to ensure continued reliability of
34 the transmission grid.

35 (3) Reasonable expenditures by electrical
36 corporations to plan, design, and engineer
37 reconfigurations, replacements, or expansions of
38 transmission facilities are in the public interest, and are
39 deemed prudent if made for the purpose of facilitating
40 competition in electric generation markets, ensuring



1 open access and comparable service, or maintaining or
2 enhancing reliability, whether or not expenditures are
3 for transmission facilities that become operational.

4 SEC. 2. Section 25519 of the Public Resources Code is
5 amended to read:

6 25519. (a) In order to obtain certification for a site
7 and related facility, an application for certification of the
8 site and related facility shall be filed with the commission.
9 The application shall be in a form prescribed by the
10 commission and shall be for a site and related facility that
11 has been found to be acceptable by the commission
12 pursuant to Section 25516, or for an additional facility at
13 a site that has been designated a potential
14 multiple-facility site pursuant to Section 25514.5 and
15 found to be acceptable pursuant to Sections 25516 and
16 25516.5. An application for an additional facility at a
17 potential multiple-facility site shall be subject to the
18 conditions and review specified in Section 25520.5. An
19 application may not be filed for a site and related facility,
20 if there is no suitable alternative for the site and related
21 facility that was previously found to be acceptable by the
22 commission, unless the commission has approved the
23 notice based on the one site as specified in Section 25516.

24 (b) The commission, upon its own motion or in
25 response to the request of any party, may require the
26 applicant to submit any information, document, or data,
27 in addition to the attachments required by subdivision
28 (i), that it determines is reasonably necessary to make
29 any decision on the application.

30 (c) The commission shall be the lead agency as
31 provided in Section 21165 for all projects that require
32 certification pursuant to this chapter and for projects that
33 are exempted from such certification pursuant to Section
34 25541. Unless the commission's regulatory program
35 governing site and facility certification and related
36 proceedings are certified by the Resources Agency
37 pursuant to Section 21080.5, an environmental impact
38 report shall be completed within one year after receipt of
39 the application. If the commission prepares a document
40 or documents in the place of an environmental impact

1 report or negative declaration under a regulatory
2 program certified pursuant to Section 21080.5, any other
3 public agency that must make a decision that is subject to
4 the California Environmental Quality Act, Division 13
5 (commencing with Section 21000), on a site or related
6 facility, shall use the document or documents prepared
7 by the commission in the same manner as they would use
8 an environmental impact report or negative declaration
9 prepared by a lead agency.

10 (d) If the site and related facility specified in the
11 application is proposed to be located in the coastal zone,
12 the commission shall transmit a copy of the application to
13 the California Coastal Commission for its review and
14 comments.

15 (e) If the site and related facility specified in the
16 application is proposed to be located in the Suisun Marsh
17 or the jurisdiction of the San Francisco Bay Conservation
18 and Development Commission, the commission shall
19 transmit a copy of the application to the San Francisco
20 Bay Conservation and Development Commission for its
21 review and comments.

22 (f) Upon receipt of an application, the commission
23 shall forward the application to local governmental
24 agencies having land use and related jurisdiction in the
25 area of the proposed site and related facility. Those local
26 agencies shall review the application and submit
27 comments on, among other things, the design of the
28 facility, architectural and aesthetic features of the facility,
29 access to highways, landscaping and grading, public use
30 of lands in the area of the facility, and other appropriate
31 aspects of the design, construction, or operation of the
32 proposed site and related facility.

33 (g) Upon receipt of an application, the commission
34 shall cause a summary of the application to be published
35 in a newspaper of general circulation in the county in
36 which the site and related facilities, or any part thereof,
37 designated in the application, is proposed to be located.
38 The commission shall transmit a copy of the application
39 to each federal and state agency having jurisdiction or



1 special interest in matters pertinent to the proposed site
2 and related facilities and to the Attorney General.

3 (h) Local and state agencies having jurisdiction or
4 special interest in matters pertinent to the proposed site
5 and related facilities shall provide their comments and
6 recommendations on the project within 180 days of the
7 date of filing of an application.

8 (i) The adviser shall require that adequate notice is
9 given to the public and that the procedures specified by
10 this division are complied with.

11 (j) For any proposed site and related facility requiring
12 a certificate of public convenience and necessity, the
13 commission shall transmit a copy of the application to the
14 Public Utilities Commission and request the comments
15 and recommendations of the Public Utilities Commission
16 on the economic, financial, rate, system reliability, and
17 service implications of the proposed site and related
18 facility. If the commission requires modification of the
19 proposed facility, the commission shall consult with the
20 Public Utilities Commission regarding the economic,
21 financial, rate, system reliability, and service implications
22 of those modifications.

23 (k) The commission shall transmit a copy of the
24 application to any governmental agency not specifically
25 mentioned in this act, but which it finds has any
26 information or interest in the proposed site and related
27 facilities, and shall invite the comments and
28 recommendations of each agency. The commission shall
29 request any relevant laws, ordinances, or regulations that
30 an agency has promulgated or administered.

31 (l) An application for certification of any site and
32 related facilities shall contain a listing of every federal
33 agency from which any approval or authorization
34 concerning the proposed site is required, specifying the
35 approvals or authorizations obtained at the time of the
36 application and the schedule for obtaining any approvals
37 or authorizations pending.

38 SEC. 3. Section 25523 of the Public Resources Code is
39 amended to read:

1 25523. The commission shall prepare a written
2 decision after the public hearing on an application, which
3 includes all of the following:

4 (a) Specific provisions relating to the manner in which
5 the proposed facility is to be designed, sited, and operated
6 in order to protect environmental quality and assure
7 public health and safety.

8 (b) In the case of a site to be located in the coastal zone,
9 specific provisions to meet the objectives of Division 20
10 (commencing with Section 30000) as may be specified in
11 the report submitted by the California Coastal
12 Commission pursuant to subdivision (d) of Section 30413,
13 unless the commission specifically finds that the adoption
14 of the provisions specified in the report would result in
15 greater adverse effect on the environment or that the
16 provisions proposed in the report would not be feasible.

17 (c) In the case of a site to be located in the Suisun
18 Marsh or in the jurisdiction of the San Francisco Bay
19 Conservation and Development Commission, specific
20 provisions to meet the requirements of Division 19
21 (commencing with Section 29000) of this code or Title 7.2
22 (commencing with Section 66600) of the Government
23 Code as may be specified in the report submitted by the
24 San Francisco Bay Conservation and Development
25 Commission pursuant to subdivision (d) of Section 66645
26 of the Government Code, unless the commission
27 specifically finds that the adoption of the provisions
28 specified in the report would result in greater adverse
29 effect on the environment or the provisions proposed in
30 the report would not be feasible.

31 (d) (1) Findings regarding the conformity of the
32 proposed site and related facilities with standards
33 adopted by the commission pursuant to Section 25216.3
34 and subdivision (d) of Section 25402, with public safety
35 standards and the applicable air and water quality
36 standards, and with other relevant local, regional, state,
37 and federal standards, ordinances, or laws. If the
38 commission finds that there is noncompliance with any
39 state, local, or regional ordinance or regulation in the
40 application, it shall consult and meet with the state, local,

1 or regional governmental agency concerned to attempt
2 to correct or eliminate the noncompliance. If the
3 noncompliance cannot be corrected or eliminated, the
4 commission shall inform the state, local, or regional
5 governmental agency if it makes the findings required by
6 Section 25525.

7 (2) The commission may not find that the proposed
8 facility conforms with applicable air quality standards
9 pursuant to paragraph (1) unless the applicable air
10 pollution control district or air quality management
11 district certifies that complete emissions offsets for the
12 proposed facility have been identified and will be
13 obtained by the applicant prior to the commission's
14 licensing of the project, to the extent that the proposed
15 facility requires emission offsets to comply with local,
16 regional, state, or federal air quality standards.

17 (e) Provision for restoring the site as necessary to
18 protect the environment, if the commission denies
19 approval of the application.

20 (f) In the case of a site and related facility using
21 resource recovery (waste-to-energy) technology,
22 specific conditions requiring that the facility be
23 monitored to ensure compliance with paragraphs (1),
24 (2), (3), and (6) of subdivision (a) of Section 42315 of the
25 Health and Safety Code.

26 (g) In the case of a facility, other than a resource
27 recovery facility subject to subdivision (f), specific
28 conditions requiring the facility to be monitored to
29 ensure compliance with toxic air contaminant control
30 measures adopted by an air pollution control district or air
31 quality management district pursuant to subdivision (d)
32 of Section 39666 or Section 41700 of the Health and Safety
33 Code, whether the measures were adopted before or
34 after issuance of a determination of compliance by the
35 district.

36 SEC. 4. Section 25524 of the Public Resources Code is
37 repealed.

38 SEC. 5. Section 393 is added to the Public Utilities
39 Code, to read:

1 393. (a) The commission shall conduct a pilot study
2 of the residential and small commercial customers of each
3 electrical corporation, where the rate level established in
4 subdivision (a) of Section 368 is no longer in effect, to
5 determine the relative value to rate payers of various
6 information, rate design, and metering innovations for
7 helping residential and small commercial customers
8 better manage their electricity use. The commission shall
9 compare the net benefits, including, but not limited to, all
10 of the following approaches:

11 (1) The retrofit or replacement of residential and
12 small commercial meters to provide real-time usage
13 information to a standard output interface that is
14 connected to a visual display module within the
15 customer's home or business that presents information, at
16 minimum, on current usage and historic usage. The
17 commission may also test the effects of providing greater
18 amounts of information display capability including, but
19 not limited to, historic usage and estimated aggregated
20 costs for the billing period, associated with the customer's
21 bundled rate structure. The standard output interface of
22 the meter must be multiply accessible to allow the
23 installation by the customer, an electrical corporation, or
24 a registered energy service provider of energy
25 information-based energy management applications.

26 (2) The replacement of residential and small
27 commercial meters with time-of-use meters that
28 distinguish and measure peak and off-peak energy use.
29 Subject to the approval of the commission, electrical
30 corporations shall offer a rate schedule to customers that
31 differentially price seasonal on-peak, mid-peak, and
32 off-peak energy use that reflects the electrical
33 corporation's actual energy cost. The meters used shall
34 have the same standard usage information output
35 interface as in paragraph (1).

36 (3) The replacement of residential and small
37 commercial meters with meters that facilitate the
38 offering of hourly real-time pricing. Subject to the
39 approval of the commission, electrical corporations shall
40 offer a rate schedule to customers that prices electricity

1 usage at the electrical corporation's hourly cost. The
2 meters used shall have the same standard usage
3 information output interface as in paragraph (1) .

4 (b) The commission shall ensure that sufficient valid
5 randomized customer use data, normalized for weather,
6 occupancy, energy cost differences and other potentially
7 confounding factors, are collected to respond to, but are
8 not limited to, all of the following questions:

9 (1) To what extent is the real-time availability of
10 customer usage information to customers sufficient to
11 bring about a significant change in customer energy
12 consumption behavior?

13 (2) To what extent is the availability of customer usage
14 information to customers sufficient to stimulate
15 innovation in energy information-based energy
16 management applications?

17 (3) What is the difference in energy consumption
18 behavior between customers that have enhanced access
19 to energy consumption information and those who have
20 time-of-use rates?

21 (4) Do the differences in usage and net cost savings, if
22 any, between customers who have enhanced energy
23 information and those who have time-of-use rates justify
24 the broader offering of time-of-use metering capability?

25 (5) What is the difference in energy consumption
26 behavior between customers who consume electricity
27 under hourly real-time pricing and customers who either
28 have enhanced information access or time-of-use pricing?
29 Does the value of these differences justify the broader
30 offering of hourly real-time pricing?

31 (6) What issues should be addressed prior to
32 systemwide deployment?

33 (c) In conducting the pilot study, the commission shall
34 ensure that all of the following study conditions are
35 observed:

36 (1) No more than the minimum number of customers
37 required to provide a statistically valid sample for a
38 customer group in a pilot study as required by subdivision

39 (a) are included. The aggregate total number of
40 customers participating in a customer group in a pilot

1 study may not exceed 3 percent of the electrical
2 corporation's customers.

3 (2) Customers *from each electrical corporation* are
4 selected from comparable ~~geographic areas and a range~~
5 ~~of socioeconomic circumstances.~~ *geographic areas, from*
6 *a variety of climate zones, and from a range of*
7 *socioeconomic circumstances. In addition, control groups*
8 *of customers shall be established for each study against*
9 *whom the behavior of the study group participants may*
10 *be compared.*

11 (3) No customer is required to participate in a pilot
12 study. *However, customer rates of participation and*
13 *reasons for nonparticipation for each study condition*
14 *shall be monitored and incorporated in the study results,*
15 *as appropriate.*

16 (4) The offerings for the ~~three customer groups~~
17 *customers in the service territories of each electrical*
18 *corporation that participates* in a pilot study required by
19 subdivision (a) are identical among electrical
20 corporations to allow the comparison of data and results.
21 However, electrical corporations may test ~~different~~
22 *alternative* technological solutions, ~~other than~~ *not*
23 *including* those relating to the standard usage
24 information output interface specified in subdivision (e),
25 to offer hourly real-time pricing for the pilot study in
26 paragraph (3) of subdivision (a).

27 (5) Notwithstanding paragraph (4), the commission
28 may waive the requirement imposed by that paragraph,
29 or otherwise alter a pilot study, if the commission finds
30 that it is in the public interest.

31 (6) All interested energy service providers and
32 equipment manufacturers are included in the design and
33 implementation of the pilot study to ensure that its results
34 may be used to guide the subsequent deployment of the
35 appropriate customer usage information infrastructure.

36 (d) The commission shall report to the Legislature on
37 the initial results of the pilot study on or before March 31,
38 2002. The commission shall report on the results of the
39 study for electrical corporations that continue to be under
40 the rate level established in subdivision (a) of Section 368

1 at the effective date of this act within 15 months from the
2 time when that rate level is no longer in effect.

3 (e) The study data shall be available to the public. The
4 data shall be provided in a way that does not reveal
5 customer-specific information.

6 (f) The standard usage information output interface
7 used in pilot study elements set forth in paragraphs (1)
8 to (3), inclusive, of subdivision (a) shall meet all of the
9 following specifications:

10 (1) All electrical corporation retrofits or meter
11 replacements shall conform to the same American
12 National Standards Institute, Institute of Electrical and
13 Electronics Engineers or other standard, as appropriate,
14 and provide the same standard output interface.

15 (2) The technology selected shall be the most
16 cost-effective, including its use of electricity on a
17 life-cycle basis.

18 (3) The standard output interface selected shall allow
19 a customer's data to be multiply accessed in a secure and
20 protected manner.

21 (4) The standard output interface shall be installed in
22 a way that does not compromise customer or worker
23 safety or the integrity or accuracy of the meter.

24 (5) Because some older vintage meters cannot be
25 readily retrofitted, the decision regarding whether to
26 retrofit or replace a meter must be made on the basis of
27 cost-effectiveness.

28 (6) Access by electrical corporations and third-party
29 providers to the usage information output interface shall
30 be at the sole discretion of the customer, except to the
31 extent that the customer enters into a billing relationship
32 with an electrical corporation or energy service provider.

33 (7) To ensure customer privacy, unless specifically
34 authorized by the customer, information based upon
35 customer data may not be used for any commercial
36 purpose.

37 (8) Customers receiving service under the California
38 Alternative Rates for Energy program under Section
39 739.1 do not pay a higher distribution rate attributable to
40 participating in any of the pilot studies in subdivision (a).

1 ~~(g) Electrical corporations may~~

2 *(g) The commission shall allow electrical corporations*
3 *to include in their distribution rate-base rates the*
4 *reasonable investment and operating —costs— of, installing,*
5 *accounting, maintaining, conducting, and evaluating a*
6 *pilot study. and evaluating costs of the pilot studies, those*
7 *costs to be allocated only among the customer classes*
8 *participating in the study.*

9 SEC. 6. Section 454.1 is added to the Public Utilities
10 Code, to read:

11 454.1. (a) Reasonable expenditures by transmission
12 owners that are electrical corporations to plan, design,
13 and engineer reconfiguration, replacement, or expansion
14 of transmission facilities are in the public interest and are
15 deemed prudent if made for the purpose of facilitating
16 competition in electric generation markets, ensuring
17 open access and comparable service, or maintaining or
18 enhancing reliability, whether or not these expenditures
19 are for transmission facilities that become operational.

20 (b) The commission and the Electricity Oversight
21 Board shall jointly facilitate the efforts of the state's
22 transmission owning electrical corporations to obtain
23 authorization from the Federal Energy Regulatory
24 Commission to recover reasonable expenditures made
25 for the purposes stated in subdivision (a).

26 (c) Nothing in this section alters or affects the
27 recovery of the reasonable costs of other electric facilities
28 in rates pursuant to the commission's existing ratemaking
29 authority under ~~the~~ this code or pursuant to the Federal
30 Power Act (41 Stat. 1063; 16 U.S.C. Secs. 791a, et seq.).
31 *The commission may periodically review and adjust*
32 *depreciation schedules and rates authorized for an*
33 *electric plant that is under the jurisdiction of the*
34 *commission and owned by electrical corporations and*
35 *periodically review and adjust depreciation schedules*
36 *and rates authorized for a gas plant that is under the*
37 *jurisdiction of the commission and owned by gas*
38 *corporations, consistent with this code.*

39 SEC. 7. No reimbursement is required by this act
40 pursuant to Section 6 of Article XIII B of the California

1 Constitution because the only costs that may be incurred
2 by a local agency or school district will be incurred
3 because this act creates a new crime or infraction,
4 eliminates a crime or infraction, or changes the penalty
5 for a crime or infraction, within the meaning of Section
6 17556 of the Government Code, or changes the definition
7 of a crime within the meaning of Section 6 of Article
8 XIII B of the California Constitution.

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