CALIFORNIA
Efficiency + Demand Management
COUNCIL
Advancing Our Clean Economy

CEDMC State Policy Member Call (2025)
Friday, January 24

- **Issues/Topics**
  - Governor Executive Order - Status
  - Priority Bill List
  - Legislative Update - CONSUMER UTILITY BILL OF RIGHTS - Sponsor Confirmed
  - Complete Bill List
  - Energy Related Budget Change Proposals

Note: The bill introduction deadline is Feb 21st

CEDMC Priority Bill List

CEDMC Priority Bills
Friday, January 24, 2025

AB 222 (Bauer-Kahan D) Data centers: energy usage reporting and modeling.
Current Text: Introduced: 1/8/2025 html pdf
Status: 1/9/2025-From printer. May be heard in committee February 8.
Location: 1/8/2025-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law, on or before January 1, 2026, and before each time thereafter that a generative artificial intelligence system or service, as defined, or a substantial modification to a generative artificial intelligence system or service, released on or after January 1, 2022, is made available to Californians for use, regardless of whether the terms of that use include compensation, requires a developer of the system or service to post on the developer's internet website documentation regarding the data used to train the generative artificial intelligence system or service. This bill would require a data center that provides computing resources to a developer for the purpose of developing a covered model, as defined, to estimate the total energy used to develop the covered model and to report that information to the developer, as specified. The bill would require a developer, before using the computing resources of a data center to develop a covered model, to inform the data center of the developer's intent to develop a covered model.

AB 286 (Gallagher R) Electricity: mandatory rate reduction.
Current Text: Introduced: 1/22/2025 html pdf
Status: 1/23/2025-From printer. May be heard in committee February 22.
Location: 1/22/2025-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes the Public Utilities Commission to fix the rates and charges for every public utility and requires that those rates and charges be just and reasonable. This bill would require the commission to reduce the kilowatt-per-hour rate for electricity

Legislative Update - **CONSUMER UTILITY BILL OF RIGHTS - Sponsor Confirmed**

SECTION 1:

(a) The Legislature hereby finds and declares:

(1) This Act Shall be Titled the "Consumer Utility Bill of Rights"

(b) The Legislature further finds and declares:

(2) In 2024, at $186.00, the average utility bill in CA is nearly 30% higher than the average US utility bill[1]

(3) Californians who live in single family homes have monthly utility bills that range from $152 to $415 per month, depending on their utility company[2]

(4) According to the Office of the Ratepayer Advocate in 2024, nearly 1 in 5 households were behind on their utility bills in 2024

(5) The average utility rate has increased substantially – an average of 40% over 3 years. In two of the three investor owned utility service areas, this increase was 51% over a 3 year period.[3]

(6) According to the Office of the Ratepayer Advocate, the top two direct contributors to this increase were (1) wildfire mitigation, and (2) transmission and distribution investments.

(7) The year 2024 marked the highest recorded residential consumer rates for two of the investor-owned utilities[4]

(8) The rate increases over the three investor-owned utilities have exceeded the increases in inflation by at least 60% and as much as 130% [double check OAR appendix for exact][5]

(9) Across the three investor-owned utilities, transmission and distribution costs increased by 27% in a single year (2022-2023[6]) [update for 2024 report][7]

(10) In one investor-owned utility service area, transmission and distribution investment costs comprise 44% of the customer bill, according to the utility's own website[8]. Only the cost of energy supply, at 50% of the bill, exceeded this expense to customers.

(11) According to the CPUC, as much as 78% of transmission and distribution expenditures by the investor-owned utilities are exempted from CPUC approval and oversight because the projects are investor-owned utility initiated rather than ISO-planned. [*note that in the 2022-23 AB 67 report, this number was 63.3% – over a three year period, this represents a nearly 40% increase in transmission and distribution expenditures with no oversight]*

(12) The average state-regulated return on equity across all investor-owned utilities amounts to 10.23%, down $360M from 2024. This amounts to a state-sanctioned profit of 10.23% annually. The Consumer Price Index, which reflects the increase in consumer costs for all goods in 2024, was 2.7% by comparison.[9]

SECTION 2 (Option 1) – Rate of Return limit to CPI

Section _____ shall be added to the Public Utilities Code to read:

The CPUC shall adjust the Cost of Capital Mechanism to assign a Return on Equity for any year across all investor owned utilities that is equal to or less than the Consumer Price Index as defined by the Bureau of Labor Statistics for the same year.

CEDMC Complete Bill List

AB 13 **(Ransom D) Public Utilities Commission: reports.**

Current Text: Introduced: 12/2/2024 html pdf

Status: 12/3/2024-From printer. May be heard in committee January 2.

Location: 12/2/2024-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: Current law requires the Public Utilities Commission to annually prepare a written report on the costs of programs and activities conducted by certain electrical corporations and gas corporations. Current law requires the report to identify specified information, including, among other information, each program mandated by statute or by the commission and its annual cost to ratepayers. Current law requires the commission to complete the report on an annual basis before April 1 of each year, and to submit the report to the Governor and the Legislature on an annual basis no later than April 1 of each year. This bill would require the commission to instead complete and submit the above-described report on a biannual basis.

AB 35 **(Alvarez D) California Environmental Quality Act: clean hydrogen transportation projects.**

Current Text: Introduced: 12/2/2024 html pdf

Status: 12/3/2024-From printer. May be heard in committee January 2.

Location: 12/2/2024-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would provide for limited CEQA review of an application for a discretionary permit or authorization for a clean hydrogen transportation project, as defined, by requiring the application to be reviewed through a clean hydrogen environmental assessment, unless otherwise requested by the applicant, as prescribed. The bill would, except as provided, require the lead agency to determine whether to approve the clean hydrogen environmental assessment and issue a discretionary permit or authorization for the project no later than 270 days after the application for the project is deemed complete.

AB 44 **(Schultz D) Energy: electrical demand forecasts.**

Current Text: Introduced: 12/2/2024 html pdf

Status: 12/3/2024-From printer. May be heard in committee January 2.

Location: 12/2/2024-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary: Current law requires the State Energy Resources Conservation and Development Commission, at least every 2 years, to conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices. Current law authorizes the commission to require the submission of demand forecasts from electrical utilities, among other entities, to perform its assessments and forecasts. This bill would state the intent of the Legislature to enact subsequent legislation that would require the commission to develop a set of technical guidance and load modification protocols to enable the state to reduce or modify its electrical demand forecast to improve grid reliability, as provided.

AB 61 **(Pacheco D) Electricity and natural gas: legislation imposing mandated program and requirements: third-party review.**

Current Text: Introduced: 12/2/2024 html pdf

Status: 12/3/2024-From printer. May be heard in committee January 2.

Location: 12/2/2024-A. PRINT

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Summary: The Public Advocate's Office of the Public Utilities Commission is established as an independent office within the commission to represent and advocate on behalf of the interests of public utility customers and subscribers within the jurisdiction of the commission. This bill would request the office to establish, by January 1, 2027, a program to, upon request of the Legislature, analyze legislation that would establish a mandated requirement or program or otherwise affect electrical or gas ratepayers, as specified. The bill would request the office to develop and implement conflict-of-interest provisions that would prohibit a person from participating in an analysis for which the person knows or has reasons to know that the person has a financial interest. The bill would establish the Energy Programs Benefit Fund in the State Treasury and continuously appropriate the moneys in the fund to the office to support the work of the office in providing analyses under the bill. The bill would repeal these provisions on January 1, 2031.

AB 99 **(Ta R) Electrical corporations: rates.**
Current Text: Introduced: 1/8/2025 html pdf
Status: 1/9/2025-From printer. May be heard in committee February 8.
Location: 1/8/2025-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
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Summary: Would prohibit an electrical corporation from proposing, and the Public Utilities Commission from approving, a rate increase above the rate of inflation, unless the rate increase is approved by a majority of the electrical corporation's customers voting in an election conducted according to specified requirements, and except when the commission determines that the costs underlying the rate increase are directly related to safety enhancements and modernization or to higher commodity or fuel costs.

AB 222 **(Bauer-Kahan D) Data centers: energy usage reporting and modeling.**
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Status: 1/9/2025-From printer. May be heard in committee February 8.
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1st House				2nd House							

Summary: Current law authorizes the Public Utilities Commission to fix the rates and charges for every public utility and requires that those rates and charges be just and reasonable. This bill would require the commission to reduce the kilowatt-per-hour rate for electricit charged to ratepayers by not less than 30%.

SB 24 **(McNerney D) Electrical and gas corporations.**
Current Text: Introduced: 12/2/2024 html pdf
Status: 12/3/2024-From printer. May be acted upon on or after January 2.
Location: 12/2/2024-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the Public Utilities Commission to establish priorities among the types or categories of customers of each electrical corporation and each gas corporation, as provided. This bill would make nonsubstantive changes to that requirement.

SB 51 **(Niello R) Permanent standard time.**
Current Text: Introduced: 12/18/2024 html pdf
Status: 1/6/2025-Read first time.
Location: 12/18/2024-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Under state law, Proposition 7, an initiative measure approved by the voters at the November 6, 2018, statewide general election, sets the standard time for California and sets daylight saving time to begin each March and end each November. Proposition 7 authorizes the Legislature to amend these provisions by a 2/3 vote to change the dates and times of the daylight saving time period, consistent with federal law, and authorizes the Legislature to amend these provisions by a 2/3 vote to provide for the application of year round daylight saving time when authorized by federal law. This bill would express the intent of the Legislature to enact legislation that would relate to the implementation of permanent standard time.

SCR 7 **(Niello R) Permanent standard time.**
Current Text: Introduced: 12/18/2024 html pdf
Status: 1/22/2025-From committee: Ordered to third reading.
Location: 1/22/2025-S. THIRD READING

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
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Calendar: 1/27/2025 #8 SENATE SENATE BILLS -THIRD READING FILE
Summary: Would proclaim that the Legislature acknowledges the health benefits of permanent standard time.

Energy Related Budget Change Proposals

Administration Budget Change Proposals are largely administration requests to the legislature for funding to implement bills that have already passed and been signed into law.

Examples:

Public Utilities Rate of Return (AB 2666)

AB 2666 adds new responsibilities related to GRC work, requiring the CPUC to evaluate actual ROR exceedances, determine reasons for those exceedances, and consider adjusting costs within GRC proceedings. The CPUC requires additional staff to perform the new and critical analyses and maintain the delicate balance to control earnings and the CPUC's obligation to ensure sufficient funding for financing of essential utility services. To accomplish these new requirements, the CPUC will need to consider the IOUs' earnings when adopting revenues in GRC proceedings.

Electrical Transmission Grid Study (AB 3264)

to implement requirements from Chapter 762, Statutes of 2024 (AB 3264) to enhance clean energy initiatives by developing and reporting on a new and complex framework for assessing, tracking, and analyzing total annual energy costs paid by residential households in California.

SB 1130 Electricity: Family Electric Rate Assistance program

SB 1130 expands eligibility for FERA, which currently provides an 18 percent discount on electric bills for income-qualified households of three or more people, to include one and two person households. It also creates new program reporting requirements for the IOUs and additional authority for the CPUC to oversee the IOUs' strategies and plans for improving enrollment in the program.

Assembly Committee Memberships*

Assemblymember Cottie Petrie-Norris, Chair
Assemblymember Joe Patterson, Vice Chair
Assemblymember Tasha Boerner
Assemblymember Lisa Calderon

Assemblymember Phillip Chen

Assemblymember Mark González

Assemblymember John Harabedian
Assemblymember Gregg Hart

Assemblymember Jacqui Irwin

Assemblymember Ash Kalra

Assemblymember Diane Papan

Assemblymember Chris Rogers

Assemblymember Pilar Schiavo

Assemblymember Nick Schultz

Assemblymember Tri Ta

Assemblymember David Tangipa
Assemblymember Greg Wallis

Assemblymember Rick Chavez Zbur

**The size of the committee increased from 16 to 18 members*.

The bill introduction deadline is actually Feb 21st, not January.

CEDMC Priority Bill List

CEDMC Complete Bill List