

Date of Hearing: May 17, 2023

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 1533 (Committee on Utilities and Energy) – As Amended May 1, 2023

Policy Committee: Utilities and Energy

Vote: 13 - 0

Urgency: Yes

State Mandated Local Program: Yes

Reimbursable: No

SUMMARY:

This bill is the Utilities and Energy Committee’s omnibus code clean-up measure. In broad terms, it moves the statutory requirements for reports by the California Public Utilities Commission (CPUC) to a more appropriate code section, sunsets CPUC reporting requirements on certain programs once the programs have ended, reintroduces provisions chaptered out in 2022, provides code cleanup in various other sections and adds an urgency clause to ensure the expeditious relicensing of the Diablo Canyon powerplant does not limit or slow the procurement of additional renewable energy resources.

Specifically, this bill:

- 1) Clarifies that “firm zero-carbon resources”, for the purposes of the California Energy Commission (CEC)’s Integrated Energy Policy Report (IEPR), must be “zero carbon.”
- 2) Moves various CPUC reports called for under SB 846 (Dodd), Chapter 239, Statutes of 2022, to new code sections within the Public Utilities Code chapter on “Reports to the Legislature.”
- 3) Specifies that, for certain CPUC reports to the Legislature, the CPUC may cease its reporting obligation two years after the relevant program or programs have ended.
- 4) Reintroduces two provisions from SB 846 (Dodd, Chapter 239, Statutes of 2022) that were chaptered out after the passage of SB 1020 (Laird, Chapter 361, Statutes of 2022). These provisions include:
 - a) A requirement that electricity produced by the Diablo Canyon nuclear power plant does not count toward California’s statutory renewable energy mandates, zero-carbon resource targets, or climate goals beyond its current retirement date of 2025.
 - b) The creation of a rebuttable presumption during the CPUC’s review of transmission projects for those projects that the California Independent System Operator’s (CAISO) governing board has already approved as needed, with certain conditions.
- 5) Modifies various code sections to make them clearer, consistent or free from error:

- a) Adjusts program requirements of the Demand Side Grid Support Program, established under AB 209 (Committee on Budget), Chapter 251, Statutes of 2022, to align with the current program structure.
 - b) Extends the Diablo Canyon Independent Peer Review Panel for the duration of the power plant's potential operation until 2030, rather than 2025.
 - c) Clarifies that the Diablo Canyon Independent Safety Committee was established by the CPUC, and that the Committee may discontinue once Diablo Canyon power plant operations cease, in or before 2030.
- 6) Adds an urgency clause to ensure the expeditious relicensing of the Diablo Canyon powerplant does not limit or slow the procurement of additional renewable energy resources.

FISCAL EFFECT:

Minor state costs.

COMMENTS:

This bill is the Utilities and Energy Committee's omnibus code clean-up measure. The author describes the bill as follows:

It clarifies a statutory definition, moves the statutory location of various California Public Utilities Commission (CPUC) reports, sunsets certain CPUC reports pursuant to program closures, reintroduces policy that was adopted—then chaptered out—last session, and provides additional code-clean up.

This bill modifies the following provisions of existing law that:

- 1) Require the CEC incorporate firm zero-carbon resources into the integrated energy policy report (IEPR) and defines "firm zero-carbon resources" as electrical resources that can deliver electricity with high availability for the expected duration of multiday extreme or atypical weather events and facilitate integration of eligible renewable energy resources into the electrical grid and the transition to a zero-carbon electrical grid. (Public Resources Code § 25305.5)
- 2) Create the Demand Side Grid Support Program, implemented and administered by the CEC, to incentivize dispatchable customer load reduction and backup generation operation as on-call emergency supply and load reduction for the state's electrical grid during extreme events.
- 3) Establish the policy that all of the state's retail electricity be supplied with a mix of RPS-eligible and zero-carbon resources by December 31, 2045, for a total of 100% clean energy.

- 4) Establish the Independent Safety Committee for Diablo Canyon and empowers the Committee to conduct annual examinations of the Diablo Canyon power plant and make additional site visits, and states that the committee shall cease operations when the United States Nuclear Regulatory Commission operating permit for the Diablo Canyon power plant has ceased and when all spent nuclear fuel has been moved to dry storage at the Diablo Canyon Independent Spent Fuel Storage Installation.
- 5) Require the CPUC to report to the Joint Legislative Budget Committee and appropriate fiscal and policy committees of the Legislature on all sources and amounts of funding and actual and proposed expenditures related to various entities or programs established by the CPUC.

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