
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 1273 (Patterson) - Public utilities: ratesetting proceedings: local publicly owned electric utilities: California Renewables Portfolio Standard Program

Version: July 22, 2025
Urgency: No
Hearing Date: August 18, 2025

Policy Vote: E., U. & C. 15 - 0
Mandate: No
Consultant: Ashley Ames

Bill Summary: This bill would (1) make changes to the California Public Utilities Commission (CPUC) rules regarding the treatment of rate-setting proceedings at CPUC hearings; and (2) clarify eligibility related to compliance with future compliance periods of the Renewables Portfolio Standard (RPS) for local publicly owned electric utilities (POUs) who have existing procurement of large hydroelectric resources.

Fiscal Impact:

- Ongoing costs in the hundreds of thousands of dollars annually (ratepayer funds) to the CPUC for the increased length of Commission agenda meetings and to otherwise implement the provisions of this bill.

Background:

CPUC monthly voting meetings. The CPUC meets monthly (often twice a month) to take up items that require a vote of the commissioners. These meetings are held throughout the state, with the majority held in San Francisco. The agendas for the meetings encompass four parts: the Public Comment Period, the Consent Agenda, the Regular Agenda, and the Closed Session Agenda. At the beginning of the meeting, the CPUC takes up public comment where members of the public can speak about items on the agenda (with some exceptions) and public members often use this time to raise issues that are not on the agenda but may become part of a future meeting agenda. Generally, the public is limited to one minute of comments. The CPUC accepts participation from members who joined in person and members who call in.

Consent Agenda. The CPUC's meeting agenda notes items on the Consent Agenda. These agenda items can be taken up as a group. However, at the beginning of the meeting, usually the President (or the presiding commissioner), will announce if items are being removed from the Consent list to the Regular meeting agenda (generally at the request of a commissioner) or being held over for a future meeting. Members of the public are allowed to speak to the items on the Consent agenda. Items on the Regular Agenda are individually presented, discussed, allowed public comment, and voted on by the commissioners.

Relevant to the Renewable Portfolio Standard:

The CEC administers the state's landmark RPS, ensures the state's utilities disclose electricity sources to consumers, supports renewable energy development, and tracks the state's progress toward its renewable energy goals. Enacted by Senate Bill 1078

(Sher, Chapter 516, Statutes of 2002) and accelerated and expanded by subsequent legislation, California's RPS establishes increasing renewable energy procurement targets spanning multiyear compliance periods for the state's electric load-serving entities (LSE). Originally applicable to retail sellers, the statewide mandatory RPS was expanded by Senate Bill X1-2 (Simitian, Chapter 1, Statutes of 2011, First Extraordinary Session) to include local POU. As a result of Senate Bill 100 (DeLeón, Chapter 312, Statutes of 2018), LSEs are required to increase their procurement of eligible renewable energy resources to 60% of retail sales by 2030. As part of its responsibilities, the CEC verifies the eligibility of renewable energy procured by retail sellers and POU that are obligated to participate in California's RPS. The CEC is also responsible for certifying RPS-eligible renewable energy resources, designing and implementing an accounting system to track and report renewable energy procurement for all program participants, and overseeing compliance and enforcement of POU. The CEC participated in the development of the Western Renewable Energy Generation Information System (WREGIS), an independently administered renewable energy tracking system to verify renewable energy procurement for all program participants. The CPUC is responsible for compliance and enforcement for retail sellers.

RPS and large hydroelectric generation. California's RPS program, and other energy programs predating RPS, have distinguished between smaller hydroelectric facilities and larger facilities, those that are over 30 megawatts (MW). These distinctions have largely reflected the state policy to discourage more damming of rivers out of concern for the natural habitats rivers provide and the state's desire to encourage development of new renewable energy projects (including, but not limited to, solar and wind). The passage of SB 100 (De León, 2018) accelerated the RPS requirements by requiring all LSEs to meet a 60% RPS requirement by 2030 and requiring a planning goal of 100% zero-carbon resources by 2045.

Proposed Law: This bill would (1) make changes to CPUC rules regarding the treatment of rate-setting proceedings at CPUC hearings; and (2) clarify eligibility related to compliance with future compliance periods of the RPS for local POU who have existing procurement of large hydroelectric resources.

Related Legislation:

AB 705 (Boerner) of 2025, would establish the Independent Office of Audits and Investigations at the CPUC, which would be led by the Inspector General. The new office would be responsible for assessing accounting practices, or any fraud or malfeasance among other responsibilities.

AB 13 (Ransom) of 2025, would establish additional legislative oversight and proposes reform of the CPUC, to include, among other mandates, specific requirements for CPUC commissioner appointees and additional CPUC reporting requirements to the Legislature.

SB 386 (Caballero) of 2020, would have limited the RPS obligations for Turlock and Modesto Districts to the electricity demands that are unsatisfied by the Don Pedro Hydroelectric Project, and in exchange requires the districts to procure energy storage, as specified.

SB 100 (De León, Chapter 312, Statutes of 2018) established the 100 Percent Clean Energy Act of 2017 which increased the RPS requirement from 50% by 2030 to 60%, and creates the policy of planning to meet all of the state's retail electricity supply with a mix of RPS-eligible and zero-carbon resources by December 31, 2045, for a total of 100% clean energy.

SB 350 (De León, Chapter 547, Statutes of 2015) established the goal of receiving 50 of California's electricity from eligible renewable energy resources.

SB 591 (Cannella, Chapter 520, Statutes of 2013) limited the Merced Irrigation District's RPS obligation to the electricity demands that are unsatisfied by the New Exchequer Dam.

SBX1 2 (Simitian, Chapter 1, Statutes of 2011-12 First Extraordinary Session) required retail sellers of electricity and POUs to procure at least 33% of their electricity from renewable resources by 2020.

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