

Date of Hearing: July 9, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 491 (Laird) – As Amended April 1, 2025

Policy Committee: Utilities and Energy

Vote: 18 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill requires the chair of the California Energy Commission (CEC) to appear annually before the appropriate policy committees of the Legislature to report on the CEC's plans to carry out the CEC's responsibilities, in general, and as specified in the bill, and the challenges the CEC encountered in doing so.

The bill also requires the chair to report on activities taken by the CEC in the previous year and the processes instituted to solicit input from Californians in diverse regions of the state.

FISCAL EFFECT:

Minor state costs, which the CEC can absorb with existing resources. However, consistent with the committee's rules regarding a bill that has the primary purpose of creating a task force, a commission, a work group, a pilot project or a pilot project extension, a report or a study, this bill is a candidate for the committee's suspense file.

COMMENTS:

The author contends this bill "ensures meaningful engagement between the state's primary energy planning entity and the Legislature to facilitate progress towards meeting our clean energy goals."

The State Energy Resources Conservation and Development Commission (more commonly known as the "California Energy Commission" or "CEC") describes itself as state's primary energy policy and planning agency and as committed to reducing energy costs and environmental impacts of energy use while ensuring a safe, resilient and reliable supply of energy.

The CEC is involved, directly or indirectly, in all aspects of energy policy development and implementation and energy regulation in the state. Statute assigns to the CEC several distinct responsibilities. Those responsibilities include, but are not limited to:

- Forecasting natural gas and electricity demand.
- Permitting ("siting") large thermal powerplants.
- Setting energy efficiency standards applicable to appliances and buildings.

- Awarding financial incentives for energy-related research, development and demonstration projects; development and deployment of low-carbon fuels and advanced vehicle technologies and installation of solar photovoltaic systems on new homes.
- Certifying renewable powerplants as eligible for compliance with the state's renewable portfolio standard.

The California Public Utilities Commission (CPUC) sets the rates and, to a large extent, the terms of service of the state's publicly owned utilities, including electrical and natural gas utilities. By practical necessity and, in some instances, statutory requirement, the CEC works closely with and influences the work of the CPUC.

Statute obligates the president of the CPUC to appear annually before the relevant legislative committees. The conditions that led the Legislature to require the president of the CPUC to appear before it seem to be unique to the CPUC at the time the requirement was created: the CPUC faced a persistent workload backlog and, according to long-time legislative staff, the then-president of the CPUC ignored legislative requests to appear before policy committees.

This committee is unaware of similar workload issues at the CEC; nor is this committee aware of any reluctance on the part of CEC leadership or staff to appear before or report to the Legislature. It is not clear why legislative oversight of the CEC could not be achieved by a standing request by the policy committees of each house that the CEC appear annually before them, similar to the practice of legislative budget committees.

There have been several attempts to place in statute the requirement that the chair of the CEC appear before the Legislature; however, none of those attempts passed both houses of the Legislature.

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