

## PUBLIC UTILITIES COMMISSION

Office of Governmental Affairs

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Sacramento, CA 95814  
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August 12, 2009

The Honorable Christine Kehoe, Chair  
Senate Appropriations Committee  
State Capitol, Room 5050  
Sacramento, CA 95814

**RE: AB 758 (Skinner and Bass) – As Proposed to be Amended – Neutral  
Status: Senate Appropriations Committee Hearing – August 17, 2009**

Dear Senator Kehoe:

The California Public Utilities Commission (CPUC) voted unanimously to oppose AB 758 unless it is amended. The July 14, 2009 amendments to the bill addressed the CPUC's jurisdictional concerns with the California Energy Commission (CEC), which could have been disruptive to the CPUC's utility energy efficiency programs. This bill, as proposed to be amended, would address the CPUC's remaining concerns with the bill which are explained below. If these proposed amendments are adopted in the Senate Appropriations Committee, the CPUC is willing to remove its opposition and revise its position to neutral on the bill.

The CPUC's remaining concerns with the bill are as follows: the term "energy audit" represents an old historic costly form of information; other broad implementation approaches need to be considered, and a stand-alone annual report is required to be provided to the Legislature and the CEC. Specifically, the proposed amendments would replace the term "energy audit" with "energy assessment" to ensure a wider array of methods by which to provide relevant information to building owners or occupants on their current energy use and opportunities to make energy improvements. The proposed amendments would also encourage CEC and CPUC collaboration to explore the implementation approaches of both utility and non-utility administration of energy efficiency programs. Finally, the proposed amendments would revise the reporting requirements to require the CPUC provide an assessment of each utility's implementation of the energy efficiency program as part of its annual report to the Legislature.

As a result of this new language, the CPUC's earlier concerns with the bill would be addressed. The CPUC fully supports the goal of achieving all cost-effective energy efficiency, the reduction of greenhouse gas emissions, and the development of a more comprehensive approach to achieving efficiency savings in existing buildings. The CPUC wants to thank Assemblywoman Skinner and her staff for working with us on addressing our concerns and we look forward to continued cooperation between the two parties as the bill moves forward.

Please see the attached analysis for a more detailed explanation of the CPUC's position.

If you have any questions or wish to discuss this matter further, please do not hesitate to call me at (916) 327-7788.

Sincerely,

A handwritten signature in cursive script that reads "Michael Poe".

MICHAEL POE  
Legislative Liaison

Attachment

cc: The Honorable Nancy Skinner, Member, California State Assembly  
Members, Senate Appropriations Committee  
Brendan McCarthy, Senate Appropriations Committee  
Rocel Bettencourt, Senate Republican Caucus/Fiscal Policy  
Arnie Sowell, Policy Director for the Speaker  
John Moffatt, Chief Deputy Legislative Secretary, Office of Governor Arnold Schwarzenegger