An act relating to energy.

LEGISLATIVE COUNSEL’S DIGEST

SB 37, as introduced, De León. Energy efficiency and renewable energy upgrades: on-bill repayment program.

Under existing law the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and gas corporations, as defined. Existing law authorizes the 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 state the intent of the Legislature to enact an on-bill repayment program that will provide Californians greater access to energy efficiency and clean technology upgrades.


The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) Despite existing programs, large numbers of Californians currently do not have access to energy efficiency and clean technology upgrades.

(b) Existing clean energy programs and incentives are important but limited in that they are underfunded and reach only a small number of Californians due to restrictions in income level, credit score, project size, or commercial-only eligibility.
(c) Energy efficiency and clean technology upgrades currently have especially low penetration rate due to a split incentive between renter and landlord over the costs and benefits of such projects. 

(d) California’s current economic condition necessitates that the Legislature develop pioneering ways to create sustainable, green collar jobs. 

(e) On-bill repayment is an innovative and pioneering concept that would provide affordable financing of energy efficiency and on-site clean generation technology upgrades by tying repayment of the loan obligation to the utility meter. 

(f) By tying repayment to the utility bill, ratepayers would repay the loan on the same bill where savings are realized from the investment, creating a potential net bill neutrality or even a decrease in the ratepayer’s bill as a result of the investment. 

(g) On-bill repayment would be a unique clean energy incentive program because it would not rely on ratepayer or taxpayer funding and it would expand access to energy efficiency and clean technology upgrades. 

(h) On-bill repayment would incentivize private investors to invest in California’s clean energy improvements, would stimulate the state’s economy by creating jobs for contractors and other persons who complete new energy improvements, and would reinforce the leadership role of the state in the new energy economy, thereby attracting clean energy manufacturing facilities and related jobs to the state. 

(i) It is the intent of the Legislature to enact an on-bill repayment program that will provide Californians greater access to energy efficiency and clean technology upgrades.