

Date of Hearing: June 25, 2025

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

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

SENATE VOTE: 39-0

SUBJECT: State Energy Resources Conservation and Development Commission: chair: report to the Legislature

SUMMARY: Requires the chair of the California Energy Commission (CEC) to annually appear before and report to the appropriate policy committees of the Legislature regarding the activities of the CEC. Specifically, this appearance should include updates on CEC activities regarding all of the following:

- 1) Research, development, and demonstration.
- 2) Building and appliance efficiency standards.
- 3) Electricity and natural gas demand forecasts.
- 4) Siting of thermal powerplants.
- 5) Implementation of the California Renewables Portfolio Standard Program and energy labeling.
- 6) Transportation fuels and alternative fuel vehicles.

EXISTING LAW:

- 1) Establishes the CEC, consisting of five members appointed by the governor, and specifies the duties of the commission. Every two years, the governor must designate a chair and vice chair from the CEC's membership. The CEC must appoint a public adviser every three years to carry out certain public engagement duties. (Public Resources Code § 25200 et. seq.)
- 2) Requires the CEC to assess trends in energy consumption and analyze the social, economic, and environmental consequences of these trends. The CEC must establish energy conservation measures, including building and appliance energy efficiency standards, and recommend additional conservation measures to the governor and the Legislature. (Public Resources Code § 25216)
- 3) Establishes the California Public Utilities Commission (CPUC), consisting of five members appointed by the governor, and authorizes the CPUC to fix rates and establish rules for public utilities. (Article 12 of the California Constitution)
- 4) Requires the CPUC to prepare an annual report on its activities and performance and requires the president of the CPUC to annually appear before the appropriate policy committees of the Legislature to present the report. (Public Utilities Code §§ 910 and 321.6)

FISCAL EFFECT: This bill is keyed fiscal and will be referred to the Assembly Committee on Appropriations. This bill passed out of Senate Appropriations under Senate Rule 28.8.

CONSUMER COST IMPACTS: Unknown, but unlikely.

BACKGROUND:

What is the CEC? Established in 1974, the CEC is tasked under existing law with a number of duties, including serving as California's primary energy policy planning agency. The CEC's responsibilities include:

- **Planning and Policy Development** – The CEC produces the Integrated Energy Policy Report (IEPR), which includes assessments and analyses of California's energy industry, supply, production, transportation, delivery and distribution, demand, and prices. These forecasts enable long term planning for the state to transition to a low-carbon economy.
- **Renewable Energy Growth** – California has established renewable energy goals—including requiring that 60 percent of the state's electricity come from renewable resources, such as wind, solar, and geothermal, by 2030. The CEC administers the state's Renewables Portfolio Standard (RPS), ensuring that utilities disclose their electricity supply portfolio to consumers, certifies power plants, and verifies utilities are meeting the RPS targets.
- **Energy Efficiency** – The CEC works to advance energy efficiency in the state. The commission establishes energy conservation building standards and appliance regulations for minimum efficiency levels, as well as incentivizes efficiency upgrades for California's existing buildings.
- **Energy Innovation** – The CEC invests in energy research, development, and demonstration (RD&D) projects, providing roughly \$150 million a year for electricity and natural gas system RD&D projects, principally through its Electric Program Investment Charge (EPIC) program.
- **Cleaner Transportation** – California's transportation sector is the largest source of air pollution, including greenhouse gas emissions. The CEC invests about \$100 million annually to develop and deploy low-carbon fuels and vehicle technologies. In addition, the CEC is the state's lead agency on electric vehicle fueling infrastructure, responsible for leading the state's investment in plug-in electric vehicle stations and establishing the first network of retail hydrogen refueling stations in the nation.
- **Responsible Electricity Infrastructure** – The CEC helps ensure that proposed energy facilities are located, constructed, operated, and decommissioned in a manner that protects the environment, public health, and safety.
- **Emergency Response** – With the increasing possibility of more severe wildfires, looming earthquakes, and extreme droughts and floods, it is critical to the health and

safety of Californians to ensure that the state is ready to respond to emergencies. The CEC develops California's strategy for responding to the loss of energy supply due to a natural disaster or other emergency. The CEC also helps support state emergency response efforts and, if authorized by the Governor, instructs fuel suppliers to hold and redirect fuel for use in disaster response and recovery efforts.

Reports to the Legislature – The CEC annually submits reports to the Legislature on a number of its activities. Every two years, the CEC submits the comprehensive IEPR, with updates to the report submitted every other year. The CEC also submits reports on energy research, development, and demonstration activities and transportation investments to the Legislature.

COMMENTS:

- 1) *Author's Statement.* According to the author: "Senate Bill 491 requires the Chair of the California Energy Commission to appear before the Legislature annually. This bill ensures meaningful engagement between the state's primary energy planning entity and the Legislature to facilitate progress toward meeting our clean energy goals. In times of rapidly changing climate, collaboration is more urgent and important than ever to ensure Californians have access to safe, reliable, and affordable energy."
- 2) *Purpose of the bill.* This bill requires the CEC's Chair to annually report to the appropriate policy committees of the Legislature. A statutory requirement is not needed to compel the CEC's Chair to appear before a legislative committee; however, it does increase the likelihood that such appearances become standard. Moreover, it provides parity with the CEC's sister-agency, the CPUC, whose president has a statutory obligation to appear annually.
- 3) *Prior Legislation.*

SB 610 (Laird, 2024) is substantially similar to this bill and would require the CEC to appear annually before the appropriate policy committees of the Legislature to report on specified activities. The bill was subsequently amended into a different subject matter. Status: The bill was held in the Assembly Appropriations Committee.

SB 733 (Hueso, 2022) is substantially similar to this bill and would require the CEC to appear annually before the appropriate policy committees of the Legislature to report on specified activities. The bill was subsequently amended into a different subject matter. Status: The bill was held in the Assembly Appropriations Committee.

SB 708 (Hueso, 2019) would require the CAISO to disclose information relating to tariff or rule of conduct violations by market participants or scheduling coordinators and establish other transparency requirements. The bill also requires the CAISO's Chief Executive Officer to appear annually before the relevant policy committees of the Legislature to report on the CAISO's operations and state of the grid. Status: The bill died in the Assembly.

SB 497 (Bradford, 2019) is substantially similar to this bill and would require the CEC to appear annually before the appropriate policy committees of the Legislature to report on specified activities. Status: The bill died in the Assembly.

SB 376 (Bradford, 2017) is substantially similar to this bill and would require the CEC to appear annually before the appropriate policy committees of the Legislature to report on specified activities. Status: The bill died in the Assembly.

SB 1467 (Padilla, 2010) made various technical changes to Public Utilities Code and required the chair of the CEC to annually appear before the relevant policy committees of the Legislature. Status: The bill was vetoed.

AB 1735 (Committee on Utilities and Commerce, Chapter 452, Statutes of 2003) establishes deadlines for certain CPUC proceedings and requires the President of the CPUC to annually appear before the relevant policy committees of the Legislature.

REGISTERED SUPPORT / OPPOSITION:**Support**

City of San Luis Obispo
League of California Cities

Opposition

None on file

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