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SB-1130 Electricity: Family Electric Rate Assistance program. (2023-2024)



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Senate Bill No. 1130

CHAPTER 457

An act to amend Section 739.12 of the Public Utilities Code, relating to electricity.

[Approved by Governor September 22, 2024. Filed with Secretary of State September 22, 2024.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1130, Bradford. Electricity: Family Electric Rate Assistance program.

Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations. Existing law requires the commission to continue a program of assistance to residential customers of the state's 3 largest electrical corporations consisting of households of 3 or more persons with total household annual gross income levels between 200% and 250% of the federal poverty guideline level, which is referred to as the Family Electric Rate Assistance (FERA) program.

This bill would expand eligibility for the FERA program by eliminating the requirement that a household consist of 3 or more persons. The bill would require the commission, by March 1, 2025, and each year thereafter, to require the state's 3 largest electrical corporations to report on their efforts to enroll customers in the FERA program. The bill would require the commission, by June 1, 2025, and each year thereafter, to review each electrical corporation's report to ensure it has made reasonable efforts to enroll eligible households in the FERA program commensurate with the proportion of households the commission determines to be eligible within the electrical corporation's service territory. If the commission, in its review of a report, determines an electrical corporation has not made reasonable efforts to enroll eligible households in the FERA program, the bill would require the commission to require the electrical corporation to develop a strategy and plan to sufficiently enroll eligible households within 3 years of the adoption of the strategy and plan.

Existing law requires the commission to develop a process that enables electrical and gas customers to concurrently apply, or begin to apply, to multiple low-income customer assistance programs, including the California Alternate Rates for Energy (CARE) program and the FERA program. Existing law requires that the process complement, rather than replace, other application processes.

This bill would expressly authorize electrical corporations to market enrollment for the FERA program separately from the CARE program and provide a separate FERA program-only application form.

Under existing law, a violation of the Public Utilities Act, or any order, decision, rule, direction, demand, or requirement of the commission, is a crime.

Because the provisions of this bill would be codified in the act and would require action by the commission, a violation of which would be a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 739.12 of the Public Utilities Code is amended to read:

- **739.12.** (a) The commission shall continue a program of assistance to residential customers of the state's three largest electrical corporations consisting of households with total household annual gross income levels between 200 percent and 250 percent of the federal poverty guideline level. The program shall continue to be referred to as the Family Electric Rate Assistance or FERA program.
- (b) The FERA program discount shall be an 18-percent line-item discount applied to an eligible customer's bill calculated at the applicable rate for the billing period.
- (c) The commission shall authorize the state's three largest electrical corporations to increase or expand marketing and outreach efforts beyond those in effect as of December 31, 2018, to increase eligible customer participation in the FERA program.
- (d) (1) The commission, by March 1, 2025, and each year thereafter, shall require the state's three largest electrical corporations to report on their efforts to enroll customers in the FERA program.
 - (2) The commission, by June 1, 2025, and each year thereafter, shall review each electrical corporation's report to ensure it has made reasonable efforts to enroll eligible households in the FERA program commensurate with the proportion of households the commission determines to be eligible within the electrical corporation's service territory.
 - (3) If the commission, in its review of an electrical corporation's report, determines the electrical corporation has not made reasonable efforts to enroll eligible households in the FERA program commensurate with the proportion of households the commission determines to be eligible within the electrical corporation's service territory, the commission shall require the electrical corporation to develop a strategy and plan to sufficiently enroll eligible households within three years of the adoption of the strategy and plan.
 - (4) An electrical corporation may market enrollment for the FERA program separately from the CARE program and provide a separate FERA program-only application form.
- **SEC. 2.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.