



## California Energy Legislation

### SB 423 (Simitian) – Alternative Energy Providers for Non-Profits

#### OVERVIEW

The bill allows certain non-profits to enter into direct transaction with energy service providers so long as the power is donated.

#### SECTIONS

This bill adds and repeals Section 395.5 of the Public Utilities Code.

#### MAIN PROVISIONS

- Eligible Non-profit Organizations – Only non-profit charitable organizations whose primary purpose is serving the needs of the poor or elderly are eligible to enter into direct transactions with energy service providers.
- Direct Transactions – Eligible non-profits can enter into direct transactions to purchase power from energy service providers so long as the power is donated.
- Certain Fees Apply – A non-profit receiving donated energy would be responsible to pay certain fees including those charges and surcharges that would be imposed on retail customers of community choice aggregators, transmission and distribution charges, certain non-bypassable charges, and certain costs imposed on the load serving entity.
- Direct Access Rules Apply – Existing direct access rules and all service obligations otherwise applicable to electric service providers will govern transactions covered in this bill.
- Sunset Date – The provisions of this bill are in effect until January 1, 2010 unless it is repealed or unless a statute enacted prior to January 1, 2010 deletes or extends that date.

#### TIMELINE OF IMPLEMENTATION

January 1, 2010 – Provisions in this section will remain in effect until this date.