

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 6, 2011
POSITION: Neutral

BILL NUMBER: SB 674
AUTHOR: A. Padilla

BILL SUMMARY: Master-Metering: Data Security

Existing law creates requirements for master-meter customers and for corporations providing service to them, including requiring a master-meter customer of a gas or electrical corporation receiving a corporation rebate to distribute a rebate portion to each master-metered customer.

This bill would clarify "rebate" does not include awarding of monetary incentives under the California Solar Initiative (CSI) for a solar energy system providing electricity to a mobile home park. Additionally, the bill would require the utilities to secure customer consent to use personal data prior to using the data for a secondary commercial purpose. Finally, the bill would repeal the obsolete California High Speed Internet Access Act of 1999.

FISCAL SUMMARY

The California Public Utilities Commission (PUC) estimates the costs associated with the bill are minor and absorbable within existing resources. The Department of Finance (Finance) concurs.

COMMENTS

The bill would have no fiscal impact on the state and Finance is neutral on this bill.

According to the author's office, the bill would provide technical changes to Chapter 497, Statutes of 2010 (SB 1476, Padilla). The bill includes language clarifying several security requirements included in SB 1476 intended to protect customer consumption data and personal information from unauthorized access, and ensure third party contractors do not use the information for commercial purposes without customer consent.

The bill would:

- Exclude from the definition of "rebate" the award of a monetary incentive under the California Solar initiative for a solar energy system providing electrical generation to a mobile home park.
Require contracts between an electrical or gas corporation and a third party obtain customer consent prior to using customer electrical or gas data by the third party for a commercial purpose unrelated to the primary purpose of the contract.
Repeal the California High Speed Internet Access Act of 1999, requiring the PUC to monitor and participate in a now-completed proceeding of the Federal Communications Commission to determine the feasibility of providing high bandwidth data services over telephone lines.

(Continued)

Analyst/Principal Date Program Budget Manager Date
(0621) J. McGuinn Karen Finn

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)**

**AUTHOR**

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Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	
8660/PUC	SO	No		-----	No/Minor	Fiscal Impact	-----		0462
<u>Fund Code</u>	<u>Title</u>								
0462	Publ Utilities Comm Utilities Reimb Acct								