



Community Advisory Committee

Regular Meeting

April 9th, 2021



Regular Meeting Agenda

1. Welcome
2. Roll Call
3. Public Comment for Items Not on the Agenda
4. Items to be Withdrawn, or Reordered on the Agenda
5. Receive Update on Legislative Bills of Interest to SDCP
6. Receive Update and Provide Input on Outreach Planning for Phase 2
7. Discuss and Consider Recommendation to the Board on AB 1139 (Gonzalez)
8. Standing Item: Discussion of Potential Agenda Items for Board of Directors Meetings
9. Committee Member Announcements
10. Adjournment

Item 5

Receive Update on Legislative Bills of Interest to SDCP

San Diego Community Power Bill Tracker – Updated April 8, 2021

Bill	Author/Sponsors	Description	Status	CalCCA Position
AB 11	Ward	Creates regional climate change coordinating groups to coordinate and implement activities to reduce greenhouse gas (GHG) emissions. Activities include reducing energy consumption and energy efficiencies (EE).	Rereferred to Assembly Committee on Natural Resources	TBD
AB 21	Bauer-Kahan	Allows the Attorney General or a District Attorney to bring an action against the owners of power lines who are failing to comply with safety standards and requirements regarding proper vegetation abatement around the power lines.	Referred to Assembly Committee on Natural Resources and Judiciary Committee; Rereferred to Judiciary	TBD
AB 33	Ting	Bill will amend the California Energy Commission's (CEC) Energy Conservation Assistance Act, which offers two loan programs for EE and energy generation. The proposal would add electric vehicle (EV) infrastructure and storage to the loan program. <i>Previously the bill banned natural gas connections in new school and public buildings and prohibited gas companies from extending or adding gas lines for both investor-owned utility (IOU) and publicly owned utility (POU) customers.</i>	Rereferred to Assembly Committee on Utilities and Energy	TBD
AB 64	Quirk	Requires California Public Utilities Commission (CPUC), CEC, and California Air Resources Board (ARB) to develop a strategy on how to achieve SB 100 goals in a cost-effective manner. The strategy must include plans to develop the technologies that will help achieve this goal.	Rereferred to Assembly Committee on Utilities and Energy; hearing cancelled per author's request	TBD

AB 75	O'Donnell	Kindergarten-Community Colleges Education Facilities Bond Act of 2022. <i>CalCCA will monitor this bill for provisions regarding decarbonization, resiliency, and EE be considered. Senate version is SB 22.</i>	Rereferred to Assembly Committee on Education	TBD
AB 96 (Analysis)	O'Donnell <i>California Natural Gas Vehicle Coalition (CNGVC)</i>	Extends the sunset for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program from 2021 to 2026 and dedicates 20% of funds to be used for commercial deployment heavy-duty trucks.	Rereferred to Assembly Committee on Transportation; hearing postponed by Committee	Watch
AB 113	Boerner-Horvath (Encinitas)	The Personal Income Tax Law and the Corporation Tax Law allow various credits against the taxes imposed by those laws. This bill would allow a credit against those taxes for each taxable year beginning on or after January 1, 2021, and before January 1, 2026, in an amount equal to 40% of the amount paid or incurred in qualified costs by a qualified taxpayer during the taxable year for the installation of specified electric vehicle supply equipment in a covered multifamily dwelling or covered nonresidential building, subject to specified maximum credit amounts.	Rereferred to Housing and Community Development	TBD
AB 322 (Analysis)	Salas	Requires the CEC to allocate at least 20% of Electric Program Investment Charge (EPIC) funds to bioenergy projects for biomass conversion.	Referred to Assembly Utilities and Energy	Watch
AB 339	Lee & C. Garcia	Proposes a number of requirements on public meetings to improve access such as mandatory call-in and online options as well as mandatory translations in the 10 most spoken languages other than English in the community.	Rereferred to Assembly Utilities and Energy	TBD
AB 427	Bauer-Kahan	Requires the CPUC to establish rules that allow demand response programs procured by a load-serving entity to meet the load-serving entity's resource adequacy (RA) requirements regardless of whether the program is integrated into the wholesale market overseen by the	Referred to Assembly Utilities and Energy	Watch

		CAISO.		
AB 525	Chiu <i>American Clean Power - California Coalition of Utility Employees</i>	Requires the CEC to develop a strategic plan to achieve a goal of at least 10,000MW of offshore wind (OSW) by 2040 with an interim goal of 3,000 MW by 2030. The plan would need to be submitted to the Natural Resources Agency (CNRA) by June 2022. The plan will address siting, economic and workforce development, transmission planning and permitting. Requires CEC to assess and develop a plan to improve waterfront facilities that could support OSW activities. The CEC would also need to convene all relevant state agencies to facilitate a permitting process. Lastly, the CPUC would be required to include OSW in the IRP process.	Referred to Assembly Utilities and Energy and Natural Resources; hearing postponed by Committee	Watch
AB 843 (Analysis)	Aguiar-Curry <i>MCE and VCE</i>	This is a narrow bill that would allow CCAs to elect to participate in the CPUC's the Bioenergy Market Adjusting Tariff (BioMAT) program. The CPUC recently determined that BioMAT should be funded through a nonbypassable charge but declined to permit CCAs to participate because CCAs are not expressly contemplated in SB 1122 (2012), which established the BioMAT program.	Referred to Assembly Utilities and Energy	Support
AB 1088 (Analysis)	Mayes <i>SDG&E</i>	Establishes a central procurement entity to serve as a backstop for RA and to be the provider of last resort (POLR) under certain conditions.	Referred to Assembly Utilities and Energy and Natural Resources	TBD
AB 1110 (Analysis)	Rivas	Provides financial incentives to local government agencies for EV purchases.	Rereferred to Judiciary and Education	TBD
AB 1124	Friedman	This bill would revise the definition of "solar energy system" to include any structural design feature by eliminating the provision that it be a feature of a building. The bill would specify certain structural design features to be included in the definition, including solar mounting, solar carports, and solar shade structures, regardless of	Referred to Committee on Local Government	TBD

		whether the feature is on the ground or on a structure.		
AB 1139 (Analysis)	Gonzalez <i>Coalition of Utility Employees</i>	This bill proposes various reforms to Net Energy Metering. First, it increases the discount to CARE customers to no less than 40% and no more than 45% of the revenues that would have been generated for the same usage by non-CARE customers. The bill establishes a new standardized tariff for customer self-generation that would replace all prior contracts. The bill requires the credit for the generation exported to the grid to be at the market rate at the time of the export. The import cost for generating customers would also be the same for non-self-generating customers. However, the bill allows CCAs to provide charges and credits in different amounts.	Referred to Assembly Utilities and Energy	TBD; CCA Analysis expected soon
AB 1156	Holden	Would require the CPUC (Commission) rather than the Wildfire Safety Division to approve as part of a proceeding an IOUs executive incentive compensation structure. If the Commission determines the compensation structure of the IOU fails to meet the required principles, the Commission may reject or modify the compensation structure.	Referred to Assembly Utilities and Energy	TBD
AB 1161	Garcia	Requires the Department of Water Resources to procure renewable energy resources or zero-carbon resources, and energy storage associated with those resources, in an amount that satisfies 100 percent electricity needed to serve all state agencies by December 31, 2030.	Referred to Assembly Utilities and Energy and Natural Resources; Rereferred to Assembly Utilities and Energy	Oppose unless amended
AB 1500	Garcia	Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.	Referred to Water Parks and Wildlife and Natural Resources	TBD

		Proposes a resources bond for the 2022 statewide ballot similar to efforts in 2019 and 2020.		
SB 18 (Analysis)	Skinner <i>Green Hydrogen Council</i>	Requires the ARB in its AB 32/SB 32 Scoping Plan to develop a strategy accelerating the development of green hydrogen. Requires the CEC to study and report to the Legislature a model of how green hydrogen can help reach the state's climate goals in the power and transportation sectors. Requires the CPUC to consider green hydrogen and green electrolytic hydrogen to be a zero-carbon emitting resource to provide optimal integration of renewable resources. Allows green hydrogen to be considered a zero-carbon resource to meet SB 100 compliance requirements. Allows green hydrogen to satisfy local and system RA requirements. Encourages green hydrogen to be used for storage in meeting portfolio diversity requirements.	Referred to Senate Committee on Environmental Quality; heard 3/15; Rereferred to Senate Committee on Environmental Quality	Watch
SB 22	Glazer	Public Preschool, K-12, and College Health and Safety Bond Act of 2022. <i>CalCCA will monitor this bill for provisions regarding decarbonization, resiliency, and energy efficiency be considered. Assembly version is AB 75.</i>	Referred to Senate Education and Governance and Finance; re-referred to Governance and Finance	TBD
SB 30 (Analysis)	Cortese	Prohibits design and construction of state facilities connected to natural gas after Jan 1, 2022. Also requires a plan to make all state facilities carbon neutral by 2035.	Referred to Senate Governmental Organization	Watch
SB 31 (Analysis)	Cortese	Directs the CEC to identify and implement building decarbonization programs. Authorizes the CEC to use federal COVID relief funds for building decarbonization programs and requires that EPIC funds be made available for building decarbonization programs.	Referred to Senate Energy and Utilities; set for hearing 3/15; hearing cancelled at author's request	Watch
SB 32	Cortese	Requires cities and counties to update their general plans to account for how they will decarbonize their building stock.	Referred to Senate Governance and	TBD

			Finance; set for hearing 4/15	
SB 44	Allen	Provides environmental leadership transit projects (AB 900, statutes of 2011) expedited review.	Referred to Senate Environmental Quality and Judiciary Committee; rereferred to Judiciary	TBD
SB 45	Portantino	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Floor Protection Bond Act of 2022	Rereferred to Senate Governance and Finance; set for hearing 4/15	TBD
SB 52	Dodd	Adds de-energization events to the definition of “sudden and severe energy shortage” for purposes of classifying de-energization events as natural disasters.	Senate Governmental Organization, heard 3/22; re-referred to Appropriations	TBD
SB 67 (Analysis)	Becker	Accelerate the state’s progress toward having 100% of electricity provided by renewable or other zero-carbon sources on a 24-hour, 7-day basis.	Referred to Senate Energy and Utilities; set for hearing 4/26	TBD
SB 68	Becker	Spot bill language to help the state achieve its climate and air pollution reduction goals in the building sector through actions such as reducing barriers to upgrading electrical service panels.	Referred to Senate Energy and Utilities and Judiciary; set for hearing 4/19	TBD
SB 99	Dodd <i>The Climate Center</i>	Community Energy Resiliency Act of 2021. Requires CEC to develop and implement a grant program for local governments to develop energy resilience plans.	Referred to Senate Energy and Utilities; set for hearing 4/19	Support
SB 204 (Analysis)	Dodd <i>California Large Energy</i>	Clarifies that an IOU can allow anyone in their service territory regardless of who their energy provider is, to participate in the Base Interruptible Program (BIP). Directs other changes to expand the program.	Referred to Senate Energy and Utilities; re-referred to Appropriations; 4/5	Support, if amended

	<i>Consumers Association (CLECA)</i>		hearing; placed in suspense file	
SB 267	Hertzberg <i>Solar Energy Industries Association (SEIA)</i> <i>Large-Scale Solar Association (LSA)</i>	Prevents a property tax reassessment when one of the partners in a solar project is bought out by one of more of the existing partners. While this was the intention of the original law, the BOE is interpreting the statute to mean that the property should be reassessed.	Referred to Senate Governance and Finance, heard 3/11; re-referred to Appropriations; heard 4/5	TBD
SB 345	Becker	Requires the CPUC to determine nonenergy benefits of distributed energy resource and incorporate those benefits in DER programs and projects, and track the nonenergy benefits for evaluation.	Referred to Senate Energy and Utilities; heard 3/15; re-referred to Appropriations; 4/5 hearing; placed in suspense file	TBD
SB 423	Stern	Incorporates numerous planning changes at the CPUC, CEC, and CAISO in an effort to accelerate the deployment of emerging renewables and firm zero-carbon resources to address reliability issues.	Referred to Senate Energy and Utilities and Senate Environmental Quality; set for hearing 4/12	TBD
SB 479	Laird	Makes amendments to the Local Government Renewable Self Generation program. Allows tribal governments to participate and directs the CPUC to determine if a local government or tribal government should receive compensation when the generation is in excess of the bill credits.	Referred to Senate Energy and Utilities; heard 3/15; re-referred to Appropriations; heard 4/5	TBD

SB 529	Hertzberg	Authorizes the CPUC to set up a multi-year, central procurement RA mechanism. <i>(A reintroduced of SB 350 from 2019)</i>	Referred to Senate Energy and Utilities; set for hearing 4/19	TBD
SB 533	Stern	Requires IOUs to install microgrids for safety purposes; links that requirement to previous PSPS events. Requires the CPUC to develop a critical facility, infrastructure, and circuit list. Allow microgrids to qualify for RA. Lastly, the bill requires the IOUs to share certain data with CCAs and others to enable them to work with the IOUs in planning the microgrids.	Referred to Senate Energy and Utilities and Judiciary Committee; rereferred to Senate Energy and Utilities; set for hearing 4/12	Watch
SB 612 (Analysis)	Portantino CalCCA	Adopts the PCIA Working Group 3 report that was submitted to the CPUC by CalCCA, SCE and Commercial Energy in February of 2020. Specifically, the bill will allow CCAs to access their proportionate share of the benefits of IOU legacy contracts that they are paying for in the PCIA, directs the CPUC to establish a market price benchmark for greenhouse gas-free (GHG-free) energy, requires IOUs to sell excess products on the CAISO wholesale market, and requires the IOUs to engage legacy contract holders to renegotiate or buyout the contracts to reduced costs to customers.	Rereferred to Senate Energy and Utilities; set for hearing 4/26	Support
SB 730	Bradford	Spot bill aimed at ensuring demand response investments are cost-effective.	Referred to Senate Energy and Utilities	TBD
SB 733	Hueso San Diego County Water Authority City of San Diego	Require the CPUC to determine appropriate targets for each LSE to procure viable and cost-effective energy storage systems to be achieved by December 31, 2030. Requires the CPUC to evaluate the role of energy storage systems that require a long lead time for successful deployment, including pumped storage hydroelectric generation facilities, within the state's electrical system, and include those resources in any procurement targets adopted by the commission.	Referred to Senate Energy and Utilities; This bill was pulled by the author for 2021.	N/A

AB 96 (O'Donnell) - Zero- and near-zero-emission heavy-duty vehicles

Summary: Extends the sunset date on the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program's twenty percent funding guarantee for the early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology from December 31, 2021 until December 31, 2026. The bill also adds a requirement that at least 20% of the program's funding support early commercial deployment of existing near-zero-emission heavy-duty truck technology. The decision to fund zero-emission versus near-zero-emission has been debated in the Legislature and within those state agencies implementing these programs for many years. Initially, funding for both was supported by environmental groups and policy makers. However, at least over the last 6-8 years, particularly as the state began making investments with the cap-and-trade revenues, environmental groups and many policy makers have begun to oppose the near-zero-emission or low-emission infrastructure investments. The argument is that these are typically older technologies, and the investment should be aimed at scaling up emerging zero-emission options.

Background: In 2014, SB 1204 (Lara) created the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program under the California Air Resources Board. This Program funds HVIP (Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project), administered by CARB and CALSTART. Funding for the program comes from cap-and-trade-dollars via the GHG Reduction Fund. In addition to extending funding, the bill calls on the state board to incorporate into its 3-year investment strategy a provision to extend funding for the subsequent two fiscal years. The bill also asks that the investment strategy acknowledge funding needs for the state's school bus inventory, turnover, and useful life. According to the legislation "near-zero-emission means vehicles, fuels, and related technologies that reduce GHG emissions and improve air quality when compared with conventional or fully commercialized alternatives. Near-zero emissions vehicles shall include vehicles that meet or exceed a 0.02 grams per horsepower-hour low oxides of nitrogen emissions standard." According to the legislation, "zero emission means vehicles, fuels, and related technologies that reduce GHG emissions and improve air quality when compared with conventional or fully commercialized alternatives commercialized alternatives, as defined by the state board in consultation with the State Energy Resources Conservation and Development Commission."

Policy Considerations: Some CCAs have advanced fuels and ZEV programs; this legislation would extend funding for a popular zero/near-zero-emissions incentive program. Supporting the bill demonstrates commitment of ZEV penetration into the medium and heavy-duty vehicle market. Some CCA stakeholders are hardline decarbonization and ZEV advocates who do not want to entertain vehicle technology that is "near-zero emission". The fact that this legislation was written by the natural gas industry with the intention of increasing incentives for natural gas (and other low carbon) vehicles and fuels could be cause to critique CCAs' commitment to decarbonization.



Support: Clean Energy (largest domestic distributor of natural gas fuel in North America).

AB 322 (Salas) - Energy: Electric Program Investment Charge Program (EPIC): Biomass

Summary: Requires the CEC to allocate not less than 20% of the funds appropriated for the Electric Program Investment Charge (EPIC) program to bioenergy projects for biomass conversion.

Background: The CPUC created the EPIC program in 2012, with the goal of investing in scientific and technological research to accelerate the transformation of the electricity sector to meet the state's energy and climate goals.

Notes: Similar to the concerns with AB 96, there is concern regarding whether low-emission or near-zero-emission technologies should be prioritized by CCAs. While CCAs support biomass, particular to this bill, the concern is that this proposal would carve out a percentage of an existing pot that most environmental groups and policy makers want to see invested in zero-emission emerging technologies. The EPIC program is aimed at accelerating scientific research on emerging technologies and this bill seems to run counter to that priority.

AB 843 (Aguilar-Curry) - California Renewables Portfolio Standard Program: Renewable Feed-in Tariff

Summary: AB 843 is a narrow bill aimed to allow CCAs to access an existing state program that provides funding for renewable bioenergy electricity projects, including biomass and biogas. AB 843 does not propose any structural changes to the existing bioenergy program and allows for similar regulatory oversight of the program with the new applicants as currently administered.

Background: SB 1122 (2012) created a bioenergy feed-in tariff within the Renewable Portfolio Standard program, and required IOUs to procure 250 MW from then-new small- scale bioenergy projects. The CPUC created the BioMAT program, a feed-in tariff specifically for this purpose. The BioMAT program includes procurement of:

- Biogas from wastewater treatment, municipal composting, food processing, or co-digestion;
- Dairy and other agricultural bioenergy; and
- Generation from byproducts of sustainable forest management.



Problem: Currently, only IOUs are able to access the BioMAT funds and there is a large amount of available capacity remaining under the 250 MW cap set in statute. At the time of the SB 1122's passage in 2012, only one CCA had launched. In the CPUC's most recent review of the BioMAT program, Energy Division Staff recommended that CCAs, among others, be permitted to procure and recover costs for the BioMAT program. The CPUC rejected this recommendation given the statutory limitations of SB 1122 (2012), which only included IOUs.

Solution: Bioenergy generated from organic waste cuts greenhouse gas emissions, reduces catastrophic wildfires, helps divert waste from landfills, produces organic soil amendments for California's soils, and generates 2 to 6 times as many jobs as fossil fuel-based power. In contrast to other renewable resources such as wind and solar, bioenergy resources such as biomass or biogas are considered stable generation sources on the grid because the power is available 24/7. This allows purchases of bioenergy resources to compensate for intermittent resources and contributes to grid stability and reliability. As California's renewable energy goals become more ambitious, it is imperative that the grid contains a balanced mix of resources.

Separately, cities and counties are currently implementing SB 1383 (2016, Lara), which sets targets for reducing short-lived climate pollutants including methane, and black carbon. One of the potential compliance pathways a city/county can take to reduce short-lived climate pollutants is through bioenergy. Some local governments have expressed interest in exploring bioenergy with their CCAs, but these projects are usually cost-prohibitive for CCAs without access to cost recovery through the BioMAT program.

The air emissions impact of the catastrophic 2020 California wildfires is currently estimated to be over 100 million metric tons of CO₂. AB 843 ensures that there are profitable waste streams for some of this material, incentivizing better forest and agricultural land management as well as providing potential renewable energy resources for microgrids and other backup energy projects.

This Bill: Provides opportunities for CCAs to purchase more baseload resources, contributing to grid reliability as California's energy mix becomes increasingly intermittent. It also offers potential local government partners to sanitation and waste agencies seeking to meet state and local methane reduction goals. Specifically, AB 843:

- Gives CCAs the option to access funding their customers are already paying for bioenergy facilities.
- Does not raise the 250 MW cap or change the size of eligible bioenergy facilities.
- Provides similar CPUC oversight to funds used for CCA bioenergy contracts as it does for IOU bioenergy contracts.
- Does not provide any further CPUC oversight over CCA procurement.

AB 1088 (Mayes) - California Procurement Authority

Summary: AB 1088 would establish the California Procurement Authority as a state-level central procurement entity for the electric sector, including for load-serving entities (LSEs) that opt out of the procurement function (i.e., should an IOU choose to exit the retail market and the customers are not served by a CCA or a direct access provider.) This legislation is very similar to CalCCA's sponsored bill from 2020 (AB 3014 by Assemblymember Al Muratsuchi).

Background: California has depended heavily on IOUs to provide reliable electricity to their customers and to implement the State's aggressive climate and clean energy policies. IOUs ensure the availability of sufficient resources to meet demand and act as provider of last resort (POLR) for any and all customers within their service territory. Currently, California's electric sector is undergoing a de facto deregulation marked by significant market changes and driven by customer choice. Customers have expanded possibilities to meet their energy demand through community choice aggregation, direct access, and other energy service providers, as well as self-generation via customer-sited distributed energy resources such as rooftop solar and battery storage. By the mid-2020s, over 85 percent of the electricity used within IOU service territories could be supplied by sources other than the IOUs themselves. Although IOUs continue to provide transmission and distribution service to bundled and unbundled customers alike, as the number of electricity providers grows, electricity procurement for IOU bundled customers will continue to decline dramatically, with procurement costs allocated to unbundled utility customers at a similarly expansive rate. Amid this electric sector transition, California has set the ambitious goals of reducing GHG emissions by at least 40 percent below the 1990 level by 2030 and achieving 100 percent zero-carbon electricity by 2045. California is also seeking to avoid a repeat of the grid reliability challenges that unfolded in August 2020 due to several factors, including extreme weather exacerbated by climate change and a scarcity of needed electric energy supply to meet peak summer demand.

Proposed Solution: IOUs are now among many entities serving California's electric load. As this organic market decentralization evolves, future state oversight and control of electricity procurement will need to encompass a wider set of providers and take into consideration the significantly reduced role of IOUs in electricity procurement. Coordinated planning, authority, and enforcement capability will be needed to support customer choice, manage procurement costs borne by ratepayers and avoid a repeat of California's energy crises of the past. This bill provides a framework to address and resolve key procurement challenges to better ensure electric energy supply for California residents and the achievement of the state's clean energy and climate goals, reliably and affordably.

This Bill: AB 1088 would establish the California Procurement Authority and direct the CPUC, CAISO, and Public Advocates Office to develop a framework under which the Authority would procure energy resources to:



- Ensure LSEs statewide collectively meet all RA and IRP needs and requirements
- Serve as LSE for customers not served by another LSE, including where an LSE has opted out of the procurement function; and
- Serve as POLR for customers where no other LSE is serving in this role

Support: SDG&E

AB 1110 (Rivas) Zero-emission vehicles: California Clean Fleet Accelerator Program

Summary: Creates the California Clean Fleet Accelerator Program within the Department of General Services (DGS) to setup and facilitate a process for build purchases of zero-emission fleet vehicles by state agencies. The established bulk purchase procedures, or master settlement agreement (MSA), would qualify the purchase for financing from the Climate Catalyst Revolving Loan Fund administered by the California Infrastructure and Economic Development Bank (I-Bank) within the Governor's Office of Business and Economic Development (GO-Biz).

AB 1139 (Gonzalez) - Solar Equity and Ratepayer Relief Act (Reform NEM)

Background:

1. Existing law requires the CPUC in establishing CARE discounts for an electrical corporation with 100,000 or more customer accounts in California, to ensure that the average effective CARE discount shall not be less than 30% or more than 35% of the revenues that would have been produced for the same billed usage by non-CARE customers.
2. Existing law requires every electric utility, defined to include electrical corporations, local publicly owned electric utilities, and electrical cooperatives, to develop a standard contract or tariff for net energy metering (NEM).

Summary:

1. This bill would require the CPUC to ensure that the average effective CARE discount shall not be less than 40% or more than 45% of the revenues that would have been produced for the same billed usage by non-CARE customers.
2. This bill would strike existing NEM provisions and require all IOUs to submit, by advice letter, a standard NEM contract or tariff that would take effect beginning on July 1, 2022, and apply to all customer self-generators and replace all prior standard contracts and tariffs. The bill would require that the new NEM contract or tariff credit the customer self-generator for any electricity exported by the customer self-generator to the distribution system or transmission system at a rate equal to the hourly wholesale market rate applicable at the time of the export and the location of the customer self-generator and that the customer self-generator shall be charged for electricity



imported from the distribution system or transmission system at a rate equal to the otherwise applicable tariff for customers in the same class of service who are not customer self-generators.

- i. For customer self-generators taking energy supply service from a CCA, the bill would authorize the CCA to determine to provide credits and charges in different amounts.
 3. The bill would require that a customer self-generator be charged a monthly grid access charge equal to the costs attributable to the customer's gross electricity usage billed at the otherwise applicable rates for all elements of retail service except for generation, minus the amount the customer paid for nongeneration elements of retail service paid as part of the rate for imported electricity.
 4. Beginning July 1, 2022, this bill would require the CPUC to annually allocate up to the following amounts, divided proportionately among the electrical corporations based on the number of residential customers of each electrical corporation, for the following purposes:
 - i. \$300,000,000 for residential customer self-generators who both participate in the CARE program and live in multifamily housing or in underserved communities to discount the initial purchase cost for the renewable electrical generation facility,
 - ii. \$300,000,000 to eliminate any rate premium required and provide an additional 10% discount for residential customers who participate in the CARE program to participate in a 100% solar option under the Green Tariff Shared Renewables Program, and;
 - iii. \$500,000,000 for facilities serving public buildings to discount the initial purchase cost for the renewable electrical generation facility.
- This bill would authorize the electrical corporations to collect the projected annual amounts used to implement this paragraph as a nonbypassable charge on distribution.

SB 18 (Skinner) – Green Hydrogen

Summary: SB 18 is focused on accelerating deployment of “green hydrogen,” defined as hydrogen gas not produced from fossil fuel feedstock sources and not producing incremental carbon emissions during production. SB 18 would require the ARB to prepare a strategic plan for accelerating the production and use of green hydrogen and an analysis of how curtailed power could be better utilized in producing green hydrogen. Additionally, SB 18 would require the CEC to submit a report to the Legislature by June 2022 studying and modeling green hydrogen and its role in decarbonizing the power and transportation sectors and helping to achieve 100% clean energy goals. SB 18 would require the CPUC to modify RA requirements to provide equal consideration for dispatchable local and system RA resources made from green hydrogen, and to consider green hydrogen in portfolio diversity in a new energy storage rulemaking. Finally, SB 18 would



require the CPUC, CARB, and CEC to work to advance green hydrogen in the IRP process and in other decarbonization strategies.

Background: Skinner is interested in decarbonizing the economy, and sees green hydrogen as the next step to do so throughout many difficult-to-decarbonize sectors. She is seeking to position California as a leader in the green hydrogen industry. Green hydrogen is not currently used as a meaningful source of energy storage, and SB 18 would pave the way to rely more on green hydrogen for California's energy storage needs including through the RA and IRP processes.

SB 30 (Cortese) – California State Building Decarbonization Plan

Summary: This bill mandates that state buildings and facilities achieve carbon-neutrality by 2035, and that all newly designed and constructed state buildings be zero emissions beginning in 2022.

Background: This is part of a growing effort to push the state further in its efforts to electrify the building sector as part of our GHG reduction goals, as California's building were responsible for 37 million metric tons of GHG emissions in 2016. This bill uses state owned buildings to lead the way.

SB 31 (Cortese) – Building Decarbonization

Summary: This bill requires the CEC, under the EPIC program, to award funds for projects that will benefit electricity ratepayers and lead to the development and deployment of commercial and residential building decarbonization technologies and investments that reduce or eliminate GHG in those buildings. The bill would also allow the CEC to expend federal funding that the state could receive as part of a COVID-19 relief package on projects for existing and new building decarbonization.

Background: In December 2011, the CPUC established the EPIC fund and designated the CEC and the three major IOUs as administrators of the program. EPIC funds a competitive grant process for projects that will benefit electricity ratepayers and lead to technological advancement. The purpose of the program is to invest in research projects that create and advance new energy solutions, foster regional innovation, and bring ideas from the lab to the marketplace. The CEC administers about \$130 million per year of EPIC funds, approximately 80% of the total program budget. The CEC has three silos to which it allocates EPIC funds: 1) applied research and development, 2) technology demonstration and deployment (TDD), and 3) market facilitation. The IOUs only fund TDD projects. The CEC, in its 2016 Annual Report, adopted the allocation for disadvantaged communities put forward in SB 350 bill, and noted that 35.7% of TDD funding awarded in 2016 went to projects that included at least one site in a disadvantaged community.



According to the bill author, building decarbonization technologies and projects are not currently eligible for EPIC programs. This bill will direct the CEC to identify and implement programs to promote existing and new building decarbonization. This bill requires that any funds awarded under this new program includes prevailing wage at every stage.

SB 67 (Becker) – California Clean Energy Standard Program

Background: Existing law establishes as policy of the state that eligible renewable energy resources and zero-carbon resources supply 100% of retail sales of electricity to California end-use customers and 100% of electricity procured to serve all state agencies by December 31, 2045.

Summary: This bill would establish the California 24/7 Clean Energy Standard Program, which would require that 85% of retail sales annually and at least 60% of retail sales within certain subperiods by December 31, 2030, and 90% of retail sales annually and at least 75% of retail sales within certain subperiods by December 31, 2035, be supplied by eligible clean energy resources, as defined. This bill would require the CEC, in consultation with the CPUC and California balancing authorities, to establish compliance periods and subperiods that meet certain criteria. This bill would require the CPUC/CEC to establish clean energy procurement requirements for each compliance period and subperiod.

SB 204 (Dodd) – Demand Response

Summary: The Base Interruptible Program (BIP) is an emergency electricity demand response program regulated by the CPUC, used as a last line of defense against rolling blackouts. This bill would allow customers to stay on the IOUs BIP program even if the CCA or DA provider that serves the customer creates its own similar program.

Background: The BIP program is an emergency DR program for non-residential customers, that is regulated by the CPUC with events triggered by CAISO or local system emergencies. Customers receive a monthly capacity credit in exchange for a commitment to reduce energy consumption down to or below their Firm Service Level. In 2018, SCE had 571 customers enrolled in the program, PGE had 331, and SDG&E had 6. The program is rarely used. However, the program was heavily utilized during the summer 2020 outages. On August 14, 2020, California called on the BIP and continued to call on it for a total of 5 consecutive days, which allowed 790 MW of load shed. The BIP was called again in September 2020 over Labor Day weekend, for two and three consecutive days (PG&E and SDG&E service territories for two days; SCE service territory for three days). In both instances, the BIP was credited with preventing more rolling blackouts.

Current CPUC guidance, as stated in Decision 17-10-017, allows programs like BIP to be available to customers receiving bundled-service, CCA service, or DA service *as long as* their DA provider or CCA does not offer a similar program. However, if their CCA or DA provider offers a similar program, they become ineligible for the IOU program under the competitive neutrality cost causation principle, and are excused from paying the costs of the IOUs program. This bill would make an exception for the BIP program by allowing customers exit from the program to be optional rather than mandatory, even if their CCA or DA provider offers a similar program. It would also create a baseline for the minimum incentive levels, and allow the CPUC to approve increased incentive levels if they CPUC determines they are warranted to ensure continued participation. It would also require the CPUC to consider revising the categorization of the BIP from supply to load modifying DR. Finally, it would require the CPUC to implement a pilot economic DR program to be administered by the IOUs in which BIP customers could participate.

SB 612 (Portantino) – Equitable Access to Legacy Resources (PCIA)

Background:

- Early procurement of renewable resources by IOUs has led to significant above-market costs as renewable prices have declined, resulting in billions of dollars of stranded costs
- When a customer transitions from an IOU to the CCA, the customer continues to share cost responsibility with IOU customers for legacy resources purchased prior to the customer's transition to CCA service
- While all customers bear cost responsibility for legacy resources, only IOU customers have the right to access *the benefits* of these resources, such as renewable energy, greenhouse-gas free energy, and resource adequacy
- SB 612 would resolve this inequity by enshrining equal access to benefits into statute

Summary:

SB 612 would add new sections to the Public Utilities Code that are designed to ensure fair and equal access to the benefits of legacy resources and ensure resources held in IOU portfolios are managed to maximize value for all customers. Specifically, SB 612 would:

1. Provide IOU, CCA, and direct access customers equal right to receive legacy resource products that were procured on their behalf in proportion to their load share if they pay the full cost of those products.



2. Require the CPUC to recognize the value of GHG-free energy and any new products in assigning cost responsibility for above-market legacy resources, in the same way value is recognized for renewable energy and other products.
3. Require IOUs to offer any remaining excess legacy resource products not taken by IOU, CCA, or direct access customers to the wholesale market in an annual solicitation.
4. Require each IOU to transparently solicit interest from legacy resource contract holders in re-negotiating, buying out, or otherwise reducing costs from these contracts.

Additional Procedural Background:

- The inequity surrounding access to the benefits of the legacy resources has been long recognized by regulators and stakeholders. The CPUC first initiated a proceeding to resolve this issue in 2017, and subsequently directed CalCCA, SCE, and Commercial Energy (the “co-chairs”) to work out a consensus proposal
- The joint proposal was presented to the CPUC in February 2020, but has not been given any procedural consideration over the last year

SB 612 Co-Authors (as of 3/10/21)

1. Senator Ben Allen (D-Santa Monica)
2. Senator Josh Becker (D-Palo Alto)
3. Senator Monique Limon (D-Santa Barbara)
4. Senator Mike McGuire (D-Healdsburg)
5. Senator Scott Wiener (D-San Francisco)
6. Assemblymember Rebecca Bauer-Kahan (D-Orinda)
7. Assemblymember Marc Berman (D-Menlo Park)
8. Assemblymember Richard Bloom (D-Santa Monica)
9. Assemblymember Tasha Boerner-Horvath (D-Encinitas)
10. Assemblymember David Chiu (D-San Francisco)
11. Assemblymember Ash Kalra (D-San Jose)
12. Assemblymember Alex Lee (D-Milpitas)
13. Assemblymember Marc Levine (D-San Rafael)
14. Assemblymember Kevin Mullin (D-San Mateo)
15. Assemblymember Al Muratsuchi (D-Torrance)
16. Assemblymember Robert Rivas (D-Hollister)
17. Assemblymember Mark Stone (D-Scotts Valley)



- 18. Assemblymember Phil Ting (D-San Francisco)
- 19. Assemblymember Jim Wood (D-Healdsburg)

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Item 6

Receive Update and Provide Input on Outreach Planning for Phase 2

CAC & Phase 2

- Community-Member Guidelines Document
- Talking points tailored for Phase 2
- Business Community Forums
- Account support
 - Online Bill Comparison Tool
 - Rate key
- Identify Business Associations and Leaders in your community
 - Community Power Academy
- Support general outreach as needed

Item 7

Discuss and Consider Recommendation to the Board on AB 1139 (Gonzalez)

Item 8

Standing Item: Discussion of Potential Agenda Items for Board of Directors Meetings

Regular Meeting Agenda

**Committee Member
Announcements**

Adjournment



Community Advisory Committee

Next Regular Meeting

May 14th, 2021

