

**VALLEY CLEAN ENERGY ALLIANCE****Staff Report - Item 13**

---

**TO:** Board of Directors

**FROM:** Mitch Sears, Interim General Manager  
Mark Fenstermaker, Pacific Policy Group

**SUBJECT:** Recommendation to the Board on legislative positions: AB 1814, AB 1944, SB 1287

**DATE:** March 10, 2022

---

**Recommendation:**

Support AB 1814 (Grayson)  
Support AB 1944 (Lee)  
Oppose SB 1287 (Bradford)

**Background and Analysis**

The deadline for legislators to introduce bills for the 2022 legislative session passed on February 18, 2022 and staff, working with VCE's lobbyist Mark Fenstermaker of Pacific Policy Group and the Community Advisory Committee's Legislative and Regulatory Task Group, are working through their process to review, analyze, and discuss potential positions to recommend to the Board as appropriate. At the most recent meeting between Staff, the Legislative and Regulatory Task Group, and Mr. Fenstermaker, the group discussed AB 1814 (Grayson), AB 1944 (Lee) as a bill to support and SB 1287 (Bradford) as a bill to oppose.

Staff is recommending the Board adopt a support position on AB 1814 and AB 1944 and an oppose position on SB 1287 based on the following analyses:

**AB 1814 (Grayson) Transportation Electrification Funds: Community Choice Aggregators**

Summary: AB 1814 would authorize Community Choice Aggregators (CCAs) to submit applications to the California Public Utilities Commission (CPUC) to receive funding to administer transportation electrification programs in their service areas.

Specifically, this bill would explicitly authorize CCAs to file applications for programs and investments to accelerate widespread transportation electrification. In order to submit these applications, CCAs would be regulated to meet all of the same requirements that IOUs are currently required to meet.

This is CalCCA's sponsored bill for the 2022 legislative session. The bill is consistent with the VCE Legislative Platform, specifically Provision 10 regarding Local Economic Development and Environmental Objectives.

#### Additional Information:

- This bill is sponsored by CalCCA
- Next Hearing; The bill has been referred to Asm. Utilities & Energy Committee and is awaiting a hearing date.
- Bill language: [AB 1814](#)

#### **AB 1944 (Lee) Open and Public Meetings**

Summary: This bill would permanently allow local agencies to allow board members to join public meetings via teleconference without disclosing the location from which they are joining the meeting. Should a local agency allow board members to join via teleconference, then the public meeting must be streamed to the public and the public must have an option to remotely provide comments during the meeting

Specifically, the bill will:

- 1) Authorize local agencies to permanently permit members of the legislative body to participate in a local agency's public meetings via teleconference from a private location without having to identify the address of the private location or make the private location publicly accessible during the meeting.
- 2) If a local agency elects to permit members of the legislative body to participate via teleconference, then the local agency must provide a video stream of the meeting to the public as well as an option for members of the public to remotely address the legislative body during the public meetings.

Throughout the COVID-19 pandemic, VCE (as well as many other local agencies) has successfully conducted its board meetings virtually. This bill builds off of AB 361 (R. Rivas, 2021) which allows local agencies to virtually conduct public meetings without disclosing board members' locations, but the policy is limited to when an active state of emergency is in effect. AB 1944 will continue this practice forward.

#### Additional Information

- Next hearing: The bill has been referred to Asm. Local Government Committee and is awaiting a hearing date.
- Bill language: [AB 1944](#)

#### **SB 1287 (Bradford) CCA and ESP Financial Security Requirements**

Summary: This bill would require the posted bond amount, or demonstrated insurance amount, at the time of registration by an electric service provider or a community choice aggregator to be no less than \$500,000. The bill would also require the commission to update the financial security requirements for electric service providers and community choice aggregators to instead include costs for no less than 12 months of incremental procurement incurred by the provider of last resort, upon the customers' involuntary return.

Specifically, the bill will:

- 1) Amend current law that requires a CCA or ESP to post a bond or demonstrate insurance sufficient to cover the reentry fees of customers who are involuntarily returned to an investor-owned utility to instead require a minimum bond or insurance in the amount of \$500,000.
- 2) In calculating the insurance or bonding requirement, the PUC shall include costs for no less than 12 months of incremental procurement incurred by the provider of last resort.

SB 1287 will significantly increase the amount of insurance that VCE will need to hold to cover the unlikely event that VCE discontinues service and its customers are involuntarily returned to PG&E. The \$500,000 minimum figure and the requirement that the insurance amount include incremental procurement made by the IOU does not factor in already contracted energy for VCE's customers. In addition, calculating the incremental procurement will be incredibly complex and challenging and will contribute to additional unnecessary cost to VCE and its customers, similar to PCIA. Lastly, this requirement will create another obstacle for communities who wish to launch a CCA and will all but eliminate any new CCAs from forming.

Opposing this bill is consistent with the VCE Legislative Platform, specifically Provision 1 regarding legislation affecting governance and statutory authority.

#### Additional Information

- Next hearing: The bill is awaiting referral to a policy committee.
- Bill language: [SB 1287](#)