

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 5

To: Valley Clean Energy Alliance Board of Directors

From: Mitch Sears, Interim General Manager, VCEA
Shawn Marshall, LEAN Energy US

Subject: Regulatory & Legislative Update

Date: October 12, 2017

RECOMMENDATION: Receive regulatory and legislative updates.

BACKGROUND & DISCUSSION:

Participation in CCA regulatory and legislative affairs is a critical aspect of VCEA’s long-term planning, operations, and risk management strategy that will grow in importance as VCEA draws closer to CPUC certification and program launch. At present, LEAN Energy is providing regulatory monitoring and reporting on key regulatory issues affecting emergent CCAs. Cal-CCA, a statewide trade association of which VCEA is an affiliate member, participates in regulatory proceedings and also provides coordinated legislative support in Sacramento.

Regulatory Proceedings/Priorities: Attached please find LEAN’s most recent regulatory report (dated October 5, 2017) which provides a summary overview and several links to supporting documents regarding key regulatory issues currently before the CPUC.

Of particular note this month is a CPUC sponsored workshop on California Customer Choice scheduled for **Tuesday, October 31** at the State Capitol. The focus will be on CA’s evolving regulatory framework and electric market choice models from around the US and world. More information will be shared as details become available. Please see www.cpuc.ca.gov/choiceworkshop for information and registration details.

Legislative Report/End of 2017 Session

Attached please find a report authored by Cal-CCA’s lobbyists that provides a recap of the 2017 legislative session. A quote from the report reflects the good news and possible challenging news ahead, “While we were ultimately successful in 2017, the victories were all hard won and CalCCA will continue to face many significant challenges in the Legislature going forward.” The report provides summary outcomes of the following bills and key issues:

- SB 618 (Bradford) – Procurement Autonomy
- Regionalization/ITC Procurement
- SB 100 (DeLeon) – 100% Carbon Free Energy
- AB 79 (Levine) – Hourly Emissions Reporting
- AB 920 (Aguiar-Curry) - Baseload renewables

Attachments: LEAN Energy US Sept/Oct Regulatory Report; Cal-CCA 2017 Legislative Year-End Report



To: LEAN Energy Clients:
Coachella Valley Association of Governments
East Bay Community Energy
Monterey Bay Community Power
Redwood Coast Energy Authority
Silicon Valley Clean Energy
Valley Clean Energy Alliance
Western Riverside Council of Governments

From: Shawn Marshall, Executive Director, LEAN Energy US

Date: October 5, 2017

Subject: Regulatory Update #15, September/October 2017

Each month, LEAN focuses on regulatory activities likely to have broad impact on the Community Choice Aggregation (CCA) community and emergent CCA programs. This memo provides an update on key developments at the California Public Utilities Commission (CPUC) and California Energy Commission (CEC) in the past month.¹

CUSTOMER CHOICE WORKSHOP – OCTOBER 31

As a preliminary matter, LEAN suggests that you reserve October 31 for what appears to be another interesting discussion on retail choice options in California. The CPUC has issued a save the date notice ([Notice](#)). On May 19, the CPUC and CEC jointly held an en banc hearing on retail competition issues (see [Rough Notes](#)), with post-hearing comments being filed by a number of parties, including [CalCCA](#) (See all [Comments](#).) The workshop will be held at the State Capitol and should be an informative event.

CPUC REGULATORY CASE DEVELOPMENTS

Power Charge Indifference Adjustment (PCIA) Rulemaking Proceeding And Related Matters

To Do:

LEAN is monitoring developments in the [PCIA Rulemaking Proceeding](#).

Background:

As previously reported, the topics for consideration in the PCIA rulemaking include:

- Improving the transparency of the existing PCIA process;

¹ This monthly memo is designed to provide LEAN’s clients with a current snapshot of key regulatory activities related to CCA in order to help them make informed decisions about whether and how to engage in regulatory processes during their program formation and early operations. This monthly report is not a comprehensive inventory of regulatory and statutory requirements impacting operational CCAs. Regulatory and statutory compliance requires a more comprehensive inventory than the subset of activities described herein, and must be tailored to the specific circumstances of each CCA program.

- Revising the current PCIA methodology to increase stability and certainty;
- Reviewing specific issues related to inputs and calculations for the current PCIA methodology;
- Considering alternatives to the PCIA;
- SB 350 considerations on the treatment of bundled retail customers and departing load customers;
- Status of PCIA exemptions for California Alternate Rate for Energy (CARE) and Medical Baseline (MB) customers.

On July 31, twenty-four parties, including [CalCCA](#), filed opening comments on the PCIA OIR. (See [summary](#).) On August 31, the CPUC held a prehearing conference (PHC). (See [PHC Statements Summary](#); [PCIA PHC Transcript](#).)

Related Activity:

On a related note, several CCAs, along with the IOUs, filed a [Petition for Modification](#) of D.06-07-030 on April 5, 2017 to direct the IOUs to include a common PCIA calculation workpaper template in ERRA Forecast applications. On August 24, 2017, the CPUC approved the [decision](#) granting the petition.

In the [Consolidated ERRA Proceeding](#), the CPUC is considering whether to end the PCIA for pre-2009 vintage customers and how to dispose of PG&E’s negative PCIA balance. CCA interests are seeking to ensure that any positive treatment for pre-2009 vintages also applies to CCA-related vintages.

Recent Activity:

On September 25, 2017 a [Scoping Memo](#) was issued establishing two Tracks of the PCIA Rulemaking proceeding. Track 1 will address exemptions from the PCIA for customers participating in the CARE and MB programs, while Track 2 will consider alternatives to the current PCIA methodology, with initial emphasis placed on how to get proper access to PCIA data through a protective order.

Next Steps:

- No later than October 6: Meet and Confer regarding data issues
- No later than October 16: Workshop 1 (Review of Current Methodology)
- No later than November 17: Workshop 2 (Data Discussion and Going-forward Solutions)
- December 1: Status report from parties on next steps and evidentiary hearings
- December 8: Opening brief on PCIA exemptions for CARE and MB programs. (Reply briefs: January 12)

Integrated Resource Planning (IRP)

To Do:

LEAN is monitoring [this proceeding](#) and considering forming a working group to address CCA IRP issues.

Background:

This rulemaking proceeding is addressing the new IRP requirements associated with SB 350, as well as long-term procurement planning (LTPP) policies.

On May 16, the Energy Division issued [their proposal](#) on the IRP planning process. As previously reported, it appears that the Energy Division is proposing a prescriptive approach with respect to the IRP process, with significant requirements on Community Choice Aggregators serving 700 GWh or more per year in electric load. Community Choice Aggregators serving less than 700 GWh per year will likely be subjected to far fewer requirements. The following are summaries of parties’ [opening comments](#), submitted on June 28, and [reply comments](#), submitted on July 12.

Recent Activity:

On September 19, a [Ruling](#) was issued distributing a proposed Reference System Plan (See [Summary](#) of Ruling). On September 25-26, a workshop took place providing preliminary feedback on the Proposed Reference System Plan of the IRP process (See [Agenda](#)).

Next Steps:

- As confirmed in September 19, 2017 Ruling:
 - October 26, 2017/November 9, 2017: Opening/Reply Comments on Proposed Reference System Plan
 - November 2, 2017: All-party Meeting with Commissioners
 - End of 2017: Proposed Decision on Reference System Plan and IRP filing guidance for LSEs
 - Second Quarter 2018: IRP filings by individual LSEs.

CCA Bond Requirements

To Do:

LEAN will continue to monitor [this proceeding](#).

Background:

This rulemaking proceeding was originally opened in 2003 to implement the CCA enabling statute (Assembly Bill (AB) 117). However, this rulemaking proceeding is now simply focused on the methodology for setting the CCA Bond, which is intended to cover the costs of involuntary re-entry fees of CCA customers to bundled IOU service. Opening testimony was submitted on July 28. (See [CalCCA Testimony](#) and [CalCCA Appendices to Testimony](#); [Marin Clean Energy \(MCE\) Opening Testimony](#) and [MCE Appendices](#); [Joint Utilities Testimony](#)).

The Joint IOUs served [rebuttal testimony](#) on August 25, 2017. CalCCA also served [rebuttal testimony](#) on August 25, 2017.

Recent Activity:

On September 18, [CalCCA](#) and [Joint IOUs](#) provided comments noting that evidentiary hearings are necessary.

Next Steps:

EVENT	DATE
Evidentiary Hearings	October 11-12, 2017
Post-hearing Briefs	TBD after hearings
Post-hearing reply Briefs	TBD after hearings

PG&E 2018 Energy Resource Recovery Account (ERRA) Proceeding / SCE 2018 ERRA Proceeding

To Do:

LEAN will continue to monitor the [PG&E ERRA Proceeding](#) and the [SCE ERRA Proceeding](#).

Background:

The annual ERRA proceeding is the proceeding in which the PCIA is generally addressed.

PG&E ERRA

- On June 1, PG&E submitted its [ERRA Testimony](#) for approval of its forecast 2018 ERRA revenue requirement. On August 4, a [Scoping Memo and Ruling](#) stated that the PCIA rulemaking, not ERRA proceedings, is the proper forum to discuss policy issues, such as changing existing methods of calculation that are applicable to all IOUs.
- On August 28, 2017, Sonoma Clean Power (SCP) submitted [Testimony](#) arguing for a reduction in PG&E's PCIA for various reasons.

SCE ERRA

- On May 1, SCE submitted its [Testimony](#) for approval of its forecast 2018 ERRA revenue requirement. The California Choice Energy Authority (Cal Choice) is actively participating in this proceeding on behalf of Lancaster and other southern California cities. On August 24, the active parties in the proceeding, including Cal Choice, filed a [Stipulation](#) on issues to be addressed in the proceeding regarding SCE's proposed PCIA, with particular focus on the lack of meaningful oversight of SCE's PCIA calculation (and resulting errors that can occur).

Recent Activity:

On September 18, SCP agreed to withdraw portions of its Testimony that were the subject of a Motion to Strike from PG&E, and PG&E, in return, agreed to withdraw Chapter 3 of its rebuttal testimony. (See SCP [Revised Testimony](#) and [PG&E Revised Rebuttal Testimony](#).) Evidentiary hearings took place on September 20.

On September 22, Cal Choice filed its [Opening Brief](#).

Next Steps:

PG&E

- Opening Briefs Due October 2
 - Reply Briefs Due October 16
- PG&E Updated Testimony November 2
 - Comments on PG&E November Update Due November 6.
- A Proposed Decision is expected in early-mid November.

SCE

- Reply Briefs Due October 13
- SCE Updated Testimony November 10
 - Comments on SCE's November Updates Due November 16

Renewables Portfolio Standard (RPS)-Procurement Plans

To Do:

LEAN will continue to monitor [this proceeding](#).

Background:

This rulemaking proceeding addresses ongoing oversight of the RPS program, including review of procurement plans and reporting on RPS progress. The following CCA-related RPS Procurement Plans were submitted on July 21:

- [Apple Valley Choice Energy](#)

- [Lancaster Choice Energy](#)
- [Silicon Valley Clean Energy \(“SVCE”\)](#)
- [MCE](#)
- [Peninsula Clean Energy \(“PCE”\)](#)
- [Pico Rivera Innovative Municipal Energy](#)
- [Redwood Coast Energy Authority](#)
- [Sonoma Clean Power Authority \(“SCPA”\)](#)

Comments on the RPS Procurement Plans were filed on August 18. The following is a summary of the comments, with certain parties arguing that CCA programs are not investing in new, long-term renewable projects. (See [Summary of Comments](#).)

Recent Activity:

On September 22, [Apple Choice Energy](#), [Pico Rivera Innovative Municipal Energy](#), [SVCE](#) and [Lancaster Choice Energy](#) submitted Updated 2017 RPS Procurements Plans.

Next Steps:

- The ALJ is expected to release a Proposed Decision on RPS Procurement Plans in Q4 2017.
- Reporting deadline for supplemental compliance documents is November 1.

PG&E’s Diablo Canyon Power Plant Closure

To Do:

LEAN will continue to monitor [this proceeding](#).

Background:

On June 20, 2016, PG&E and other parties distributed a [Joint Proposal](#) governing the closure of Diablo Canyon and replacement of Diablo Canyon with a greenhouse gas free portfolio of energy efficiency, renewables, and energy storage that includes a 55 percent RPS commitment by 2031. On January 1, Joint Intervenors submitted [Joint Opening Testimony](#). With the filing of reply briefs on June 16 ([Joint Opponents](#), [PG&E](#), and [City and County of San Francisco](#)), this proceeding is now submitted for the issuance of a proposed decision.

On August 31, PG&E submitted an [Ex Parte Notice](#) on August 31, describing withdrawal of its Tranche 2 and 3 proposals, but continuing to seek approval of energy efficiency proposals (Tranche 1) and other key elements, including employee retention and Community Impact Mitigation Program settlement.

Recent Activity:

None.

Next Steps:

- A proposed decision is expected in October.

SDG&E’s Request to Establish a Marketing Affiliate (Advice Letter 2822-E) (CCA Code of Conduct)

To Do:

No change since last month. LEAN will continue to monitor activity related to this matter.

Background:

On January 27, SDG&E filed a revised compliance plan, [Advice Letter 3035](#), for its Independent Marketing Division (IMD). On February 16th, LEAN joined with other parties in [protesting](#) this latest advice letter. On April 6, the Energy Division issued a [Disposition Letter](#) approving AL 3035. On April 17, the CalCCA sent a [letter](#) to the Commission requesting full Commission review of the Disposition Letter, and reiterating an earlier request for an Order to Show Cause regarding lobbying activity that SDG&E/Sempra conducted before the Advice Letter was approved. CalCCA's request, however, does not suspend the effectiveness of the Energy Division's approval. CPUC staff indicated in a teleconference on July 24 that no formal action will be taken on the Order to Show Cause.

Recent Activity:

On a matter related to the CCA Code of Conduct, Cal Choice submitted a [Letter](#) to assigned Commissioners on September 25. The letter expressed concern for SCE's conduct in forming a coalition related to the PCIA. On September 28, SCE submitted a [Response](#).

Next Steps:

- October 2017: The CPUC's Energy Division will prepare a draft resolution addressing CalCCA's request for full Commission review of the disposition letter
- Separately, the CPUC's Legal Division is preparing a decision responding to SDG&E's application for rehearing of Resolution E-4874, which determined that SDG&E's IMD is also subject to the CPUC's affiliate transaction rules

Tree Mortality Nonbypassable Charge (NBC)

To Do:

LEAN will continue monitoring [this proceeding](#).

Background:

On November 14, 2016, the IOUs filed their proposal to establish a Tree Mortality NBC ([Testimony](#).) CalCCA filed a [Protest](#). On July 14, CalCCA filed a [motion](#) arguing that parties should be allowed to argue for different cost recovery treatment for costs that have been statutorily authorized, on the one hand, versus costs that have simply been authorized by the Commission.

Recent Activity:

None.

Next Steps:

- A Scoping Memo will be issued defining the scope of issues and procedural schedule

Proposed CCA Fee Reductions - PG&E General Rate Case (GRC) Phase 2

To Do:

LEAN is continuing to monitor [this proceeding](#).

Background:

PG&E's Phase 2 Application is used to, among other things, consider new rate proposals. PG&E has proposed significant reductions on CCA fees: Meter Data Management Fee (going from \$7.67 to \$0.14 per meter/month charge) and the Billing Service Fee (going from either \$0.44 or \$1.14, depending on whether it is bill-ready or rate-ready, to \$0.21 per service agreement/billing cycle). SCE has also proposed significant reductions in its CCA service fees. (See SCE [Testimony](#) on CCA Service Fees).

Recent Activity:

On September 14, PG&E filed the [Eighth Settlement Status Report](#). A settlement in principle has been reached on CCA service fees, with efforts aimed at finalizing settlement agreements for these areas. PG&E has agreed to bifurcate the CCA service fee issue and request early adoption.

On September 14, a [Decision](#) adopting the Lancaster/SCE settlement was issued. Reduced CCA fees will be effective in mid-October.

Next Steps:

- PG&E's CCA service fee settlement will likely be submitted in late-October.

Default TOU and ME&O-Residential Rate Rulemaking

To Do:

LEAN will continue to monitor developments in [this proceeding](#).

Background:

On April 14, SCE filed an [Application and Testimony](#) to approve its *Default* TOU rates for residential customers. Under SCE's proposal, a limited number of customers would be put on TOU rates starting in the fourth quarter of 2018. On August 24, 2017, the CPUC issued a [Decision](#) dismissing SCE's application and directing that SCE refile its proposal consistent with the timeline for the other IOUs (by January 1, 2018). SCE indicated that it will likely request in the new application to defer default of all customers until 2021 (after the fourth quarter of 2020), in order to allow for implementation of SCE's billing system changes.

On June 28, 2017, a [Draft Resolution](#) was issued on PG&E's *Pilot* Residential Rate TOU program. MCE and SCPA are the only CCAs participating in PG&E's Pilot TOU program; all other CCAs are excluded from participation. On July 31, MCE and SCPA submitted [comments](#) on the Draft Resolution, expressing concern about PG&E's lack of progress in providing a comparable bill-calculator for CCA customers. On August 10, a [Final Resolution](#) approved PG&E's Pilot Residential Rate TOU program. The resolution clarified that PG&E may recover costs necessary to provide CCA customers with rate comparisons for the default pilot entirely through distribution rates. However, the resolution declined to provide any direction regarding the appropriate method or cost recovery for creating a long term rate comparison tool solution for CCA customers.

Recent Activity:

On September 26, the CPUC submitted [Draft Resolution E-4882](#) addressing PG&E's ME&O on Residential Default TOU Rates. The Draft Resolution is scheduled to be addressed at the November 9, 2017 CPUC Voting Meeting.

Next Steps:

- The IOUs are required to file applications for default TOU programs by January 1, 2018, for implementation in 2019.

CEC REGULATORY CASE DEVELOPMENTS

Implementation of AB 1110 – Power Source Disclosure

To Do:

LEAN is monitoring developments in this [CEC Proceeding](#). (See [OIR](#).)

Background:

This proceeding considers modifications to the Power Source Disclosure Program. Retail sellers, which includes CCAs, will be required to disclose both greenhouse gas (GHG) emissions intensity of their respective electricity portfolios offered to customers and the CEC’s calculation of GHG emissions intensity associated with all statewide sales. Retail sellers will also annually report other information to verify procurement claims and environmental claims made for the previous year. The CEC is required to adopt program guidelines by January 1, 2018. On June 27, CEC staff issued the [AB 1110 Implementation Proposal](#). Numerous parties have submitted comments on the proposal.

Recent Activity:

On September 18, Peninsula Clean Energy (PCA) submitted a fairly detailed set of [Comments](#).

Next Steps:

- Development of revised implementation proposal.

CPUC/CEC – JOINT ACTIVITY

Environmental Justice (EJ) and Disadvantaged Communities (DAC) Issues

To Do:

LEAN will monitor any CPUC or CEC developments that result from the *En Banc* hearing and the current DAC Advisory Group Proposal.

Background:

Senate Bill (SB) 350 requires the CPUC to help improve air quality and economic conditions in communities identified as “disadvantaged.” Additionally, SB 350 requires that the CPUC and the CEC create a DAC Advisory Group (DACAG), which will assist the two Commissions in understanding how energy programs impact these areas and could be improved. The CPUC held an *en banc* hearing on July 6. Notes from the *en banc* are available [here](#). On July 31, the CPUC and the CEC provided notice of their [proposal](#) to establish the DACAG. (See [summary](#).) Marin Clean Energy (MCE) filed [comments](#) on this proposal, arguing that CCAs and their representatives are uniquely positioned to communicate with and represent the DACs they serve, and therefore, that the DACAG should have at least one CCA community representative. Feedback on the proposal was accepted until August 15, 2017. The CPUC and the Energy Commission will now consider public input, draft a charter for the Advisory Group, and begin to prepare the application for public distribution.

Recent Activity:

None.

Next Steps:

The CPUC/CEC will use stakeholder feedback to draft a DACAG charter and application.

California Community Choice Association
End of Year Report 2017
September 20, 2017

CalCCA made a big splash in the California Legislature during its first year. As numerous established players in energy politics feel increasingly threatened by the expansion of CCAs, CalCCA was forced to fend off direct threats on a number of fronts. At the same time, we successfully addressed a number of concerns with legislation not directly attacking CCAs.

We started off the 2017 Legislative Session meeting with key leadership staff and all CCA legislators by hosting a successful CalCCA briefing attended by over 50 staff members. The briefing allowed us to influence the CCA narrative in the Capitol, while also countering myths and fallacies spread by CCA opponents. CalCCA was also invited to the Bicameral Environmental Caucus where two CalCCA board members presented in front of over 20 legislators, answering questions and cultivating 'champions.'

While we were ultimately successful in 2017, the victories were all hard won and CalCCA will continue to face many significant challenges in the Legislature going forward.

SB 618 (Bradford) – Procurement Autonomy

Early in 2017, Senator Bradford introduced SB 618. When SB 350, the legislation that extended the RPS to 50 percent, passed in 2015, our firms successfully negotiated provisions in the Integrated Resource Plan (IRP) statute that set the CCAs IRP review apart from that of other LSEs. Specifically, pursuant to SB 350, CCA IRPs are only subject to CPUC certification, not approval. This important distinction recognizes that CCA governing boards are the public entity responsible for overseeing CCA procurement and reliability, not the CPUC.

As introduced, SB 618 was intended to eliminate that distinction by requiring CPUC approval of CCA IRPs. Once SB 618 was in print, our firms quickly went to work opposing the bill, activating our champions in the Senate Energy, Utilities and Communications Committee whose membership includes a number of CCA friendly legislators. Not only were we successful in activating these members, but also in convincing other members of the Committee that SB 618 would undo an important agreement made with the CCA community less than two years before. Ultimately, Senator Bradford had no choice but to remove the offensive provisions of SB 618 in order to keep the bill alive.

CalCCA's first legislative victory sent a very clear signal about CalCCA's strength in the Senate Energy, Utilities and Communications Committee and the Senate as a whole. This had positive ramifications throughout 2017.

Regionalization/ITC Procurement

Regionalization has been a major priority of the Governor's for several years. However, it is a very tough issue politically as labor, the environmental community, and certain municipal utilities have all been opposed for various reasons. Despite this, the Governor is a force to be reckoned with politically with a seven year record of success on his priorities.

In the final weeks of the 2017 Legislative Session, it became apparent that the Governor intended to move legislation on ISO governance/expansion. Rumors abounded in the weeks prior to bills being put into print that a deal could be struck with labor and the IOUs by freezing formation of new CCAs or otherwise harming existing CCAs. To counter that threat, our firms alerted allies in the Legislature, and quickly arranged for a meeting with key staff in the Governor's Office and CalCCA leadership.

At the same time, wind and solar developers who benefit from federal tax credits were actively seeking legislation to mandate procurement of those resources. Two weeks before the end of session, AB 813 (Holden) was put into print to address this issue. As originally drafted, AB 813 placed the obligation to procure exclusively on IOUs, leaving no option for CCAs to self-procure. We made it very clear to proponents and staff working on the proposal in the Capitol that the proposal was a nonstarter for CalCCA if it did not allow for self-procurement.

With less than a week remaining in session, the Chair of the Assembly Utilities and Energy Committee, Assemblymember Chris Holden, amended AB 813 again to include regionalization language along with the problematic procurement language. The newly amended procurement language included changes which reflected our concern of not being able to self-procure per our discussions with staff and the Governor's Office. To have another vehicle alive, AB 726 (Holden) was also put into print and was identical to AB 813, having the same problematic language. These bills were intended to be the starting point for a grand bargain on regionalization and several other major energy policies. While the bills allowed CCAs currently serving customers to self-procure, CCAs coming online in the near future were not eligible. This prohibition on self-procurement for new CCAs would have been a de facto freeze on formation of new CCAs. As such, our firms once again engaged to oppose the bills.

Ultimately, facing complex politics which saw various energy stakeholders asking for multiple, often conflicting amendments, the regionalization bills collapsed under their own political weight. CalCCA's opposition was particularly effective in stalling this proposal in the Senate where we believe a number of Democratic members were inclined to vote against the bills due to the concerns raised by CalCCA.

SB 100 – 100 Percent Carbon Free Energy

At the beginning of 2017, Senate President Pro Tem Kevin De Leon introduced SB 100 which ostensibly would decarbonize the energy sector by the year 2045. The bill would achieve these goals through two mechanisms; an acceleration of the existing 50 percent by 2030 RPS to 60 percent by 2030, and a new 100 percent zero carbon goal to be incorporated into relevant planning at the CPUC, CEC, and CARB.

It is not uncommon for stakeholders to leverage their support or removal of opposition to ambitious bills like SB 100 in exchange for favorable amendments. As noted above, 2017 was marked by numerous direct and indirect attacks at the viability and governing board autonomy of CCAs. Recognizing this early on, our firms recommended that CalCCA set itself apart from the other LSEs by supporting SB 100, thus winning some good will with the Pro Tem's office. While SB 100 was subject to several rounds of challenging amendments, we were able to fend off several problematic changes to SB 100 throughout the year. What is more, as the end of session heated up, when labor, the IOUs, and others were seeking to drop anti-CCA language into SB 100, the Pro Tem's office stood by the commitments made to CalCCA by not accepting language intended to harm CCAs.

Ultimately, SB 100 did not pass in 2017. With the regionalization bills failing in the Senate, SB 100 was ultimately denied a hearing in the Assembly Utilities and Energy Committee. Last minute opposition by labor also complicated the bill's pathway to passage. As such, it is now a two-year bill.

AB 79 – Hourly Emissions Reporting

As introduced, AB 79 (Levine) required CARB to develop hourly emissions factors for unspecified sources of electricity. From CalCCA's perspective, an hourly factor was simply infeasible and the timeline for implementation too short. After negotiating with the author, and despite pushback from TURN, we were able to amend the bill in our favor to omit the requirement on hourly reporting and delay implementation of the bill until 2021. As amended, the bill ultimately passed and is currently on the Governor's desk.

Other Legislative Successes

In addition to the high priority issues discussed above, CalCCA engaged on a number of other bills that were not intended to directly harm CCAs, but still contained problematic language. In most instances, CalCCA's success early in 2017 with SB 618 helped motivate authors to work with us to address CalCCA concerns.

AB 920 (Aguilar-Curry) was intended to incentivize procurement of baseload renewables. Amendments taken in the Assembly threatened CCA procurement autonomy, allowing the PUC to set procurement mandates specific to baseload generation. The author agreed to amend the bill in its entirety to address CalCCA's concerns. AB 920 was ultimately held in the Senate Appropriations Committee and is now a two-year bill.

AB 1405 (Mullin) and SB 338 (Skinner) relate to renewable energy standards for net peak load. In their original forms, the bills authorized the CPUC to establish new targets for energy efficiency, storage, and demand response for all LSEs. We worked with the authors of these bills to ensure that the bills would instead punt the target setting process into the IRP process which is controlled by CCA governing boards. While AB 1405 was eventually amended into a bill that was not relevant to CCAs, SB 338 passed and is on the Governor's desk.

SB 356 (Skinner) relates to pricing data transparency. In its original form, the bill required all LSEs to provide pricing data to the PUC after a change in rates. We successfully lobbied the author to take amendments making the bill applicable only to the IOUs. SB 356 was ultimately held in the Senate Appropriations Committee and is now a two-year bill.

SB 366 (Leyva) made a number of changes to the state's Green Tariff Shared Renewables Program. While CalCCA was neutral to the bill, the Assembly Utilities and Energy committee wanted to require the author to take amendments which would have eliminated the 'opt out' option for IOU customers that participated in such a program. We ultimately convinced the author to hold SB 366 in Committee rather than accepting these amendments.