

VALLEY CLEAN ENERGY ALLIANCE**Staff Report – Item 7**

To: Board of Directors

From: Mark Fenstermaker, Pacific Policy Group

Subject: Legislative Update – Pacific Policy Group

Date: October 12, 2023

Staff, VCE’s lobby services consultant at Pacific Policy Group, and the Community Advisory Committee’s Legislative - Regulatory Task Group continue to meet and discuss legislative matters. Below is a summary of recent activities in the California Legislature and Administration.

The 2023 legislative session concluded on September 14 and Governor Newsom has until October 14 to sign or veto all of the bills put on his desk. One such bill for the Governor to decide upon is AB 1373 (Garcia), the policy bill that supplanted the Governor’s trailer bill proposal to authorize the Department of Water Resources to take on central procurement, amongst other provisions. Lobbying efforts by CalCCA and individual CCAs, including VCE, shaped the policy to ensure CCAs maintain their procurement autonomy and limit the types of resources that DWR may procure. While the language does not explicitly limit DWR to procuring offshore wind or geothermal resources from the Salton Sea, those two categories align with the limitations on the types of resources that can be procured while solar and terrestrial wind do not. Importantly, VCE, as well as CalCCA and other CCAs, ended up in a “neutral” position after working out amendments with the Governor’s Office, the author, and the relevant policy committees. Senator Dodd played an important role during negotiations earlier in the summer that prevented previous, harmful iterations of the proposed policy from advancing and VCE has appreciated his representation on this legislation.

The Legislature will reconvene on January 3, 2024, and the 2024 session will run through August 31, 2024. The most pressing items between now and the beginning of the next session are how the leadership changes in both houses affect committee chairpersonships and committee makeups. Assembly Speaker Rivas made very few committee changes once he assumed the Speakership, but changes are anticipated in 2024. Incoming Senate Pro Tem McGuire may also make changes to committees once he takes over from current Pro Tem Atkins. There are many legislators terming out in 2024 or running for other office, so the carousel of incoming and outgoing legislators over the next 18 months will weigh on the decisions of the new leaders.

The following chart provides an overview of bills that staff, Pacific Policy Group, and the Community Advisory Committee’s Legislative - Regulatory Task Group monitored and engaged on throughout the year.

Measure	Summary	Outcome	VCE Position	CalCCA Position
AB 1373 (Garcia)	Authorizes the Department of Water Resources to act as a Central Procurement Entity	Passed Legislature	Oppose Unless Amended; Neutral	Oppose Unless Amended; Neutral
AB 50 (Wood)	Requires the CPUC to determine appropriate timelines for IOUs to energize customers.	Passed Legislature	Support	Support
AB 538 (Holden)	Would allow the CAISO to seek the creation of a regional Western grid.	2-year bill – Held in Asm. Appropriations	None	None
AB 1567 (Garcia)	Proposes a \$15.9 billion water and climate resilience general obligation bond be placed before the voters in the next election. Includes \$2 billion for clean energy projects.	2-year bill – Held in Sen. Natural Resources & Water	None	None
SB 867 (Allen)	Proposes a \$15.9 billion water and climate resilience general obligation bond be placed before the voters in the next election. Includes \$2 billion for clean energy projects.	2-year bill – Held in Asm. Natural Resources	None	None
AB 557 (Hart)	Eliminates the Jan. 1, 2024, sunset on the ability of local bodies to use teleconferencing during a declared state of emergency.	Passed Legislature	None	None
SB 537 (Becker)	Would allow board members of multijurisdictional, cross-county local agencies residing more than 40 miles from the public meeting to attend public meetings remotely without being accessible to the public.	2-year bill – held on Asm. Floor	None	None (Peninsula Sponsored, Sonoma Supported)
AB 625 (Aguiar-Curry)	Extends the sunset date of the Bioenergy Market Adjusting Tariff (BioMAT) program as proposed in Public Utilities Code Section 399.20(f)(6) amongst other provisions.	Dead - Held in Asm. Appropriations Suspense	Support	None (MCE, Sonoma, Pioneer, Supported)
SB 688 (Padilla)	Creates a grant program for piloting projects to advance agrivoltaic systems.	Dead – Held in Asm. Appropriations Suspense	None	None