

VALLEY CLEAN ENERGY ALLIANCE**Staff Report – Item 8**

To: Board of Directors

From: Mark Fenstermaker, Pacific Policy Group

Subject: Legislative Update – Pacific Policy Group

Date: February 9, 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 first significant deadline looms large at the moment as legislators have until February 17 to introduce bills for consideration in 2023. There have been roughly 600-700 pieces of legislation introduced to date between the Senate and the Assembly and the volume of introduced legislation will increase as the February 17 deadline draws nearer. The majority of legislation introduced so far has been in "spot bill" or "intent bill" form where the bill is seeking to carve out a certain policy space but does not have substantive language or detail for VCE to make an informed decision on how to engage at this time. Legislators will have to amend these types of bills early in March in order to get a referral to a policy committee and continue to advance through the process. It is anticipated that policy committees will begin hearing bills in early to mid-March with the most intense period of hearings occurring the latter half of April.

On the budget side of the equation, activity is mostly taking place behind the scenes as the budget committees and consultants, as well as lobbyists and advocates, firm up their grasp on what's in and what's out of the Governor's proposed 2023-24 budget. The budget committees and subcommittees have just released schedules for hearings to discuss the various proposals from the Administration with subcommittees beginning the first week of March. Our efforts in the budget are focused on Energy Commission's proposed expenditures of the first \$100 million of what is slated to be a \$1 billion Clean Energy Reliability Investment Plan. The budget proposal from the Administration to the Legislature references investing in the agricultural and water sectors to reduce peak electricity consumption and water use. This creates an opening in the budget process to message about the benefits and opportunities of the AgFIT program and staff, Pacific Policy Group, and the Leg/Reg Task Group are developing strategies for such outreach. VCE is also coordinating with CalCCA's legislative staff and lobbyists on this effort.