



MEETING of the Legislative & Regulatory Committee of the Clean Power Alliance of Southern California

Wednesday, September 23, 2020

10:00 a.m.

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All Participants must press “#” to join the meeting.

SPECIAL NOTICE REGARDING PUBLIC COMMENT: Pursuant to Paragraph 11 of Executive Order N-29-20, executed by the Governor of California on March 17, 2020, and as a response to mitigating the spread of Coronavirus known as COVID-19, the Legislative & Regulatory Committee will allow members of the public to participate and address Committee Members during the meeting via teleconference only. Below are the ways to participate:

- Members of the public are encouraged to submit written comments on any agenda item to clerk@cleanpoweralliance.org up to four hours before the meeting.
- If you desire to provide public comment during the meeting, you must contact staff at (213) 713-5995 at the beginning of the meeting but no later than immediately before the agenda item is called.
 - You will be asked to provide a phone number to call you during the meeting. You will also be asked for your name (or other identifying information) similar to filling out a speaker card so that you can be called when it is your turn to speak.
 - You will be called during the comment section for the agenda item on which you wish to speak.
 - You may be put on hold until your name is called by CPA staff.
 - You will be able to speak to the Committee for the allotted amount of time. Please be advised that all public comments must comply with our Public Comment Policy.
 - Once you have spoken, or the allotted time has run out, the phone call will be discontinued.

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at clerk@cleanpoweralliance.org or (213) 713-5995. Notification in advance of the meeting will enable us to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.

PUBLIC COMMENT POLICY: *The General Public Comment item is reserved for persons wishing to address the Committee on any Clean Power Alliance-related matters not on today's agenda. Public*

Clean Power Alliance Legislative & Regulatory Committee
September 23, 2020

comments on matters on today's Consent Agenda and Regular Agenda shall be heard at the time the matter is called. Comments on items on the Consent Agenda are consolidated into one public comment period. As with all public comment, members of the public who wish to address the Committee are requested to complete a speaker's slip and provide it to Clean Power Alliance staff at the beginning of the meeting but no later than immediately prior to the time an agenda item is called.

Each speaker is customarily limited to two (2) minutes (in whole minute increments) per agenda item with a cumulative total of five (5) minutes to be allocated between the General Public Comment, the entire Consent Agenda, or individual items in the Regular Agenda. Please refer to Clean Power Alliance Policy No. 8 – Public Comments for more information.

CALL TO ORDER & ROLL CALL

GENERAL PUBLIC COMMENT

CONSENT AGENDA

1. [Approve Minutes from June 24, 2020 Legislative & Regulatory Committee Minutes](#)

REGULAR AGENDA

Information Items:

2. [Oral Update on the 2020-2021 Power Charge Indifference Adjustment \(PCIA\) Rate](#)
3. [2019/2020 Legislative Session Debrief and Discussion of 2021/2022 Legislative Session Expectations](#)

COMMITTEE MEMBER COMMENTS

ADJOURN – NEXT MEETING OCTOBER 28, 2020

Public Records: *Public records that relate to any item on the open session agenda for a Committee Meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all, or a majority of, the members of the Committee. Those documents are available for inspection online at www.cleanpoweralliance.org/agendas.*

MEETING of the Legislative & Regulatory Committee of the
Clean Power Alliance of Southern California
Wednesday, June 24, 2020 10:00 a.m.

MINUTES

The Executive Committee conducted this meeting in accordance with California Governor Newsom's Executive Order N-29-20 and COVID-19 pandemic protocols.

CALL TO ORDER & ROLL CALL

Committee Chair Lindsey Horvath called the meeting to order at 10:04 a.m. and Clerk of the Board Gabriela Monzon conducted roll call.

Roll Call			
Agoura Hills	Deborah Klein Lopez	Committee Member	Remote
Carson	Reata Kulcsar	Alternate Committee Member	Remote
Redondo Beach	Christian Horvath	Committee Member	Remote
West Hollywood	Lindsey Horvath	Chair	Remote

All votes are unanimous unless otherwise stated.

GENERAL PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Approve Minutes from May 27, 2020 Legislative & Regulatory Committee Meeting

Motion: Committee Member Deborah Klein Lopez, Agoura Hills

Second: Committee Member Christian Horvath, Redondo Beach

Vote: Item 1 was approved by a roll call vote.

REGULAR AGENDA

2. Assembly Constitutional Amendment (ACA) No. 5

Ted Bardacke, Executive Director, discussed the actions taken by the California Community Choice Association (CalCCA) leadership to endorse

the amendment. Mr. Bardacke noted that one major consideration at the CalCCA Board level was whether to incorporate social issues that are not market-related into its platform or leave those issues for the individual CCA's to address on their own. Mr. Bardacke explained that the question may arise as to how and should CCA's engage in fundamentally restructuring how public essential services are provided by incorporating social uses that are not market-related.

Committee Member Lopez expressed support for CPA's participation at the CalCCA level to endorse the amendment and to continue to address social issues as part of CPA and CalCCA's platforms.

Chair Horvath similarly expressed support for the endorsement of the amendment and thanked Mr. Bardacke for representing CPA's interest in social issues at the CalCCA.

3. Regulatory Update on Resource Adequacy Program

Matt Langer, Chief Operating Officer, provided an overview of the recent and forthcoming changes to California's Resource Adequacy (RA) framework and explained that the California Public Utilities Commission (CPUC) recently adopted a Central Procurement Entity (CPE) decision that established a new entity for local RA that made So Cal Edison (SCE) the CPE for its respective service territory and removed those obligations from Load Serving Entities (LSEs) such as CPA. Mr. Langer explained that CPA was participating in a workgroup that will explore the use of a crediting mechanism that provides compensation for the value LSEs contribute to the grid. Lastly, Mr. Langer shared a list of principles and objectives CPA will consider as it prepared to discuss a potential collaboration with CalCCA and SCE on a proposal to structurally change the RA program that not only continued to incentivize LSEs to invest in local clean energy, but better aligned with the state's environmental policy goals.

In response to Committee Member Kulcsar's questions about transparency in the process, Mr. Langer indicated that SCE was required to submit compliance filings and have an independent evaluator provide feedback on its process. Mr. Langer explained that local RA already procured by CPA could still count for system RA, but it would continue to push for the crediting system. Chair Horvath asked why the CPUC did not appear to prioritize a more collaborative approach to local RA and whether it was necessary to communicate with legislators about the need for restructuring of the RA framework. Staff clarified that both the CPUC members and its staff prefer a more centralized planning framework and therefore felt strongly that a CPE allowed it to maintain control of the process. Staff noted that COVID-19 negatively impacted legislation that would have established a residual RA framework where LSEs continued to procure local RA with a CPE

providing backup local RA procurement; and similarly affected a CalCCA sponsored bill that would have expanded transparency in procurement and allowed CCAs to review Investor Owned Utilities (IOU) contracts where there were cost implications. Mr. Bardacke noted that there was a broader effort taking place to restructure RA and address transparency throughout the process.

COMMITTEE MEMBER COMMENTS

None.

ADJOURN

Chair Horvath adjourned the meeting at 10:44 a.m.

DRAFT



Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Legislative & Regulatory Committee

From: C.C. Song, Director of Regulatory Affairs

Subject: Oral Update on the 2020-2021 Power Charge Indifference Adjustment (PCIA) Rate

Date: September 23, 2020

On September 23, 2020, staff will provide an oral report to the Legislative & Regulatory Committee, updating them on the 2020-2021 PCIA.



Staff Report – Agenda Item 3

To: Clean Power Alliance (CPA) Legislative & Regulatory Committee

From: Gina Goodhill, Policy Director

Approved By: Ted Bardacke, Executive Director

Subject: 2019/2020 Legislative Session Debrief and Discussion of 2021/2022 Legislative Session Expectations

Date: September 23, 2020

RECOMMENDATION

Receive and File.

DISCUSSION

2020 LEGISLATIVE SESSION OUTCOMES

The 2019/2020 State Legislative session has concluded, with the following outcomes for CPA:

SB 115 (Committee on Budget and Fiscal Review), Support: Enrolled, takes effect immediately. This bill amends the Budget Act of 2019 and the Budget Act of 2020 by amending, adding, and repealing items of appropriation, and making other changes. It includes a \$51 million fund transfer from the Alternative and Renewable Fuel and Vehicle Technology Fund for the support of electric vehicle charging infrastructure through the California Electric Vehicle Infrastructure Project (CALeVIP). This amendment will enable CPA to receive state match funding for electric vehicle incentives in both Los Angeles and Ventura Counties.

SB 364 (Mitchell), No Position: Enrolled, takes effect immediately. This bill sustains the existing tax exclusion for solar projects built through 2024, in the event that Proposition 15 passes on the November 2020 ballot and lifts the tax caps on commercial

properties, subjecting owners to taxes at the current value. This bill will prevent an increase in the cost of ground-mounted solar projects should Proposition 15 pass.

AB 3014 (Muratsuchi), Support: Failed. This bill would have created a California Reliability Authority to conduct annual and monthly solicitations to backstop any resource adequacy (RA) procurement deficiencies of load serving entities (LSEs). This bill was held in committee after the CPUC released a decision on Local Resource Adequacy. With recent pressures on electric system reliability, RA will be a significant political issue in the coming year.

SB 1215 (Stern), Support if Amended: Failed. This bill would have required the CPUC to create a database of critical facilities and critical infrastructure, and related critical circuits, located within high fire threat districts, and would have directed the IOUs, CCAs and local governments to work together on microgrid projects on these circuits. The bill was held and eventually tabled due to COVID-19 priorities. A form of this bill will likely be reintroduced next year.

SB 45 (Allen)/AB 3256 (E. Garcia), Support: Failed These parallel bills would have placed a proposition on the November 2020 ballot to authorize the issuance of a \$5.5 billion bond to finance projects for wildfire prevention, resiliency, and other climate related work. Due to the COVID-19 pandemic, both bills were held and did not move forward. There is a possibility that these issues will be addressed in a special session.

SB 1720 (Carillo), No Position: Failed This bill would have required the CPUC to either direct LSEs to procure long-duration storage by March 1, 2021, or to have the Department of Water Resources procure long-duration energy storage and pass the costs onto customers. The bill did not make it out of the Senate Utilities and Energy Committee. Legislative attempts to force procurement of specific long-duration storage projects are likely to continue.

WILDFIRES AND RESILIENCY

Issues around wildfires and resiliency were left largely unresolved, despite their urgency. These issues may be addressed in a special session. Additionally, the legislature was not able to address the grid reliability issues in August and September that affected customers across the state. The Assembly Utilities and Energy Committee plans to hold an oversight hearing to better understand how this situation occurred. The date of the hearing has not yet been announced.

2021/2022 LEGISLATIVE SESSION AND POLICY PRIORITIES

The ongoing COVID-19 pandemic and catastrophic statewide wildfires will likely result in another uncertain legislative year, with bills largely focused on urgency and priority issues. This could include issues around wildfires; microgrids; resiliency; energy reliability; clean energy funding; possible budget adjustments in relation to federal funding; equity and environmental justice with particular focus on policies and program for Black, Indigenous, and People of Color (BIPOC) communities; and green jobs. Federal funding may also lead to a decrease or increase in the prioritization of these issues.

In the coming months, staff will:

- Continue tracking these issues at the legislature and continue educating legislative leadership on CPA's work.
- Begin working with this committee to update CPA's Legislative & Regulatory Platform to more explicitly address some of the above issues. Staff will bring a draft updated platform to the committee in the October meeting.
- Continue educating federal leadership about CPA's work, especially as it relates to green jobs, and connect with the Biden/Harris Presidential campaign about CPA's work as it relates to their proposed climate plan.

ATTACHMENT

None.

End of Document

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