

MINUTES

MEETING of the Legislative & Regulatory Committee of the
Clean Power Alliance of Southern California
Wednesday, September 28, 2022, 10:00 a.m.

The Legislative & Regulatory 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 10:00 a.m. and Raynette Tom, Executive Assistant, conducted roll call.

Roll Call			
Agoura Hills	Deborah Klein Lopez	Committee Member	Remote
Carson	Cedric L. Hicks, Sr.	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 July 27, 2022, Legislative & Regulatory Committee Meeting

Motion: Committee Member Hicks, Carson

Second: Committee Member Lopez, Agoura Hills

Vote: The consent agenda was approved by a roll call vote.

REGULAR AGENDA

2. Discussion and Q&A on Memo Distributed to the Board of Directors Regarding the 2022 California Legislative Session

Gina Goodhill, Director of Government Affairs, provided a summary of the 2022 California Legislative Session decisions affecting CPA; including the 5-year extension of Diablo Canyon and the Governor's proposed five-pronged energy package that includes goals around greenhouse gas emission reductions, new zero-carbon resource goals, new carbon capture rules, and new interim targets to meet California's SB 1020 goals. Ms. Goodhill also discussed budget bills building off the May budget which includes money for rebates for research and development around clean energy technologies such as green hydrogen.

Responding to Committee Member Lopez' question regarding the reliance on Diablo Canyon for power, Ms. Goodhill stated that projections from the California Independent System Operator (CAISO) indicate it will be fully operational for the next five years. Ted Bardacke, CEO, added that the law requires long-term forecasting to exclude Diablo Canyon. With regard to increases in calls to CPA's customer support center with concerns about future blackouts, staff indicated that there were no noticeable increase in calls and added that staff monitored social media and criticism was not directed at CPA. Addressing Committee Member Hicks' question regarding Diablo Canyon's replacement, Mr. Bardacke indicated that the focus will be on a large increase of battery energy storage and building out new clean resources; the state of California also created a State Electricity Reliability Reserve which will be activated in emergencies; and a decreased reliance on hydro power due to its unreliability because of droughts. Responding to Chair Horvath's question regarding future legislation, Ms. Goodhill suggested that there may be more reliability-focused bills and the creation of a more consistent framework to reduce the state's reliability on nuclear power plants. Mr. Bardacke added that CPA staff is analyzing a potential budget-driven state incentive program to increase capacity, reliability, and lower market prices. Chair Horvath commented that there is still a need to educate legislators about CPA's role in the energy market and its priorities ahead of the next legislative session. In response to Committee Member Hicks' question about legislation at the federal level, Ms. Goodhill explained that staff is working in conjunction with other Community Choice Aggregations (CCAs) to monitor and participate in opportunities. Committee Member Hicks expressed a continued desire to find ways to lower consumer costs. Mr. Bardacke indicated the Committee will receive further information about legislative plans regarding reliability at the October meeting.

3. Green Hydrogen Overview

Rich Viebrock, Project Manager, Power Supply, provided a presentation on green hydrogen, noting that it is an abundant element with potential to provide carbon free and clean energy across multiple sectors, including electricity generation. Mr. Viebrock reviewed the capabilities of hydrogen and types of production; explained the three stages of the supply chain of green hydrogen, including production, storage, and distribution. Mr. Viebrock explained that green hydrogen can be used to efficiently store energy over long periods of time to then provide on-demand power, in a similar way that lithium-ion batteries are used. Green hydrogen can be produced using combustion turbines and hydrogen fuel cells. Mr. Viebrock addressed the production, cost, storage, distribution and use challenges to green hydrogen production, including high costs and the requirement of large quantities of water. The presentation concluded with a summary of the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES), which intends to leverage federal funding to accelerate the deployment of hydrogen projects and infrastructure in the state.

Committee Member Lopez expressed a concern for the environmental impacts of water usage with green hydrogen production in a drought-stricken state. Mr. Viebrock indicated that hydrogen production requires less water in comparison to

the water usage in oil production. Responding to Committee Member Lopez' questions regarding the risks of separating oxygen out of water, Mr. Viebrock noted that oxygen would be emitted but further research is needed to fully understand the concerns. Mr. Bardacke added that a large issue with hydrogen transportation is that it is a highly combustible and flammable gas, and Mr. Viebrock noted that if the combustion turbines or hydrogen fuel cells were compromised, greenhouse gas emissions could become a concern. Chair Horvath requested that the Committee revisit the topic once staff has a more robust understanding of what the potential unintended consequences, biproducts, and environmental and safety concerns would be, adding that the potential for green job growth and opportunities are possible. Committee Member Hicks expressed a further desire for a clearer understanding of the battery storage life cycles and their disposal. Staff indicated that some specific questions would be answered via a follow up email.

COMMITTEE MEMBER COMMENTS

There were no committee member comments.

ADJOURN

Chair Horvath adjourned the meeting at 11:01 a.m.