



# Legislative & Regulatory Update

October 25, 2019



# Legislative Update

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- Governor signed SB 520 into law despite our veto efforts
- Working with CalCCA on 2020 legislative agenda
- Conducting in-district meetings with AlCo delegation:
  - 10/9 – Asm Wicks with Director Pilch (completed)
  - 10/22 – Sen Glazer with Director M. Hernandez (completed)
  - 10/23 – Asm Bauer-Kahan with Director Munro (completed)
  - 10/30 – Sen Wieckowski with Director Mei
  - 11/4 – Asm Bonta with Chair Kalb
  - 11/4 – Asm Quirk with Director Mendall
  - Pending requests – Sen Skinner, Asm K. Chu
- Reaching out to city/county leg staff to incorporate CCA interests into municipal/county leg platforms for the next year, in line with League of CA Cities’ policy language
- Working with Sunrun to develop an OCEI “tour” for legislators in EBCE’s service territory in November

# Major Ongoing Regulatory Proceedings

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## PCIA/PG&E ERRA

- PCIA Phase II progress
- 2020 ERRA Forecast

## Integrated Resources Plan

- Development of Joint IRP
- Procurement Track

## Resource Adequacy

- Annual Showing
- Central Buyer settlement

# PCIA Phase II

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3 working groups to resolve deferred PCIA issues:

- **WG 1: market benchmarks, forecasting, billing determinants, bill presentation**
  - CPUC issued a decision on benchmark and ratemaking methodology on 10/10
  - Generally what we were looking for – “making lemonade” from last year’s decision
- **WG 2: Prepayment**
  - Final report due 12/9/2019
- **WG 3: Portfolio Optimization and Cost Allocation**
  - Working group meeting 10/17 on allocation proposals for RPS, GHG-free energy, and RA
  - Could largely supersede WG 1 work by eliminating or replacing benchmarks
  - Final report due 1/30/2020

# PG&E 2020 ERRA Forecast Application

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- Proceeding sets PG&E bundled customer generation rates and PCIA rates for 2020
- Administrative Hearing on 10/2/19
- At issue is:
  - Whether PG&E used the correct methodologies and data, particularly in light of changes to the PCIA stemming from CPUC's 2018 Decision
  - Application of PCIA rate change cap
- Still too early to use application to forecast next year's rates; PG&E's June filing is largely a placeholder and will be updated more precisely in early November 2019
- Decision expected December 2019

# Integrated Resources Planning (IRP)

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- EBCE and three other CCAs have contracted with Siemens to develop a Joint CCA IRP for the 2019-2020 planning cycle
- Procurement Track: CPUC requiring 4,000 MW of incremental resources to be under contract for 2021-2023 (60%-80%-100%)
  - Revised Proposed Decision (“RPD”) issued 10/21 requires proportional additional procurement by load-serving entities statewide
  - EBCE’s portion would be 120.8 MW by Aug 1, 2023
  - Comments due Oct 31
  - RPD set for CPUC vote as early as Nov 7

# Resource Adequacy (RA)

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- Annual compliance showing is Oct 31, 2019
  - First year that load-serving entities have to show three-year forward compliance
  - First year that some local RA is disaggregated
  - EBCE and others are advocating for a system waiver when RA is available but not being sold at commercially reasonable prices
- RA Import Rules
  - Decision 19-10-021 issued 10/17
  - CalCCA considering Application for Rehearing / Motion for Stay
- Central Buyer Settlement
  - Parties filed comments on the Settlement on 9/30 and reply comments on 10/15
  - Conversations with CPUC Commissioners' offices underway
  - Proposed Decision expected Q4