



## Staff Report Item 8

**TO:** East Bay Community Energy Board of Directors

**FROM:** Bruce Jensen, Alameda County Community Development Agency (CDA)  
Shawn Marshall, LEAN Energy US

**SUBJECT:** Regulatory & Legislative Update

**DATE:** May 17, 2017

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### **Staff Recommendations:**

1. Receive regulatory and legislative update and provide feedback/direction as desired.
2. Consider removing opposition to SB 618 (Bradford) and moving into neutral position, per revisions to the legislation and consistent with the current position of Cal-CCA.
3. Direct staff to return to the Board with a proposed process for regulatory and legislative action, Board participation, and authorization for the CEO to take regulatory/legislative action on behalf of EBCE.

### **Analysis & Discussion:**

Tracking and participating in regulatory proceedings at the CA Public Utilities Commission and taking legislative action before the California legislature is one of the most important aspects of operating a CCA. As EBCE matures into full operations and hires regulatory and legislative staff and attorneys, its participation in various PUC proceedings and statewide legislation will deepen and expand.

At this stage in implementation, LEAN Energy US, through its subcontract with Sequoia Foundation, provides high-level regulatory and legislative tracking for EBCE. Once EBCE's membership in Cal-CCA is finalized, the Agency will also have access to Cal-CCA's regulatory calls and will receive its monthly legislative reports which provide an extensive list of bills being tracked before the California legislature.

The following is a list of priority regulatory proceedings and legislative bills that are of particular interest to emergent and operational CCAs and their support organizations:

## **Regulatory Proceedings/Priorities**

Attached please find LEAN's most recent regulatory memo (dated May 2, 2017) which provides a summary report and supporting documents regarding key regulatory issues currently before the CPUC, including but not limited to:

- 1) PCIA Reform/Portfolio Allocation Methodology Proposal
- 2) CCA Bond Requirements
- 3) Integrated Resource Planning
- 4) PG&E's General Rate Case, Phase 2
- 5) Residential Rate Setting

**CPUC/CEC En Banc Hearing:** The California Public Utilities Commission (CPUC) and CA Energy Commission (CEC) are hosting a joint *en banc* on Friday, May 19<sup>th</sup> in Sacramento regarding the future of retail electric choice in California. The joint staff's white paper and meeting agenda is attached for your information. Registration for the event is full, however it will be webcast at <https://videocalepa.ca.gov/>. The CCA perspective will be represented at the *en banc* by Geof Syphers, CEO of Sonoma Clean Power and Vice Chair of Cal-CCA.

## **Legislative Priorities**

**SB 618 (Bradford):** The most pressing/threatening bill, SB 618, related to integrated resource plans (IRP), was amended in late April to remove harmful language that gave the CPUC approval authority of CCA IRPs. With this provision removed and new language accepted, Cal-CCA has removed its opposition and has moved into a neutral position on this bill. Staff recommends that EBCE follow Cal-CCA's direction and submit a letter amending its earlier oppose position.

## **Other Key Bills**

SB 692 – Transmission Access Charges (CCAs are generally favorable given recent amendments; timing and process options are uncertain; see attached fact sheet prepared by East Bay advocacy organizations)

SB 79 – Hourly GHG Reporting (Although recently amended, CCAs remain concerned; discussions with bill authors ongoing)

AB 920 – Baseload Energy Requirements (CCAs are tracking; working with authors on possible amendments)

SB 100 – 100% Renewable Energy By 2045 (CCAs are generally supportive pending implementation details)

Other bills that CCAs are still evaluating are SB 700 (energy storage mandates for peak periods) and AB 1405/SB 338 (renewables in reliability standards/clean peak).

Our program consultant, Shawn Marshall, will be at the Board meeting to provide a verbal update on these priority issues, including SB 618 for which you may choose to remove opposition.

If so directed, staff will come back to the Board with information on additional bills and a proposed process for future regulatory and legislative action that will anticipate involvement of the new CEO, how the Board might best participate, and how Cal-CCA positions and direction will be considered in EBCE decision-making.

**Attachments:**

- 8A: LEAN Energy Monthly Regulatory Memo (May 2, 2017)
- 8B: CPUC / CEC May 19 En Banc White Paper / Agenda
- 8C: SB 692 Fact Sheet