

TO: East Bay Community Energy Board of Directors

**FROM:** Alec Ward, Principal Legislative Manager

SUBJECT: Approval of Legislative Positions (Action Item)

**DATE:** May 17, 2023

### **Recommendation**

- Receive an update on EBCE's Legislative Program document.
- Take a "support" position on Assembly Bill ("AB") 50 (Wood), AB 557 (Hart), AB 643 (Berman), and Senate Bill ("SB") 83 (Weiner), SB 410 (Becker), SB 527 (Min), SB 529 (Gonzalez).
- Take an "oppose unless amended" position on AB 1373 (Garcia).

### **Background and Discussion**

### EBCE's Legislative Program Document

In July 2018, the EBCE Board approved a Legislative Program document. It outlined general legislative principles alongside more specific public policy positions. It also gave guidance for legislative policy coordination. The Legislative Program document was last updated in 2022. It has again been updated with clarifications and edits to names/addresses. Principles and positions remain unchanged.

EBCE's updated Legislative Program document is provided for reference as an attachment to this item.

### Recommended EBCE Bill Positions:

- Remote meetings SUPPORT: AB 557 (Hart) would permit local agencies, like EBCE's board, to indefinitely continue the teleconference flexibilities given during the COVID state of emergency. The remote meeting rules, which expired at the beginning of this year, would remain the same as during the COVID state of emergency, except that local agencies now only must renew their remote meeting resolution every 45 days instead of every 30. This bill would make participation in EBCE board meetings easier for board members and the public as health concerns continue and our geography expands.
- Interconnection "shot clock" SUPPORT: AB 50 (Wood) aims to expedite investor-owned utility (IOU) interconnection of *new and upgraded customer electrical loads*. It requires the California Public Utilities Commission (CPUC) to establish criteria for timely interconnections and to consider IOU penalties for significant delays. The IOUs must also increase the following: reporting to CPUC, updates to their distribution planning processes, and stakeholder engagement. This bill can decrease interconnection delays as customers in EBCE's territory seek interconnections for new housing, commercial projects, electric vehicle (EV) charging, and more, supporting local development and accelerating decarbonization.
- Interconnection "shot clock" SUPPORT: AB 643 (Berman) aims to expedite IOU interconnection of *distributed energy resources (DERs)*. It requires the CPUC to establish a new proceeding to consider enforcement of DER interconnection timelines, reduce administrative burden, and provide transparency to customers. This bill can decrease interconnection delays as customers in EBCE's territory seek interconnections for new DERs including rooftop solar and storage, supporting local development and accelerating decarbonization.
- Interconnection "shot clock" SUPPORT: SB 83 (Weiner) aims to expedite IOU interconnection of new "development projects" such as housing and industrial facilities. It requires the CPUC to establish maximum time periods for the interconnection, and to enforce penalties on IOUs for missed deadlines. The IOUs must also report annually to the CPUC on development project interconnection status. This bill can decrease interconnection delays for new construction in EBCE's service territory, such as new housing, new commercial and municipal buildings, and building upgrades thereby supporting local development and accelerating decarbonization.
- Interconnection "shot clock" SUPPORT: SB 410 (Becker) aims to expedite IOU interconnection of new housing, building upgrades, EV chargers, and other load increases. It requires the CPUC to establish maximum time periods for the interconnections and for IOUs to take remedial actions if deadlines are missed. The IOUs must also increase reporting to the CPUC and analyze their own staffing levels, making sure they are aligned with state decarbonization goals. Interconnection efforts like this bill can decrease delays as customers in EBCE's

territory seek interconnections for new housing, building decarb, EV charging, and more, supporting local development and accelerating decarbonization.

- Electrification/gas phase-out program SUPPORT: SB 527 (Min) establishes a community-scale approach to decarbonization by forming the Neighborhood Decarbonization program. In this pilot, the CPUC will identify 15 cost-effective projects throughout the state with outdated infrastructure and transition these communities to all-electric service. Furthermore, this bill authorizes a process for gas corporations to cease service if the CPUC determines that an area is better suited for electrification. This bill uses a comprehensive community-by-community approach rather than building-by-building. The bill also allocates funding for low- and moderate-income households to further advance a just, electric transition. EBCE is in a unique position to conduct zonal electrification, and this program can support our local development and building decarbonization efforts.
- EV car sharing grants SUPPORT: SB 529 (Gonzalez) creates a grant program aimed to deploy EV car-sharing programs across the state in 100 public and low-income housing properties. The purpose of this bill is to expand EV access, especially for low-income residents, across the state to meet its ambitious goals for EV deployment. This could supplement EBCE's current work supporting EV infrastructure in low-income and disadvantaged communities, who have been historically left out in public investment. This would help achieve local development and decarbonization goals.
- Budget Change Proposal (BCP) OPPOSE UNLESS AMENDED: AB 1373 (Garcia) AB 1373 contains several problematic changes to energy laws. The BCP would create a new Central Procurement Entity (CPE) to procure long-lead time resources like offshore wind and geothermal. The scope what this CPE could procure is too broad, and the CPE may compete with load serving entities (LSEs) like EBCE that are pursuing the same resources. EBCE staff recommends seeking amendments to focus the CPE only on projects that may not be available to LSEs due to infrastructure constraints.

AB 1373 also proposes new penalties on LSEs who are short on resource adequacy (RA) requirements, even though the RA program already has penalties. EBCE staff recommends seeking amendments to include a penalty waiver for LSEs that are unable to comply despite their best efforts, as there is an unavoidable market-wide RA shortage.

Lastly, AB 1373 would expand CPUC jurisdiction over local authorities like EBCE. It would expand the CPUC's jurisdiction to oversee CCAs' Integrated Resources Plans (IRPs), similar to the CPUC's current IOU oversight. EBCE currently has the autonomy to choose the mix of resources it procures to CPUC procurement requirements. CCAs have demonstrated their abilities to meet these requirements without the need for further CPUC oversight. Expanding CPUC jurisdiction over CCA procurement does nothing to accelerate achievement of the state's clean energy goals; it serves only to override local CCA authority and CCAs' ability to balance development considerations.

If amended as suggested, this bill could create a CPE that enables development of needed resources that the broader market does not reach. It could do this without unfairly penalizing LSEs making best efforts to procure RA, and without threatening EBCE's local authority. With these amendments, this bill would supporting local development, accelerate decarbonization, and stabilize community choice.

### Fiscal Impact

AB 50 may result in lower cost for EBCE projects as delays are avoided. AB 557 is unlikely to have a fiscal impact on EBCE.

AB 643 may result in lower cost for EBCE projects as delays are avoided.

SB 83 may result in lower cost for EBCE projects as delays are avoided.

SB 410 may result in lower cost for EBCE projects as delays are avoided.

SB 527 may supplement funding for our building decarbonization work.

SB 529 may supplement funding for our EV equity work.

AB 1373 may increase costs for EBCE customers as energy costs increase. If amended, it could decrease energy costs.

### Attachments:

- A. May 17, 2023 Legislative Update
- B. EBCE Legislative Program
- C. Author Fact Sheets

MAY 17. 2023

## Legislative Update

Attachment Staff Report Item 17A



### Legislative Highlightschment Staff Report Item 17A

- Update from Weideman Group on the 2023 Legislative Year
- New Recommended Bill Positions: AB 50, AB 557, AB 643, AB 1373, SB 83, SB 410, SB 527, and SB 529



### Key Deadlines for the 2023 Legislative Year 17A

- 1/4: Legislature reconvened
- 1/10: Governor submitted budget
- 2/17: Bill introduction deadline
- 4/28: Policy cmtes to move fiscal bills to fiscal cmtes (1<sup>st</sup> house)
- 5/5: Policy cmtes to move nonfiscal bills to floor (1<sup>st</sup> house)
- 5/19: Fiscal cmtes must move bills to floor (1<sup>st</sup> house)
- 6/2: Last day for bills to be passed out of 1<sup>st</sup> house
- 6/15: Budget bill must be passed
- 7/14: Policy cmtes to meet and report bills (2<sup>nd</sup> house)
- 9/1: Fiscal cmtes to move bills to floor (2<sup>nd</sup> house)
- 9/14: Last day for each house to pass bills
- 10/14: Last day for Governor to sign/veto bills



### Legislature – State of Angent Staff Report Item 17A

- Democratic super majorities
- 32 new members in the Senate and Assembly
- Energy policy already playing out to be an outsized policy theme in Senate, Assembly
- Budget deficit driving agenda
- Assembly Speaker change July 1
- Highest number of bills introduced in over a decade
- Strained infrastructure, record snowpack in the Sierras



### 2023 Legislative Themesent Staff Report Item 17A

- Clean Energy near-term, long-term, central procurement, regionalization
- Interconnection
- Green hydrogen
- Carbon capture and sequestration
- Affordable housing and homelessness
- Budget management: multibillion-dollar budget deficit forecasted, the Governor's budget proposes reducing spending by \$5.8 billion across five years from climate, resources, and environmental programs



### Recommended Bill PositionStaff Report Item 17A

Bill #	Author	Description	Sponsor(s)	Recommended EBCE Position			
BUDGET T	Garcia	Establishes a Central Procurement Entity for long-lead time resources, penalizes LSEs for missing RA targets, and expands CPUC control over CCA resource mix		OPPOSE UNLESS AMENDED			
INTERCONNECTION							
<u>AB 50</u>	Wood	Requires CPUC to create an IOU shot-clock on interconnection for <b>new</b> and upgraded load, as well as increased reporting and transparency		SUPPORT			
<u>AB 643</u>	Berman	Requires CPUC to create an IOU shot-clock on interconnection for <b>distributed energy resources</b> , consider penalties, reduce administrative burden, and increase reporting and transparency	California Solar and Storage Association (CalSSA)	SUPPORT			
<u>SB 83</u>	Weiner	Requires CPUC to create an IOU shot-clock on <b>new development</b> , issue penalties for missed deadlines, and increase reporting		SUPPORT			
<u>SB 410</u>	Becker	Requires CPUC to create an IOU shot-clock on interconnection for <b>new</b> <b>and upgraded load</b> , consider remedial actions for misses, increase reporting, and ensure adequate staffing	International Brotherhood of Electrical Workers	SUPPORT			



### Recommended Bill PositionStaff Report Item 17A

Bill #	Author	Description	Sponsor(s)	Recommended EBCE Position				
BROWN ACT								
<u>AB 557</u>	Hart	Permits local agencies, like EBCE's board, to indefinitely continue the teleconference flexibilities given during the COVID state of emergency	CA Special Districts Assoc., League of CA Cities, CA State Assoc. of Counties	SUPPORT				
ELECTRIC VEHICLES								
<u>SB 529</u>	Gonzalez	Requires CEC to create a grant program to facilitate EV sharing services at affordable, multifamily housing properties	Los Angeles Cleantech Incubator	SUPPORT				
BUILDING DECARBONIZATION								
<u>SB 527</u>	Min	Establishes an Neighborhood Zonal Decarbonization Program for 15 communities and authorizes gas corporations to cease service if the CPUC determines an area is better suited for electrification	Building Decarbonization Coalition	SUPPORT				



### **Next Steps**

Attachment Staff Report Item 17A

- Review and analyze new amendments
- Monitor bills on our watch list; determine when EBCE should formally take a position
- Send position letters for bills once EBCE formally takes a position
- Monitor Governor's Budget request
- Engage with CalCCA on legislative efforts



Attachment Staff Report Item 17B



# Legislative Program

State and Federal Policy Priorities

E: legislative@ebce.org

ebce.org



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### Introduction

The East Bay Community Energy Legislative Program outlines the legislative priorities and stances of East Bay Community Energy ("EBCE") with the intent to inform customers, representatives, and policymakers of EBCE's stances on the myriad of public policies that intersect with EBCE's priorities, programs, and services. These priorities are applicable to legislation, statewide referenda, grant funding opportunities, and local ballot initiatives.

EBCE has three major legislative priorities: Accelerating Decarbonization, Promoting Local Development, and Stabilizing Community Choice. EBCE support of legislation will be contingent upon that legislation adhering to these priorities as well as EBCE's priorities.

Moreover, EBCE supports any and all policies that will preserve or enhance the ability of EBCE to promote these priorities at the local level.

This document provides direction to EBCE's legislative advocates in Sacramento and Washington, DC. Additionally, this document serves as the foundation for any EBCE Board action regarding Federal or State legislation or funding opportunity. Staff may draft letters, direct our legislative advocates, or speak on behalf of EBCE regarding the legislative priorities this document outlines.

Any correspondence signifying EBCE's support or opposition of a given bill must be approved by the EBCE Board of Directors, the Board's Executive Committee, or the CEO in accordance with the delegation of authority provided by the Board to the CEO on time-sensitive matters.

Any questions regarding this Legislative Program can be directed to Alec Ward, Principal Legislative Manager, at 510-250-3094 or <u>award@ebce.org</u>.

Sincerely, Nick Chaset

Chief Executive Officer, EBCE



### **EBCE Board of Directors**

Alameda County Supervisor Elisa Márquez (Chair)

Albany Mayor Aaron Tiedemann

Berkeley Vice Mayor Ben Bartlett

Dublin Councilmember Sherry Hu

Emeryville Mayor John Bauters

Fremont Councilmember Teresa Cox

Hayward Councilmember Julie Roche

Livermore Councilmember Ben Barrientos

Newark Councilmember Matthew Jorgens

Oakland Council Member Dan Kalb

Piedmont Vice Mayor Betsy Andersen

Pleasanton Vice Mayor Jack Balch (Vice Chair)

San Leandro Mayor Juan Gonzalez

Stockton Councilmember Dan Wright

Tracy Councilmember Matt Bedolla

Union City Councilmember Jaime Patiño

Community Advisory Committee (non-voting) Anne Olivia Eldred, Chair



### **Contact Information**

### Mailing Address

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### Program Staff

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### Principal Legislative Manager Alec Ward 510-250-3094 award@ebce.org



### Legislative Advocates

State Legislative Advocate

Weideman Group Mark Weideman

1215 K Street, Suite 2290 Sacramento, CA 95814

(916) 600-2288 mark@weidemangroup.com

### Federal Legislative Advocate

**Townsend Public Affairs** Joseph Melo

600 Pennsylvania Avenue SE, Suite 207 Washington, DC 20003

(202) 546-8696 jmelo@townsendpa.com



### **General Legislative Principles**

EBCE has three general legislative principles. These priorities serve as the foundation for all actions EBCE will take, including the lobbying for policies that promote those same guiding priorities.

Public policy encompasses a myriad of subject and topic areas. However, as these policies intersect at the local level, they have the ability to impact EBCE revenues, programs, and/or administrative discretion and control. EBCE will support policies that accelerate decarbonatization, promote local development, stabilize community choice, or any combination thereof. If a given policy does not meet these criteria, EBCE will oppose, support with amendments, or in some cases take no stance on that policy or legislation.

The General Legislative Principles for EBCE are:

### Accelerating Decarbonization

- Support the creation or expansion of federal, state, and local policies and programs that enable EBCE to contribute to the State's efforts to reduce greenhouse gas emissions.
- Oppose any legislation, policies, programs, referenda, unfunded mandates and budgets that would have an adverse impact on EBCE's ability to advance decarbonization through its procurement, programs, projects, and services.

### Promoting Local Development

- Support any legislation, policy, referenda, and budgets that enhance community choice energy providers' ability to invest in local clean energy, distributed energy resources, and zero-emission transportation, and promote equity in the communities that it serves.
- Oppose any legislation, policy, referenda, and budgets that limit or undermine EBCE's ability to invest in local clean energy, distributed energy resources, and zero-emission transportation, and promote equity in the communities that it serves.

### Stabilizing Community Choice

- Support any legislation, policies, referenda, and budgets that maintain or improve the stability of community choice energy providers by ensuring regulatory structure is equitable and enables EBCE to meet its mission and goals.
- Oppose any legislation, policies, referenda, and budgets that undermine or circumvent community choice energy and impede the ability of the agency to achieve its mission and goals or its value proposition.



### **EBCE** Public Policy Positions

The General Legislative Priorities help identify which public policy positions EBCE will take.

The list of policy positions below is by no means exhaustive. In addition to the general legislative priorities, EBCE takes the following more specific public policy positions:

### 1.1 Nonbypassable Charges

A. Oppose legislation that restricts or limits EBCE's ability to procure its own energy products to meet state policy goals.

B. Oppose legislation that increases or is likely to lead to an increase in nonbypassable charges.C. Support legislation that promotes a level playing field between community choice aggregators and other market participants.

D. Support legislation that enhances the flexibility of community choice energy providers to support statewide procurement policy and develop and expand programs, local options, and rate design to support EBCE's community and customers.

### 1.2 Disadvantaged Communities

A. Support legislation and initiatives that boost funding for new energy projects that support disadvantaged communities and low-income customers within EBCE's service territory.B. Support legislation and initiatives that increase access and funding for energy-related programs serving disadvantaged communities.

C. Support legislation and initiatives that would reduce local air pollution, reduce other negative local impacts associated with energy production, and boost adoption of distributed energy resources within disadvantaged communities.

D. Oppose legislation and initiatives that have the potential to disproportionately and negatively impact EBCE's disadvantaged communities and/or low-income customers.

### 1.3 Environmental Sustainability

A. Support legislation and initiatives that increase funding for the creation of sustainable and stable energy supply infrastructure.

B. Support legislation and initiatives that encourage the conservation of energy resources as well as the development of dynamic load-shifting capabilities.

C. Support legislation and funding for renewable and advanced energy technology that increase efficient consumption.

D. Support legislation and funding for pilot energy and resource efficiency programs.

E. Support legislation and initiatives with the goal of reducing and mitigating the effects of climate change and building local resiliency.



### 1.4 Finance

A. Support legislation that enhances the financial standing of community choice aggregators and their ability to receive a positive credit rating.

B. Oppose legislation that reduces or removes the tax-exempt status of municipal bonds.

C. Oppose any legislation that would divert community choice energy revenues to the State or other governmental entities.

### 1.5 Educational, Neighborhood and Social Services

A. Support legislation that aids or helps to fund EBCE to provide energy support services, education, and opportunities for reducing energy costs to people who are low-income, seniors, veterans, and/or people with disabilities.

B. Support legislation and initiatives that increase funding for energy efficiency, demand response, solar plus storage, and transportation electrification programs, and energy literacy services.



### Legislative Program Coordination

Legislation can be brought to the attention of EBCE through a variety of channels:

- State Legislative Advocates
- Elected Representatives
- CalCCA
- EBCE Board Members
- EBCE Staff
- EBCE Community Advisory Committee
- EBCE Customers and Community Members
- Other Governmental Associations

All legislative requests for support or opposition will be directed toward EBCE's Public Policy department. EBCE staff will then review the legislation in coordination with any relevant departments to analyze whether or not the legislation aligns with EBCE's general legislative priorities. Staff will then monitor and track the legislation, providing updates when necessary.

Concurrent with this evaluation, EBCE's Public Policy department will recommend a position and course of action. There are six main levels of action, which may be taken independently or in combination, but all of which are coordinated by the Principal Policy Manager of Public Policy or their designee:

- 1. Direction to lobbyists to advocate in support, support with changes, oppose unless amended, or opposition to legislation
  - Pursuant to direction from the EBCE Board of Directors, the Board's Executive Committee, or the CEO in accordance with the delegation of authority provided by the Board to the CEO on time-sensitive matters, EBCE staff will notify lobbyists of EBCE's stance on legislation and direct them to take appropriate action with legislators. EBCE may remain neutral on a given piece of legislation.
- 2. EBCE correspondence with relevant legislators
  - In conjunction with providing direction to lobbyists once EBCE has determined its stance on legislation, EBCE staff will send a support or opposition letter to the appropriate legislators.
- 3. EBCE Board-approved resolution
  - EBCE staff will draft a staff report and resolution for consideration by the full EBCE Board of Directors. Approved resolutions will be forwarded along with a letter signed by the Chief Executive Officer or his/her designee to the appropriate legislators.
- 4. EBCE Board outreach
  - EBCE staff will draft talking points and other relevant information for individual Board Members to personally contact appropriate legislators to advocate on behalf of EBCE.
- 5. Travel to Sacramento or Washington, D.C
  - EBCE staff and/or Board Members may decide to advocate in person. Staff will coordinate with the appropriate lobbyists to organize meetings or attendance at other lobbying events.
- 6. Draft or Sponsor Specific Legislation
  - EBCE staff and legislative advocates will work with EBCE's legislative representatives to articulate EBCE's stance on a policy and to ensure said stance is codified in statute.

### Attachment Staff Report Item 17C Assembly Bill 50 – Interconnectivity Times Assemblymember Jim Wood

### THE PROBLEM

Severe electric interconnectivity delays have become the everyday reality of utility customers in California. Californians seeking electricity for new developments, or for upgrades to existing connections, are seeing significant spikes in their wait-times for interconnectivity. If left unaddressed, this poses a major threat to the state's housing, business, and climate change goals.

### EXISTING LAW

The California Public Utilities Commission (CPUC) has a statutory duty to regulate public utilities. Among other responsibilities, the CPUC is tasked with ensuring public utilities perform their obligation to serve all of their customers. California law requires public utilities – including electric corporations – to provide adequate, efficient, just, and reasonable service.

State law, in describing what service is required by electric corporations, is silent on the subject of timeliness.

### BACKGROUND

Currently, electric utilities provide "will serve" letters to applicants seeking power, committing to eventually deliver service. Customers will then pay a significant fee, oftentimes up to tens or even hundreds of thousands of dollars, only to later find out that power may not be delivered for several years. A severe example of this is <u>Humboldt County</u>, where more than 35 customers were told last fall that they will not receive power for more than a decade. And this issue is not just impacting rural communities. The City of San Francisco has reported 136 interconnection delays since October 2018, including 519 units of affordable housing, a library, an elementary school, academic buildings, a fire boat, traffic signals, safety street lighting, and even water pump stations.

Residential, commercial, industrial, and agricultural developers across the state are finding out that *will* 

*serve* really means *will serve, eventually.* This new reality poses an alarming threat to business development and threaten our state's ability to reach its housing and climate change goals.

### **BILL SUMMARY**

AB 50 aims to improve interconnectivity timelines for new and existing electric customers by doing the following:

- Clarifies a large electric corporation's legal obligation to serve customers in a timely fashion and asks the CPUC to determine what timely service means.
- Until the CPUC determines what timely service means, AB 50 sets a deadline of 90 days of delivering power to new connections and 30 days to upgrade existing connections.
- Promotes more efficient distribution planning by requiring large electric corporations to evaluate and update as necessary their distribution processes and meet regularly with county government staff to discuss the status of electrical capacity.
- Requires large electric corporations to report on capacity constraints to state government.

### STATUS

Assembly Appropriations Committee

### SUPPORT

CalCCA City of Belmont City of Santa Rosa County of Humboldt County of Sonoma East Bay YIMBY Grow the Richmond How to ADU Mountain View YIMBY Napa-Solano for Everyone Non-Profit Housing Association of Northern California Northern Neighbors Peninsula for Everyone People for Housing - Orange County Progress Noe Valley Redwood Coast Energy Association Rural Counties Representatives of California (RCRC) San Diego Community Power San Francisco YIMBY San Luis Obisbo YIMBY Santa Cruz YIMBY Santa Rosa Metro Chamber of Commerce Santa Rosa YIMBY Sonoma Clean Power South Bay YIMBY Southside Forward The Climate Center The Utility Reform Network (TURN) Urban Environmentalists Valley Clean Energy Alliance Ventura County YIMBY **YIMBY** Action

### FOR MORE INFORMATION

Annabelle Hopkins, Legislative Director Office of Assemblymember Jim Wood 916-319-2002 | <u>Annabelle.Hopkins@asm.ca.gov</u>



### ASSEMBLY BILL 557 EMERGENCY BROWN ACT MEETING PROCEDURES

### SUMMARY

AB 557 eliminates the January 1, 2024 sunset on the provisions of the Brown Act that provide additional flexibility for local agencies looking to meet remotely during an emergency, while still maintaining public access and transparency.

This legislation will provide a narrow but important emergency authority, allowing local governing bodies to safely meet and take action during applicable states of emergency declared by the Governor.

#### BACKGROUND

AB 361 (Rivas, 2021) codified numerous provisions of Governor Newsom's Executive Orders pertaining to the Brown Act in 2020. This law sunsets on January 1, 2024. The provisions only apply in the event that an emergency situation or public health orders prevent a local agency board from meeting in-person.

Local agencies needing to meet remotely pursuant to those provisions are only permitted to do so in concert with an emergency declared by the Governor of California.

#### PROBLEM

While the worst of the COVID-19 pandemic appears to have subsided, the need to be prepared for future emergencies remains. Recent events in California, including disastrous flooding and devastating wildfires, underscore this point. The flexibility to meet remotely will remain a critical tool for use in other emergencies declared by the Governor even after the COVID-19 state of emergency.

In cases where a state of emergency persists, existing law required local agencies to renew their emergency remote meeting resolution within 30days. However, many agencies regularly meet onceper-month (e.g. every third-Tuesday), which is sometimes a span of just over 30 days. This forced agencies to unnecessarily move meetings to days and times less accustomed to the public or to expend unnecessary time and expense to conduct an additional meeting

#### SOLUTION

By removing the sunset, AB 557 preserves the critical flexibility for local agencies needing to meet remotely. By adjusting the renewal period for resolutions to 45 days, the measure will provide accommodation for those agencies regularly meeting on a fixed date every month.

AB 557 will help provide the public with essential services during a Governor-declared emergency.

### SUPPORT

CA Special Districts Association (Co-Sponsor) League of California Cities (Co-Sponsor) CA State Association of Counties (Co-Sponsor)

### AB 643 (Berman)

### Enforcing Solar Interconnection Timelines

### SUMMARY

AB 643 directs the California Public Utilities Commission (CPUC) to consider mechanisms to address solar interconnection delays including enforcing interconnection timelines for investor-owned utilities, reducing administrative burden, and providing transparency and certainty to customers.

In doing so, the bill directs the CPUC to consider process improvements to address some of the most common areas of solar interconnection delays.

### BACKGROUND

According to a 2021 joint agency report California published by the Energy Commission (CEC), CPUC, and California Air Resources Board (CARB), California will need to roughly triple its current electricity power capacity in order to meet our goal of becoming "carbon neutral" by 2045. The report found that California will need to sustain its expansion of clean electricity generation capacity at a record-breaking rate for the next 25 years. On average, the state will need to build 6 GW of new solar, wind, and battery storage resources annually.

Solar interconnection delays are not only a financial burden for businesses and individuals seeking to connect their systems to the grid and a barrier to solar adoption, but they also delay the state's critically important progress towards cutting carbon emissions from generating electricity. A clean electricity grid is necessary to achieve economy wide carbon neutrality.

Every customer that installs solar and storage must submit an interconnection application to the utility. The utility reviews the applications to ensure that the surrounding grid equipment is adequate to handle the new installations.

For the three big investor-owned utilities, the interconnection rules are contained in Rule 21, which is nearly identical for each of the three. Rule 21 provides customers wishing to install generating or storage facilities on their premises with access to the electric grid while protecting the safety and reliability of the distribution and transmission systems at the local and system levels. Rule 21 contains specific timelines for various steps in the process. For example, utilities must inform customers within ten days if a submitted application is complete and ready for review. Utilities then have 15 days to do the preliminary engineering review. Following more detailed study, if upgrades are required and agreed to, they must be designed within three months and installed within an additional three months. Extensions can be made for extraordinary circumstances.

When utilities fall behind on the timelines, it is mostly due to their failure to prioritize staffing and timeliness. Unfortunately, this happens far too often as there are no consequences for failure to meet those timelines. As a result, utilities routinely exceed the maximum amount of time allowed for interconnection review.

### THIS BILL

This bill would direct the CPUC, in a new proceeding or in a new phase of an existing proceeding related to Electric Rule 21, to consider adopting mechanisms to enforce timelines for solar interconnections for investor-owned utilities, reduce administrative burden, and provide transparency and certainty to customers.

During the proceeding, the CPUC shall create process improvements to Electric Rule 21 to address the following types of delays:

- Delays between submittal of an application for interconnection of a solar project and the electrical corporation's determination that the application is valid and complete.
- Delays between a local government's inspection approval of a solar project and the electrical corporation's issuance of permission to operate the generator.
- Delays in the electrical corporation scheduling an inspection of a solar project.

### SUPPORT

California Solar and Storage Association (sponsor) **Bioenergy Association of California** Camptionville Community Partnership Electrochaea Corporation **ADT Security Services** Tesla Revel Energy Engie North America SunPower 1000 Grandmothers for Future Generation 350 Bay Area Action Alameda County Democratic Party Albany Climate Action Coalition Aztec Solar Inc. California State Grange Camptonville Community Partnership, Inc Center for Community Energy **Climate Action California** Climate Mobilization San Diego Climate Reality Project, Orange County Eco Active 101 **Environmental Working Group** Extinction Rebellion San Francisco Bay Area Indivisible East Bay Indivisible Green Team Infinity Energy JKB Energy McGee-Spaulding Neighbors in Action Morongo Basin Conservation Association Newgen Energy Oil and Gas Action Network **Project Development Solutions** Recolte Energy **Resource Renewal Institute** Romero Institute

San Diego Community Power San Joaquin valley Democratic Club Santa Cruz Climate Action Network Sierra Club California Skyline Smart Energy Sonoma Clean Power Sunflower Alliance Sunnova Sunrise Bay Area Sunrun Sustainable Mill valley Terraverde Energy

### **OPPOSITION**

San Diego Gas and Electric Pacific Gas and Electric (PG&E) SoCal Edison

### FOR MORE INFORMATION

Isabelle LaSalle Office of Assemblymember Marc Berman (916) 319-2023 • (916) 319-2123 (fax) isabelle.lasalle@asm.ca.gov



### Senator Josh Becker, 13th Senate District

### SB 410 – Powering Up California

### SUMMARY

SB 410 requires the Public Utilities Commission (PUC) to decrease the time in which electrical utilities connect and upgrade customers to electricity service. To ensure shorter target interconnection times, SB 410 requires the PUC to set a target timeline for utilities to connect different types of resources, convene a working group, report necessary data, and encourage workforce development considerations to meet that timeline.

### BACKGROUND

To ensure that the lower-voltage electricity distribution energy lines can hold sufficient electrons to power all the buildings in neighborhoods, utilities and localities monitor the capacity on existing lines to keep the grid stable. To connect a new appliance or provide an electrical upgrades to a building on the electricity distribution grid — colloquially known as as 'interconnection' — sometimes requires an electrical corporation, like PG&E, to upgrade the capacity of a distribution line or upgrade a local substation (which convert high voltage power to low voltage, usable power) capacity.

These interconnection evaluations and upgrades are necessary for many new resources on the electricity grid, including solar panel installations, EV chargers, and home electric appliance installation, but also for the addition of new housing or building developments.

As more homes and businesses are built, as they switch over to climate-friendly electric appliances, and as they install EV chargers or rooftop solar, the upgrades needed to the electricity distribution system continue — and will continue — to grow. In the long run, planning for this increased electricity grid capacity will require planning and cost foresight from electrical utilities, in partnership with the PUC, to meet the SB 100 (de León, 2018) energy transition goals.<sup>1</sup>

### THE PROBLEM

Californians are experiencing delays in the time it takes for utilities to interconnect their new homes and electrical upgrades with the electricity grid. While the most common causes and average time of delays are not fully known due to lack of publicly available data, reports from Californians indicate wide-spread delays in certain parts of the state.

One customer from Northern California described his frustrating experience with delays from utility interconnections when upgrading his electrical panel.<sup>2</sup>

"One potential electrician I met with was not interested in the project because it would require too much coordination with the utility and uncertainty about project timing due to the utility capacity review. After hearing this, we chose an electrician who had a strength in utility coordination. Even this electrician told us that they were increasing the fee that they charge to clients for utility coordination because it was taking more and more of their time."

As another example, delays for connecting electric vehicle (EV) fast chargers to the grid were around 70 weeks inside of PG&E territory in 2022.<sup>3</sup> Still, no comprehensive statistics about the causes of the delays for different types of resources are available to the public.

Another community choice aggregator, whose program provides free upgrades for low-income households to obtain heating and cooling systems, now avoids homes on streets where distribution upgrades are needed, as the associated PG&E upgrade time for past projects is estimated to require 6 months before the new unit could be installed.

<sup>&</sup>lt;sup>1</sup> Brockway et al., Can Distribution Grid Infrastructure Accommodate Residential Electrification and Electric Vehicle Adoption in Northern California?" (2022)

<sup>&</sup>lt;sup>2</sup>Campbell. "The Home Upgrade Process Needs an Upgrade" (2022)

<sup>&</sup>lt;sup>3</sup> PG&E, "Clean Transportation Program Advisory Council Meeting. Q4, 2022."

### SOLUTION

This legislation requires the PUC to plan and set guidance for how to accommodate these growing electricity grid connection requests in order to reduce current delays and preemptively prevent future delays.

This bill sets out multiple requirements for the PUC to ensure electrical utilities connect new buildings or electricity service capacity upgrades to customers on a reasonable timeframe. The PUC is first required to create an average and maximum timeline in which electrical utilities should connect customers to the grid. This timeline must minimize controllable causes of delays and accounts for potential future grid capacity growth from the state's building decarbonization goals.

The legislation subsequently requires the PUC and utilities to do the following to ensure compliance with the average timeline targets.

- 1. If utilities exceed the set target averages, the utility must create a strategy to meet the targets in the future. The PUC is permitted to take remedial actions, if necessary to ensure compliance.
- 2. The PUC is required to ensure utilities plan for sufficient workforce training and development for interconnection work,
- 3. The PUC must convene a working group to establish annual reporting standards on delayed projects and explore options to resolve the delays with relevant stakeholders.

The improvements and targets set for connecting new and upgraded electricity service to the grid will ensure that California is adequately able to meet its decarbonization targets and reduce customer frustration.

### SUPPORT

Coalition of California Utility Employees (sponsor) City of San Jose California State Association of Electrical Workers Elders Climate Action, NorCal and SoCal chapters Rural County Representatives of California Silicon Valley Clean Energy Sonoma Clean Power

### FOR MORE INFORMATION

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**SB 527** Neighborhood Decarbonization Program Senator Dave Min, 37<sup>th</sup> District

### SUMMARY

SB 527 directs the California Public Utilities Commission (CPUC) to establish the Neighborhood Decarbonization Program. This is a cost effective, community-scale pilot program that will decarbonize 15 neighborhoods across the state.

### BACKGROUND

The California Air Resources Board (CARB) has laid out goals for the state to reach its benchmark of carbon neutrality by 2045. Those goals include reducing greenhouse gas emissions to 85% below 1990 levels and reducing fossil fuel consumption to less than 10 percent of what is currently consumed. To reach these goals California will need to decarbonize every sector, including our buildings.

Buildings account for 25 percent of all emissions, and 13 percent of all greenhouse gas emissions. These emissions contribute to climate change and cause poor indoor air quality that can lead to adverse health problems.

In an effort to reduce emissions in buildings, the 2022-23 State Budget created The Equitable Building Decarbonization Program. The program allocated \$922 million in funding for the decarbonization of low- and moderate-income households. The funds provide rebates and incentives for zero-emission appliances, such as heat pumps for air and water heating and cooling. While this was a step in the right direction, California will not meet its climate targets by switching out one appliance at a time. California can take a community based approach to decarbonization by first reviewing which service areas are using outdated energy infrastructure. When natural gas pipelines are too old for operation, public utilities are responsible for replacing or refurbishing them. In certain instances, however, replacing outdated natural gas pipelines is more costly than decommissioning the pipelines and decarbonizing the buildings in that service area. This is done by providing free appliance upgrades to affected customers, using high-efficiency appliances such as heat pumps to provide heating, cooling and hot water service. These communities can also be connected to geothermal energy networks.

It is evident that building decarbonization is a priority for the state. In order to meet GHG emission targets, California can further its decarbonization efforts by targeting specific zones that need upgrades to their outdated energy infrastructure.

### THIS BILL

SB 527 directs the CPUC to establish the Neighborhood Decarbonization Program. The program would allow utilities, along with the CPUC, to identify 15 cost-effective projects throughout the state with outdated infrastructure for decarbonization using strategies such as heat pump technology, geothermal energy networks, and high efficiency energy appliances. Two-thirds of customers in a targeted area must consent before these projects move forward.

The CPUC would create program guidelines including high road labor standards and transition requirements for workers,



**SB 527** Neighborhood Decarbonization Program Senator Dave Min, 37<sup>th</sup> District

protections to ensure rate stability for remaining gas customers, and preference for projects that serve a large percentage of lowincome individuals or households.

After five years of implementation of the program, the CPUC will submit a report to the Legislature on the findings of the program.

### SUPPORT

**Building Decarbonization Coalition** (Sponsor) Earthjustice Sierra Club Natural Resources Defense Council **Rocky Mountain Institute Building Electrification Institute Environmental Protection Information** Center **SPUR Rewiring America** California Environmental Voters Efficiency First California San Diego Green Building Council Climate Justice Team First Unitarian Universalist Church of San Diego San Diego 350 Menlo Spark AjO.earth American Institute of Architects City of Berkeley Office of Energy and Sustainable Development Carbon Free Palo Alto Mothers Out Front Silicon Valley **Emerald Cities Bay Area** San Diego Building Electrification Coalition Hammond Climate Solutions Foundation Mothers Out Front San Francisco **Climate Action Campaign** 350SV Palo Alto Climate Team **Rising Sun Center for Opportunity** thirdACT PBC

Silicon Valley Clean Energy California Housing Partnership

### **OPPOSITION**

Rural County Representatives of California

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### SB 529 (Gonzalez) Electric Vehicles for All Act

#### SUMMARY

Senate Bill (SB) 529 will expand electric vehicle access for low-income Californians by creating a dedicated grant program to deploy electric vehicle car-sharing programs at 100 public and low-income housing facilities in California.

This program will meet the unique mobility needs of lowincome Californians, a group that is largely excluded from the existing benefits of California's clean transportation transformation.

#### **EXISTING LAW**

Through Executive Order N-79-20, California has set ambitious targets for zero-emission vehicle (ZEV) deployment that include:

- 5 million ZEVs on the road by 2030;
- 100% of in-state sales of new passenger cars and trucks be zero-emission by 2035; and
- 100% of medium- and heavy-duty vehicles be zero-emission by 2045, where feasible.<sup>1</sup>

To meet these goals, several federal and state funding sources support ZEV adoption and charging infrastructure deployment.

Federally, there are multiple competitive grant and incentive programs that accelerate ZEV and charging infrastructure deployment. Through the Infrastructure Investment and Jobs Act (IIJA), the National Electric Vehicle Program provides \$5 billion for the acquisition, installation, maintenance, and operation of electric vehicle charging infrastructure. The IIJA also appropriates \$2.5 billion for electric vehicle charging infrastructure along designated "alternative fuel corridors".<sup>2</sup> In addition to IIJA grant funds, Section 30D of the Inflation Reduction Act of 2022 provides tax credits up to \$7,500 for the purchase and use of electric vehicles.<sup>3</sup>

California also has existing programs that fund zeroemission vehicle and charging infrastructure deployment. Most notably, the Clean Transportation Program (CTP) awards \$100 million annually for projects that support the adoption of cleaner transportation powered by alternative and renewable fuels.<sup>4</sup>

California also invests in clean transportation deployment through the Clean Mobility Options Program to support car share, bike share, vanpool, and ride sourcing projects and transportation needs assessments in disadvantaged communities. As of May 2022, this program invested \$55.2 million to support 51 implemented projects throughout the State.<sup>5</sup>

At the Federal level, H.R. 6662, the "Electric Vehicles for All Act" would have also facilitated an electric vehicle car sharing program at public housing locations throughout the United States.<sup>6</sup>

<sup>&</sup>lt;sup>1</sup> https://test.sites.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20text.pdf.

<sup>&</sup>lt;sup>2</sup>https://sor.senate.ca.gov/sites/sor.senate.ca.gov/files/IIJA%20Transportation%2 0Overview%20-%20SOR-FINAL.pdf.

<sup>&</sup>lt;sup>3</sup> https://www.mayerbrown.com/en/perspectives-

events/publications/2022/09/tax-credits-for-electric-vehicles-whats-changedwith-the-us-

ira#:~:text=The%20IRA%20establishes%20a%20new%20tax%20credit%20for, the%20vehicle%2C%20which%20cannot%20be%20more%20than%20%2425 %2C000.

<sup>&</sup>lt;sup>4</sup> <u>https://www.energy.ca.gov/programs-and-topics/programs/clean-</u>

transportation-program/clean-transportation-program-overview.

<sup>&</sup>lt;sup>5</sup> <u>https://cleanmobilityoptions.org/about/</u>.

<sup>&</sup>lt;sup>6</sup> https://www.congress.gov/bill/117th-congress/house-bill/6662.

### Attachment Staff Report Item 17C

#### BACKGROUND/PROBLEM

California is a world leader in the ZEV market: in 2021, California accounted for about 39% of all electric vehicles registered in the United States.<sup>7</sup>

However, California is still far from its ambitious ZEV targets. As of 2021, there are 837,887 ZEVs in California, representing just 2.9% of all the cars on the road.<sup>8</sup> Moreover, these ZEVs are not deployed equitably, as low-income, households of color are far less likely to own ZEVs than white, higher-income households. As of 2019, fewer than 6% of California ZEVs are registered in census tracts within the upper 80<sup>th</sup> percentile of CalEnviroScreen score.<sup>9</sup>

In order for California to meets its ZEV goals, the State must increase electric vehicle adoption in low-income, disadvantaged communities.

Over the last several years, there have been small-scale pilot projects aimed at expanding ZEV access in lowincome neighborhoods, including electric vehicle carsharing programs at public housing. Notably, the Los Angeles Cleantech Incubator launced an electric vehicle car sharing program at the Housing Authority of the City of Los Angeles' San Pedro public housing project with great success. Through this program, San Pedro residents have access to two electric vehicles and charging stations, which they use to get to work, grocery shop, run errands, and visit family among other uses.<sup>10</sup> While these previous pilot programs have been successful locally, there is still an immediate need for a large scale statewide program to help fund and guide a statewide effort to get ZEVs and charging infrastructure into the communities that need it the most.

#### SOLUTION

SB 529 will ensure that low-income Californians benefit from the State's ambitious clean transportation goals, while providing critical mobility options for public and low-income housing residents.

<sup>10</sup> https://laincubator.org/rancho-san-pedro-evs-for-

SB 529 will create a grant program to launch electric vehicle car-sharing programs throughout the state, with the goal of servicing the residents of 100 public and lowincome housing facilities. With flexible financing, local governments, housing authorities, air districts, and other community groups can access funds for electric vehicles, charging infrastructure, education and outreach, and subsidized fares to support the car-sharing program. Priority will be given to programs that demonstrate that the electric vehicle car-sharing program would address the transportation needs and the lack of electric vehicle charging infrastructure in the community.

#### SUPPORT

Los Angeles Cleantech Incubator (Sponsor)

#### CONTACT

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<sup>&</sup>lt;sup>7</sup> <u>https://afdc.energy.gov/data/10962</u>.

<sup>&</sup>lt;sup>8</sup> <u>https://www.energy.ca.gov/data-reports/energy-almanac/zero-emission-</u>

vehicle-and-infrastructure-statistics/light-duty-vehicle.

<sup>&</sup>lt;sup>9</sup> https://innovation.luskin.ucla.edu/wp-content/uploads/2021/04/An-Agendafor-Equity-Centered-Clean-Transportation.pdf.

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