



**Staff Report Item 15:
2024 Legislative Year in Review**

To:	Ava Community Energy Authority
From:	Todd Edmister, Sr. Director of Public Policy and Deputy General Counsel Kendall Downie, Regulatory Fellow
Subject:	Updating the Board on 2024 Legislation
Date:	November 20, 2024

Summary/Recommendation

This memo updates the Board as detailed below on California legislation that Ava was tracking or on which Ava took a position during the 2024 legislative session.

Analysis and Context

The Board adopted positions on pending state legislation at the Board’s regular May 15, 2024 business meeting. See <https://avaenergy.org/wp-content/uploads/2024/04/Item-C6.-Legislative-Update-1.pdf> The Board elected to take a “support” position on Assembly Bill (“AB”) 817 (Pacheco), AB1834 (Garcia) AB 2329 (Muratsuchi), AB 2672 (Petrie-Norris), AB 2779 (Petrie-Norris), SB 1006 (Padilla), Senate Bill (“SB”), SB 1095 (Becker), SB 1130 (Bradford), SB 1165 (Padilla), SB 1210 (Skinner), and SB 1221 (Min).

With the conclusion of the legislative session, we report in the table below on the fate of these bills. Bills now in law are highlighted.

AB 817	Pacheco	Permits a member of a subsidiary body (i.e.	Died
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		Community Advisory Committee) to call in remotely and not disclose their locations.	
AB 1834	Garcia	The CPUC and CEC must consider mitigating factors (like market scarcity) when determining Resource Adequacy capacity payments.	Vetoed
AB 2329	Muratsuchi	Establishes a Climate Equity Trust Fund to promote affordable electric rates.	Died
AB 2672	Petrie-Norris	Creates greater access to the CARE program for public housing facilities by ensuring direct benefits go to its residents.	Signed into law by Gov
AB 2779	Petrie-Norris	Directs CAISO to report on the use of new grid enhancing technologies in transmission plans.	Signed into law by Gov
SB 1006	Padilla	Requires IOUs to prepare strategic plans on grid enhancing technologies and evaluate which lines can be upgraded instead of replaced.	Signed into law by Gov
SB 1095	Becker	Streamlines transition from gas to all-electric in mobile and manufactured homes.	Died
SB 1130	Bradford	Expands FERA program eligibility by eliminating the requirement that a household consist of 3 or more persons	Signed into law by Gov
SB 1165	Padilla	Speeds up agency transmission project authorization by deeming them environmental leadership development projects.	Died
SB 1210	Skinner	Requires IOUs to post online schedules and fees for service connections to new housing construction.	Signed into law by Gov
SB 1221	Min	Requires IOUs to identify potential gas distribution line replacement projects, and evaluate the cost-	Signed into law by Gov

		effectiveness of replacing those projects with all-electric service.	
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In addition to the bills listed above, staff also reports here on AB 3264 (Petrie-Norris). AB 3264 established reporting requirements on demand-side management programs. The author amended AB 3264 late in the session to add CCAs to its scope. The Governor signed AB 3264 into law as amended to include CCAs.

Financial Impact

Of the bills that are now law:

AB 2672 may result in lower costs for Ava customers benefitting in public housing facilities.

AB 2779 is unlikely to have a fiscal impact on Ava in the near-term, but may eventually lower costs as Ava project delays are avoided and transmission bills are lowered.

AB 3264 will require additional reporting from Ava, with associated compliance costs in amounts to be determined. The CPUC is establishing detail around the reporting requirements.

SB 1006 is unlikely to have a fiscal impact on Ava in the near-term, but may eventually lower costs as Ava project delays are avoided and transmission bills are lowered.

SB 1130 may result in lower costs for Ava customers who qualify for the expanded FERA requirements, but slightly increase costs for other customers paying for the program.

SB 1210 is unlikely to have a fiscal impact on Ava.

SB 1221 may supplement funding for Ava electrification and building decarbonization programs.

Attachments

- A. November 20, 2024 Legislative Update (Slideshow)

Ava 2024 Fall Legislative Update



Agenda

- Background on California's state legislative process (Dan)
- Ava Legislative Program and Positions in the 2024 California Legislative Session (Todd)
- Outcomes of the 2024 Legislative Session (Todd and Kendall)
- 2025 Outlook



Key Deadlines for the 2024 Legislative Year

January 3: Legislature reconvenes

January 10: Governor submits budget

February 16: Bill introduction deadline

April 26: Policy committees to move fiscal bills to fiscal committees (1st house)

May 3: Policy committees to move nonfiscal bills to floor (1st house)

May 17: Fiscal committees to move bills to floor (1st house)

May 24: Last day for bills to be passed out of 1st house

June 15: Budget bill must be passed

July 3: Policy committees to meet and report bills (2nd house)

August 16: Fiscal committees to move bills to floor (2nd house)

August 31: Last day for each house to pass bills

September: Last day for Governor to sign/veto bills



Legislature - 2024 State of Play

Bills, Bills, Bills

- 2,124 bills introduced; of 1,206 bills on Gov's desk, he signed 1,017 and vetoed 189

- Major Areas Of Concern:
 - Retail Crime
 - AI
 - Insurance Crisis
 - Electricity Affordability



2024 Energy-related Bill Topics

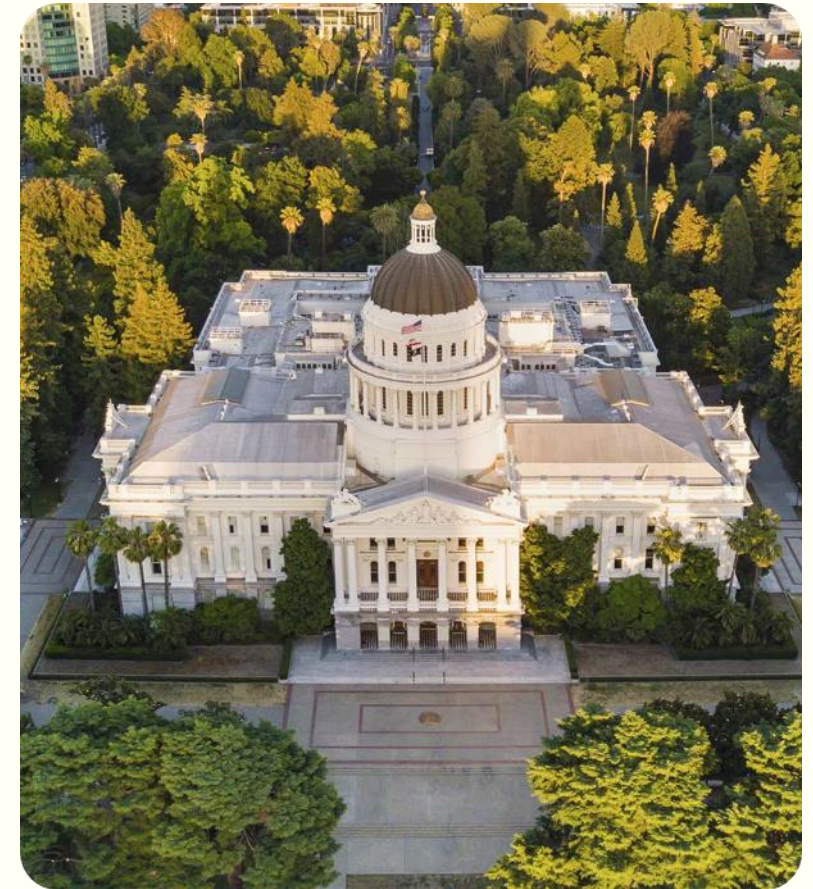
- Affordability
- Building decarbonization
- Clean Energy Finance
- Fixed charges
- Transmission
- Procurement
- EVs/charging
- Climate Bond



Ava's Legislative Program

Ava staff recommendations for bill positions are based on *Ava's Legislative Program*, last updated May 2024 (<https://avaenergy.org/about-ava/legislative-priorities/>)

- The Program prioritizes:
 - Accelerating Decarbonization
 - Promoting Local Development
 - Stabilizing Community Choice
- Ava Board determines final bill positions



Bill # (Author)	Description	Ava's Position	Bill Outcome
Affordability			
<u>AB 2329</u> (Muratsuchi)	Establishes a Climate Equity Trust Fund to promote affordable electric rates	Support	Died
<u>AB 3264</u> (Petrie-Norris)	Requires the CPUC to report on the cost effectiveness and ratepayer savings of energy efficiency and demand response programs	N/A	Signed into law by Gov.
<u>AB 2672</u> (Petrie-Norris)	Creates greater access to the CARE program for public housing facilities by ensuring direct benefits go to its residents	Support	Signed into law by Gov.
<u>SB 1130</u> (Bradford)	Expands FERA program eligibility by eliminating the requirement that a household consist of 3 or more persons	Support	Signed into law by Gov.
<u>SB 1142</u> (Menjivar)	Adds more protections for customers at-risk of disconnections	N/A	Signed into law by Gov.
<u>SB 1292</u> (Bradford)	Orders PUC to report on the income-graduated fixed charge (IGFC) adoption by July 1, 2027	N/A	Vetoed by Gov.
<u>AB 1999</u> (Irwin)	Sunsets the IGFC set by the PUC on July 1, 2028; after 2028, IGFC caps at \$5 for CARE and \$10 for non-CARE	N/A	Died



Bill # (Author)	Description	Ava's Position	Bill Outcome
Building Decarbonization			
<u>SB 1054</u> (Rubio)	Requires the CEC to award grants to support low-income households and their purchase of zero-emitting household appliances	N/A	Died
<u>SB 1095</u> (Becker)	Streamlines transition from gas to all-electric in mobile and manufactured homes	Support	Died
<u>SB 1210</u> (Skinner)	Requires IOUs to post online schedules and fees for service connections to new housing construction	Support	Signed into law by Gov.
<u>SB 1221 (Min)</u>	Requires IOUs to annually file a gas map to show foreseeable gas community-wide replacements, and determines cost-effectiveness process for electrification	Neutral	Signed into law by Gov.
Clean Energy Bonds			
<u>SB 867</u> (Allen)	Authorizes \$10 billion in bonding for safe drinking water, climate resilience, wildfire prevention, extreme heat mitigation, biodiversity, clean air, and outdoor access programs	N/A	Passed



Bill # (Author)	Description	Ava's Position	Bill Outcome
Transmission			
<u>AB 2779</u> (Petrie-Norris)	Directs CAISO to report on the use of new grid enhancing technologies in transmission plans	Support	Signed into law by Gov.
<u>SB 1006</u> (Padilla)	Requires IOUs to prepare strategic plans on grid enhancing technologies and evaluate which lines can be upgraded instead of replaced	Support	Signed into law by Gov.
<u>SB 1165</u> (Padilla)	Speeds up agency transmission project authorization by deeming them environmental leadership development projects	Support	Died
Procurement			
<u>AB 1834</u> (Garcia)	The CPUC and CEC must consider mitigating factors (like market scarcity) when determining Resource Adequacy capacity payments	Support	Vetoed
<u>AB 2368</u> (Petrie-Norris)	Will include provisions to more closely coordinate Integrated Resource Planning and Resource Adequacy planning and processes	N/A	Signed into law by Gov.
<u>SB 1374</u> (Becker)	Allows eligible customer-generators to elect to aggregate their electric load	N/A	Vetoed



Bill # (Author)	Description	Ava's Position	Bill Outcome
EV's			
<u>AB 2427</u> (McCarty)	Orders GO-Biz to create checklists and best practices to help local govts permit curbside charging stations	N/A	Signed into law by Gov.
<u>AB 2453</u> (Villapudua)	Prohibit requiring retesting the electric vehicle supply equipment (EVSE) by an agent or sealer until 2028	N/A	Signed into law by Gov.
<u>SB 59</u> (Skinner)	Enables CARB/CEC/CPUC to require bidirectional charging capabilities if they deem beneficial	N/A	Signed into law by Gov.
Utilities			
<u>AB 2054</u> (Bauer-Kahan)	Prohibits CEC/CPUC commissioners from being employed by an entity they regulate (including IOUs and CCAs) for 3 years after their role, and increased oversight in IOU overspending	N/A	Died
Brown Act			
<u>AB 817</u> (Pacheco)	Permits a member of a subsidiary body (i.e. CAC) to call in remotely and not disclose their locations	Support	Died

2025 Outlook

Significant Member Turnover

- 32 new legislators this past session and another 34 newly elected this fall
- New Ava delegation members (pending official election results)
- Sen. Jerry McNerney (D, SD-9), Sen. Tim Grayson (D, SD-5), Sen. Jesse Arreguín (D, SD-7), Asm. Rhodesia Ransom (D, SD-13)
- New Sen Leadership and Committee Chairs (Sen Energy)

Continuing Budget Deficit Projected

- While tax receipts since June are exceeding budget projections, expenses are also exceeding projections, and new costs will offset gains
- Strong cash position (\$92B in “borrowable” money) will help address deficits



2025 Outlook

Expected Areas of Concern:

- Energy Affordability
- Insurance Crisis
- Cap and Trade Reauthorization
- AI
- Permit Streamlining

Legislative Special Session:

- Convened by Gov in response to election of incoming President Trump to ensure sufficient litigation resources



Key Deadlines for the 2025 Legislative Year

January 6: Legislature reconvenes

January 10: Governor submits budget

February 21: Bill introduction deadline

May 2: Policy committees to move fiscal bills to fiscal committees (1st house)

May 9: Policy committees to move nonfiscal bills to floor (1st house)

May 23: Fiscal committees to move bills to floor (1st house)

June 6: Last day for bills to be passed out of 1st house

June 15: Budget bill must be passed

July 18: Policy committees to meet and report bills (2nd house)

August 29: Fiscal committees to move bills to floor (2nd house)

September 12: Last day for each house to pass bills

October 12: Last day for Governor to sign/veto bills

