



Staff Report Item 4:

To:	Ava Community Energy Authority
From:	Todd Edmister
Subject:	<i>Update on outcomes of the 2025 California legislative session</i>
Date:	October 17, 2025

Summary/Recommendation

This staff report updates the MRL on the outcomes of the 2025 California legislative session to support increased Board visibility into our legislative actions.

Financial Impact

N/A

Analysis and Context [with deadlines as applicable]

This presentation will provide the basis for the November 19, 2025 legislative team presentation to the full board.

Attachments (if applicable)

- Slide deck "[2025 California End-of-Session Legislative Update](#)"

Ava 2025 California End-of-Session Legislative Update

October 17, 2025



Agenda

- 2025 California legislative session in review
- Individual bill updates
- 2026 Preview



2025 California Legislative Timeline

January 6: Legislature reconvenes 10: Governor submits budget	February 21: Bill introduction deadline	March	April
May 2: Policy cmtes move fiscal bills to fiscal cmtes (1st chamber) 9: Policy cmtes move non-fiscal bills to floor (1st chamber)	June 6: Last day for bills to be passed by 1st house 15: Budget bill must be passed	July 18: Policy cmtes move bills to fiscal cmtes or floor (2nd chamber)	August 29: Fiscal cmtes move bills to floor (2nd chamber)
September 12: Last day for each chamber to pass bills	October 12: Last day for Governor to sign/veto bills	November	December

We are here



2025 Session in Review

28 bills flagged for continued attention

13 positions
(11 support, 2 Support if Amended)

4 signed: SB254,
SB283, SB707, AB39

2 vetoed: AB44,
SB541

AB 1207 and
SB 840 extend
Cap-and-Trade to
2045

- Renamed "Cap-and-Invest"
- Significant changes to GGRF spending (see 2026 planning)
- Reallocates some credits from gas customers to electric utilities



2025 Session in Review - Wins

SB283 (battery safety):

Ava language adopted into bill

Signed into law

SB541 (load modification):

Ava language adopted into bill
(subsequently removed)

Veto'd on CalCCA recommendation

SB254 (affordability):

Autonomy threat removed

Signed into law

AB222 (data centers):

Hostile amendment rejected

2 year bill



Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Making Electricity More Affordable			
AB 99 (Ta-R)	Prohibits an Investor-Owned Utility (IOU) from proposing a rate increase above the level of inflation for any general rate cycle, except for cases related to safety improvements, system upgrades, or increased costs of materials.	Monitor	Failed Deadline in Asm Appr. Suspense File (2-year bill)
AB 729 (Zbur-D)	Provides bill relief by reallocating the Climate Credit to align with periods of highest statewide energy usage. Rather than a single payment in April, residential customers will receive the electricity Climate Credit in August and September and the natural gas Climate Credit in February.	Support	Failed Deadline in Sen. E, U, & C Committee (2-year bill)
AB 1207 (Irwin-D)	<p>However, some elements of the concepts above were included below...</p> <p>AB 729 was later incorporated into AB 1207, which extends and renames the cap-and-trade program and directs the CPUC to spread resulting customer credits across up to four high-billed months, while also adding new outreach requirements and dedicating revenues to the Transmission Accelerator Fund.</p>		AB 1207 Signed into Law
SB 254 (Becker-D)	Joint Senate and Assembly Affordability package; Establishes the California Transmission Infrastructure Accelerator within GO-Biz and the I-Bank to finance and expedite critical transmission projects. Creates a revolving fund and authorizes bonds and other financial tools to connect developers with public and private capital. Consolidates affordability measures originally split across SB 254 and AB 825, with SB 254 serving as the principal vehicle for infrastructure financing and transmission acceleration.	Support	Signed into Law

Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Protecting Community Choice			
Accelerating Decarbonization (Local Permitting)			
AB 39 (Zbur-D)	Requires that no later than 2030 cities and counties with over 75,000 residents adopt an electrification / decarbonization / community energy plan or integrate these subjects into their general plan.	Support	Signed into Law
AB 306 (Schultz-D, co:Wicks-D)	October 2025 to June 2031, places restrictions on local changes to building standards (including reach codes) for residential units, emphasizing uniformity and the protection of health, safety, and home hardening.	Monitor	Language was inserted into approved budget bill (AB 130)
SB 282 (Wiener-D)	Requires municipalities to streamline application and certification processes for residential heat pump systems.	Support	Failed Deadline in Sen. Appr. Suspense File (2-year bill)
Accelerating Decarbonization (Battery Storage)			
SB 283 (Laird-D)	Requires BESS developers to consult with local fire departments and undergo inspections before operation. Also directs the State Fire Marshall to "review and consider proposing" changes to the state building codes that restrict the location of storage projects to outdoors or in dedicated use, noncombustible buildings.	Support (originally Support if Amended)	Signed into Law

Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Accelerating Decarbonization			
AB 915 (Petrie-Norris-D)	Originally introduced as a clean energy siting and funding bill tied to the Clean Energy Reliability Investment Plan (CERIP), AB 915 was amended into a dam safety measure. Its earlier clean energy provisions were absorbed into the SB 254 affordability and infrastructure package.	Support	Vetoed
SB 698 (McNerney-D)	Authorizes CEC to establish Distributed Energy Resources (DER) equipment lists and adopt guidelines to further energy goals including solar systems, energy storage, bidirectional charging, and charging stations.	Support	Failed Deadline in Asm Appr. Suspense File (2- year bill)
Promoting Local Development (Vehicle Charging)			
AB 1423 (Irwin-D)	Originally expanded CEC's reliability and uptime regulations to a subset of publicly-funded/utility-funded chargers and provided authority for CEC to impose civil penalties for each violation. Superseded by CEC regulations and amended to focus only on EV charger payment definitions.	Monitor	Signed into Law
SB 314 (Padilla-D)	Allows chargers to be self-certified by installers and manufacturers be entered into operation during the state inspection period. Provides exemptions from some state laws for chargers only available to certain individuals.	Support	Failed Deadline in Sen. Appr. Suspense File (2-year bill)

Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Promoting Local Development (Data Centers)			
AB 222 (Bauer-Kahan-D)	Requires biannual reporting of power usage effectiveness (PUE) ratios from large data centers to the CEC, and directs the 2027 Integrated Energy Policy Report to include projections of data center load growth and grid impacts. Mandates a CPUC assessment of potential cost shifts from new data center loads, including procurement and transmission costs, with recommendations to mitigate impacts.	Support if Amended	Failed Deadline in Sen. Appr. Suspense File (2-year bill)
SB 57 (Padilla-D co: McNerney-D)	Authorizes the CPUC to prepare an assessment by January 2027 on whether new data center loads are creating cost shifts for other utility customers. The assessment may review procurement, transmission, and distribution costs, and must identify mitigation opportunities if substantial shifts are found.	Monitor	Signed into Law
Increasing Bill Transparency and Understanding (Dynamic Rates)			
AB 44 (Schultz-D)	Requires the CEC to define and publicize load modification protocols by 12/2026, allowing Load Serving Entities (LSEs) to adjust their electrical demand forecasts. The bill aims to improve grid reliability by incorporating flexible demand tools, supporting decarbonization, and helping LSEs manage their resource adequacy obligations.	Support	Vetoed
SB 541 (Becker-D)	Requires CEC via the Integrated Energy Policy Report (IPER) to establish load shifting targets allocated to each retail supplier based on its relative share of statewide load and the CEC's estimate of its load shifting potential. Requires CEC to work with the CPUC to identify barriers to meeting these estimates.	Support if Amended (originally Oppose Unless Amended)	Vetoed

Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Bills Concerning IOUs			
AB 740 (Harabedian-D)	Mandates IOUs report on their efforts to achieve load shifting goals. Directs the CEC to develop a strategic plan to facilitate the large-scale deployment of Virtual Power Plants.	Monitor	Vetoed
AB 1117 (Schultz-D)	Requires the implementation of dynamic pricing for all commercial and residential customers by 2030. CCA participation in dynamic pricing is voluntary but requires gen rate alignment with market conditions while preventing cost shifts between bundled and unbundled customers.	Monitor	Failed Deadline in Sen. Appr. Suspense File (2-year bill)
AB 1167 (Berman-D , Addis-D)	Prohibits IOUs from using ratepayer funds for activities like political influence or promotional advertising that don't directly benefit customers. Requires these utilities to disclose whether advertising costs are covered by ratepayers or shareholders.	Monitor	Signed into Law
SB 24 (McNerney-D)	Prohibits IOUs from using ratepayer funds to undertake political influence activities, make charitable contributions, or lobby against municipalization. Mandates utilities to report detailed expense data to ensure compliance and requires service restoration during poor air quality conditions.	Monitor	Vetoed
SB 332 (Wahab-D)	Requires the CEC to evaluate the transition of the IOU model to a successor entity, implements disconnection transparency reporting, requires third party equipment audits, and prohibits ratepayer funds to be used for wildfire mitigation infrastructure investment, among other changes.	Monitor	Failed Deadline in Asm. Appr. Suspense File (2-year bill)

Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Bills Concerning IOUs (cont.)			
SB 500 (Stern-D)	<p>Originally directed the CPUC to develop and track IOU performance metrics and financial incentives to better align utility investments with cost-effective, safe, and reliable service.</p> <p>Amended to instead allow IOUs to satisfy data sharing requests from energy users to be addressed by sharing aggregated energy usage data via any tool permitted by the CEC.</p>	Monitor	Signed into Law
Board Operations			
AB 259 (Rubio-D)	Extends Brown Act alternative teleconferencing rules indefinitely (currently scheduled to expire in 2026).	Support	Failed Deadline on Sen. Floor (2-year bill)
SB 239 (Arreguín-D) SB 707 (Durazo-D)	<p>SB 707 (supplanting SB 239) shifts from a narrow subsidiary-body teleconferencing bill to a broad Brown Act modernization incorporating elements from SB 239 and AB 259.</p> <p>Particularly relevant to Ava, the bill extends Brown Act alternative teleconferencing through January 2030 (currently scheduled to expire in January 2026).</p>	Support	SB 707 Signed into Law

Bill # (Author)	Description	Ava Position	Bill Status (progress through leg)
Other Ava Priority Bills			
AB 13 (Ransom-D)	Originally required geographic representation for CPUC Commissioners, a legislative liaison, and annual reports on affordability, case resolutions, and rate decisions. Amended to instead require the Governor and Senate to 'consider' regional diversity in appointments, while retaining the other provisions.	Monitor	Failed Deadline in Sen. Appr. Suspense File (2-year bill)
AB 942 (Calderon-D)	Repurposed from a NEM reform bill into a Climate Credit bill; now requires GHG allowance revenues to be credited directly to customers, allows up to 15% for clean energy projects, and excludes non-CARE/FERA residential customers with annual bills under \$300 from receiving the credit.	Monitor	Halted in Senate policy committee (2-year bill)
AB 1260 (Ward-D)	Requires the CPUC to modify customer renewable energy subscription programs and requires CEC to evaluate community solar+storage as a load-modifying resource.	Monitor	Failed Deadline in Asm. Appr. Suspense File (2-year bill)
SB 453 (Stern-D)	Directs CPUC to review the status of unallocated Microgrid Incentive Program funds by January 2026; requires remaining funds to prioritize vulnerable communities and critical infrastructure in areas with repeated deenergization events. <i>Ava-supported SGIP language removed from bill.</i>	Monitor – <i>Originally support</i>	Failed Deadline on Sen. Floor (2-year bill)
SB 842 (Stern-D)	Directs the CPUC, in coordination with CAISO, to produce a report by 12/26 evaluating opportunities and needs for firm zero-carbon resources to support local and system reliability over the short, mid, and long term. The report must assess key resource attributes, identify barriers, and recommend solutions to better integrate firm zero-carbon resources into California's energy planning and markets.	Monitor	Failed Deadline in Asm. Appr. Suspense File (2-year bill)

2026 California Legislative Timeline

We are here

January 5: Legislature reconvenes 10: Governor submits budget	February 20: Bill introduction deadline	March	April 24: Policy cmtes move fiscal bills to fiscal cmtes (1st chamber)
May 1: Policy cmtes move non-fiscal bills to floor (1st chamber) 29: Last day for bills to be passed by 1st house	June 15: Budget bill must be passed	July 2: Policy cmtes move bills to fiscal cmtes or floor (2nd chamber)	August 14: Fiscal cmtes move bills to floor (2nd chamber) 31: Last day for each chamber to pass bills
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2026 Expected Issues

2025 Learnings

- Gov Newsom very defensive of existing CPUC/CEC authorities and workload (see vetos)
- IOUs wary of changes to T&D system (see 541)
- State approach to data centers remains in flux
- CCAs have growing clout (see language changes)

2026 look forward

- **Unresolved leg issues from 2025:** RA transactability, data centers, energy efficiency program oversight, dynamic rates/load modification
- **New issues:** Response to Federal changes, funding gaps left by new cap-and-trade (DSGS and others), structural deficits (\$17-25B through 28/29)
- **Potential CCA initiatives:** T&D push, PCIA reform
- **Possible Senate U&E changes**

