



**CAC Item C6**  
**Staff Report Item 12**

|                 |                                          |
|-----------------|------------------------------------------|
| <b>To:</b>      | Ava Community Energy Authority           |
| <b>From:</b>    | Sam Sadle, Principal Legislative Manager |
| <b>Subject:</b> | 2026 California Legislative Preview      |
| <b>Date:</b>    | March 18 2026                            |

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**Summary/Recommendation**

This staff report provides the Board with an overview of the current state of play in the California legislature and previews future staff recommendations to be considered at the April Board meeting.

This is informational. No action is required.

**Financial Impact**

N/A

**Analysis and Context**

This presentation provides a summary of the current state of play in the California Legislature as it relates to legislative and budget proposals that may have an impact on Ava Community Energy and our Legislative Program. The presentation also provides frameworks through which to analyze the various proposals working through the legislature and background ahead of Board position proposals in April.

**Attachments**

- A. Presentation entitled "2026.03.18 Board Item 12 2026 California Legislative Preview"

# 2026 California Legislative Preview

Sam Sadle, Kendall Downie, Dominic Faria – March 18, 2026



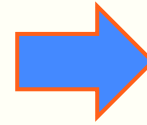
# 2026 California Legislative Timeline

|                                                                                                                                |                                                   |                                                                                  |                                                                                                                    |                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| <b>January</b><br>5: Legislature reconvenes<br>10: Governor submits budget                                                     | <b>February</b><br>20: Bill introduction deadline | <b>March</b>                                                                     | <b>We are here</b>                                                                                                 | <b>April</b><br>24: Policy cmtes move fiscal bills to fiscal cmtes (1st chamber) |
| <b>May</b><br>1: Policy cmtes move non-fiscal bills to floor (1st chamber)<br>29: Last day for bills to be passed by 1st house | <b>June</b><br>15: Budget bill must be passed     | <b>July</b><br>2: Policy cmtes move bills to fiscal cmtes or floor (2nd chamber) | <b>August</b><br>14: Fiscal cmtes move bills to floor (2nd chamber)<br>31: Last day for each chamber to pass bills |                                                                                  |
| <b>September</b><br>30: Last day for Governor to sign/veto bills                                                               | <b>October</b>                                    | <b>November</b>                                                                  | <b>December</b>                                                                                                    |                                                                                  |

# 2026 Bill Review

California legislators  
proposed ~**1,800 bills**

**February 20**



Ava legislative team is  
monitoring ~**80 bills**

**Ongoing**

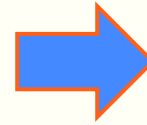
"The purposes [of Ava]... include securing electrical energy supply for customers in participating jurisdictions, addressing climate change by **reducing energy related greenhouse gas emissions, promoting electrical rate price stability, and fostering local economic benefits** such as jobs creation, community energy programs and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to State, regional and local solar and wind energy production."

[Ava Community Energy's Joint Powers Agreement](#)

# 2026 Bill Review

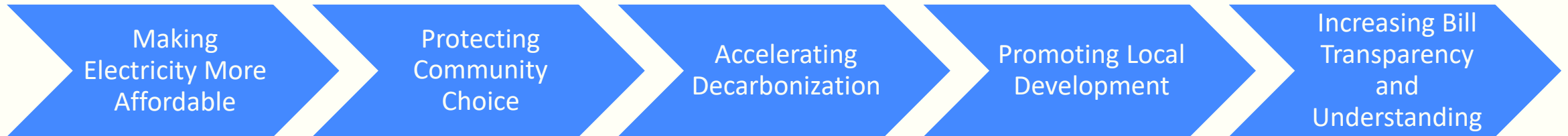
Ava legislative team is  
monitoring **~80 bills**

Ongoing



Cross-functional analysis of  
**33 bills**  
(Internal, CalCCA, Board)

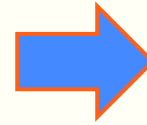
Today



# 2026 Bill Review

Cross-functional analysis of  
**33 bills**  
(Internal, CalCCA, Board)

Today



Staff recommends Board take  
a position on **TBD bills**

April Board meeting

1. Directly impacts our operations or legislative program.
2. Supports the JPA's vision of an affordable, sustainable, and local energy ecosystem and has broad-based support.
3. Ava's perspective has specific resonance with key decisionmakers and could impact the legislative language or path forward.

# Making Electricity More Affordable

## Rate affordability via PUC process and consideration changes

**AB 2463 – Petrie-Norris**  
Requires PUC to study IOU return on equity and propose how to link earnings to outcomes

**AB 2266 – Schultz**  
Requires PUC to set a single RA value for all types and duration of generation contracts

**AB 1975 – Schultz**  
Requires PUC to consider maintenance costs when approving infrastructure spending

**SB 924 – Hurtado**  
Requires PUC to consider costs and affordability in home weatherization programs

**AB 2611 – Bains**  
Requires PUC to develop rates that do not impose an "unreasonable hardship" on low-income communities in hot climate zones

Cost considerations

## Transmission and distribution affordability via process changes and faster timelines

**AB 2493 – Petrie-Norris**  
Requires IOUs to have an interconnection auditor

**AB 2239 – Carillo**  
Requires PUC to designate "infrastructure-constrained energization areas" to expedite development and interconnection

Interconnection

**AB 2111 – Papan**  
Energy agencies to consider affordability and wider range of future scenarios for transmission planning

**AB 2516 – Petrie-Norris**  
Requires GOBiz to procure critical grid infrastructure in bulk and sell to utilities

## Managing data center growth

**AB 1577 – Bauer-Kahan**

Requires monthly energy and water use reporting from all data centers

**SB 887 – Padilla**

Subjects all data centers to CEQA unless they install 100% zero-carbon energy storage (4 hrs) and procure 100% zero-carbon generation (at least 75% net new) within 5 years (among other requirements)

**AB 2383 – Zbur**

Creates large load tariff (>20 MW) to prevent costs shifts and require facilities to pay for interconnection over 15 years

**SB 886 – Padilla**

Requires PUC to create large load definition and tariff that prohibits costs shifts, requires 50% onsite zero-carbon storage, participation in demand response (among other requirements)

**SB 978 – Perez**

Requires PUC to create large load tariff (>75 mw) with upfront T&D upgrade payments and require all backup generation to be onsite solar paired with backup batteries

Create new data center tariffs



# Accelerating Decarbonization

## Supporting industrial and large load decarbonization

### **SB 943 – Becker**

Directs PUC to develop new TAC and NBC regimes that encourage industrial decarbonization and electrification

### **SB 1168 – McNerney**

Imposes a surcharge on all gas generation used by data centers and use funds to support CARE/FERA

## Supporting decarbonized utility-scale generation

### **AB 1156 – Wicks**

Updates Solar-Use Easement law to encourage development of solar on water-constrained farmland

### **AB 2464 – Wicks**

Requires the PUC to study clean firm zero-carbon resources and what is needed to achieve state's 2045 goals

### **SB 1295 – Stern**

Requires PUC to consider procurement of an additional 40 GW of storage and allocate procurement to LSEs

# Promoting Local Development

## Distributed energy resources

## Transportation electrification

|                                                                                                                                              |                                                                                                                           |                   |
|----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-------------------|
| <b>AB 2612 – Schultz</b><br>Requires the Building Standards Commission to adopt mandatory standards for portable solar systems               | <b>SB 868 – Weiner</b><br>Exempts portable solar generation (max output of 1,200 watts) from interconnection requirements | Portable solar    |
| <b>SB 222 – Weiner</b><br>Requires local communities to adopt heat pump water heater and HVAC system permitting streamlining                 | <b>Budget trailer – DSGS</b><br>Reallocates remaining DEBA funding to DSGS (~\$20 million)                                |                   |
| <b>AB 1942 – Bauer-Kahan</b><br>Requires class 2 and 3 ebikes to be registered with the DMV and plated                                       | <b>SB 1167 – Blakespear</b><br>Clarifies the definition of ebikes and bans advertising of non-eligible vehicles as ebikes | Ebikes            |
| <b>SB 1215 – Cortese</b><br>Requires IOUs to 3x the number of level 2 and 3 vehicle chargers in multifamily housing and recover costs as O&M | <b>SB 1282 – Becker</b><br>Requires the Energy Commission to study and adopt Vehicle-to-Grid (V2G) regulations            |                   |
|                                                                                                                                              |                                                                                                                           | Electric vehicles |

# Increasing Bill Understanding and Transparency

## Dynamic rates

### **AB 710 – Irwin**

Requires IOUs to offer dynamic pricing and require IOUs and POUs to plan for smart meter rollout to all customers

### **AB 1787 – Schultz**

Requires IOUs to offer dynamic pricing if smart meter infrastructure is in place

## Brown Act updates

**SB 1187 – Durazo**  
Defines "majority" for  
purposes of open meetings  
requirements

## PUC reform

**AB 13 – Ransom**  
Requires Governor to  
consider diversity in PUC  
appointments and PUC to  
publish an annual  
"affordability" report

**AB 2181 – Petrie-Norris**  
Requires Governor to  
consider geographic  
diversity in PUC  
appointments

## 20(!!!) spot or intent of legislature bills

**AB 1677 – Boerner**  
Intent of legislature to  
reduce customer bills by  
25%

**AB 2396 – Harabedian**  
Spot bill – "Energy"

## IOU spending restrictions

**SB 327 – McNerney**  
Prohibits IOUs from using  
ratepayer funds for  
advocacy activities related  
to municipalization

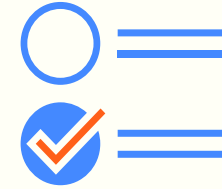
# What comes next? Bill review and positions

## March Board meeting



- **One informational item:**
  - Present 2026 legislative preview to the MRL, CAC, and Board for feedback
- **One action item:**
  - Propose *Support* position for AB 1761 (Rogers) and SB 1138 (Padilla)

## April Board meeting



- **Two action items:**
  - Propose annual updates to the [Ava Legislative Program](#)
  - Propose additional bill positions (*Support, Support If Amended, Oppose Unless Amended, Oppose*) to MRL, ExCo, CAC, and Board

# What comes next? Legislative session

## First house

- **April 24:** First house policy committee deadline (fiscal)
- **May 1:** First house policy committee deadline (non-fiscal)
- **May 15:** First house Appropriations suspense deadline
- **May 29:** First house passage deadline

## Budget

- **May 14:** Governor's budget revise
- **June 15:** Budget deadline
- **May to August:** Budget trailer and cleanup hearings

## Second house

- **July 2:** Second house policy committee deadline
- **August 14:** Second house Appropriations suspense deadline
- **Aug 31:** Second house floor passage deadline
- **September 30:** Veto/signature deadline

# Full Universe of Ava Monitored Bills

|                                |                  |                                                                 |
|--------------------------------|------------------|-----------------------------------------------------------------|
| <a href="#"><u>AB 13</u></a>   | Ransom (D)       | PUC membership and reporting                                    |
| <a href="#"><u>AB 34</u></a>   | Patterson (R)    | Extends the authority of POU's to count large hydro towards RPS |
| <a href="#"><u>AB 61</u></a>   | Pacheco (D)      | Require PAO to analyze ratepayer impacts of mandated programs   |
| <a href="#"><u>AB 705</u></a>  | Boerner (D)      | Creates independent PUC audit office                            |
| <a href="#"><u>AB 706</u></a>  | Aguiar-Curry (D) | Fire fuel reduction procurement program                         |
| <a href="#"><u>AB 710</u></a>  | Irwin (D)        | Dynamic pricing and advanced metering mandate                   |
| <a href="#"><u>AB 942</u></a>  | Calderon (D)     | Changes climate credit                                          |
| <a href="#"><u>AB 1016</u></a> | Gonzalez (R)     | State certification exemption for geothermal power plants       |
| <a href="#"><u>AB 1020</u></a> | Schiavo (D)      | Requires IOUs to report taxpayer funding                        |
| <a href="#"><u>AB 1117</u></a> | Schultz (D)      | Require IOUs to offer optional dynamic rate                     |
| <a href="#"><u>AB 1156</u></a> | Wicks (D)        | Updates farmland solar-use easement statute                     |
| <a href="#"><u>AB 1553</u></a> | Connolly (D)     | Spot bill -- CEQA reform                                        |
| <a href="#"><u>AB 1577</u></a> | Bauer-Kahan (D)  | Data Center Monthly Reporting                                   |
| <a href="#"><u>AB 1677</u></a> | Boerner (D)      | Require IOUs to cut rates by 25%                                |
| <a href="#"><u>AB 1761</u></a> | Rogers (D)       | PCIA data transparency                                          |

# Full Universe of Bills

|                                |                   |                                                                                                                   |
|--------------------------------|-------------------|-------------------------------------------------------------------------------------------------------------------|
| <a href="#"><u>AB 1774</u></a> | Boerner (D)       | Spot bill -- IOU rates                                                                                            |
| <a href="#"><u>AB 1787</u></a> | Schultz (D)       | Require IOUs to offer a dynamic tariff if smart meter infrastructure is in place                                  |
| <a href="#"><u>AB 1791</u></a> | Sanchez (R)       | Prohibits CARB from adopting regulations that would add more than 2 cents to a gallon of gas or \$2,000 to a home |
| <a href="#"><u>AB 1942</u></a> | Bauer-Kahan (D)   | Restrictions on class 2 and class 3 ebikes                                                                        |
| <a href="#"><u>AB 1975</u></a> | Schultz (D)       | PUC to consider of maintenance costs for IOU structure siting decisions                                           |
| <a href="#"><u>AB 1995</u></a> | Patel (D)         | State Fire Marshal lithium battery working group                                                                  |
| <a href="#"><u>AB 2057</u></a> | DeMaio (R)        | Prohibits city and counties from implementing gas bans                                                            |
| <a href="#"><u>AB 2111</u></a> | Papan (D)         | Transmission planning alignment with affordability and FERC Order 1920                                            |
| <a href="#"><u>AB 2175</u></a> | Garcia (D)        | Removes advanced electricity storage from smart grid deployment objectives                                        |
| <a href="#"><u>AB 2181</u></a> | Petrie-Norris (D) | Requires PUC commission diversity                                                                                 |
| <a href="#"><u>AB 2182</u></a> | Irwin (D)         | Creates IOU run industrial decarbonization program                                                                |
| <a href="#"><u>AB 2234</u></a> | Papan (D)         | CEQA exemptions for geothermal exploratory projects                                                               |
| <a href="#"><u>AB 2239</u></a> | Carillo (D)       | Infrastructure-constrained energization areas and IOU energization timelines                                      |
| <a href="#"><u>AB 2266</u></a> | Schultz (D)       | RA valuation standardization                                                                                      |
| <a href="#"><u>AB 2369</u></a> | Rogers (D)        | Spot bill                                                                                                         |



# Full Universe of Bills

|                         |                   |                                                                                                                           |
|-------------------------|-------------------|---------------------------------------------------------------------------------------------------------------------------|
| <a href="#">AB 2383</a> | Zbur (D)          | Require creation of a large load customer class and rate schedule                                                         |
| <a href="#">AB 2396</a> | Harabedian (D)    | Spot bill                                                                                                                 |
| <a href="#">AB 2408</a> | DeMaio (R)        | Require all PPPs be detailed on bill and an annual report to each ratepayer                                               |
| <a href="#">AB 2459</a> | Wallis (R)        | Spot bill -- climate credit                                                                                               |
| <a href="#">AB 2463</a> | Petrie-Norris (D) | Require PUC to study IOU return on equity                                                                                 |
| <a href="#">AB 2464</a> | Wicks (D)         | Require PUC to study clean firm's role in 2045 goal                                                                       |
| <a href="#">AB 2493</a> | Petrie-Norris (D) | Require IOUs to have an interconnection auditor                                                                           |
| <a href="#">AB 2508</a> | Hoover (R)        | Creates PPP vehicle to spend GGRF funds on EE programs run by RENs                                                        |
| <a href="#">AB 2516</a> | Petrie-Norris (D) | California Grid Manufacturing Initiative                                                                                  |
| <a href="#">AB 2518</a> | Sharp-Collins (D) | Spot bill -- utilities                                                                                                    |
| <a href="#">AB 2554</a> | Addis (D)         | Spot bill -- utilities                                                                                                    |
| <a href="#">AB 2589</a> | Irwin (D)         | Requires PUC to analyze OBBBA and adjust rates to reflect impacts                                                         |
| <a href="#">AB 2611</a> | Bains (D)         | Require PUC to develop rates that do not impose an "unreasonable hardship" on low-income communities in hot climate zones |
| <a href="#">AB 2612</a> | Schultz (D)       | Building standards for plug-in solar systems                                                                              |
| <a href="#">AB 2647</a> | Calderon (D)      | Bans new nuclear power plants without fuel reprocessing capacity or adv tech                                              |

# Full Universe of Bills

|                                |                 |                                                                                               |
|--------------------------------|-----------------|-----------------------------------------------------------------------------------------------|
| <a href="#"><u>AB 2688</u></a> | Zbur (D)        | Spot bill – offshore wind                                                                     |
| <a href="#"><u>AB 2699</u></a> | Zbur (D)        | Spot bill -- utilities                                                                        |
| <a href="#"><u>AB 2700</u></a> | Gallagher (R)   | Spot bill -- rates and air pollution                                                          |
| <a href="#"><u>AB 2710</u></a> | Bauer-Kahan (D) | Intent of legislature to make changes in IOU bankruptcy processes                             |
| <a href="#"><u>AB 2748</u></a> | Quirk-Silva (D) | Revert EV regulations to 2022 state building code for BMR housing                             |
| <a href="#"><u>AB 2762</u></a> | Boerner (D)     | Spot bill -- rates                                                                            |
| <a href="#"><u>SB 222</u></a>  | Weiner (D)      | Heat pump water heater and HVAC system permitting streamlining                                |
| <a href="#"><u>SB 327</u></a>  | McNerney (D)    | Prohibits IOUs from using ratepayer funds for advocacy activities related to municipalization |
| <a href="#"><u>SB 330</u></a>  | Padilla (D)     | Transmission infrastructure financing pilots                                                  |
| <a href="#"><u>SB 332</u></a>  | Wahab (D)       | Study breaking up IOUs                                                                        |
| <a href="#"><u>SB 453</u></a>  | Stern (D)       | Microgrid incentive program                                                                   |
| <a href="#"><u>SB 742</u></a>  | Perez (D)       | IOUs to remove unused transmission facilities                                                 |
| <a href="#"><u>SB 842</u></a>  | Stern (D)       | Report on firm zero-carbon resources                                                          |
| <a href="#"><u>SB 868</u></a>  | Wiener (D)      | Plug-in solar interconnection exemption                                                       |
| <a href="#"><u>SB 875</u></a>  | Wiener (D)      | PG&E municipalization advancement                                                             |

# Full Universe of Bills

|                                |                |                                                                                                                    |
|--------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------|
| <a href="#"><u>SB 886</u></a>  | Padilla (D)    | Large load cost shift prevention                                                                                   |
| <a href="#"><u>SB 887</u></a>  | Padilla (D)    | Large load CEQA application                                                                                        |
| <a href="#"><u>SB 905</u></a>  | Becker (D)     | Spot bill -- Non-bypassable charges                                                                                |
| <a href="#"><u>SB 913</u></a>  | Becker (D)     | Spot bill                                                                                                          |
| <a href="#"><u>SB 924</u></a>  | Hurtado (D)    | PUC to consider affordability when looking at home weatherization                                                  |
| <a href="#"><u>SB 925</u></a>  | McNerney (D)   | Spot bill -- Energy efficiency                                                                                     |
| <a href="#"><u>SB 943</u></a>  | Becker (D)     | Industrial billing and NBC/TAC reform                                                                              |
| <a href="#"><u>SB 978</u></a>  | Perez (D)      | Special tariff for large load customers                                                                            |
| <a href="#"><u>SB 1035</u></a> | Strickland (R) | Suspend gas tax for one year                                                                                       |
| <a href="#"><u>SB 1097</u></a> | Weiner (D)     | Spot bill -- Energy permitting                                                                                     |
| <a href="#"><u>SB 1138</u></a> | Padilla (D)    | RA transactability                                                                                                 |
| <a href="#"><u>SB 1158</u></a> | Stern (D)      | Adds status of utility transmission upgrades and electrical grid infrastructure to Reliability Planning Assessment |
| <a href="#"><u>SB 1167</u></a> | Blakespear (D) | Clarifies ebike definition and bans advertising of non-eligible bikes                                              |
| <a href="#"><u>SB 1168</u></a> | McNerney (D)   | Data center gas usage surcharge                                                                                    |
| <a href="#"><u>SB 1187</u></a> | Durazo (D)     | Brown Act meeting updates                                                                                          |
| <a href="#"><u>SB 1215</u></a> | Cortese (D)    | Require IOUs to 3x the number of multifamily level 2 and 3 chargers                                                |

# Full Universe of Bills

|                                |                 |                                                                                                                                         |
|--------------------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <a href="#">SB 1219</a>        | Strickland (R)  | Requires PUC to consider discontinuation of nonperforming EE programs within 180 days                                                   |
| <a href="#">SB 1233</a>        | Allen (D)       | Spot bill -- rates                                                                                                                      |
| <a href="#">SB 1245</a>        | Stern (D)       | Intent of legislature to address cost containment of renewable integration into grid                                                    |
| <a href="#">SB 1282</a>        | Becker (D)      | V2G standards                                                                                                                           |
| <a href="#">SB 1295</a>        | Stern (D)       | Requires PUC to consider procurement of 40GW of storage and allocate procurement to LSEs                                                |
| <a href="#">SB 1354</a>        | Archuleta (D)   | Spot bill -- renewable energy                                                                                                           |
| <a href="#">Budget Trailer</a> | Dept of Finance | Reallocates outstanding funding from the Distributed Energy Backup Assets (DEBA) program to the Demand Side Grid Support (DSGS) program |