



MEETING of the Legislative & Regulatory Committee of the Clean Power Alliance of Southern California

Wednesday, January 22, 2020

10:00 a.m.

555 W. 5th Street, 35th Floor

Los Angeles, CA 90013

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Christian Cruz, at least two (2) working days before the meeting at ccruz@cleanpoweralliance.org or (213) 269-5870. Notification in advance of the meeting will enable us to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.

PUBLIC COMMENT POLICY: *The General Public Comment item is reserved for persons wishing to address the Committee on any Clean Power Alliance-related matters not on today's agenda. Public comments on matters on today's Consent Agenda and Regular Agenda shall be heard at the time the matter is called. Comments on items on the Consent Agenda are consolidated into one public comment period. As with all public comment, members of the public who wish to address the Committee are requested to complete a speaker's slip and provide it to Clean Power Alliance staff at the beginning of the meeting but no later than immediately prior to the time an agenda item is called.*

Each speaker is customarily limited to two (2) minutes (in whole minute increments) per agenda item with a cumulative total of five 5 minutes to be allocated between the General Public Comment, the entire Consent Agenda, or individual items in the Regular Agenda. Please refer to Clean Power Alliance Policy No. 8 – Public Comments for more information.

In addition, members of the Public are encouraged to submit written comments to PublicComment@cleanpoweralliance.org. Any written comments should be provided to Clean Power Alliance staff before an item is called so that they can be distributed to the Board and included in the official record.

Clean Power Alliance Legislative & Regulatory Committee
January 22, 2020

Members of the public may also participate in this meeting remotely at the following addresses:

Agoura Hills City Hall
Planning Conference Room
30001 Ladyface Court,
Agoura Hills, CA 91301

West Hollywood City Hall
3rd Floor, City Manager's Conference Room
8300 Santa Monica Blvd
West Hollywood, CA 90069

Carson City Hall
Executive Conference Room
701 E. Carson Street
Carson, CA 90745

Redondo Beach City Hall
Engineering Conference Room
415 Diamond Street
Redondo Beach, CA 90277

I. WELCOME & ROLL CALL

II. GENERAL PUBLIC COMMENT

III. CONSENT AGENDA

1. Approve Minutes from October 23, 2019 Legislative & Regulatory Committee Meeting

IV. REGULAR AGENDA

2. Approve 2020 Legislative and Regulatory Platform
3. Regulatory Update

V. COMMITTEE MEMBER COMMENTS

VI. ADJOURN

Public Records: *Public records that relate to any item on the open session agenda for a Committee Meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all, or a majority of, the members of the Committee. The Board has designated Clean Power Alliance, 555 W. 5th Street, 35th Floor, Los Angeles, CA 90013, as the location where those public records will be available for inspection. The documents are also available online at www.cleanpoweralliance.org.*

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MINUTES

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Planning Conference Room
415 Diamond Street
Redondo Beach, CA 90277

Carson City Hall
Executive Conference Room
701 E. Carson Street
Carson, CA 90745

I. WELCOME & ROLL CALL

Committee Member Christian Horvath called the meeting to order at 10:06 a.m.
Board Secretary Rigoberto Garcia called the roll.

Roll Call				
1	Agoura Hills	Deborah Klein Lopez	Committee Member	Remote
2	Carson	Cedric Hicks	Committee Member	Remote
3	Redondo Beach	Christian Horvath	Committee Member	Remote
4	West Hollywood	Lindsey Horvath	Chair	Present

II. GENERAL PUBLIC COMMENT

No public comments were received.

III. CONSENT AGENDA

1. Approve Minutes from September 25, 2019 Legislative & Regulatory Committee Meeting

Alternate Member Reata Kulcsar requested the minutes be amended to reflect her designation from Committee Member to Alternate Member.

Motion: Committee Member Deborah Klein Lopez, Agoura Hills

Second: Committee Member Cedric Hicks, Carson

Vote: Item 1 as amended was approved a by unanimous roll call vote of those present.

IV. REGULAR AGENDA

2. Receive Update on Regulatory Issues

CC Song, Director of Regulatory Affairs, provided a brief overview of the regulatory landscape over the next six to nine months. The California energy landscape is shifting from a three IOU dominated market that now includes CCAs. As such, Ms. Song highlighted the key policy trends or objectives among the regulatory agencies. First, achieving RPS and zero carbon goals. Second, maintaining a reliable electricity grid. Third, providing competitive customer choice with more LSE. Ms. Song pointed out that there will be more scrutiny now because of the shift to a dynamic market. In the regulatory proceedings, each one of these objectives are being explored and the majority of these proceedings are being formed at the CPUC and the CEC.

Ms. Song discussed the Integrated Resources Planning (IRP) Proceeding. The most recent proposed decision to the IRP, which allows for the extension of Once-through-Cooling (OTC) for Huntington Beach, Redondo Beach, and Oxnard plants. Originally, only SCE territory load-serving entities (LSEs) were being required to procure enough energy to cover the gap, however, there was a revised proposed decision that now would require that all LSEs in the state share in procuring enough energy to meet the Resource Adequacy (RA) required to maintain grid reliability. Additionally, the extension for the Redondo Beach and Oxnard OTC plants has been shortened.

Committee Member Lopez asked about the OTC time frame for the Redondo Beach plant and if the shortened time frame is the same as the Oxnard plant, where the time frame was shortened from three years to one year. Ms. Song clarified that that the Redondo Beach OTC time frame went from three years to two years.

Ms. Song also highlighted the historical background that before IRP was implemented there was a long-term procurement planning proceeding to ensure the three IOUs were meeting requirements, and this evolved into the IRP because of SB 350. The IRP proceeding is where many important policy issues are discussed, such as the Renewable Portfolio Standard (RPS), zero carbon procurement, and reliability. Prior to CCAs, the CPUC would just ask the three IOUs to procure the identified needed energy. However, with the advent of CCAs, the CPUC now must work with all LSEs on procurement. Therefore, in the IRP Proceeding CPA anticipates that the agency will continue to work with the CPUC to coordinate procurement and playing a role in reliability.

Ms. Song reviewed the RA rules that ensure CCAs are procuring enough capacity to serve customers. CPA staff is seeing a lot of changes to these requirements. Historically, gas resources have been used to help maintain reliability on the grid. However, these resources are starting to come offline. CPA is working closely with CalCCA, the CPUC, and other agencies to ensure that the CPUC has confidence in CPA's procurement and ability to maintain reliability throughout the day. Ms. Song highlighted a key policy challenge, which is the idea of central buyer for capacity resources. As proposed, if this gets implanted LSEs would still have the ability to buy capacity resources, but a central buyer would also have the responsibility to ensure any shortfall would be procured and the cost would be shared with LSEs.

Ms. Song reviewed the Power Charge Indifference Adjustment (PCIA) regulatory activity, which is a priority for CPA. A key focus for CPA is to ensure that IOU portfolios are optimized in a way that will limit the expansion of the PCIA. Staff is following proceedings on power source disclosures, SCE General Rate Case (GRC) and energy resource recovery proceedings, and de-energization/wildfire proceedings.

Chair Lindsey Horvath asked, if there is any proposed action that CPA will need to take, in reference to the aforementioned priorities, in the near term. Matt Langer, Chief Operating Officer, indicated that at the moment, there isn't any near term action that needs to be taken by the Board.

Committee Member Lopez asked how we are ensuring that the PCIA is accurate and fairly distributed. Mr. Langer clarified CPA does review the ERRA filing, which lays out the PCIA. CPA reviews this closely, as do other agencies, and if there is an issue it is raised to the CPUC.

Committee Member Hicks asked about the proposal for eliminating or reducing the use of natural gas for cooking and if we are anticipating this as part of CPA growth and procurement of electricity. Mr. Langer clarified that as far as forecasting load growth CPA uses certain industry accepted assumptions when it comes to building electrification, vehicle electrification and load growth. As such, we may have more energy usage because of electrification, however there could also be less load because of rooftop solar, so staff does take into account different scenarios when load forecasting.

V. COMMITTEE MEMBER COMMENTS

There were no Committee Member comments

VI. ADJOURN

Committee Chair Horvath adjourned the meeting at 10:32 a.m.



Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Legislative & Regulatory Committee

From: Gina Goodhill, Director of Policy
CC Song, Director of Regulatory Affairs

Subject: CPA Legislative and Regulatory Policy Platform

Date: January 22, 2020

STAFF RECOMMENDATION

Recommend that the Board of Directors approve the 2020 CPA Legislative and Regulatory Policy Platform.

PROPOSED POLICY PLATFORM

In December 2018, CPA Board approved a 2019 Legislative and Regulatory Policy Platform to serve as a framework for CPA's advocacy and policy efforts. Having a Board-approved platform has allowed both Board members and staff to pursue actions at the legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of the organization and its mission, its member agencies, and its customers. Since the Policy Platform was approved in 2018, CPA has hired a Director of Policy and a Director of Regulatory Affairs. In addition, there are new opportunities and obstacles in the legislative and regulatory arenas that are not reflected in the current policy. As a result, staff is proposing an updated 2020 Legislative and Regulatory Policy Platform (attached), which reflects several changes to the current platform that are shown in redline format in the attachment.

The proposed changes reflect:

- 1) Funding opportunities from the state that CPA may have the ability to access
- 2) A changing energy landscape that could include new rules and roles for the IOUs

- 3) An increased focus on resiliency in the face of extreme weather events and de-energizations

Staff is seeking feedback from the Legislative & Regulatory Committee on the highlighted changes to the Policy Platform, prior to seeking a recommendation for approval from the Board of Directors in February.

Attachment: 1) Proposed 2020 Legislative and Regulatory Platform



2019-2020 Proposed Legislative and Regulatory Policy Platform
Adopted December 13, 2018

Overview and Purpose

The Clean Power Alliance (CPA) Legislative and Regulatory Policy Platform serves as a guide to the CPA Board of Directors and CPA staff in their advocacy efforts and engagement on policy matters of interest to CPA. The Platform allows both Board members and staff to pursue actions at the legislative and regulatory levels in a consistent manner and with the understanding that they are pursuing actions in the best interest of the organization and its mission, its member agencies, and its customers. The Platform will also enable the organization to move swiftly to respond to events in Sacramento (Legislative / Executive) and San Francisco (California Public Utilities Commission). The Platform also provides firm guidance to the Executive Director on what the support or oppose positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

Except under the circumstances approved by the CPA Board on June 7, 2018, when the Chair, Vice-Chairs, Legislative & Regulatory Committee Chair, and Executive Director may act on behalf of the organization, all CPA positions on individual bills will be presented to the full Board for approval.

Policy Principles

The Legislative and Regulatory Policy Platform is centered around four basic principles:

1. Protecting CPA's local control and autonomy by its members, especially with regards to finances, and power procurement, and local customer programs.
2. Ensuring fair treatment of CPA customers by the CPUC and other state agencies.
3. Supporting recognition that electricity is an essential service and that CPA should have the ability to set electric rates that are affordable for all.
4. Pursuing environmental initiatives that exceed prescriptive State mandates, promote the growth in renewable energy capacity at the local level, encourage clean energy adoption by CPA customers, and reduce fossil fuel dependency.

Policy Platform

1) Local Control, Finance, and Power Procurement

CPA will pursue legislative and regulatory activity that:

- a. Supports the authority of CPA and its Board to retain local control over its activities
- b. Supports the protection of CPA's procurement autonomy
- c. Supports the ability of CPA to maintain control over its financial decisions
- d. Support the ability of CPA to expand its territory and its activities in response to a changing energy landscape
- e. Support the ability of CPA to access state incentives for its customers and member agencies

2) Equitable Treatment of CPA Customers

CPA will pursue legislative and regulatory activity that:

- a. Supports the fair treatment of CPA customers by the CPUC and the legislature
- b. Supports the development of a State regulatory environment that is appropriate empowering for community-owned energy providers

3) Ratepayer Advocacy and Social Justice

CPA will pursue legislative and regulatory activity that:

- a. Supports the protection of all ratepayers, particularly low-income customers, disadvantaged communities, and other vulnerable populations in CPA service territory
- b. Supports supplier diversity among CPA activities
- c. Supports workforce development with a focus on new stable, well-paying local jobs, and participation in the Green Economy
- d. Supports the ability for CPA to set appropriate benchmarks for performance measurement using accepted industry standards

4) Environmental Leadership

CPA will pursue legislative and regulatory activity that:

- a. Supports the ability of CPA and its members to meet and exceed State goals for greenhouse gas emissions reductions (e.g. encouraging movement towards 100% renewable energy), climate action planning, and fossil fuel independence
- b. Supports the ability for CPA to promote growth in renewable energy capacity, resiliency and electrification at the local level



Staff Report – Agenda Item 3

To: Clean Power Alliance (CPA) Legislative & Regulatory Committee
From: CC Song, Director of Regulatory Affairs
Subject: Regulatory Affairs Update
Date: January 22, 2020

CC Song, Director of Regulatory Affairs, will provide an update of activities occurring at the California Public Utilities Commission.