

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

Wednesday, October 23, 2019 10:00 a.m.

555 W. 5th Street, 35<sup>th</sup> Floor, Los Angeles, CA 90013

**MINUTES**

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

Redondo Beach City Hall  
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.

<b>Roll Call</b>				
1	<b>Agoura Hills</b>	Deborah Klein Lopez	Committee Member	Remote
2	<b>Carson</b>	Cedric Hicks	Committee Member	Remote
3	<b>Redondo Beach</b>	Christian Horvath	Committee Member	Remote
4	<b>West Hollywood</b>	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.