

2024 Legislative and Regulatory Policy Platform

Overview and Purpose

The Clean Power Alliance (CPA) Legislative and Regulatory Policy Platform (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 members of the CPA Board of Directors and CPA staff to pursue actions at the regional, state and federal 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 provides direction to CPA staff on positions that should be taken on regulatory matters and legislative bill proposals. The Platform also provides guidance to the Chief Executive Officer on positions that should be taken on legislative and regulatory matters that come before the California Community Choice Association (CalCCA) Board of Directors.

CPA staff report to the Board monthly on all positions taken on legislative bills. For bills that fall outside the scope of this platform; bills that are likely to attract high-profile supporters and detractors, including bills that would modify the California Environmental Quality Act (CEQA); bills that would raise taxes; or bills that would knowingly put CPA at odds with positions that its member agencies have taken, CPA staff will seek approval of a proposed position to the Legislative & Regulatory Committee and Board of Directors before taking a position.

Policy Principles

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

- 1. Protecting CPA's local control and competitive position, especially as it relates to rates, finances, power procurement and expansion of its service territory.
- 2. Pursing power resource planning and procurement that promotes the growth in renewable energy capacity at the local level and reduce fossil fuel dependency, with the goal of combating climate change.
- 3. Developing and administering customer programs that encourage clean energy adoption by CPA customers.
- 4. Ensuring fair access to data, particularly as it relates to energy usage, billing, and information needed to develop and administer customer programs.
- 5. Supporting CPA's ability to set electric rates and offer programmatic services that are affordable and inclusive for all.

These principles are incorporated throughout the below platform.

Policy Platform

1. Affordability and Local Control

- a. Fair rates and cost allocation: CPA will pursue administrative and legislative initiatives that will ensure that non-bypassable charges for CPA customers, including any income-graduated fixed charges, are assessed fairly compared to unbundled customers and that CPA's customers are not unnecessarily burdened by nonbypassable charges compared to unbundled customers.
- b. Finances: CPA will pursue administrative and legislative initiatives to ensure that CPA is eligible to apply and receive funding made available to the electricity sector for decarbonization, reliability, and affordability purposes, and that CPA's financial health are not disparately impacted by new regulations.
- c. CCA Expansion: CPA will pursue administrative and legislative initiatives to protect CPA's ability to expand its service to new member agencies.
- d. Local Control: CPA will pursue administrative and legislative initiatives to protect CPA Board's authority over CPA's procurement, rate-setting, governance, and customer program development activities.

2. Power Resources Planning and Procurement

- a. Resource Adequacy and Reliability: CPA will pursue administrative and legislative initiatives that will enable CPA to secure capacity resources to meet its reliability obligations, such as initiatives that evaluate the supply of capacity resources available to load serving entities (LSEs), determine the appropriate market mechanisms for LSEs to procure capacity resources, and develop a durable policy framework that encourages all LSEs to construct their fair share of new capacity resources to maintain grid reliability while pursuing decarbonization efforts.
- b. Carbon-Free Resources: CPA will pursue administrative and legislative initiatives that will maximize CPA's ability to procure carbon-free resources to meet or exceed the needs of CPA's three product offerings and its long-term carbon-free procurement goal as required by SB 100 and other statutory or regulatory obligations.
- c. Renewable Resources: CPA will pursue administrative and legislative initiatives that will maximize CPA's ability to procure eligible Renewable Portfolio Standard (RPS) resources to meet the needs of CPA's three product offerings and its long-term RPS procurement goal as required by SB 100 and other statutory or regulatory obligations.
- d. Integrated Resource Plan: CPA will pursue administrative and legislative initiatives that will maximize CPA's ability to plan and procure resources to meet various environmental and reliability goals set by state laws and by its Board of Directors, while offering affordable products and programs to serve its customers, including disadvantaged communities.
- e. Transmission: CPA will pursue administrative and legislative initiatives that will expedite new transmission infrastructure needed to meet California's climate goals, as well as initiatives that will provide CPA adequate access to transmission capacity to maximize its procurement of RPS-eligible or carbon-free resources that meet various statutory and regulatory requirements.
- f. Research & Development: CPA will pursue administrative and legislative initiatives that support the research and development of new energy resources that can be procured to meet the reliability and decarbonization goals set by the State and its Board of Directors.

g. Grid Reliability: CPA will pursue administrative and legislative initiatives that support the expansion of a regional grid that improves reliability; accelerates decarbonization; improves transmission planning; reduces costs for ratepayer and load serving entities; maintains California's ability to set, meet and implement its own climate goals; and protects clean energy jobs within the State.

3. Customer Programs

- a. Demand Response, Demand Flexibility and Energy Efficiency: CPA will pursue administrative and legislative initiatives that will enable CPA to pursue demand response programs and opportunities for its customers.
- b. Zero-emission vehicles: CPA will pursue administrative and legislative initiatives to promote electrification of the transportation sector in response to state and federal goals aimed at increasing the usage of zero emission vehicles.
- c. Building decarbonization: CPA will pursue administrative and legislative initiatives that support the ability of CPA to promote statewide building decarbonization, primarily through electrification.
- d. Local Grid Management and Resiliency: CPA will pursue administrative and legislative initiatives that supports the ability of CPA and its member agencies to offer local grid management and resiliency solutions to increase local reliability and adaptability that could protect against power outages and extreme heat.
- e. Distributed Energy Resources: CPA will pursue administrative and legislative initiatives that support the ability of CPA to offer and utilize distributed energy resources as part of its reliability, resiliency and community engagement strategies.
- f. Research and Development: CPA will pursue administrative and legislative initiatives that support the ability of CPA to explore new opportunities related to behind the meter clean energy resources.

4. Data Access

- a. Timely and Accurate Access to Customer Data: CPA will pursue administrative and legislative initiatives that will enable CPA to obtain timely and accurate access to its customers' data to improve billing accuracy and inform the development and implementation of customer programs.
- b. Fair Fees for Data Management Services: CPA will pursue administrative and legislative initiatives to ensure that the fees due to Southern California Edison for data access and management are fairly assessed based on data needs and potential technological improvements.

5. <u>Diversity, Equity, Inclusion</u>

- a. Customer Protection: CPA will pursue administrative and legislative initiatives that support the protection of all ratepayers, particularly environmental and social justice communities in CPA's service territory.
- b. Supplier Diversity: CPA will pursue administrative and legislative initiatives that supports supplier diversity in CPA's contracting activities and through women-owned, minority-owned, disabled-veteran-owned, and lesbian, gay, bisexual, and/or transgender owned business enterprises.
- c. Workforce Development: CPA will pursue administrative and legislative initiatives that support workforce development with a focus on new stable, well-paying local jobs, and participation in a just transition to a low-carbon economy.

- d. Energy Equity: CPA will pursue administrative and legislative initiatives that supports increased access to clean energy technologies, clean energy and contracting jobs, and clean energy opportunities for environmental and social justice communities in CPA's service territory.
- e. Access to the Electrical Grid: CPA will pursue administrative and legislative initiatives that support reducing timelines in interconnection and service extensions for new construction, critical services, renewable energy, building decarbonization, and other projects in CPA's service territory.