Valley Clean Energy Alliance
Community Advisory Committee

Staff Report Item - 11

TO: VCEA Community Advisory Committee

FROM: Mitch Sears, Interim General Manager VCEA

SUBJECT: Legislative/Regulatory Task Group Report

DATE: December 12, 2017

Recommendation
Approve a recommendation that the VCEA Board adopt the proposed VCEA legislative and regulatory policy and procedures.

Background
The CAC 2017-2018 Legislative and Regulatory Subcommittee, Yvonne Hunter and Christine Shewmaker, developed a draft policy and procedure for how VCEA would adopt positions on proposed legislation and regulations, including the role of the VCEA board, staff and CAC/subcommittee.

The draft policy was discussed at the November 27 CAC meeting. Following the meeting, additional input was offered from other committee members, which has been integrated into the proposed policy.

As background, the subcommittee is also providing Cal-CCA’s Regulatory & Legislative Platform.

Attachments
A. Proposed Policy and Procedures Related To VCEA Positions On Proposed Legislation And Regulations
B. Cal-CCA Regulatory & Legislative Platform
CAC LEGISLATIVE SUBCOMMITTEE PROPOSED POLICY AND PROCEDURES RELATED TO VCEA POSITIONS ON PROPOSED LEGISLATION AND REGULATIONS

Background:

The charge to the VCEA Community Advisory Committee (CAC) from the VCEA board states that the CAC should “Collaborate with VCEA staff with monitoring legislative and regulatory activities related to Community Choice Energy issues.”

The CAC 2017-2018 Legislative and Regulatory Subcommittee, which consists of Yvonne Hunter and Christine Shewmaker, met by conference call November 14 to discuss options related to how VCEA would monitor legislative and regulatory activities to identify ones on which a VCEA position should be considered, and how VCEA would then adopt positions on the identified proposed legislation and regulations, including the role of the VCEA board, staff and CAC/subcommittee; Interim VCEA General Manager Mitch Sears joined the conference call.

We agreed that the policy and procedure recommended below can be revisited and modified if necessary after time, based on experience by the VCEA board, legislative subcommittee and staff.

Recommendation:

After thoughtful discussion, the subcommittee (with input from Mitch and subsequent input from Lorenzo) agreed on the following procedure to recommend to the CAC, with the intent that if approved, the CAC would forward the recommended procedure to the VCEA board for consideration.

1. It is recommended that the VCEA board of directors adopt a policy that establishes a procedure for identifying needs for VCEA positions and for taking positions on the identified proposed legislation and regulatory issues. It is important that this procedure enable VCEA to be nimble and to respond to requests for legislative or regulatory action in a timely manner, especially throughout the legislative session.

2. The CAC Legislative Subcommittee will monitor proposed regulatory and legislative actions to identify those on which a VCEA position is needed by reviewing the proposed legislation and regulations followed by CalCCA. The Subcommittee will also review positions recommended by CalCCA on those issues. If the CAC legislative subcommittee disagrees with a position recommended by CalCCA, the subcommittee will forward its alternative recommendation, along with CalCCA’s recommended position for comparison, as well as the positions recommended by CalCCA on the remaining issues, to the CAC. The CAC will review the Subcommittee’s recommendations and forward its recommendations to the
VCEA board. (VCEA is a member of CalCCA, a statewide trade-association representing CCAs throughout California, with a professional staff and legislative/regulatory expertise.)

3. The procedure outlined in #2 may be updated in the future (such as six months after launch of VCEA) to consider whether it would be beneficial to VCEA also to track and consider positions on proposed legislation and regulatory issues not included in the issues tracked by CalCCA, and if so, how VCEA would monitor the legislative and regulatory arenas to identify such issues.

4. It is recommended that the VCEA board designate the General Manager and two VCEA board members as having the authority to take action on proposed legislation and regulations, in consideration of the recommendations of the CAC and CalCCA, consistent with the policy adopted in #2 above.

5. The CAC legislative subcommittee will review the materials provided by CalCCA and LEAN throughout the year and will identify 2-4 high priority issues that VCEA may want to emphasize in its legislative and regulatory outreach efforts. (Note: The legislative subcommittee will adopt criteria to explain why a bill or proposed regulation is considered a priority and will propose these criteria to the CAC, which may forward it to the board.)
REGULATORY & LEGISLATIVE PLATFORM

Support California Community Choice Aggregation
CalCCA supports legislation and regulatory policies that protect and foster CCA within the state. We promote competitive neutrality and a level playing field and we will support legislation and regulatory policies that support CCA autonomy in policymaking and decision-making. We oppose legislation and regulatory policies that unfairly discriminate against CCAs or CCA customers, or reduce CCA policymaking or decision-making autonomy.

Advocate on Behalf of Community Choice Aggregation Customers
CalCCA supports legislation and regulatory policies that benefit CCA customers. We address legislation and regulatory policies that may have rate impacts on CCA customers. We address legislation and regulatory policies affecting legislative or regulatory processes that may impact CCA customers.

Current Platform Objectives for 2017
1. Prevent new non-bypassable charges and phase out or eliminate existing non-bypassable charges
2. Protect CCA procurement autonomy and local government oversight
3. Protect CCA autonomy to administer energy efficiency and integrated distributed energy resources
4. Increase transparency of inputs to PCIA and all non-bypassable charges, increase certainty of PCIA charges, and phase out unreasonable PCIA charges over a time period that reasonably addresses stranded costs.
5. Reform IOU procurement practices to minimize stranded load and mitigate CCA charges.

1 Copied November 2017 from CalCCA website.