

VALLEY CLEAN ENERGY ALLIANCE**Staff Report - Item 10**

TO: Board of Directors

FROM: Mitch Sears, Executive Officer
Yvonne Hunter, Legislative and Projects Specialist

SUBJECT: Ratify Valley Clean Energy's New Position on AB 2383 (Zbur). Large Load Rate Setting Authority.

DATE: July 9, 2026

RECOMMENDATION

Ratify VCE's new position of NEUTRAL on AB 2383 (Zbur). Large Load Rate Setting Authority.

BACKGROUND

At its April meeting, the VCE Board ratified an "Oppose Unless Amended" position on AB 2383. At that time, AB 2383 would have authorized the CPUC to establish the requirements that all Load Serving Entities, including CCAs, must include in rates and conditions for serving new large loads. This would have put the CPUC in the position regulating CCA rates and contracts that are otherwise the purview of CCA governing boards. The amendments requested by VCE and CalCCA were to bifurcate the legislative language so that the provisions applied to the CPUC are separate from those applied to CCAs, while still maintaining similar performance criteria.

After extensive negotiations between CalCCA and the author's office, AB 2383 was amended to remove the CPUC authority over CCAs. Instead, the bill now establishes separate criteria for distribution and transmission oversight by the CPUC and IOUs. However, in separate code sections, it also provides criteria that other load serving entities, like CCAs, must follow in setting generation tariffs. And, the bill specifically states that bill's generation tariff requirements do not authorize the CPUC to regulate the rates, terms, or condition of electrical service provided by a CCA or energy services provider (ESP). Thus, if VCE wishes to establish additional requirements in its rates, terms or conditions related to a large load, such as consistent with VCE's large load policy, it may do so.

The bill's amendments now satisfy the objections raised by CalCCA and VCE. As is common practice when a bill has been amended to satisfactorily respond to an "oppose unless amended" position, opposition is removed and the position becomes "neutral". Using VCE's expedited procedure for legislative issues, staff consulted with the VCE board chair in adopting the new position.

Status: On June 30, AB 2383, passed the the Senate Committee on Energy, Utilities and Commerce and is now pending in the Senate Appropriations Committee.

CONCLUSION

Staff recommends that the Board ratify VCE's position of neutral on AB 2383.