VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 7

To: Valley Clean Energy Alliance Board of Directors

From: Mitch Sears, Interim General Manager

Subject: Legislative Update – Pacific Policy Group

Date: October 8, 2020

Pacific Policy Group, VCE's lobby services consultant, continues to work with Staff and the Community Advisory Committee's Legislative - Regulatory Task Group on several legislative bills. Below is a summary:

The 2020 legislative session concluded Monday, August 31 and Governor Newsom completed the bill signing period on September 30, 2020, closing out all actions of the two-year 2019-2020 legislative session.

December 7, 2020 will mark the convening of the 202-22 legislative session at which time new legislators will be sworn in, most changes to committee chair and membership will be announced, and bills will begin to be introduced. The Legislature will be in session for a few days before recessing for the winter holidays, and then will reconvene on January 4.

While activity on legislation has now ended, much is still happening as it relates to the Legislature. Most notably is the November 3 election as eight Senate seats may change, and six Assembly seats may be vacated. Six Senators (Beall (D – San Jose), Galgiani (D – Stockton) Hill (D – San Mateo), Jackson (D – Santa Barbara), Monning (D – Monterey), and Morrell (R – Rancho Cucamonga)), are terming out and two Senators are running for local seats (Hueso (D-San Diego) and Mitchell (D – Los Angeles)). On the Assembly side, no members are terming out, but two are running for state Senate (Eggman (D – Stockton) and Limon (D – Santa Barbara)), two are running for Congress (Obernolte (R – Big Bear Lake) and Smith (D – Santa Clarita)), and two are running for local seats (Chu (D – San Jose) and Gloria (D – San Diego)). The Assembly also has one vacant seat to still be filled. Should Senators and Assemblymembers who are foregoing remaining term years and running for other elected positions win on November 3, then their seats will become vacant until special elections are held to fill those seats. There is a potential for there to be six vacant Assembly seats at the beginning of 2021.

The Governor signed the two bills that VCE continued tracking during the bill signing period, SB 1117 (Monning) and AB 841 (Ting). A summary of those bills can be found below.

1. SB 1117 (Monning). Master-Meter Customers: Electrical or Gas Service.

<u>Summary:</u> Current law contains various provisions relative to the responsibilities of a gas or electrical corporation and master-meter customer when gas or electrical service is provided by a master-meter customer to users who are tenants of a mobilehome park, apartment building, or similar residential complex, including a requirement that the master-meter customer charge each user at the same rate that would be applicable if the user were receiving gas or electricity directly from the gas corporation or electric corporation. This bill would replace "electrical corporation" with "load-serving entity," defined as including electrical corporations, community choice aggregators, and electric service providers, in many of these provisions relative to the responsibilities of an electrical corporation and master-meter customer when electrical service is provided by a master-meter customer to users who are tenants of a mobilehome park, apartment building, or similar residential complex.

This bill addresses an issue raised by several CCAs in which electrical corporations and other third-party billers are charging submeter accounts in mobile home parks at the electric corporation rate for electricity, even if the park is served by a CCA with a different rate.

Additional Information:

- This bill was signed by the Governor.
- VCE supports this bill
- Bill Language: SB 1117

2. AB 841 (Ting) Energy Programs: Economic Stimulus.

<u>Summary:</u> This bill is a gut and amend bill that seeks to legislate economic stimulus opportunities by authorizing the three IOUs to move forward with EV charging infrastructure development and school retrofit projects that are installed by the IOUs' labor unions. The measure sought to require the PUC to approve pending transportation electrification infrastructure applications from the IOUs as well as require the PUC to direct the IOUs to reallocate unused portions of their energy efficiency budgets for school retrofit projects that would include HVAC and air filtration upgrades as well as replace noncompliant plumbing fixtures. The bill is primarily supported by several labor unions and Natural Resources Defense Council.

The bill was heard in the Senate Energy, Utilities and Communications Committee, and the committee imposed several amendments on the bill in order for it to pass. The recommended amendments included removal of the provisions of the bill that direct the CPUC to approve the IOUs' EV applications. The language of these recommended amendments has not been finalized nor made available. VCE, through PPG, is closely monitoring AB 841 as it relates to the EV portion of the bill as the provisions are concerning and may require an oppose position if the committee amendments are unsatisfactory.

Additional Information:

- This bill was signed by the Governor.
- VCE had no position on this bill.
- Bill language: AB 841