

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report - Item 7

TO: Community Advisory Committee

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

DATE: May 28, 2026

RECOMMENDATION

Information item

BACKGROUND

At the March 2026 CAC meeting, staff presented information on two bills for which VCE had adopted a support position, utilizing VCE's expedited process for bills where time is limited for VCE's effective engagement. These two bills, sponsored by CalCCA, are AB 1761 (Rogers), dealing with improving PCIA transparency, and SB 1138 (Padilla), enhancing RA transactability.

In April, however, another bill surfaced which necessitated VCE to adopt a position also utilizing the expedited process. This bill, AB 2383 (Zbur), would direct the CPUC to adopt a rate schedule and related requirements for large loads that all load serving entities, including IOUs and CCAs, must follow in the rates and contracts adopted for serving the large load. Thus, AB 2383 would remove CCAs' rate-setting authority for these types of customers and grant that authority to the CPUC for the large-load facilities envisioned in the bill. This is counter to VCE's adopted 2026 Legislative and Regulatory Platform:

1. Governance and Statutory Authority

VCE will:

- a. *Oppose policies that limit the local decision-making authority for CCAs, including, but not limited to, program design, rate-setting authority and procurement of energy and capacity to serve their customers and meet state requirements.*
- b. *Oppose policies that limit VCE's ability to effectively serve its customers.*

VCE adopted an oppose unless amended position on AB 2383, consistent with the position of CalCCA. The requested amendments would delete the CPUC authority to limit CCA autonomy in establishing rate and contract provisions. Instead, CalCCA proposes to craft

similar provisions for large loads as those that would apply to CPUC regulated load serving entities, but write them in a separate statute. VCE agrees with this approach.

VCE Board Action

At its April meeting and as part of the expedited process, the VCE board ratified the three positions adopted. They are:

- A. Support: AB 1761 (Rogers). Improving PCIA Transparency. (CalCCA Sponsored).
- B. Support: SB 1138 (Padilla). Resource Adequacy (RA) Transactability. (CalCCA Sponsored).
- C. Oppose Unless Amended: AB 2383 (Zbur). Large Load Rate Setting Authority.

It should be noted that the Leg-Reg Task Group also discussed AB 2383 at several meetings as the bill moved through the legislative process.

STATUS OF THE THREE BILLS

SB 1138 passed the Senate on a vote of 38-0 and now goes to the Assembly. AB 1761 and AB 2383 are now pending on the Assembly and Senate Floors, as of this writing.

For AB 2383, CalCCA is working with the author's office to agree on amendment language that would address CalCCA's concerns about CPUC jurisdiction over CCA contract and rate setting authority. VCE has been involved with CalCCA and other CCAs in reviewing and commenting on draft language. Staff is cautiously optimistic that agreement will be reached that will enable CalCCA (and VCE) to remove its opposition to the bill.

CONCLUSION

No action is necessary; staff will periodically update the CAC as the bills move forward.