



SVCE Legislative Workshop

May 12, 2017

Hilary Staver

Regulatory/Legislative Analyst
Silicon Valley Clean Energy



Goals for the Day

1. Review the legislative environment in which SVCE operates and the resources at its disposal
2. Identify principles that will guide when and how SVCE engages in legislative advocacy
3. Review current CCA-relevant bills
4. Establish norms for how to engage Board members in legislative advocacy

Agenda

- **10:00-10:15** – Introduction and Overview
- **10:15-10:45** – The Legislative Landscape
- **10:45 – noon** – Developing SVCE’s Legislative Platform
- **Noon-12:30** – Lunch
- **12:30-1:30** – Review of Current Bills
- **1:30-2:00** – Establishment of Protocols for Board Advocacy

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The Legislative Landscape

The Legislative Landscape

Legislators are influenced by a diverse array of stakeholders (and their lobbyists).



All logos are the property of their respective companies/organizations, and are pulled from their websites.

SVCE Elected Representatives: CA State Assembly

➤ **District 24: Marc Berman**

- Represents: Mountain View, Los Altos, Los Altos Hills, Sunnyvale
- Elected in 2016

➤ **District 28: Evan Low**

- Represents: Cupertino, Saratoga, Campbell, Monte Sereno, Los Gatos
- Elected in 2014

➤ **District 30: Anna Caballero**

- Represents: Morgan Hill, Gilroy
- Elected in 2016, but has previous Assembly experience starting in 2006



SVCE Elected Representatives: CA State Senate

➤ **District 13: Jerry Hill**

- Represents: Mountain View, Los Altos, Los Altos Hills, Sunnyvale
- Elected in 2012; in Assembly 2008-2012
- Relevant committees: Energy, Utilities, and Communications; Environmental Quality



➤ **District 15: Jim Beall**

- Represents: Cupertino, Saratoga, Campbell, Monte Sereno, Los Gatos
- Elected in 2012, in Assembly 2006-2012



➤ **District 17: Bill Monning**

- Represents: Morgan Hill, Gilroy
- Elected in 2012; in Assembly 2008-2012
- Current Senate Majority Leader



CalCCA Lobbyists

- Emily Pappas, Niemela Pappas & Associates
 - Familiar with CCA issues through work with Marin Clean Energy
- Don Gilbert, Edelstein Gilbert Robson & Smith LLC
 - Familiar with CCA issues through work with the SFPUC



Photos credit of LinkedIn and Edelstein Gilbert Robson & Smith LLC

CalCCA Legislative Protocol

- Lobbyists monitor the legislative process and report to the Legislative Subcommittee
- The Legislative Subcommittee is made up of staff representatives from operational members of CalCCA
 - Hilary Staver represents SVCE
- The Legislative Subcommittee reviews bills and makes recommendations to the CalCCA Board for approval
- The lobbyists implement CalCCA's approved positions by negotiating amendments, arranging meetings with key legislators, etc.

On CalCCA Advocacy

- For most bills, SVCE and CalCCA interests are aligned.
- CalCCA advocacy, and CCA advocacy more broadly, is a balance between stopping immediate threats and building political capital as a new institution.
- The legislative arena is large enough that exogenous circumstances are not uncommon and sometimes must be accommodated.
 - Reacting to these on short notice is where staff discretion becomes especially important.

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SVCE's Legislative Platform

SVCE's Legislative Policy: Key questions

- The fast-paced nature of the legislative process means staff must make decisions on bills on timelines too short for Board consultation.
- In order to ensure that staff actions and decisions align with Board preferences, two questions must be answered:

1. What does SVCE want to accomplish with its legislative advocacy?
2. How should SVCE decide when to take a position vs remaining neutral?

Direction from the Strategic Plan

- “**Strategy 8.1:** Use strategic lobbying to foster a regulatory and legislative environment that supports **SVCE’s existence** and **GHG mitigation** efforts.”
- “**8.1.1)** Coordinate with CalCCA lobbyists to maximize legislators’ awareness of **CCA issues**”
- “**8.1.3)** Ensure that **climate and CCA stewardship** are part of the conversation during local elections for municipal and state legislative positions”
- “**Strategy 8.3:** Foster support for CCAs and least-cost **carbon neutrality** among key community stakeholder organizations”

Question 1: Advocacy Goals and Priorities

- What are the areas in which SVCE is willing to engage in legislative advocacy? What constitutes relevance to SVCE's interests?
- Some examples:
 - CCA rights and procurement autonomy
 - CCA ratepayer protection from cost shifts and other unfair charges
 - Electricity rate affordability and stability
 - Climate change mitigation
 - Local economic/workforce development

Question 2: When to get involved?

- Relatively few bills have CCA rights and structure as their main focus, but those that do are often major existential threats (e.g. SB 618).
 - **SVCE will always engage with these, likely in collaboration with CalCCA.**
 - A larger number of bills affect CCAs more tangentially through the create of new non-bypassable charges, changes to reporting requirements, funding opportunities, etc.
 - **There are more of these than SVCE has the resources to engage with, so they must be prioritized.**
- **Recommendation:** Allow staff to exercise discretion on which bills to engage with, as decided by the SVCE platform combined with intel from lobbyists, degree of impact on CCAs, likelihood of advancement in the legislature, and other relevant variables.

Next steps

- Staff will compile the results of the discussion into a written draft of a legislative platform.
- This draft will be distributed to the Board in the next Board meeting packet.

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**Break for Lunch
(return at 12:30 pm)**

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Current Bills and Advocacy Protocols

SB 618

- **Author:** Steven Bradford, Democrat, District 35
- **Synopsis:** Would have changed the CPUC's role in CCA integrated resource planning (IRP) from "certification" of finished plans to "certification and approval." This would be a significant increase in regulatory oversight that would non-trivially restrict CCA procurement autonomy.
- **Recent developments:** During negotiations with CalCCA lobbyists, Bradford agreed to strike out two of the bill's three sections, including the one authorizing CPUC approval.
- **Current location:** Senate Appropriations Committee, scheduled for a hearing and vote on May 15, 2017
- **CalCCA position:** **Neutral (former opposition removed)**

SB 338

- **Author:** Nancy Skinner, Democrat, District 9
- **Synopsis:** Directs the CPUC to consider establishing policies and procedures to reduce the need for new generation and transmission associated with meeting net-load peak energy needs and reliability needs. This could include new requirements for clean energy technology, demand response, and energy efficiency among others. This bill is designed to address the duck curve and the shifting of the net-load peak that has occurred in part due to aggressive solar deployment in CA.
- **Recent developments:** CMUA is opposing; IOUs may oppose
- **Current location:** Appropriations Committee, set for hearing on May 15th.
- **CalCCA position:** None yet; analysis in progress

SB 100

- **Author:** Kevin De León, Democrat, District 24
- **Synopsis:** Would increase the Renewable Portfolio Standard (RPS) to 100% renewable or zero-carbon energy by 2045 (current standard is 50% renewable by 2030). Also sets interim targets: 45% by 2023, 50% by 2026, and 60% by 2030. Requires the CPUC to direct gas corporations to submit proposals for replacing diesel with renewable gas in heavy-duty trucking. Authorizes the CPUC to establish a minimum renewable requirement for pipeline gas.
- **Recent developments:** Heard in the Senate Energy, Utilities, and Communications Committee on May 9th, and passed by a vote of 8-2
- **Current location:** Senate Appropriations Committee, no hearing date yet
- **CalCCA position:** None yet; analysis in progress

AB 79

- **Author:** Marc Levine, Democrat, District 10
- **Synopsis:** Directs the State Air Resources Board to update its methodology for calculating the greenhouse gas emissions intensity of electricity from unspecified sources, both imported and generated within the California balancing authority areas. Originally required the calculation of such emissions factors on an hourly basis using an emissions dataset from CAISO that exists but is little used. Latest language is an improvement, but space remains for hourly requirement interpretation.
- **Recent developments:** Passed out of Assembly Natural Resources Committee on 4/3/17
- **Current location:** Assembly Appropriations Committee, no hearing date set
- **CalCCA position:** Oppose unless amended

AB 920

- **Author:** Cecilia Aguiar-Curry, Democrat, District 4
- **Synopsis:** During the IRP process, would require the CPUC to evaluate the mix of resources in the load-serving entity's total resource and renewable resource portfolios to ensure balanced portfolios with an appropriate mix of peaking, dispatchable, baseload, firm, and as-available capacity. Would require the CPUC to assess the need for, and benefits of, existing and new renewable baseload generation and consider whether to establish procurement requirements for renewable baseload generation.
- **Recent developments:** Passed Assembly Natural Resources Committee on April 24th
- **Current location:** Assembly Appropriations Committee
- **CalCCA position:** None yet; analysis in progress

Originating Legislation

- In addition to advocating on existing bills, SVCE and CalCCA have the option of writing and introducing bills of our own with the help of supportive sponsoring legislators.
- This is a proactive rather than reactive path that requires significant resource commitment, so while potentially powerful it should be used with discretion.
- A legislative solution can resolve intractable issues in the regulatory arena, but it moves the conversation to a bigger pool of stakeholders where CCAs may or may not have more success being heard.

Advocacy protocols

- How do Board members wish to be contacted about opportunities for advocacy?
- Staff suggestion:
 - Where at all possible, the Board Clerk will send out requests for letters, phone calls, etc. at least one week prior to the deadline (committee hearing, lobby meeting date, etc.)
 - The Board Clerk will include anticipated lobbying opportunities in monthly Regulatory/Legislative update to the Board.
 - “Emergency” communications may go out to specific Board members if their elected official becomes a key player on short notice.



Thank You

Hilary Staver

Hilary.staver@svcleanenergy.org

408-721-5301 x1008