



CAPITOL COMMITTEE WORKING GROUP MEETING 4/21/21

Agenda

1. [AB 699](#) (Salas) Energy Commission: Flexible Demand Appliances Rebate Program
2. [AB 1239](#) (Ting) Electricity: demand response resources and programs
3. Additional Legislation of interest

Meeting Notes

- AB 699 (Salas) Energy Commission: Flexible Demand Appliances Rebate Program
 - Amended coming out of Assembly U&E, with amendments focusing on third-party program administration vs. implementation; author's office working with us closely on revised language
 - Lack of understanding of existing third-party implementation within IOU programs
 - After bill gets out of Committee process on 4/28 we will work to amend bill
 - CEDMC staff + CSE (and related lobbyists) have held follow-up meetings to discuss amendments with CPUC leg lead, discussion with IOU leg leads scheduled for 4/22
 - Scheduled for additional hearing 4/28
- AB 1239 (Ting) Electricity: demand response resources and programs
 - CEDMC-sponsored
 - Not moving this week, as we requested author's office make this a two-year bill
 - Requires root cause analysis by 2022 on why DR has not reached full potential
 - Continuing to message need to improve DR

- Working to develop appropriate bill language, messaging to overcome significant opposition
- Additional Legislation of interest
 - [AB 427](#) (Bauer-Kahan) Electricity: resource adequacy requirements
 - “Bill proposed to be amended now sets a deadline of July 1, 2022 (for the 2024 resource adequacy year) by which the California Public Utilities Commission (CPUC), in consultation with the California Independent System Operator (CAISO), must establish a capacity value for behind the meter resources (BTM) for purposes of participating in the state’s electricity markets.”
 - Significant U&E amendments will significantly change bill to unfortunately will reduce impact
 - Still significant opposition
 - New language not yet printed, unfortunately
 - [SB 476](#) (Min) California Financing Law: program administrators
 - “Summary: The California Financing Law (CFL, prohibits a PACE program administrator from executing an assessment contract, commencing work under a home improvement contract that is financed by that assessment contract, or executing the home improvement contract unless certain criteria are met. The CFL prohibits a person from engaging in the business of a PACE solicitor unless that person is enrolled with a program administrator, as prescribed, and requires a program administrator to establish and maintain a training program for PACE solicitor agents that is acceptable to the Commissioner of Financial Protection and Innovation. This bill would additionally prohibit a program administrator from executing an assessment contract, commencing work under a home improvement contract that is financed by that assessment contract, or executing the home improvement contract unless, except as specified, the property that will be subject to the assessment contract has undergone an energy audit by an energy auditor, as certified by the Building Performance Institute or equivalent certifying entity, that includes certain information in a written report provided to the property owner as a printed paper copy.”
 - Amendment causing concern from PACE folks: “Prohibits a PACE program administrator from executing an assessment contract unless the associated property has undergone an energy audit, as specified. Prohibits a PACE program administrator from disbursing funds to a PACE solicitor or PACE solicitor agent without specified proof of project completion.”
 - Committee analysis attempted to offer pathway forward in response to concerns around audit requirements (e.g. potentially limiting to larger projects)
 - Cost of audit for residential makes project costs significantly more expensive

- Donald Gilligan (Chairman of the Board of PACENation) to report back with additional details
 - CEDMC supported bills that passed Senate Energy
 - SB 756 (Hueso)
 - Redefines ESA income threshold to 250% of Federal Poverty level
 - SB 68 (Becker)
 - Decarb bill requires CEC to define best practice/guidance for decarb
 - SB 67 (Becker)
 - 24/7 Clean Energy Standard bill to try to get CA back on track to meeting climate goals
 - Specifies on % of clean energy required in any compliance period
 - May need caution as to how this affects DERs, as a requirement based on energy output disadvantages low energy output resources
 - Adding “me too” in Committee this week
 - Jennifer (CPower) to review to determine what changes we may request
- Budget process update
 - First house Committee deadlines wrap up 4/28, then bills that are fiscal go to Fiscal Committee (majority) followed by deals to get bills out of Fiscal
 - Once this process is completed it switches to the other house and the process repeats
 - \$26B in federal funds allocated to CA may not “land” before budget is adopted
 - CA Senate working on resources package allocating one-time money (cash, unusually) to specific projects to water districts
 - Opportunity to capture some funds for energy projects that have water nexus; if your company is interested reach out to Serj
- SB 32 support?
 - Question remains about whether we support

Next Steps

Our next Working Group meeting will be on **Wednesday, May 5th at 8:15 am**. This meeting will recur on a biweekly basis every other Wednesday of each month at 8:15 – 9:15 am. An invite from Admin@cedmc.org has gone out to all folks on the Working Group.