STATE POLICY WORKING GROUP MEETING
3/08/2024

Agenda

1. Support Legislation
2. Additional CEDMC Legislative efforts
3. Bills of interest
4. 2 Year Bills that Failed Deadline pursuant to Rule 61(a)(10)
5. Hearings - Recap

Notes

AB-1999 Introduced to Repeal the Income-Graduated Fixed Charge ("Utility Tax")

Support Legislation

AB 1999 (Irwin) Electricity: fixed charges.

Would restore a $10 cap on monthly utility fees adjusted for inflation. AB 205 (Budget, 2022) removed previously in-place consumer protections. Leading proposals would add a new tax on working families from $360-$800 per year.

Current Status: 2/12/24 Referred to Com. on U. & E.

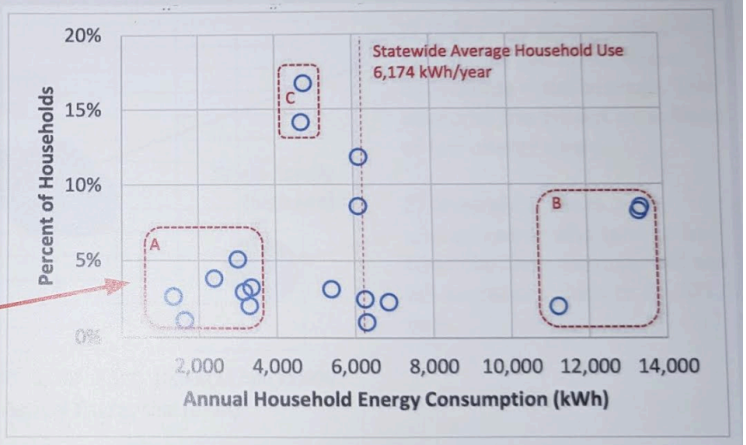
Recent Activity:

- Sacramento Outreach Meetings held with 11 offices across 3 days.
- CEDMC, accompanied by CalPIRG, Coalition for Environment Equity and Economics, Solar Rights.org

Key thing to understand: not everyone lives in the middle

Utility Tax proponents are only talking about an average-sized house when they say their proposal won't raise utility bills. But millions of people live in homes below the average size.

1 in 5 households live in a multi-family home that uses less electricity than the statewide average. These people will see their bills go up.



Source:
Clean Coalition, Rebuttal Testimony, Flagstaff Research Appendix, 6/2/23, pp.4-5

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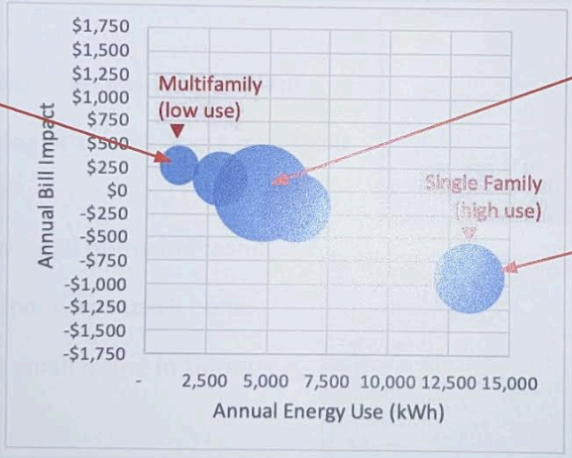
A $30/mo Utility Tax will increase bills by $250+/year on millions who live in apartments and small homes

1) The Public Advocate's $30/mo Utility Tax would increase utility bills on these households—millions of people who live in apartments, condos, and small homes. Same with NRDC and TURN's proposal.



2) Utility Tax proponents are only telling you about these households – the average. This obscures the impact on millions of low energy users.

3) Meanwhile, these large energy users—who tend to be wealthier than average—will see bill decreases close to $1,000 / year.

Source:
Clean Coalition, Rebuttal Testimony, Flagstaff Research Appendix, 6/2/23, p. 18

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Coalition: More than 220 organizations representing renters, economic justice advocates, environmental justice communities, affordable housing groups, farmworkers, houses of worship,and climate change organizations oppose a big Utility Tax.

Additional CEDMC Legislative efforts

Clean Transportation Program - program administrator eligibility expansion

Current Clean Transportation Program requirements permit only public and not-for-profit entities to bid into the vendor pool. Seeking to expand the pool of potential vendors to include non-public vendors.

Benefits: 1) Increasing staffing and resource capacity to bid into and administer Program funds

2) Increase diversity in thought, innovation, and competitiveness.

Bills of interest

AB 1912 (Pacheco) Electricity: measures imposing mandated programs and requirements: third-party review

This bill would require, before holding a committee hearing on a measure, as defined, affecting electrical corporations, that a request be made to the University of California, Berkeley, to prepare a written analysis of the measure, as specified. The bill would request the University of California, Berkeley, to develop and implement conflict-of-interest provisions that would prohibit a person from participating in an analysis in which the person knows or has reasons to know that the person has a financial interest.

Hearing: 3/13/24 A-UTILITIES AND ENERGY

AB 2462 (Calderon) Public Utilities Commission: written reports: energy.

This bill would require the written report on the costs of programs and activities to also identify how the current rate trends affect households across their full portfolio of all energy uses, as provided, and how the adoption of electricity across more end-uses may reduce the total cost of energy for households over time. The bill would require the separate report to contain recommendations that may take longer than 12 months to implement, but could lead to substantial reductions in monthly electric bills, and would expand the above-described goals to additionally include goals for encouraging beneficial electrification.

Current Status: 2/26/24 Referred to Com. on U. & E.

AB 2619 (Connolly) Net energy metering

- require the CPUC develop a new solar tariff to replace the NEM 3.0 tariff
- require that the new tariff be structured to ensure that we stay on pace to build enough rooftop solar capacity to reach our targets for distributed solar generation by 2045, as part of the 100% clean energy resources outlined in the SB 100 Joint Agency Report
- not affect any customers operating under the NEM 2.0 tariff

Current Status: 3/4/24 Referred to Com. on U. & E.

AB 2891 (Friedman) Energy: electrical demand forecasts*

This bill would require the Energy Commission, on or before July 1, 2026, and in consultation with the Public Utilities Commission, Independent System Operator, load-serving entities, and resource aggregators, to adopt a set of upfront technical requirements and load automation standards to provide the option for a load-serving entity to reduce or modify its electrical demand forecast upon aggregated system operation, as specified.

Current Status: 3/4/24 Referred to Com. on U. & E.

AB 3011 (Bains) Electricity: rates: unreasonable hardship

This bill would require the commission to ensure that each electrical rate schedule does not cause an unreasonable hardship on senior citizens, renters, families with minor children, medically vulnerable customers, or economically vulnerable residential customers in hot climate zones, as specified. The bill would provide that any electrical rate schedule that imposes rates on those identified customers above baseline rates during any hour where the temperature is above 90 degrees Fahrenheit for the duration of the hour is considered an unreasonable hardship.

Current Status: 2/17/24 From printer. May be heard in committee March 18.

SB 1130 (Bradford) Electricity: Family Electric Rate Assistance: reports.

This bill would expand eligibility for the FERA program by eliminating the requirement that a household consist of 3 or more persons. The bill would require the commission, by March 1, 2025, and each year thereafter, to require the state's 3 largest electrical corporations to report on their efforts to enroll customers in the FERA program. The bill would require the commission, by June 1, 2025, and each year thereafter, to review each electrical corporation's report to ensure it has sufficiently enrolled eligible households in the FERA program commensurate with the proportion of households the commission determines to be eligible within the electrical corporation's service territory. If the commission, in its review of a report, determines an electrical corporation has not sufficiently enrolled eligible households in the FERA program, the bill would require the commission to require the electrical corporation to develop a strategy and plan to sufficiently enroll eligible households within 3 years of the adoption of the strategy and plan.

Hearing: 3/19/24 S-ENERGY, UTILITIES AND COMMUNICATIONS

SB 1292 (Bradford) Electricity: fixed charges: report.

This bill would require the commission, on or before July 1, 2027, but no sooner than 2 years after the adoption of the income-graduated fixed charge for default residential rates, to submit a report to the relevant policy committees of both houses of the Legislature on the electrical corporations' implementation of the fixed charge, as specified. The bill would prohibit the commission from authorizing a fixed charge other than the income-graduated fixed charge for default residential rates until 30 days after the report is submitted.

Current Status: 2/29/24 Referred to Com. on E., U. & C.

SB 1326 (Jones) Electricity: fixed charges.

This bill would require the PUC to require each electrical corporation to offer default rates to residential customers with at least 2 usage tiers, as provided. The bill would eliminate the requirement that the fixed charges be established on an income-graduated basis as described above, repeal related findings and declarations of the Legislature, and authorize the commission to instead authorize fixed charges that, as of January 1, 2015, do not exceed $10 per residential customer account per month for customers not enrolled in the CARE program and $5 per residential customer account per month for customers enrolled in the CARE program. The bill would authorize the maximum allowable fixed charge to be adjusted by no more than the annual percentage increase in the Consumer Price Index for the prior calendar year, as specified.

Current Status: 2/29/24 Referred to Com. on E., U. & C

SB 1312 (Nguyen) Electricity: fixed charges.

Repeal fixed charge provisions

SB 1314 (Nguyen) Electricity: fixed charges.

Repeal fixed charge provisions; urgency clause

Current Status: 2/29/24 Referred to Com. on E., U. & C.

2 Year Bills that Failed Deadline pursuant to Rule 61(a)(10).

- AB 593 (Haney D) Carbon emission reduction strategy: building sector.
- AB 691 (Ting D) Electricity: optional flexible interconnection tariff: onsite demand and distributed energy resources.
- AB 841 (Berman D) State Energy Resources Conservation and Development Commission: Industrial Heat Electrification Roadmap.
- AB 914 (Friedman D) Electrical infrastructure: California Environmental Quality Act: review time period.
- AB 1198 (Grayson D) GO-Biz: Energy Unit: equity.

Next Meeting

Our next State Policy WG meeting is scheduled for Friday, April 12th

Zoom link

Call-in: +13092053325,,82500501190#
Passcode: cedmc