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Minutes

Date: March 2, 2017
To: NCPA Legislative & Regulatory Affairs Committee
From: Carrie Pollo, Legislative and Regulatory Program Assistant
Subject: February 22, 2016 Legislative & Regulatory Affairs Committee Meeting Minutes

Item #1 – Opening Remarks & Introductions

Chair Gary Plass, Council Member, City of Healdsburg, called the meeting to order at 12:04 pm, followed by introductions of all in attendance. Those in attendance are shown on the attached attendance list. Participating via teleconference were Madeline Deaton and Barry Leska from Alameda Municipal Power, Paul Eckert from the City of Gridley, Terry Crowley from the City of Healdsburg, Monica Padilla with the City of Palo Alto, Patrick Keener from the City of Redding, and Steven Poncelet, from Truckee Donner PUD. Marty Kanner from Kanner and Associates, LLC joined the call later for the federal legislative update.

PUBLIC FORUM

No members of the public were present.

Item #2 – Approval of Minutes

Motion: A motion was made by Roger Frith, City of Biggs, and seconded by Chair Gary Plass, City of Healdsburg, to approve the minutes from the November 30, 2016 regular meeting and the January 30, 2017 special meeting. All were in favor. The motion passed unanimously.

Item #3 – Legislative and Regulatory Affairs Committee Budget Workshop

Jane Cirrincione provided an overview and review of the budget planning process for the FY2018 Legislative and Regulatory Affairs Budget. The baseline budget is \$1.69 million, \$20,557 less than FY2017 (-1.2%), not including pass-throughs of \$467,264. The breakdown of the budget includes 44% for State and Federal Advocacy, 21% for Western Programs, 4% for Member Services, 6% for Key Coalitions, 23% for Legal, and 3% for miscellaneous.

Ms. Cirrincione outlined the key changes to the baseline budget compared to FY2017. Increases include member travel at \$13,000, State Legislative Tour at \$10,000, legal services at \$6,000,

workshops and meetings at \$5,643, subscriptions at \$4,000 and APPA Legislative Rally at \$1,500.

The decreases include external affairs at \$23,250, staff travel at \$17,500, memberships at \$9,950, staff development at \$5,500, office supplies/furniture at \$2,500, and NCPA information materials at \$2,000. The net change is \$20,557 or 1.2% less than FY2017. NCPA Commission direction allows for a 2.2% maximum increase or \$37,670. The operating budget for FY2017 is \$1,712,275 with the proposed budget for FY2018 at \$1,691,717.

Roger Frith, City of Biggs, commended the Legislative and Regulatory Affairs team for doing a great job this past year, always looking for the best price possible, and reducing the budget wherever possible. Gary Plass, City of Healdsburg, echoed those same words of a job well done by the L&R team.

Motion: A motion was made by Roger Frith, City of Biggs, and seconded by Elizabeth Kirkley, City of Lodi, to recommend approval of the Legislative and Regulatory Affairs FY2018 Budget to the full NCPA Commission at the April 20, 2017 Commission Meeting. The vote was taken by roll call: YES = Alameda, Biggs, Healdsburg, Lodi, Palo Alto, Redding, Roseville, Santa Clara, and Truckee Donner PUD. ABSENT = BART, Lompoc, Plumas-Sierra and Ukiah. The motion passed.

Item #4 – State Legislative Report

Mario De Bernardo reviewed state legislation, including: 1) post 2020 cap and trade; 2) SB 350 clean up; 3) distributed generation; and, 4) other NCPA-related measures introduced by the February 17th bill introduction deadline. Overall, NCPA is tracking well over 100 bills. Mr. De Bernardo explained that NCPA is meeting with stakeholders and legislative offices to analyze each bill and to develop suggested amendments and NCPA positions.

****** Chair Plass, City of Healdsburg, adjourned the meeting for 10 minutes at 2:55 pm ***
*** Chair Plass reconvened the meeting at 3:05 pm ******

Item #5 – Regulatory Affairs Update

Scott Tomashefsky provided an update on the California Air Resources Board's (CARB's) AB 32 Scoping Plan and cap and trade regulations with climate being the overarching energy policy issue. The 2030 green house gas (GHG) emission requirements are 40% below the 1990 levels, and the state asserts it will not reach the 2030 goal with existing programs, which are 15% short. The new Scoping Plan will shape policy direction, with four different alternatives being considered. The Scoping Plan has been delayed by two months now.

Another highlight included whether Cap and Trade should continue post 2020. NCPA's key objectives are to continue the Cap and Trade program, provide free allowances to utilities post 2020, and support inclusion of transportation electrification in the free allowance study.

Mr. Tomashefsky also updated the committee with regard to the California Energy Commission (CEC) and the California Public Utilities Commissioner (CPUC) renewables portfolio standard issues, and the integrated resource plans.

Item #6 – Member Services

Jonathan Changus reviewed the Public Benefits Advisory Group 2017 projects which include: 1) the 2018 Technical Reference Manual (TRM); 2) energy efficiency best practices guidelines; 3) the energy efficiency reporting tool; and, 4) U.S. Department of Energy/Lawrence Berkeley Laboratory — “Beyond Widgets” program.

Important regulatory reporting dates are listed below:

March 15

- Annual Energy Efficiency Report
- 10-year Energy Efficiency Potential Studies

June 1

- Power Source Disclosure/Power Content Label
- Annual SF₆ Emissions Report
- GHG Emissions Data (AB 32)

June 30

- Use of GHG Allowances Report (AB 32)
- RPS Triennial Compliance Report (SBx1 2)

July 1

- Solar Program Status Report (SB 1)

October 1

- 2020 Energy Storage Procurement Target Update

Item #7 – Federal Legislative Report

Marty Kanner, from Kanner & Associates, LLC, participating by phone, gave a federal update on the Trump Administration and the 115th Congress. He updated the committee on nominations, regulatory reform, tax reform which is a top priority of the White House and Congress, and cyber security. Recent nominations include Ryan Zinke as Interior Secretary, Rick Perry as DOE Secretary, and Scott Pruitt as the new EPA Secretary.

Brent ten Pas briefed the committee on key issues for the APPA Legislative Rally, which include: 1) tax-exempt financing; 2) hydropower relicensing reform; 3) CVPIA funding; 4) workforce development; 5) wildfire management; and 6) new developments surrounding the Oroville spill and NCPA’s hydroelectric facilities due to recent extreme weather storms.

Item #8 – Western Area Power Administration Issues

Jerry Toenyas and Maury Kruth gave an update regarding Bureau of Reclamation’s (BOR) Central Valley Project Cost Allocation Study, the BOR’s upcoming “aid to irrigation” workshop, and the BOR and California Department of Water Resources’ (CDWR) Reinitiation of Consultation on the Coordinated Long-Term Operation of the Central Valley Project and the State Water Project. California is on a record pace with regard to the amount of precipitation for 2017 so far, and there could be as much as \$30 million coming into the Central Valley Project Improvement Act Restoration Fund from CVP water customers this year.

Upcoming events include the APPA Legislative Rally at the Mayflower Hotel, Washington, DC February 27 – March 1, 2017, CMUA Annual Conference at the Sheraton Carlsbad Resort,

Carlsbad, CA, and the NCPA/NWPPA Federal Policy Conference at the Marriott Marquis, Washington, DC April 23 – 27, 2017. The deadline to register for the Federal Policy Conference is March 24, 2017.

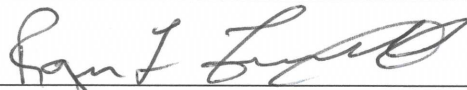
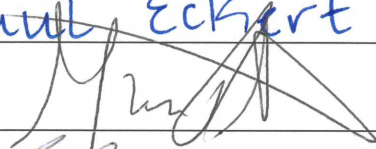
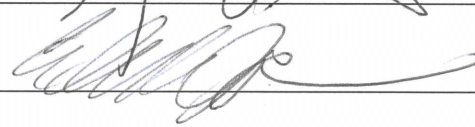
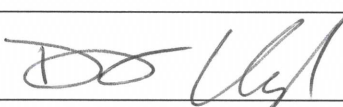
ADJOURNMENT

The Legislative and Regulatory Affairs Committee meeting moved to adjournment by Chair Plass at 4:14 pm. All were in favor.

**Northern California Power Agency
Legislative & Regulatory Affairs Committee Meeting
February 22, 2017 - Attendee List**

#	NAME	AFFILIATION
1	Gary Paris	Hempden
2	Jane Cirrinione	NCPA
3	SCOTT TOMASHEFSKY	NCPA
4	JONATHAN CHANGUS	NCPA
5	Mario De Bernardo	NCPA
6	Carrie Pollo	NCPA
7	Tracy Kves	NCPA
8	DEBRA LLOYD	PALO ALTO
9	Chris Romero	Roseville
10	SANDRA AINSWORTH	NCPA
11	Monty Hawks	NCPA
12	Roger Faith	Biggs
13	Leslie Bryan	REU
14	Kathleen Hughes	SVP
15	John Routem	SVP
16	SHAWN MATHEM	ROSEVILLE
17	Randy Howard	NCPA
18	Liz Kirkley	Lodi
19	Brenten Pas	NCPA
20	David Hagele	Healdsburg
21	Teresa O'Neill	Santa Clara
22	Bob Lingl	Hempden
23		
24		
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Northern California Power Agency
Legislative & Regulatory Affairs Committee Meeting
February 22, 2017
COMMITTEE MEMBER
Attendance List

MEMBER	SIGNATURE
Alameda	Madelaine Deaton via phone
BART	
Biggs	
Gridley	Paul Eckert via phone
Healdsburg	
Lodi	
Lompoc	
Palo Alto	
Port of Oakland	Paul Wong Basil Wong
Plumas-Sierra REC	
Redding	Patrick Keener via phone
Roseville	
Santa Clara	Kathleen Hughes Kathleen Hughes
Shasta Lake	
Truckee Donner	Steven Parcelet via phone
Ukiah	