



651 Commerce Drive
Roseville, CA 95678

phone (916) 781-3636
fax (916) 783-7693
web www.ncpa.com

Minutes

Date: August 28, 2017
To: NCPA Legislative & Regulatory Affairs Committee
From: Tracy Kves, Legislative and Regulatory Program Assistant
Subject: August 23, 2017 Legislative & Regulatory Affairs Committee Meeting Minutes

Item #1 – Opening Remarks & Introductions

Chair Teresa O'Neill, Council Member, City of Santa Clara, called the meeting to order at 12:03 pm, followed by introductions of all in attendance. Those in attendance are shown on the attached attendance list. Participating via teleconference were Patrick Keener, City of Redding; Jim Stack, City of Palo Alto; Elizabeth Kirkley, Lodi Electric; Madeline Deaton and Nicolas Procos, Alameda Municipal Power; Corby Irwin, Plumas-Sierra REC; Mel Grandi, City of Ukiah; Mark Sorenson, City of Biggs; and Terry Crowley, City of Healdsburg.

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 Bonnie Gore, City of Roseville, to approve the minutes from the April 19, 2017 regular meeting. All were in favor. The motion passed unanimously.

Item #3 – State Legislative Report

Mario De Bernardo, State Government Relations Manager, and Gregg Cook, Government Affairs Consulting, reviewed state legislative timelines and deadlines in the final weeks of the legislative session. Mr. De Bernardo and Mr. Cook also reviewed key state legislative issues including SB 100 (de Leon), grid regionalization, small cell permitting, net-load peak energy planning, and electric vehicle incentives.

Mr. De Bernardo and Mr. Cook provided background and analysis on SB 100 (de Leon), including amendments that NCPA was successful in securing in July, as well as amendments NCPA is continuing to pursue in the final weeks of session.

Mr. De Bernardo and Mr. Cook provided background and analysis on a potential grid regionalization bill supported by the Governor. NCPA's reactions to the bill include concerns related to process, uncertainty with the new federal administration, transmission access charge, stranded investment, grid reliability, effects on state environmental goals, investments in the ISO, and that the Legislature must have the final say.

As well, Mr. De Bernardo and Mr. Cook provided background and legislative strategy on bills regarding small cell permit streaming (AB 649, Hueso); net-load peak energy (SB 338, Skinner); and electric vehicles (AB 1184, Ting).

Item #4 – Regulatory Affairs Update

Scott Tomashefsky, Regulatory Affairs Manager, began his update by recapping how the California grid performed during the August 21 solar eclipse. This was followed by a detailed review of the cap-and-trade regulations that were approved in late July by the California Air Resources Board (CARB). Mr. Tomashefsky explained that, under the new regulations, NCPA members will receive a direct allocation of nearly 17 million GHG allowances between 2021 and 2030, amounting to more than \$400 million for NCPA members during that timeframe. Also discussed were the latest developments regarding CARB's next Scoping Plan and the agency's RPS enforcement provisions.

Mr. Tomashefsky also gave an update on issues at the California Energy Commission (CEC) and the California Public Utilities Commission (CPUC) including: 1) the CEC's Integrated Energy Policy Report and Integrated Resource Plan activities, its data collection and power source disclosure rulemakings, as well as; 2) the CPUC's physical security and pole database proceedings.

He also mentioned that the Federal Energy Regulatory Commission (FERC) now has a quorum, re-established with the confirmation of Neil Chatterjee and Rob Powelson as Commissioners. Chatterjee is currently Acting Chairman and is confirmed to speak at NCPA's upcoming Annual Conference. FERC's next Board meeting will take place September 20, 2017.

Lastly, Mr. Tomashefsky gave a brief update regarding developments at the North American Electric Reliability Corporation (NERC). During the update, Randy Howard, NCPA General Manager, mentioned that NCPA is scheduled to undergo a NERC reliability audit during the third quarter of 2018.

Item #5 – Western Area Power Administration

Brent ten Pas, Maury Kruth, and Jerry Toenyas updated the committee on the Western Area Power Administration's 2025 Final Power Marketing Plan. Mr. ten Pas and Mr. Kruth highlighted several positive developments in the Plan as a result of NCPA's advocacy efforts. These included the opportunity for customers to clarify termination language in the new contracts, and that customers will have a one-time opportunity to either reduce their base resource allocation or terminate their new contract no later than six-months before the contracts go into effect. Mr. Toenyas provided an update on the Bureau of Reclamation's (Bureau) Central Valley Project Cost Allocation Study, including efforts to get the Bureau to include the appropriate data in its power assumptions.

Item #6 – Federal Legislative Report

Marty Kanner, President of Kanner and Associates, gave an update on Congress' ambitious agenda for the Fall, including the must pass items; budget, appropriations bills, and raising the debt ceiling. Mr. Kanner also shared how the potential for tax and hydro relicensing reform moving forward plays into the agenda. Mr. Kanner also highlighted the success of NCPA and the public power community in urging Congress to drop the Administration's budget proposal to sell off the Federal Power Marketing Administration's transmission assets.

Item #7 – Member Services Program Update

Jonathan Changus, Member Services Manager & Regulatory Affairs, updated the committee on energy efficiency, energy storage, solar, and transportation electrification issues.

Mr. Changus discussed the CEC's efforts to establish a statewide 2030 Doubling of Energy Efficiency Savings goal, as required by SB 350. He commented that NCPA led the joint POU response to California Energy Commission draft staff papers. Mr. Changus also noted that the Building Benchmarking and Public Disclosure Program (AB 802) July 12th hearing has been postponed indefinitely.

Mr. Changus updated the committee on 2021 Energy Storage Procurement Targets reporting requirements. He discussed that POUs individually file updated energy storage procurement targets with the CEC by October 1. Mr. Changus also discussed Energy Storage in California's Public Power Sector – 2017 report, which is a joint POU filing that will accompany the individual utility AB 2514 filings.

He also reviewed the SB 1 Solar Program Annual Report. He discussed that a compilation of individual POU forms and joint report submitted on June 30 represents the final report required by SB 1.

Mr. Changus also reviewed the Zero Emission Vehicle Investment Plan, Phase 1 (VW Settlement) and the Low Carbon Fuel Standard – 2018 Amendments.

Lastly, Mr. Changus discussed the Shared Services Agreement whereby NCPA members can take advantage of utilizing SCPPA vendors and contracts.

Item #8 – Upcoming Events

Upcoming events include: 1) NCPA Annual Conference, September 27-29, 2017, in Napa at the Silverado Resort; and 2) NCPA Strategic Issues Conference, January 17-19, 2018, in Sacramento at the Embassy Suites, Sacramento.

ADJOURNMENT

The Legislative and Regulatory Affairs Committee meeting moved to adjournment by Chair, Teresa O'Neill, City of Santa Clara, at 4:25 pm. All were in favor.

**Northern California Power Agency
 Legislative & Regulatory Affairs Committee Meeting
 August 23, 2017 - Attendee List**

#	NAME	AFFILIATION
1	Tracy Hves	NCPA
2	Teresa O'Neill	Santa Clara/SUP
3	Jane Cirrione	NCPA
4	SCOTT TOMASHEFSKY	NCPA
5	Brent ten Pas	NCPA
6	Randy Howard	NCPA
7	Chris Romero	Roseville
8	Monty Hanks	NCPA
9	Dave Dochow	NCPA
10	STEPHEN HOLLABAUGH	Truckee Donner PUD
11	Roger Faith	Biggs
12	Basil Wong	Port of Oakland
13	Heather	POLO AFD
14	Kathleen Hughes	SVP
15	Jane Luckhardt	NCPA
16	David Hoegel	Healdsburg
17	Bonnie Gore	Roseville
18	JONATHAN CHANGUS	NCPA
19	Greg Link	NCPA
20	Mario DeBernardo	NCPA
21		
22		
23		
24		