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# Minutes

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**Date:** September 7, 2016  
**To:** Legislative and Regulatory Affairs Committee  
**From:** Carrie Pollo  
**Subject:** August 24, 2016 Legislative and Regulatory Affairs Committee Meeting Minutes

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## ***Item #1 – Opening Remarks & Introductions***

Committee Chair Bob Lingl, Mayor of Lompoc, called the meeting to order at 2:20 pm, followed by introductions of all in attendance. Those in attendance are shown on the attached attendance sheet. Participating via teleconference were; Madeline Deaton from Alameda Municipal Power, Monica Padilla, City of Palo Alto, Teresa O’Neill and Joyce Kinnear, City of Santa Clara, Gregg Cook, Government Affairs Consulting and Marty Kanner, Kanner & Associates, LLC.

## **PUBLIC FORUM**

No one from the public was present.

## **REPORTS AND ACTION ITEMS**

### ***Item #2 – Approval of Minutes***

Motion: A motion was made by Gary Plass, City of Healdsburg, and seconded Roger Frith, City of Biggs, to approve the minutes from the May 25, 2016 regular meeting and the August 1, 2016 special meeting. The motion passed unanimously.

### ***Item #3 – State Legislation***

Mario De Bernardo gave an update and overview of state legislative issues pending as the end of session approaches. The bills reviewed were SB 1393, SB 32, AB 197, AB 1110 and AB 2163.

SB 32 and AB 197 would work together to establish the state's 2030 greenhouse gas emissions reduction program. AB 197 is ambiguous on the role of cap and trade in the state's program. As such, NCPA has an oppose unless amended position on the bill, and is supporting potential amendments that expressly recognize cap and trade as an option.

Due to end of session amendments to AB 1110, NCPA changed its position from support to oppose. The bill would require a utility's power content label to include a greenhouse gas emission intensity figure. The amendments, pushed by community choice aggregators, would affect the process of calculating greenhouse gas emissions in a manner that could negatively affect NCPA. NCPA is working with the author and sponsor to draft a letter to the Assembly Journal to address NCPA's concerns caused by the last minute amendments. This letter will provide insight into legislative intent in this area that we are hopeful can guide the regulatory process in this area.

AB 2163 is a gut and amend that would impose certain net energy metering (NEM) requirements on the Imperial Irrigation District. NCPA is opposed to the bill because of the precedent it would set for other utilities that establish NEM successor programs the solar industry does not agree with. The bill requires a two-thirds vote.

SB 1393 is the Senate pro Tem's SB 350 cleanup bill. It includes some helpful (albeit minor) provisions for NCPA. NCPA opposed some of the provisions the California Energy Commission (CEC) and Air Resources Board (ARB) asked for in the bill. Those provisions, among other things, would have increased CEC's enforcement authority over a publicly owned utility's integrated resource plan. Due to NCPA's objections, those provisions were excluded from the bill. NCPA also plans to work with the Senate pro Tem's office on SB 350 cleanup in the fall.

#### ***Item #4 – Regulatory Affairs***

Scott Tomashefsky updated the committee on the California Air Resources Board's (CARB) proposed Scoping Plan, which is California's overarching Green House Gas (GHG) reduction strategy document for the 2030 goal. The Draft Scoping Plan will be released in the Fall of 2016, with regional workshops following in the Winter and Spring. CARB expects to approve the plan in early 2017.

Mr. Tomashefsky also reviewed the key elements of CARB's latest set of amendments to the state's cap-and-trade regulations, with particular emphasis on allowance allocation and impacts on NCPA members. He also provided an update regarding the latest developments at the California Energy Commission's RPS enforcement proceeding, as well as a status report about NERC's ongoing information sharing initiatives.

#### ***Item #5 – Federal Legislation***

Brent ten Pas provided an overview of the pending comprehensive energy legislation and the key provisions of interest to NCPA. There are differences between the House and Senate energy bills, and conferees have been appointed by the Senate and House to resolve. The hydropower relicensing reform provisions are in both bills, and NCPA continues to work with stakeholders to build support. The forest management provisions in the House energy bill are unlikely to stay in, but there is strong bipartisan support for the wildfire budget reforms language.

***Item #6 – Western Area Power Administration***

Jerry Toenyas updated members on the most recent developments related to the Bureau of Reclamation's (Reclamation's) Central Valley Cost Allocation Study, and its CVPIA Accounting and Cost Recovery Business Practice Guidelines. Also, Mr. Toenyas shared concerns that Reclamation's potential cost sharing arrangement with the California Department of Water Resources for the twin tunnels as part of the California Water Fix project could assign costs to the CVP power function and the CVP power customers an estimated \$15 million.

***Item #7 – Stakeholder Review***

Jane Cirrincione updated the committee regarding state and federal issue areas where NCPA is coordinating with coalition partners.

***Item #8 – Other Issues***

Liz Kirkley, City of Lodi, reported that Lodi Electric is upgrading their 60 kv transmission line to 230 kv in 2017, and the city would like support for their efforts to work with the California Public Utilities Commission and Pacific Gas & Electric during this transition.

**ADJOURNMENT**

Chair Lingl adjourned the meeting at 4:55 pm. All were in favor.