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Minutes - Draft

Date: January 11, 2017
To: Legislative and Regulatory Affairs Committee
From: Carrie Pollo, Legislative and Regulatory Administrative Assistant
Subject: November 30, 2016 Legislative and Regulatory Affairs Meeting Minutes

Item #1 – Opening Remarks and Introductions

Chairman Gary Plass, Council Member, City of Healdsburg, called the meeting to order at 12:00 pm, followed by introductions of all in attendance. Those in attendance are shown on the attached attendance sheet. Participating via telephone were: Barry Leska, Alameda Municipal Power; Paul Eckert, City of Gridley; and Kathleen Hughes, City of Santa Clara.

Item #2 – Approval of Minutes from the September 21, 2016 Legislative & Regulatory Affairs Committee Meeting

Motion: A motion was made by Bob Lingl, Mayor, City of Lompoc, and seconded by Roger Frith, Mayor, City of Biggs, to approve the minutes from the September 21, 2016 regular meeting. The motion passed unanimously.

PUBLIC FORUM

No members of the public were present.

OPEN SESSION

REPORTS AND ACTION ITEMS

Item #3 – NCPA Legislative and Regulatory Affairs Committee 2017 Strategic Plan

Jane Cirrincione, AGM, Legislative and Regulatory Affairs, provided an overview of proposed strategic goals and initiatives for the Committee's consideration and review. The Strategic Plan establishes priorities and policy objectives for the coming year, and serves as the basis for development of the L&R program budget.

A summary of the Legislative and Regulatory Affairs program's key accomplishments with a quantifiable savings of \$11.4 million, for 2016, is outlined below:

- Western
 - Trinity, Shasta, Folsom bypass releases (\$1.7 million)
 - CVP Displacement Program (\$992K)
- State Legislative
 - Defeat of NEM bill (8-12% bill increase for customers + costs to utility to calculate non-coincident peak)
 - Local control of wildfire mitigation measures (\$250k for consultant)
- RPS Implementation
 - Helped SVP secure use of surplus RECs from Compliance Period 1 to Compliance Period 2 (\$7.9 million)
 - Developed Gridley cost containment provision (\$185K)
 - Ensured that all members were in full compliance with 2015 reporting period (\$7K)
- Report Coordination
 - Developed 2016 energy efficiency report (\$350K)
 - Coordinated GHG reporting and verification activities for NCPA members (\$45K)
 - Responded to miscellaneous requests from energy agencies (\$10K)

After reviewing the 2016 accomplishments and discussing the initiatives for 2017, the Committee agreed to approve the Legislative and Regulatory Affairs Strategic Plan for 2017.

Motion: A motion was made by Steve Hollabaugh, Utility Director, Truckee Donner PUD, and seconded by Bob Lingl, Mayor, City of Lompoc, to approve the proposed Legislative and Regulatory Affairs 2017 Strategic Plan, including modifications that may come up throughout the year. All were in favor. The motion passed.

***** Chair Plass adjourned the meeting for a break at 3:25 pm *****
***** Chair Plass reconvened the meeting at 2:35 pm *****

Item # 4 – State Legislative Report

Mario De Bernardo reviewed the four key state legislative highlights, including: 1) Net Energy Metering, which was defeated by the NCPA led effort; 2) The second Capitol Day, which was very successful in stopping the Governor's efforts to advance legislation on governance for the CAISO Regionalization; 3) Legislation was shaped to allow broad flexibility for NCPA members to develop mitigation measures for Wildfire Management, and the state's tree mortality program became focused on areas with electric infrastructure; and, 4) Amendments were also secured in a bill that requires a utility to include greenhouse gas information in its power content label--these amendments include delaying implementation until 2020, and allowing POUs to add additional information to the label, and NCPA successfully worked on an intent letter to the Assembly Journal in order to avoid implementation burdens on POUs and to treat geothermal as a zero emitting resource, which is consistent with existing state policies.

Mr. De Bernardo also provided information and analysis on some of the issues that will likely come up in 2017, including Cap and Trade, CAISO regionalization, SB 350, rooftop solar, energy storage, energy efficiency, report streamlining, natural gas transmission rate design, small cell, transportation electrification, consumer privacy, workforce development, and wildfires.

Item # 5 – Regulatory Affairs Update

Scott Tomashefsky reviewed the three key regulatory highlights including SB 350 Implementation, the RPS program, and NERC Compliance, which included an overview of analytical recommendations that have resulted from NERC's Effectiveness Survey. These recommendations are likely to improve future auditing processes and reduce costs for NCPA members.

Item # 6 – Member Services

Jonathan Changus briefed the Committee on three key areas of current focus for the member services program including: 1) Joint projects with SCPPA and CMUA related to energy efficiency target setting and evaluation of energy storage technologies; 2) Increased collaboration and information sharing among NCPA and public power partners through creation of the NCPA Electric Vehicle Working Group, and; 3) Enhanced advocacy efforts that involved conducting a joint legislative energy efficiency briefing with SCPPA, and testimony as a panelist in the California Energy Commission's regulatory proceedings on electric vehicles.

Item # 7 – Federal Legislative Report

Brent ten Pas highlighted key federal legislative objectives including the advancement of comprehensive energy legislation that features hydropower licensing reforms and provisions to improve the approval process for routine vegetation management along right of ways. As well, NCPA weighed in with Senate Energy Committee staff in support of a draft bill that would reform "fire-borrowing," and recommended the inclusion of allowing "at risk communities" access to federal funding for fire preparedness activities. He noted NCPA had secured Senator Diane Feinstein's support and sponsorship of an amendment that would enable public power utilities to have access to workforce development funding. As well, NCPA successfully added language to water legislation in the House to ensure that CVP power customers are financially "held harmless" from PG&E compensation if Shasta Dam were raised or Temperance Flat storage project were constructed.

Marty Kanner, President of Kanner and Associates, also briefed the Committee on the incoming Administration's potential policy priorities for the coming year.

Item # 8 – Western Area Power Administration Issues

Jerry Toenyas gave an update of the issues related to the Central Valley Project including the Bureau of Reclamation's Central Valley Cost Allocation Study, Trinity River releases, and recent agreements with BOR to secure a repayment to power customers for environmental bypasses, and the 2025 Power Marketing Plan.

Jane Cirrincione reported to the Committee that three RFPs have been issued by NCPA for Federal Legislative and Regulatory Consulting Services, State Legislative Consulting Services, and Regulatory Counsel Services. Responses are due by December 14, 2016.

ADJOURNMENT


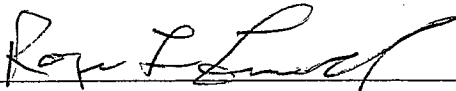
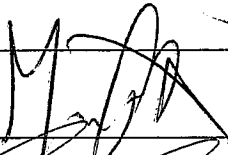

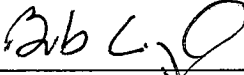
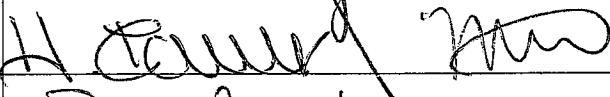

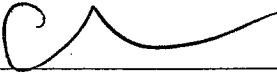
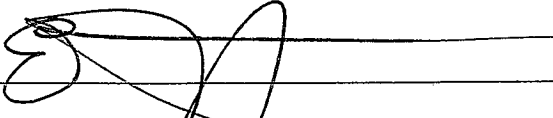
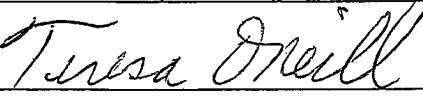
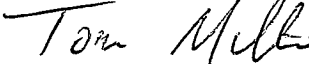
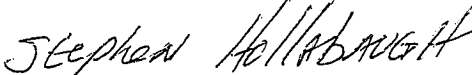
A motion to adjourn was made at 4:20 pm by Vice Chair Teresa O'Neill, Council Member, City of Santa Clara, and it was seconded by Heather Dauler, City of Palo Alto. All were in favor.

Northern California Power Agency
 Legislative & Regulatory Affairs Committee Special Meeting
 November 30, 2016 - Attendee List

#	NAME	AFFILIATION
1	Gray PASJ	Roseville
2	Brent ten Pas	NCPA
3	SCOTT TOMASHEFSKY	NCPA
4	SUSIE BERLIND	LAW OFFICES OF SUSIE BERLIND FOR NCPA
5	JONATHAN CHAVOUS	NCPA LR
6	Carrie POLLO	NCPA
7	Gregg Cook	Government Affairs Consulting
8	Madeline Doan	Alameda
9	Cory Erwin	Plumas-Sierra
10	Ken Speer	NCPA
11	Jerry Toenys	NCPA
12	MAURY KROUTH	"
13	SHAWN MATHEW	Roseville
14	Chris Romero	Roseville
15	Bobby J	Lompoc
16	Barry Tappin	Redding
17	Elizabeth Hadley	Redding
18	Tom Miller	Shasta Lake
19	LIZ KIRKLEY	LODI
20	STEPHEN KILGUSMITH-	TDPUD
21	Suzon Poncelet	TDPUD
22	Joyce Kimear	SVP
23	Roger Firth	Biggs
24	Danna Stevener	NCPA
25	Marty Kanner	Kanner & Assoc.
26	Mario De Bernardo	NCPA

27	Randy Howard	UCPA
28	Jane Cirrincione	UCPA
29	Heather Dauler	Palo Alto
30	Teresa O'Neill	Santa Clara
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Northern California Power Agency
 Legislative & Regulatory Affairs Committee Meeting
 November 30, 2016
COMMITTEE MEMBER
 Attendance List

MEMBER	SIGNATURE
Alameda	
BART	
Biggs	
Gridley	
Healdsburg	
Lodi	
Lompoc	
Palo Alto	
Port of Oakland	
Plumas-Sierra REC	
Redding	
Roseville	
Santa Clara	
Shasta Lake	
Truckee Donner	
Ukiah	