

2022 LEGISLATIVE OUTCOMES REPORT

Office of Governmental Affairs



California Public Utilities Commission

Office of Governmental Affairs

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This document can be found online at: <u>www.cpuc.ca.gov/oga/</u>

Acknowledgments

The outcomes outlined in this report reflect a team effort. Thank you to the Office of Governmental Affairs (OGA) Liaisons in each Division who take on the vital role of facilitating the availability of California Public Utilities Commission (CPUC) experts to the Legislature, the public, and the OGA. Commissioners, Policy Advisors, Directors, legislative partners and coalitions, agency partners, stakeholders, and the Governor's Office all help develop and shape legislation that impacts the CPUC, directing and guiding the agency's actions to ensure safe, accessible, environmentally responsible, and reliable utility service and infrastructure at just and reasonable rates, with a commitment to a healthy California economy.

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Acronyms

AB = Assembly BillARPA = American Rescue Act Plan BIL = Bipartisan Infrastructure Law BioRAM = Bioenergy Renewable Auction Mechanism BSC = Building Standards Commission CAETFA = California Alternative Energy and Advanced Transportation Financing Authority CAISO = California Independent System Operator Cal FIRE = California Department of Forestry and Fire Protection Cal GEM = California Department of Conservation, Geological Energy Management Division Cal OES = California Office of Emergency Services CalPAO = California Public Advocates Office CalTrans = California Department of Transportation CAPP = California Arrearage Payment Program CARB = California Air Resources Board CARE = California Alternate Rates for Energy CASF = California Advanced Services Fund CBC = California Broadband Council CBO = Community-Based Organization CDCR = California Department of Corrections and Rehabilitation CDT = California Department of Technology CEC = California Energy Commission CEQA = California Environmental Quality Act CHCF = California High-Cost Fund CNRA = California Natural Resources Agency CPUC = California Public Utilities Commission CSD = Department of Community Services and Development CSI = California Solar Initiative Program CWDB = California Workforce Development Board DCPP = Diablo Canyon Power Plant DER = Distributed Energy Resources DOF = Department of Finance DWR = Department of Water Resources

DWSRF = Drinking Water State Revolving Fund

- EDF = Environmental Defense Fund
- FERC = Federal Energy Regulatory Commission
- FFA = Federal Funding Account
- FY = Fiscal Year
- GHG = Greenhouse Gas
- GO-Biz = Governor's Office of Business and Economic Development
- IBEW = International Brotherhood of Electrical Workers, Local 1245
- IIJA = Infrastructure Investment and Jobs Act
- IOU = Investor-Owned Utility
- ICPS = Incarcerated Persons Calling Services
- IRA = Inflation Reduction Act
- IRP = Integrated Resource Plan
- LIOB = Low Income Oversight Board
- LSE = Load Serving Entity
- MASH = Multifamily Affordable Solar Housing
- MMBI = Middle-Mile Broadband Initiative
- NEM = Net Energy Metering
- NRDC = Natural Resources Defense Council
- OGA = (California Public Utilities Commission) Office of Governmental Affairs
- OEIS = Office of Energy Infrastructure Safety
- PG&E = Pacific Gas and Electric
- PSPS = Public Safety Power Shutoff
- Pub. Util. Code = Public Utilities Code
- RA = Resource Adequacy
- RPS = Renewables Portfolio Standard
- SB = Senate Bill
- SCE = Southern California Edison
- SGIP = Self-Generation Incentive Program
- SWRCB = State Water Resources Control Board
- TECH = Technology and Equipment for Clean Heating
- TNC = Transportation Network Company
- TURN = The Utility Reform Network
- WMP = Wildfire Mitigation Plan

Legislative Overview

This year marked the end of the 2021-22 biennial legislative session. Each year, the California Public Utilities Commission (CPUC), through the Office of Governmental Affairs (OGA), actively engages the Legislature in the legislative and budget processes, providing essential insight, perspective, and information about the organization's regulatory activities. This engagement helps shape proposed policies and budget appropriations contained in legislation (bills) so they are designed as the most effective solutions toward addressing important and identifiable public problems.

This legislative year largely normalized back to its pre-pandemic years. This was due to the rapid development and continued widespread distribution of SAR-CoV-2 (COVID-19) vaccines throughout California and amongst the Capitol community, as well as the increasing availability of improved treatments for those afflicted with the most severe symptoms. However, unlike the pre-pandemic years, the Legislature has retained many of the remote engagement features it established during the depths of the global pandemic. This has helped to improve public access to the Legislature and provided a new level of flexibility for everyone who participates in the legislative and budget processes.

Though the worst of the COVID-19 pandemic is seemingly behind us, California, like the rest of the nation and the world, has been challenged with restarting, rebuilding, and ramping up its supply chains to meet the massive surge in demand. This demand frenzy is not confined to one product, good, or service. Rather, it is pervasive across all markets and economic sectors and has led to significant increases in the rate of inflation, reaching as high as 8.3 percent in August 2022 after fluctuating between 2 and 3 percent on average over the last ten years. Unlike demand, which can ramp up or down relatively quickly, supply adjusts over longer time horizons as supply chains are complicated and include many components that are globally connected and complex. Disruptions, especially global disruptions like a major pandemic, can have devasting impacts on manufacturers, wholesalers, transportation entities, distributors, and retailers. Compounding the impact of the COVID-19 disruption in 2020 and 2021, was Russia's invasion of Ukraine earlier this year. This invasion, coupled with the reaction of many countries in the form of economic sanctions against Russia, further distorted and disturbed global supply chains. These pathways for goods and services have had to unwind and reorient themselves to navigate around these new economic rules and the realities sparked by a new war that continues to this day between Russia and Ukraine. Finally, the growing impact of extreme weather events, brought on by our human-induced changing climate, is affecting both the supply and demand for goods and service in new and significant ways.

In response to these challenges, the Legislature and Governor Gavin Newsom focused most of their attention this legislative year on not only supporting ongoing expansions and improvements to health and safety measures for ALL Californians, but also on rebuilding and transforming the state's economy to address other pressing and interrelated issues plaguing the state, such as the affordability of basic goods and housing, chronic homelessness, mitigating climate change, and enhancing energy reliability. The state was well positioned at the beginning of this calendar year to tackle these challenges with a projected \$46 billion budget surplus. This surplus was supported by the growing resiliency of the state budget which has been marked by building reserves, eliminating budgetary debt, reducing retirement liabilities, and focusing on one-time spending over ongoing investments to maintain structurally balanced budgets over the long term. These prudent budgeting efforts enabled the state to protect critical programs during the COVID-19 pandemic while preparing the state to confront new and ongoing challenges.

However, by the time the Governor's state budget revision was introduced in May 2022, the state was projecting a \$97.5 billion one-time revenue surplus. This can be attributed to the increasing availability and use of the COVID-19 vaccine in 2022 which continued to encourage many economic sectors to reopen and resume "normal" operations. This resumption of "business-as-usual" for many economic sectors significantly changed the projected economic growth and employment assumptions originally used for the introduced 2022-23 state budget. In addition, the state collected more tax revenue than anticipated from high-income earners in the early part of 2022. Armed with this close to \$100 billion revenue surplus, the Governor and the Legislature were well situated to tackle many of the challenges confronting Californians, including the massive rise in inflation. In fact, the enacted 2022-23 state budget provided \$17 billion in relief to millions of Californians to help offset the rising costs of goods and services.

Further supporting California's investments, in December 2021 the United States Congress passed, and President Joseph R. Biden signed, the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL). The BIL provides California with many new formula-based and competitive-grant federal funding opportunities. Though the total amount of federal funding provided by the BIL to California is still uncertain, the state is expecting billions of dollars to flow into the state now and for the next several years for all types of essential infrastructure in the transportation, broadband, and energy sectors. In addition, the United States Congress passed, and President Joseph R. Biden signed, the Inflation Reduction Act (IRA) in August 2022. The IRA modifies portions of the federal tax system and, most notably, provides new funding in the form of direct grants as well as, primarily, tax credits, deductions, and exemptions to eligible recipients. These tax expenditures are significant and are mainly targeted toward the clean energy, healthcare, and water sectors of the national economy. The IRA has been framed as the largest national investment to address the growing climate crisis, and it is expected to rapidly accelerate the transition away from fossil fuels to clean energy resources.

The one-time availability of significant state funds, as well as the opportunity to capture additional federal funding, provided the state with a unique opportunity to double down on its investments and aggressively move forward with achieving the state policy goals this year. Of particular interest to the CPUC was the close to \$8 billion appropriation focused on electric supply reliability, ratepayer relief, and clean energy development. This amount included \$1.2 billion for the California Arrearage Payment Program (CAPP) to absolve electric and gas ratepayers of their utility debt, which built on the \$1 billion appropriated to this program last year. The energy appropriation also provided over \$3.3 billion to develop a strategic electric reliability reserve aimed at providing the state's electric system with a diverse set of energy resources to call upon when electricity demand soars during extreme heat events. This investment will also help ease the decarbonization transition of the state's electric system. Finally, the energy appropriation provides close to \$3.5 billion toward the deployment of various clean energy technologies such as building electrification measures, including heat-pumps and distributed solar photovoltaic (PV) systems paired with battery energy storage systems.

Despite the challenges and new opportunities this legislative year presented, the OGA continued efforts to engage in the budget and legislative processes through various channels and at all stages to ensure the perspectives of the CPUC were shared, recognized, and used to inform legislation. Over the course of this legislative year, the OGA formally tracked 93 budget and policy bills of interest to the CPUC. Each of the CPUC's divisions provided invaluable insight on the potential impacts of each bill on the agency's existing policies, practices, procedures, and objectives.

Throughout each legislative year, the CPUC may take formal public positions on bills of particular interest

or concern to the organization. The CPUC may also sponsor and/or initiate legislation needed to carry out the agency's responsibilities effectively and efficiently. This legislative year, the CPUC initiated several bills and took a formal public support position on its sponsored bill, SB 599 (Hueso): Public Utilities Commission: proceedings. This bill focused on improving the CPUC's public decision-making processes and modifying a CPUC reporting requirement to the Legislature, and updating the CPUC's Supplier Diversity Program governing statute. This bill was introduced in 2021 but was paused halfway through the legislative process due to the bill limits imposed on legislators in 2021. The bill moved this year and was eventually passed by the Legislature and signed by the Governor.

Of the 93 policy and budget bills formally tracked by the OGA, 35 passed the Legislature and were signed by the Governor. In addition, the CPUC participated in six legislative committee informational, oversight, and confirmation hearings focused on topics such as transmission development, electric investor-owned utility rates, and California's Middle-Mile and Last-Mile Broadband Initiatives. The OGA, in close collaboration with CPUC subject matter experts, also organized and provided four formal legislative staff informational briefings on a variety of topics, including electric supply reliability, building decarbonization, electric system safety, and electric distribution system modernization. These formal briefings were aimed at informing legislative staff about the CPUC's current regulatory activities and relevant policy actions as they prepared their bill portfolio for the 2022 legislative year.

The OGA also actively collaborated and coordinated with its primary sister agencies and organizations, including the California Energy Commission (CEC), California Independent System Operator (CAISO), California Air Resources Board (CARB), State Water Resources Control Board (SWRCB), California Office of Emergency Services (Cal OES), California Department of Forestry and Fire Protection (Cal FIRE), Office of Energy Infrastructure Safety (OEIS), Governor's Office of Business and Economic Development (GO-Biz), California Natural Resources Agency (CNRA), California Department of Transportation (Cal'Trans), California Department of Technology (CDT), Department of Finance (DOF), and the California Department of Conservation, Geological Energy Management Division (Cal GEM) on its engagement with the Legislature this year. This collaboration allowed the agencies to actively communicate shared interests and concerns about legislation to the Legislature and stakeholders.

In many circumstances, leveraging each organization's subject matter expertise was essential and helped lead to positive legislative outcomes. The following sections of this report highlight these outcomes by subject area and provide a summary of topics that were a focus of introduced legislation and deliberated upon throughout the legislative process. These sections also summarize the CPUC's formal positions on legislation and other public forms of engagement in the legislative process. However, these sections are not fully indicative of the daily, ongoing engagement and conversations the OGA has with legislative staff, including legislator personal staff and policy, fiscal, and budget committee consultants, as well as with stakeholders and the Governor's Office. It is the combination of all these efforts that mold the evolution of legislation that affects the CPUC and its ability to ensure the safe, accessible, affordable, reliable, and environmentally responsible provision of critical services overseen by the agency.

SUMMARY OF LEGISLATIVE ENGAGEMENT

Total Policy and Budget Bills Tracked	93			
Policy and Budget Bills Passed by the Legislature	30 policy and 5 budget			
AB 2083 (Bauer-Kahan), AB 2143 (Carrillo), AB 2283 (Gallagher), AB 2316 (Ward), AB 2700 (McCarty), AB 2716 (Grayson), AB 2749 (Quirk-Silva), AB 2750 (Mia Bonta), AB 2752 (Wood), AB 2838 (O'Donnell), SB 222 (Dodd), SB 529 (Hertzberg), SB 599 (Hueso), SB 717 (Dodd), SB 846 (Dodd), SB				

SB 1109 (Caballero), SB 1112 (Becker), SB 1158 (Becker), SB 1174 (Hertzberg), SB 1208 (Hueso), SB 1213 (Hueso), SB 1383 (Hueso), SB 1432 (Hueso), SB 1469 (Bradford), AB 179 (Ting), SB 154 (Skinner), AB 209 (Committee on Budget), AB 211 (Committee on Budget), AB 157 (Committee on Budget)

Policy and Budget Bills Signed by the Governor 25 policy and 5 budget
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AB 2083 (Bauer-Kahan), AB 2143 (Carrillo), AB 2316 (Ward), AB 2700 (McCarty), AB 2750 (Mia Bonta), AB 2752 (Wood), AB 2838 (O'Donnell), SB 529 (Hertzberg), SB 599 (Hueso), SB 717 (Dodd), SB 846 (Dodd), SB 857 (Hueso), SB 884 (McGuire), SB 887 (Becker), SB 1008 (Becker), SB 1020 (Laird), SB 1075 (Skinner), SB 1109 (Caballero), SB 1112 (Becker), SB 1158 (Becker), SB 1174 (Hertzberg), SB 1208 (Hueso), SB 1213 (Hueso), SB 1383 (Hueso), SB 1469 (Bradford), AB 179 (Ting), SB 154 (Skinner), AB 209 (Committee on Budget), AB 211 (Committee on Budget), AB 157 (Committee on Budget)

CPUC Formal Legislative Positions (Support)	1	
SB 599 (Hueso): Public Utilities Commission: proceedings		
Participation in Legislative Committee Informational, Oversight and Confirmation Hearings	6	
Formal Legislative Staff Informational Briefings Provided	4	

CPUC Formal Legislative Positions

SB 599 (Hueso): Public Utilities Commission: proceedings. (Version: As Amended, June 13, 2022)

This bill authorizes the CPUC to deliberate on Resolutions in closed session and would also clarify statutory requirements relating to quiet periods and closed sessions.

Specifically, the bill -

- 1. Authorizes the CPUC to meet in closed session to deliberate on a Proposed Decision, Order, or Resolution after providing three-day advanced notice to the public, except in an adjudicatory or quasi-legislative proceeding.
- 2. Requires the CPUC to establish a quiet period during the three business days before the Commission's scheduled vote on a Decision, during which oral or written communications shall not be permitted, except in an adjudicatory or quasi-legislative proceeding.

The ability of Commissioners to meet in closed session to discuss and deliberate the diverse public input they receive, and complex legal and technical issues that may arise, is a right that has been granted in statute. As recently as 2016 under the *Principles of Reform*, then Governor Edmund G. Brown Jr. and the Legislature affirmed the CPUC's ability to discuss matters in closed session by authorizing the CPUC to consider administrative and managerial issues in closed session. This bill, by expanding closed session meetings to include deliberation of Resolutions after sufficient public notice, provides the CPUC with additional flexibility to consider these items before the body.

Additionally, the bill revises complicated language in Public Utilities (Pub. Util.) Code Section 1701.3 and recasts the language in simplified terms in a new section (Pub. Util. Code Section 1701.9). These changes will provide the CPUC with straight-forward direction on imposing quiet periods prior to CPUC voting meetings and the conditions for convening closed sessions meetings. Most importantly, the language in the bill makes all these changes while preserving due process for parties and public transparency.

This bill also repeals the requirement for the CPUC to submit to the Legislature an annual assessment of the California Solar Initiative (CSI) Program, as the last CSI-funded program ended on December 31, 2021. Lastly, the bill updates several Pub. Util.Code sections for consistency with statutory changes made by Senate Bill 255 (Bradford, 2019) related to the CPUC's Supplier Diversity Program.

The Office of Governmental Affairs (OGA) issued a support position memo on this bill and actively engaged stakeholders and the Legislature throughout the legislative process to ensure the CPUC's perspective on this process modernization and "clean-up" bill was widely understood.

CPUC Position: Support Legislative Memo: June 23, 2022: SB 599 (Hueso) Status: Signed, Chapter 703, September 28, 2022

Telecommunications Bills

In 2021, the Legislature passed a historic \$6 billion broadband infrastructure package which combines federal American Rescue Act Plan (ARPA) funds with state General Fund allocations to deploy affordable, openaccess broadband infrastructure statewide with a specific focus on municipal broadband. This package includes \$3.25 billion for a statewide middle-mile network, \$2 billion for last-mile grants, \$50 million for technical assistance for local governments, and \$750 million for a Loan Loss Reserve to bolster the ability of local governments and nonprofits to secure financing for broadband infrastructure. This investment represents the single, largest public investment in broadband infrastructure in California's history.

Given that 2021 was a momentous year for advancing broadband service for ALL, this year the Legislature focused its legislative agenda on clarifying, modifying, or amending the new broadband funding programs and mechanisms. For example, the six telecommunications bills that passed this legislative year were primarily related to amending the California Advanced Services Fund (CASF) Federal Funding Account, broadband data collection, and reporting on digital equity and broadband access. The Legislature also acted on a bill that extended the authorization for the California High-Cost Fund (CHCF) A and B public purpose programs from January 1, 2023 to January 1, 2028. These bills are summarized further below.

Several legislators also introduced bills on other telecommunications issues such as broadband affordability, cable and video franchising, and service resiliency. The OGA was actively involved in providing technical feedback and guidance to legislative staff on these topics throughout the legislative year.

In the next legislative session, the OGA anticipates there will be continued focus on tracking and demonstrating implementation progress on the 2021 broadband budget package. The OGA expects continued interest from stakeholders and legislators to modify these programs further and, perhaps most importantly, ensure the appropriated funding is being distributed and invested into actual broadband projects in a timely manner while requiring funding recipients to fulfill their obligations of providing affordable, accessible, and reliable broadband service.

BROADBAND INFRASTRUCTURE DEPLOYMENT

AB 2749 (Quirk-Silva): Communications: California Advanced Services Fund

This bill would have expressly authorized otherwise eligible wireless broadband service providers to receive funding from the Broadband Infrastructure Grant Account and the Federal Funding Account. The bill would, for purposes of the Federal Funding Account, have required the CPUC to review completed applications within a highly prescriptive review period, to document the basis for denial of an application, to authorize the amendment and resubmission of denied applications for consideration in a future review period, and to periodically establish an application deadline. Finally, this bill would have, for purposes of the Federal Funding Account, authorized the CPUC to adopt affordability requirements for a recipient of a grant.

Status: <u>Vetoed by the Governor</u>, September 29, 2022

AB 2750 (Mia Bonta): Department of Technology: state digital equity plan

This bill requires the California Department of Technology (CDT), by January 1, 2024, in consultation with the public, the CPUC, and the California Broadband Council (CBC), to develop a state digital equity plan. The plan is required to include, among other things, the identification of barriers to digital equity faced by specified populations, including, among other barriers, the availability and affordability of access to fixed and wireless broadband technology. Additionally, the bill requires the plan to include measurable objectives for documenting and promoting digital equity among those populations and an assessment of existing digital navigator programs. Lastly, the CDT is required, to the extent practicable, to obtain all available federal funding for purposes of developing and implementing the plan.

Status: Signed, Chapter 597, September 27, 2022

AB 2752 (Wood): Broadband infrastructure and video service: mapping: subscriber information

This bill explicitly authorizes the CPUC to collect information from providers of broadband services at the address level. The bill also prohibits the CPUC from disclosing residential subscriber information.

Status: Signed, Chapter 801, September 29, 2022

SB 717 (Dodd): Department of Technology: broadband communications: report

This bill requires the CDT on or before May 1, 2024, with input from relevant state agencies and stakeholders, to conduct, complete, and submit a report to specified legislative committees that reviews and identifies barriers to, and opportunities for, investment in, and efficient building of, broadband access points on private and government-owned structures and property, private and public lands and buildings, and public rights of way. The bill requires the report to identify barriers to, and opportunities for, access to mobile and fixed broadband internet service infrastructure by low-income tribal, urban, and rural customers, and underserved communities. The bill also requires the report to provide recommendations on how to accelerate deployment of broadband access points to serve tribes, low-income customers, and disadvantaged or underserved communities. The report, at a minimum, should consider the extent to which specified factors serve as barriers to investment or deployment of broadband access points and make recommendations on how to overcome these barriers.

Status: Signed, Chapter 813, September 29, 2022

UNIVERSAL SERVICE AND LOW-INCOME ASSISTANCE PROGRAMS

SB 857 (Hueso): Telecommunications: universal service programs

This bill extends the authorization for the CHCF A and B programs from January 1, 2023 to January 1, 2028. Both the CHCF-A and CHCF-B are funded by a surcharge on intra-state (within the state) telecommunications services, such as a phone bill. This bill extends the CPUC's authority to collect those surcharges and administer the program through 2028. The current surcharge rate for the CHCF-A program is 0.7%; whereas the CHCF-B surcharge is set at 0% because of a budgetary surplus. The surcharge rates are not likely to increase for either program in the near future. However, without continued rate support through the High-Cost Funds, customers living in high-cost areas would likely see increases in the cost of their bills to unaffordable levels. This bill is an urgency measure.

Status: Signed, Chapter 706, September 28, 2022

SB 1008 (Becker): Corrections: communications

This bill requires that a state prison, or a state, county, or city youth residential placement or detention center provide voice communication services to incarcerated persons free of charge to the person initiating and the person receiving the communication, subject to the operational discretion of the California Department of Corrections and Rehabilitation (CDCR) in a state-operated facility. The bill prohibits a county, city, or state agency from receiving revenue for the provision of communication services to persons in its custody. This bill requires the CPUC to establish service quality standards for incarcerated persons calling services, to be adhered to by communication service providers rendering services to state or local correctional or detention facilities.

Status: Signed, Chapter 827, September 29, 2022

Energy Bills

At the beginning of this legislative year the OGA was tracking roughly 55 energy (electricity and gas) bills. These bills proposed a multitude of new policies related to multifamily and community solar programs, transmission planning and development, renewable hydrogen, and electric distribution planning, among other policy areas.

Other bills focused on creating new or expanded value streams for distributed energy resources (DER) through the Resource Adequacy (RA) program and existing programs. In addition, there were numerous bills focused on restructuring or refining the state's clean energy procurement policies, namely the Renewables Portfolio Standard (RPS) and Integrated Resource Planning (IRP) programs and providing procurement preferences for zero-emission resources. There were also bills aimed at advancing numerous approaches to decarbonize new and existing buildings throughout the state.

Finally, there were several bills aimed at streamlining the application process for low-income utility customer assistance programs, modifying bioenergy procurement programs, creating a new electric distribution system undergrounding program, and expanding access to DER and community solar to low-income customers. These bills largely passed the Legislature and are summarized below, along with the Governor's final action on these policies. Many new energy policies enacted this legislative year were also advanced through the legislative budget process and are highlighted in the proceeding Budget Overview section.

ELECTRIC TRANSMISSION AND DISTRIBUTION

AB 2700 (McCarty): Transportation electrification: electrical distribution grid upgrades

This bill requires the CEC, in collaboration with the CARB, the CPUC, and other relevant stakeholders, to annually gather from state agencies, as provided, specified entities' fleet data for on-road and off-road vehicles in the medium- and heavy-duty sectors and share that data with electrical investor-owned utilities (IOUs) and local publicly owned electric utilities from disclosing that data to third parties. The bill prohibits electrical IOU and local publicly owned electric utilities, as part of their distribution planning processes, to consider the fleet data produced by the CEC pursuant to this bill, and other available data, to facilitate the readiness of their distribution systems to support the state's anticipated level of electric vehicle charging.

Status: Signed, Chapter 354, September 16, 2022

SB 529 (Hertzberg): Electricity: electrical transmission facilities

This bill requires the CPUC, by January 1, 2024, to update its General Order 131-D to authorize each electric IOU to use the permit-to-construct process or claim an exemption to seek approval to construct an extension, expansion, upgrade, or other modification to its existing electrical transmission facilities. This bill provides that the extension, expansion, upgrade, or other modification of an existing electrical transmission facility does not require a certificate that the present or future public convenience and necessity requires or will require for its construction.

Status: Signed, Chapter 357, September 16, 2022

SB 884 (McGuire): Electricity: expedited utility distribution infrastructure undergrounding program

This bill requires the CPUC to establish an expedited utility distribution infrastructure undergrounding program and would authorize only those electric IOUs with 250,000 or more customer accounts within the state to participate in the program. In order to participate in the program, large electric IOUs are required to submit a distribution infrastructure undergrounding plan (plan), including the undergrounding projects located in tier 2 or 3 high fire-threat districts, or rebuild areas that it will construct as part of the program, to the OEIS, which would be required to approve or deny the plan within nine months. If the OEIS approves the large electric IOU's plan, the large electric IOU is required to submit to the CPUC a copy of the plan and an Application requesting review and conditional approval of the plan's costs. This bill requires the CPUC to approve or deny the plan within nine months. If the plan is approved by the OEIS and CPUC, a large electric IOU would be required to file specified progress reports, include additional information in its Wildfire Mitigation Plans (WMP), hire an independent monitor to review and assess its compliance with its plan, apply for available federal, state, and other non-ratepayer moneys throughout the duration of the approved plan, and use those non-ratepayer moneys to reduce the program's costs on its ratepayers, as specified. This bill also authorizes the CPUC to assess penalties on a large electric IOU that fails to substantially comply with the Decision approving its plan.

Status: Signed, Chapter 819, September 29, 2022

SB 887 (Becker): Electricity: transmission facility planning

This bill requires the CPUC, on or before January 15, 2023, to request the CAISO identify the highest priority electric transmission facilities that are needed to allow for increased electric transmission capacity into local capacity areas to deliver renewable energy resources or zero-carbon resources that are expected to be developed by 2035 into those areas and to consider whether to approve the identified electric transmission projects as part of the CAISO's 2022–23 transmission planning process. This bill also requires the CPUC, in consultation with the CEC, to provide electric transmission-focused guidance to the CAISO about energy resource portfolios of expected future renewable energy resources and zero-carbon resources, as specified, to allow the CAISO to identify and approve electric transmission facilities needed to interconnect resources and reliably serve the needs of load centers. Finally, this bill expresses the policy of the state that planning for new electric transmission facilities consider the goals of minimizing the risk of wildfire and increasing systemwide reliability and cost efficiency, among other goals.

Status: Signed, Chapter 358, September 16, 2022

SB 1174 (Hertzberg): Electricity: eligible renewable energy or energy storage resources: transmission and interconnection

This bill requires each electric IOU that owns electric transmission facilities to annually prepare and submit to the CPUC concurrently with each electric IOU's annual renewable energy procurement plan, a report on any changes to previously reported in-service dates of electric transmission and interconnection facilities necessary to provide transmission deliverability to eligible renewable energy resources or energy storage resources that have executed interconnection agreements, and to identify the reason for any changes to the status of in-service dates. This bill also requires the CPUC's annual RPS report to include a systemwide assessment of delays to interconnection or electric transmission approvals for eligible renewable energy resources or energy storage

resources, based on those annual reports. This bill additionally requires the CPUC, in the IRP process, to consider the role of electric transmission.

Status: Signed, Chapter 229, September 2, 2022

CUSTOMER AND LOW-INCOME ASSISTANCE PROGRAMS

SB 1208 (Hueso): Low-income utility customer assistance programs: concurrent application process

This bill requires the CPUC, on or before June 30, 2024, in coordination and consultation with the Department of Community Services and Development (CSD) and other relevant state agencies that provide low-income electric or gas utility customer assistance programs, to develop a process that enables customers to concurrently apply, or begin to apply, to multiple low-income customer assistance programs, as specified.

This bill also requires the Low Income Oversight Board (LIOB), on or before June 30, 2023, to submit a report to the Legislature regarding the opportunity and process for expanding the third-party administrator contract used for the Universal Lifeline Telephone Service program, or establishing a similar new contract, to include water, gas, and electric utility service for purposes of facilitating enrollment between low-income assistance programs, minimizing privacy and data sharing concerns, and expediting eligibility verification processes.

Status: Signed, Chapter 840, September 29, 2022

RENEWABLE AND ZERO CARBON RESOURCES

SB 846 (Dodd): Diablo Canyon powerplant: extension of operations

This bill invalidates the CPUC's approval of the Diablo Canyon Power Plant (DCPP) decommissioning settlement agreement and requires the CPUC to set new retirement dates for the DCPP, as provided, conditioned upon the United States Nuclear Regulatory Commission extending the powerplant's operating licenses, as specified. It continues the Independent Safety Committee for Diablo Canyon, consisting of three members appointed, as provided. The bill specifies that the final compliance date of the once-through cooling policy for the DCPP is October 31, 2030. The bill also extends, until 18 months after the permanent cessation of DCPP operations, the method for funding state and local costs for carrying out emergency service activities associated with a nuclear powerplant that are not reimbursed by federal funds, with the costs borne by utilities operating nuclear powerplants with a generating capacity of 50 megawatts or more, as specified. This bill also provides for expedited permitting processes at relevant state agencies.

In addition, this bill specifies that, upon appropriation by the Legislature, certain amounts of money would be available for specified fiscal years to support a Clean Energy Reliability Investment Plan developed by the CEC, and to support a Land Conservation and Economic Development Plan developed by the CNRA. It states the intent of the Legislature to make available to the Department of Water Resources (DWR) a total principal amount not to exceed \$1.4 billion for the purpose of being loaned out to facilitate the extension of the operating period of the DCPP, as provided. This bill establishes the Diablo Canyon Extension Fund in the State Treasury and would continuously appropriate moneys in the fund to the department for purposes of making the loan.

Status: Signed, Chapter 239, September 2, 2022

SB 1020 (Laird): Clean Energy, Jobs, and Affordability Act of 2022

This bill revises state policy to provide that eligible renewable energy resources and zero-carbon resources supply 90% of all retail sales of electricity to California end-use customers by December 31, 2035; 95% of all retail sales of electricity to California end-use customers by December 31, 2040; 100% of all retail sales of electricity to California end-use customers by December 31, 2040; 100% of all retail sales of electricity to California end-use the California end-use customers by December 31, 2045; and 100% of electricity procured to serve all state agencies by December 31, 2035. The bill authorizes the CPUC and CEC, upon request of the CAISO, to disclose to the CAISO confidential information relating to power purchase agreements with electric generation and energy storage projects for purposes of electric transmission planning.

This bill requires the CPUC, CEC, and CARB on or before December 1, 2023 and annually thereafter, to issue a joint reliability progress report that reviews system and local reliability within the context of that state policy described above, with a particular focus on summer reliability; identifies challenges and gaps, if any, to achieving system and local reliability; and identifies the amount and cause of any delays to achieving compliance with all energy and capacity procurement requirements set by the CPUC. The bill also requires the CPUC to develop a definition of energy affordability, and to use energy affordability metrics to guide the development of any protections, incentives, discounts, or new programs to assist residential customers facing hardships or disconnections due to electricity or gas bills; and to assess the impact of proposed rate increases on different types of residential customers. Lastly, state agencies are required to procure 100% of their operational electricity needs from eligible renewable energy resources and zero-carbon resources by 2035, and the DWR must procure 100% of the State Water Projects' electricity needs from 2035 and no later than 2040 under specified conditions from these resources.

Status: Signed, Chapter 361, September 16, 2022

SB 1109 (Caballero): California Renewables Portfolio Standard Program: bioenergy projects

This bill extends to December 31, 2023, the electric IOUs' obligation to collectively procure their proportionate share of 125 megawatts of generating capacity from existing bioenergy projects through financial commitments of five to 15 years, inclusive, under the Bioenergy Renewable Auction Mechanism (BioRAM) program. This bill requires any incremental procurement of electricity products from bioenergy resources by a new contract or contract extension of five years or longer in duration to be from an eligible energy resource that meets emission limits equivalent to, or more stringent than, the applicable best available retrofit control technology.

Status: Signed, Chapter 364, September 16, 2022

GREEN HYDROGEN

SB 1075 (Skinner): Hydrogen: green hydrogen: emissions of greenhouse gases

This bill requires the CARB, in consultation with the CEC and CPUC, to prepare an evaluation posted to the CARB's internet website by June 1, 2024, that includes specified information relevant to the deployment, development, and use of hydrogen. The bill also requires the CARB, in making this evaluation, to consult with the California Workforce Development Board (CWDB) and labor and workforce organizations. In addition, this bill requires the CEC, as part of the 2023 and 2025 editions of the Integrated Energy Policy Report, to study and model potential growth for hydrogen and its role in decarbonizing, as defined, the electrical and transportation sectors of the economy, and helping to achieve specified goals. Lastly, this bill requires the CPUC,

CARB, and CEC to consider other potential uses of green electrolytic hydrogen specifically in all of their decarbonization strategies.

Status: Signed, Chapter 363, September 16, 2022

ELECTRIC UTILITY RATES AND SETTLEMENT AGREEMENTS

AB 2083 (Bauer-Kahan) Public utilities: rates

This bill prohibits an electric or gas IOU from recovering, through a rate approved by the CPUC, costs arising directly from new or additional activities expressly agreed to by the corporation, or any direct payment, fine, or penalty paid by the IOU, in a settlement agreement resolving a criminal or civil inquiry, investigation, or prosecution, except when the CPUC determines that those costs were just and reasonably incurred.

Status: Signed, Chapter 689, September 28, 2022

AB 2283 (Gallagher) Public utilities: wildfires: victim compensation

This bill requires the CPUC, in a new or existing proceeding, to undertake a comprehensive review of actions taken by Pacific Gas and Electric (PG&E) that materially and adversely affected the value of its stocks provided pursuant to their federal bankruptcy settlement agreement.

Status: <u>Vetoed by Governor</u>, September 29, 2022

GREENHOUSE GAS EMISSIONS REDUCTION ACCOUNTING

SB 1158 (Becker): Retail electricity suppliers: emissions of greenhouse gases

This bill requires, beginning January 1, 2028, every retail supplier to annually report specified information to the CEC, including the retail supplier's sources of electricity used to serve loss-adjusted load for each hour during the previous calendar year and the emissions of greenhouse gases (GHG) associated with those sources of electricity, as specified. This bill requires the CEC, on or before July 1, 2024, to adopt rules through an open process subject to public comment, and adopted by a vote of the CEC, to implement these reporting requirements. The bill requires the CEC to share specified information with the CPUC, CARB, and CAISO, to the extent needed, and to annually publish on its internet website an aggregated summary of the data reported by each retail supplier.

This bill also requires all sellers of electricity from generation facilities or energy storage facilities, and entities allocating electricity from specified sources, to timely provide specified information to the purchaser of, or entity allocated, that electricity, as specified. The bill requires the CPUC, for all load-serving entities (LSE), and the governing board, for each local publicly owned electric utility, to review the total annual emissions of GHGs and the annual average GHG emissions intensity reported for each LSE or local publicly owned electric utility. This bill authorizes the CPUC, for all LSEs, and the governing board, for each local publicly owned electric utility, to assess whether those emissions of GHGs, combined with the LSE's or local publicly owned electric utility's procurement plans for subsequent years, demonstrate adequate progress toward achieving the LSE's or local publicly owned electric utility's GHG emissions reduction targets. Lastly, the bill requires the CPUC to calculate and publish on its internet website the percentage of each LSE's local and system RA requirements from the previous calendar year that was met with capacity from eligible renewable energy resources, other zero-

carbon resources, or energy storage resources.

Status: Signed, Chapter 367, September 16, 2022

DISTRIBUTED ENERGY RESOURCES, COMMUNITY SOLAR, AND GREEN TARIFF PROGRAMS

AB 2143 (Carrillo): Net energy metering: construction of renewable electrical generation facilities: prevailing wage

This bill applies public works project requirements to the construction of any renewable electrical generation facility, and any associated battery storage, after December 31, 2023, that receives service pursuant to the Net-Energy Metering (NEM) tariff, except (1) a residential facility that will have a maximum generating capacity of 15 kilowatts or less of electricity or that will be installed on a single-family home; (2) a project that is already a public work under existing law; or (3) a facility that serves only a modular home, a modular home community, or multiunit housing that has two or fewer stories. The bill requires a contractor who enters into a contract to perform work on the renewable electrical generation facility or associated battery storage to pay each construction worker employed in the execution of the work, at minimum, the general prevailing rate of per diem wages and each apprentice, at minimum, the applicable apprentice prevailing rate, as specified. This bill authorizes specified mechanisms to be used to enforce those wage requirements. The bill provides that, if a willful violation of the bill's requirements has been enforced against a contractor for the construction of a renewable electrical generation facility using those mechanisms, the facility is not eligible to receive service pursuant to the applicable standard contract and tariff.

Finally, this bill requires the CPUC to annually publish on its internet website, and submit to the Legislature, a report on the progress made to grow the use of DER among residential customers in disadvantaged communities and in low-income households, and an aggregated list of all renewable electrical generation facilities that began to receive service pursuant to a NEM contract or tariff during the preceding calendar year.

Status: Signed, Chapter 774, September 29, 2022

AB 2316 (Ward): Public Utilities Commission: customer renewable energy subscription programs and the community renewable energy program

This bill requires the CPUC, on or before March 31, 2024, to evaluate each customer renewable energy subscription program, as described, to determine if the program meets specified goals; to authorize the termination or modification of a program that does not meet those goals; and to determine whether it would be beneficial to ratepayers to establish a community renewable energy program. The bill requires the CEC, on or before July 1, 2024, to establish that program if doing so would be beneficial to ratepayers and to require each electric IOU to participate in that program. This bill requires each community choice aggregator and electric service provider, within 180 days of the establishment of that program, to notify the CPUC whether it will participate in the program and would authorize a community choice aggregator or electric service provider to begin participating in, or end its participation in, that program at any time by notifying the CPUC. The bill requires the community renewable energy program, if established, to be complementary to and consistent with specified requirements of the California Building Standards Code, ensure at least 51% of its capacity serves low-income customers, prohibit its costs from being paid by nonparticipating customers, require that the

construction of its community renewable energy facilities comply with specified prevailing wage requirements, provide bill credits to subscribers, and prioritize the maximum use of state and federal incentives and accelerate its implementation to ensure that time- or quantity-limited federal incentives can be obtained for the benefit of subscribers.

This bill requires the CPUC, on or before March 31, 2024, to report to the Legislature on its actions taken as a result of its evaluation of each customer renewable energy subscription program; its justification for terminating, modifying, or retaining each program; and whether it would be beneficial to ratepayers to establish the community renewable energy program. The bill also requires the CPUC to, within 24 months of establishing the community renewable energy program and annually thereafter, submit a report to the Legislature on the facilities deployed and customers subscribed, pursuant to that program.

Status: Signed, Chapter 350, September 16, 2022

AB 2838 (O'Donnell): Electrical corporations: green tariff shared renewables program

This bill authorizes the CPUC, on and after April 1, 2023, to authorize electric IOUs to terminate their green tariff shared renewables programs.

Status: Signed, Chapter 418, September 18, 2022

SB 1432 (Hueso): Electricity: resource adequacy requirements

This bill would have revised and recast the objectives of the RA program. The bill would have required the CPUC to analyze, compile, and publish on its internet website an annual report on the compliance status of LSEs. This bill would have additionally required the CPUC to determine and authorize the most efficient and equitable means for ensuring that electric service providers can determine the generation resources used to serve their customers. The bill would also have required the CAISO to ensure that the cost of backstop procurement and associated GHG attributes are equitably allocated.

This bill would have required the CPUC, in coordination with the CAISO, in a new or existing proceeding, to develop a pilot program for aggregated customer-sited zero-emission DER, as defined, to assess the value of potential energy exports from those resources for purposes of fulfilling the requirements of the RA program, and would have excluded from participation in the pilot program customers taking service under a customer-generator tariff unless the customer is only compensated in a specified manner. This bill would have authorized the CPUC to allocate certain funds to carry out the pilot program and would specify the resources eligible to participate in the pilot program.

Status: Vetoed by Governor, September 28, 2022

CLEAN ENERGY FINANCING

SB 1112 (Becker): Energy: building decarbonization: notice and recordation of a decarbonization charge

This bill requires the CPUC, or the governing board of a local publicly-owned electric utility or electrical cooperative, to require an energy supplier, defined as an electric IOU, local publicly-owned electric utility, electric service provider, community choice aggregator, or electrical cooperative, administering a decarbonization

upgrade program or initiative, to record, no later than 30 days after funding a decarbonization upgrade, a notice of decarbonization charge, as defined, with the county recorder of the county where the property subject to the decarbonization charge is located. This bill requires an energy supplier, within 30 days of full cost recovery of the outstanding charges related to the recorded notice of decarbonization charge, to record a notice of the full cost recovery and removal of the decarbonization charge with the county recorder of the county where the property subject to the decarbonization charge is located.

This bill also requires an energy supplier, within 30 days of a decision by the energy supplier to cease collection of the charge and record a notice of removal of the decarbonization charge with the county recorder of the county where the property subject to the decarbonization charge is located. If the subscriber's property is not owner-occupied, this bill requires the energy supplier to incorporate in a written agreement between the energy supplier and the property owner related to installation of a decarbonization upgrade, a requirement that the property owner shall cause the obligation to pay the decarbonization charge to appear in the terms through which the property owner leases or licenses the property for occupancy.

Status: Signed, Chapter 834, September 29, 2022

Safety Bills

The OGA engaged with several legislative offices and committee consultants on various energy, transportation, and rail safety related matters. California is increasingly relying on new and emerging energy storage technologies, especially lithium-ion battery systems, to ensure electric reliability and meet statewide GHG emissions reduction goals. Given the exponential growth in energy storage project development and recent safety issues at one of the state's largest lithium-ion battery storage facilities, the OGA engaged with the Legislature on policies to expand the CPUC's Generating Asset Owner (GAO) operation and maintenance standards and oversight to include energy storage systems, not just electric generation facilities.

ENERGY STORAGE SAFETY OVERSIGHT

SB 1383 (Hueso): Electricity: storage facilities: standards and records

This bill requires the CPUC to implement and enforce standards for the maintenance and operation of facilities for the storage of electricity owned by an electric IOU or located in the state. This bill also requires the CAISO to maintain records of storage facility outages and to provide those records to the CPUC on a daily basis for enhanced safety oversight.

Status: Signed, Chapter 725, September 28, 2022

Transportation Bills

The OGA engaged several legislative offices and committee consultants throughout the year on various transportation-related matters. Specifically, the OGA engaged on Transportation Network Companies (TNC), passenger safety, rail crossing grade separation projects, and at-grade rail crossing safety issues. Outside of bills seeking to decarbonize the transportation sector, there was only one bill focused on expanding, modifying, or repealing the CPUC's oversight authority over TNC safety courses. This bill is described below and was vetoed by the Governor.

TRANSPORTATION NETWORK COMPANIES

AB 2716 (Grayson): Transportation network companies: participating drivers: safety courses

This bill would have codified minimum training requirements for TNC drivers in state law. The bill would have also required that a TNC compensate a driver for completing the required safety course and that a TNC must ensure a vehicle satisfies vehicle inspection requirements established by the CPUC.

Status: Vetoed by Governor, September 29, 2022

Water Bills

The CPUC is responsible for ensuring that California's water IOUs deliver clean, safe, and reliable water to their customers at reasonable rates. The CPUC regulates over 100 privately-owned water and sewer utilities, which provide water service to about 16% of California's residents. Approximately 95% of that total is served by nine large water IOUs, and the annual water and wastewater revenues for these companies total \$1.4 billion. Relating to the CPUC's oversight of private water IOUs, the Legislature focused most of its attention this year on water rates and low-income assistance programs. Depending on legislative capacity in future years, the CPUC expects that low-income water utility assistance programs will continue to be a topic of interest.

WATER BILL ASSISTANCE

SB 222 (Dodd): Water Rate Assistance Program

This bill would have required the State Water Resources Control Board (SWRCB), in consultation with other relevant state agencies like the CPUC, to develop and administer a statewide Water Rate Assistance Program to provide rate assistance to low-income residential ratepayers of a community water system or wastewater system.

Status: Vetoed by Governor, September 28, 2022

SB 1188 (Laird): Safe Drinking Water State Revolving Fund: financial assistance

This bill authorizes the SWRCB to provide grants, principal forgiveness funding, and zero percent financing from the state's Drinking Water State Revolving Fund (DWSRF) by deleting certain existing requirements, including limiting such funding to water systems serving severely disadvantaged communities.

Status: Signed, Chapter 680, September 28, 2022

WATER RATES

SB 1469 (Bradford): Water corporations: rates

This bill authorizes the CPUC, upon Application by a large water IOU, to consider and allow implementation of a mechanism that separates the water IOU's revenues and its water sales, commonly known as "decoupling."

Status: Signed, Chapter 890, September 30, 2022

Legislative Committee Informational, Oversight, and Confirmation Hearings

Assembly Utilities and Energy Committee

March 2, 2022 – Annual Review of California Public Utilities Commission and the Public Advocates Office

The CPUC and the Public Advocates Office (CalPAO) presented an overview of their activities in the 2021 calendar year, and each organization's work plan for the 2022 calendar year. This committee heard from President Alice Reynolds about the critical issues before the CPUC and its efforts to ensure the safe, accessible, affordable, environmentally responsible, and reliable provision of private electric, gas, water, telecommunication, and transportation services. President Reynolds highlighted electric and gas IOU rate affordability, energy resource planning and procurement, summer electric service reliability, and utility wildfire mitigation during her opening testimony. Questions from committee members largely fell under these topics, but there were also questions asked about the standard NEM successor tariff proceeding, broadband infrastructure, and autonomous vehicles. *CPUC Participated*.

March 30, 2022 - Pocketbooks and the Power System: Managing Future Rate Impacts

The committee heard from presenters representing the CPUC, The Utility Reform Network (TURN), Center for Accessible Technologies, and the Environmental Defense Fund (EDF) on electric IOU rate trends, cost drivers, and proposed bill and rate impact mitigation proposals. The CPUC provided a presentation on electric IOU rate trends which included an explanation of the major cost drivers, such as the increased prices of natural gas, utility wildfire mitigation expenditures, and transmission infrastructure investments. The CPUC also provided rate and bill impact mitigation methods, such as enhanced reviews of wildfire investments, financing/securitization measures, and bill payment relief options. The presentation concluded with an overview of the CPUC's Affordability Proceeding and the various stakeholder proposals developed for CPUC consideration. *CPUC Participated.*

May 18, 2022 - Envisioning the Grid of 2045: How Much Transmission Is Needed?

The committee heard from the CAISO, CalPAO, Southern California Edison (SCE), EDF Renewables, and Permit Sonoma about state electric transmission planning processes, the generator interconnection queue, and costs and barriers to development. Members focused their questions on costs to ratepayers, how to manage the hundreds of thousands of megawatts of capacity in the generator interconnection queue to focus on, viable and well-positioned projects, interagency electric system planning process coordination, and participation in transmission owner rate cases at the Federal Energy Regulatory Commission (FERC). *No CPUC Participation.*

June 6, 2022 - Joint Initiative Hearing with Assembly Natural Resources and Utility and Energy Committees. Provides Funding for Programs to Reduce Greenhouse Gas Emissions by Increasing Tax on Personal Income Over \$2 Million

These committees held a joint hearing to discuss Proposition 30, titled "Provides Funding for Programs to Reduce GHG Emissions by Increasing Tax on Personal Income over \$2 million." The measure is an initiative

statute that increases the Personal Income Tax Rate by 1.75% on taxable income above \$2 million and uses funds the tax generates to fund zero emissions vehicle infrastructure and wildfire prevention. The hearing started out with presentations from the Legislative Analyst's Office regarding the project state revenue from the measure, followed by presentations by proponents and opponents. Proponents included the International Brotherhood of Electrical Workers (IBEW) and California Environmental Voters, and opponents included the California Teachers Association. Proposition 30 will be on the California ballot in November 2022. *No CPUC Participation.*

August 25, 2022 – Proposal to Extend Operations of the Diablo Canyon Nuclear Power Plant

The committee held an informational hearing to discuss what California should do to ensure electric reliability, which included extending operations at the Diablo Canyon Nuclear Power Plant (DCPP) in San Luis Obispo. This hearing explored information regarding California's supply stack of generation potential, the challenges that undermine reliability including procurement delays, load growth uncertainty and extreme weather events, nuclear safety, and costs to ratepayers. Presenters included the Governor's Office; Pacific Gas and Electric (PG&E), IBEW, Natural Resources Defense Council (NRDC); Supervisor, Chair of the Board County of San Luis Obispo; Defenders of Wildlife; the California Coastal Protection Network; and TURN. *No CPUC Participation.*

Assembly Communications and Conveyance Committee

February 16, 2022 - California's Middle-Mile Broadband Initiative (MMBI)

The CPUC joined Caltrans, CDT, and GoldenStateNet to provide this committee with an update on the MMBI. The CPUC presented information about its work to solicit public feedback and delivering mapping data and analysis to CDT. Committee members urged the state agencies to streamline project development and approval processes, expressed concern that the 18 initial project locations are already served at 25/3 megabits per second, and requested metrics for the selection of future project locations. *CPUC Participated*.

April 6, 2022 - Last Mile Broadband: Connecting the Unserved

The committee held an oversight hearing on the CPUC's development and administration of last-mile broadband programs, in which the CPUC provided a detailed overview of the administration of the last-mile broadband programs. Committee members mainly focused their questions on the CPUC's Federal Funding Account (FFA) last-mile Proposed Decision. A few of the committee members expressed significant concerns that the 10-year broadband plan price cap requirement would prevent providers from earning sufficient revenue to cover their costs of service and a return, even though the provider costs are largely for network operations and maintenance only, and that up to 100% of the broadband infrastructure would be subsidized with federal taxpayer monies through the FFA last-mile program. *CPUC Participated.*

Senate Energy, Utilities, and Communications Committee

August 2, 2022 – Annual Update to the Legislature by the California Public Utilities Commission and the Public Advocates Office

The CPUC and CalPAO presented an overview of their activities in the 2021 calendar year, and each organization's work plan for the 2022 calendar year. This committee heard from President Alice Reynolds about the critical issues before the CPUC and its efforts to ensure the safe, accessible, affordable, environmentally responsible, and reliable provision of private electric, gas, water, telecommunication, and transportation services. President Reynolds highlighted electric and gas IOU rate affordability, energy resource planning and procurement, summer electric service reliability, and utility wildfire mitigation during her opening testimony. Questions from committee members largely fell under these topics, but there were also questions asked about the standard NEM successor tariff proceeding, broadband infrastructure, and autonomous vehicles. *CPUC Participated*.

August 9, 2022 – Subcommittee on Clean Energy Future - Clean reliability: What does California need to ensure grid reliability while reducing fossil fuels?

The subcommittee held a hearing to discuss what California should do to ensure electric reliability while reducing fossil fuels. This hearing explored information for an initial policy toolkit of renewable solutions to maintain grid reliability to withstand future unpredictable weather conditions aggravated by climate change. Presenters included the CAISO, EDF, California Environmental Justice Alliance, OhmConnect, Bloom Energy, Brattle Group, UC Berkeley, American Clean Power, and California Storage Alliance. *No CPUC Participation.*

August 10, 2022 - Joint Hearing with Senate Committees on Governance and Finance; Energy, Utilities, and Communications; and Natural Resources and Water

These committees held a joint hearing to discuss Proposition 30, titled "Provides Funding for Programs to Reduce GHG Emissions by Increasing Tax on Personal Income over \$2 million." The measure is an initiative statute that increases the Personal Income Tax Rate by 1.75% on taxable income above \$2 million and uses funds the tax generates to fund zero-emissions vehicle infrastructure and wildfire prevention. The hearing started out with presentations from the Legislative Analyst's Office regarding the project state revenue from the measure, followed by presentations by proponents and opponents. Proponents include the IBEW, and California Environmental Voters, and opponents include the California Teachers Association. Proposition 30 will be on the California ballot in November 2022. *No CPUC Participation.*

August 25, 2022 – Proposal to Extend Operations of the Diablo Canyon Nuclear Power Plant

The committee held an informational hearing to discuss what California should do to ensure electric reliability, which includes extending operations at the DCPP in San Luis Obispo. This hearing explored information regarding California's supply stack of generation potential; the challenges that undermine reliability including procurement delays, load growth uncertainty, and extreme weather events; nuclear safety; and costs to ratepayers. Presenters included the Governor's Office; PG&E; IBEW; NRDC; Supervisor, Chair of the Board County of San Luis Obispo; Defenders of Wildlife; the California Coastal Protection Network; and TURN. *No CPUC Participation.*

Senate Rules Committee

June 29, 2022 – Governor Appointee Confirmation: CPUC President Alice B. Reynolds

Governor appointee Alice Reynolds appeared before this committee and provided opening remarks about her desire and qualifications for serving as President of the CPUC. President Reynolds also responded to committee member questions about her goals and vision for the CPUC, the impacts of COVID-19 on the CPUC's operations, equity and diversity, utility wildfire prevention and Public Safety Power Shutoffs (PSPS), electric supply reliability, and electric IOU costs, rates and bills. *CPUC Participated*.

Formal Legislative Staff Informational Briefings

December 1, 2021 – Electric System Safety Oversight

The CPUC provided Senate and Assembly staff with an overview of electric system safety oversight responsibilities, including mitigation, compliance, and enforcement, with a specific focus on wildfire risk and PSPS events. The presentation also highlighted current and emerging issues in the electric system safety space.

December 9, 2021 – Building Decarbonization

The CPUC and CEC provided Senate and Assembly staff with a joint presentation on California's building decarbonization policies and programs. Each agency outlined its efforts to decarbonize California's building sector and emphasized emerging strategies and outstanding challenges in the building decarbonization area.

January 14, 2022 - Distributed Energy Resource Planning, Integration, and Deployment

The CPUC provided Senate and Assembly staff with an overview of DER planning, integration, and deployment within the electric IOU territories. The briefing highlighted the potential benefits and values of DER, as well as the opportunities and challenges they present. The topics discussed included the grid planning process, interconnection, procurement, tariffs, direct investments and incentives, and emerging opportunities to integrate DER into the electric system.

January 28, 2022 - Electric Supply Reliability

The CPUC, CAISO, and CEC provided Senate and Assembly staff with an overview of actions taken by the Governor's Office and the state's three energy institutions to ensure sufficient electric supply during peak and net-peak demand year-round, especially during summer months. The briefing included the actions the energy institutions have carried out to ensure reliable electric supply during extreme heat waves over the last year. These actions were successful at preventing planned rotating power outages in the summers of 2021 and 2022.

Budget Overview

During the first half of every calendar year, the Legislature evaluates, modifies, and approves the CPUC budget for the next fiscal year, beginning July 1 and ending June 30. For the 2022-23 fiscal year, the Legislature appropriated approximately \$1.9 billion to the CPUC for operations, universal access programs, and CalPAO. The development of the CPUC's budget is a time-intensive process and requires active collaboration and engagement with the Department of Finance (DOF), Governor's Office, and the legislative leadership offices, budget committees, and subcommittees.

This section summarizes the CPUC's engagement in the legislative budget process. Every fiscal year, the CPUC typically requests modifications to its budget through Budget Change Proposals, Legislative Budget Change Proposals, Spring Finance Letters, May Revisions, Budget Bill Language, and Budget Trailer Bills. For the 2022-23 fiscal year, the Legislature approved eight Budget Change Proposals, seven Legislative Budget Change Proposals, five Spring Finance Letters, one May Revision, three Budget Bill Junior provisions, and three Budget Trailer Bills provisions specific to the CPUC.

Most of these approvals and associated funding were appropriated primarily through the two main Budget Bills – SB 154 (Skinner): Budget Act of 2022 and AB 179 (Ting): Budget Act of 2022. By the end of the budget process, the Legislature and the Governor approved 85.25 new permanent positions and 29.0 limited-term positions for the CPUC. This approval reflects the CPUC's active participation in legislative budget committee and subcommittee hearings that took place throughout the legislative budget process, explaining and justifying the organization's Budget Change Proposals, Legislative Budget Change Proposals, Spring Finance Letters, May Revisions, Budget Bill Language, and Budget Trailer Bill requests.

The Legislature may amend existing statute (including Budget Bills) through Budget Trailer Bills to authorize the CPUC to carry out its responsibilities as it pertains to the organization's budget. Budget Trailer Bills are also used as mechanisms to clarify existing statute. This year, largely due to higher than anticipated state tax revenue, the Legislature approved multiple Budget Trailer Bills clarifying previous budget allocations that directly and indirectly affect the CPUC, including AB 205 (Committee on Budget): Energy and AB 209 (Committee on Budget): Energy and climate change.

APPROVED BUDGET CHANGE PROPOSALS, SPRING FINANCE LETTERS, AND MAY REVISIONS

Title	Positions		CPUC Division Lead
	Permanent	Limited- Term	
Strengthen Internal Operations Core (SB 154, 2022)	10	-	Administrative Services
Authorization for Permanent Funding of Key Limited-Term Positions in Support of Energy Policy Statutes (SB 154, Skinner, 2022)	19.5	-	Energy
Communications Licensing and Compliance Section Support (SB 154, Skinner, 2022)	2	-	Communications
Transportation Licensing and Enforcement Branch (SB 154, Skinner, 2022)	9	-	Consumer Protection and Enforcement
Administrative Law Judge Division Management and Proceeding Support (SB 154, Skinner, 2022)	8	_	Administrative Law Judge
Physical and Cyber Security Section (Chapter 43, Statutes of 2022 (SB 154))	3	-	Safety Policy
Information Technology Services Division— Security Enhancements (SB 154, Skinner, 2022)	10	-	Information Technology Services
CPUC Enterprise Solutions Ongoing Maintenance and Support Costs (SB 154, Skinner, 2022)	-	-	Information Technology Services
Centralized Enterprise Geographical Information Systems and Data Analytics Environment (SB 154, Skinner, 2022)	_	-	Information Technology Services
Human Resources: Human Capital Management System (SB 154, Skinner, 2022)	-	-	Human Resources
Summer Reliability and Generation Audits, and PSPS Oversight (SB 154, Skinner, 2022)	7	-	Safety Enforcement Division
Administrative Law Judge Division Intervenor Compensation Program Support (SB 154, Skinner, 2022)	4.75	2	Administrative Law Judge
California LifeLine State Operations and Local Assistance (SB 154, Skinner, 2022)	-	-	Communications
Total	73.25	2	

APPROVED LEGISLATIVE BUDGET CHANGE PROPOSALS

Title	Positions		Legislation
	Permanent	Limited- Term	
Communications: California Advanced Services Fund: deaf and disabled telecommunications program: surcharges	_	3	AB 14 (Aguiar-Curry, Chapter 658, 2021)
Broadband infrastructure deployment	1	-	AB 41 (Wood, Chapter 659, 2021)
Communications: universal service: lifeline program	_	1	AB 74 (Lorena Gonzalez, Chapter 410, 2021)
California Renewables Portfolio Standard Program: renewable feed-in tariff: Bioenergy Market Adjusting Tariff program: community choice aggregators	-	4	AB 843 (Aguiar-Curry, Chapter 234, 2021)
Water and sewer system corporations: consolidation of service	5	9	AB 1250 (Calderon, Chapter 713, 2021)
Communications: California Advanced Services Fund	-	6	SB 4 (Gonzalez, Chapter 671, 2021)
Digital Infrastructure and Video Competition Act of 2006: deployment data	-	4	SB 28 (Caballero, Chapter 673, 2021)
Total	6	27	

ADDITIONAL BUDGET ACTIONS

Approved Budget Trailer Bill Language			
Title	Chapter/Section(s)	CPUC Division Lead	
Updates to Audit Requirements	AB 209 (Committee on Budget, Chapter 251, 2022): Sections 22, 23, 28	Utility Audits, Risk and Compliance	

Budget Trailer Bill Actions			
Title	Chapter/Section(s)	CPUC Division Lead	
Removal of the Fixed Charge Cap	(AB 205, Committee on Budget, Chapter 61, 2022): Sections 10, 14	Energy	
Modifications to the Self-Generation Incentive Program	AB 209 (Committee on Budget, 2022): Sections 25, 26	Energy	
Requirement for the electric IOUs to participate in the CAISO Balancing Authority	AB 209 (Committee on Budget, 2022): Sections 1, 24	Energy	
Authorization for the CPUC to share and protect market-sensitive and confidential information with the CAISO	AB 209 (Committee on Budget, 2022): Sections 5, 27, 34	Energy	

Budget Bill Junior Actions			
Title	Chapter/Section(s)	CPUC Division Lead	
Authorization for 6 permanent CPUC positions focused on DER deployment	AB 179, (Ting, 2022): Item 8660-001-0462	Energy	
Capacity Grants for Community-Based Organizations (\$30,000,000 appropriation)	AB 179 (Ting, 2022): Section 196, Provision 1	Energy	
TECH Clean California (\$50 million appropriation w/\$95 million expected in Fiscal Year (FY) 2023-24)	AB 179 (Ting, 2022): Section 196, Provision 2	Energy	

CPUC-RELATED BUDGET BILLS

SB 154 (SKINNER): BUDGET ACT OF 2022

Makes appropriations for the support of state government and the CPUC for the 2022-23 fiscal year.

Status: Signed, Chapter 43, June 27, 2022

AB 179 (TING): BUDGET ACT OF 2022

Makes appropriations for the support of state government and the CPUC for the 2022-23 fiscal year, most notably \$1.3 million for six positions to support the safe integration of DER into the state's electric distribution system; \$30 million appropriation to the CPUC for capacity grants to community-based organizations that conduct outreach and obtain technical assistance for participation in CPUC decision-making processes, and consider doing so for various other state agencies; and \$50 million appropriation (with a \$95 million appropriation expected for FY 2023-24) to the CPUC to extend the TECH Clean California program to benefit all California residents, regardless of whether they reside within the territory of a CPUC jurisdictional gas IOU.

Status: Signed, Chapter 249, September 6, 2022

In addition to the CPUC-specific items shown above, these two Budget Bills allocate \$39 billion over five years toward climate resilience and integrated climate, equity, energy reliability, and economic opportunity across the state's budget to mobilize a coordinated government-wide response to the climate crisis. Combined with \$15 billion that was included in the FY 2021-22 budget, a total of \$54 billion has been allocated to make historic investments in the expansion of zero-emission vehicles, clean energy, climate innovation, and opportunities for quality jobs. The \$39 billion includes:

- Wildfire and Forest Resilience \$2.824 billion (\$536 million FY 2021-22 early action, \$988 million FY 2021-22, and \$1.3 billion FY 2022-23 and 2023-24)
- Drought Resilience and Response \$8.741 billion (\$5.157 billion FY 2021-22 and \$3.584 billion FY 2022-23)
- Energy Reliability, Relief, and Clean Energy \$7.926 billion (\$2.250 billion FY 2021-22, \$2.902 billion FY 2022-23, \$2.426 billion FY 2023-24, \$154 million FY 2024-25, and \$193 million FY 2025-26)
- Extreme Heat \$365 million (\$165 million FY 2022-23 and \$200 million FY 2023-24)
- Nature-Based Solutions \$1.117 billion (\$669 million FY 2022-23, \$428 million FY 2023-24, and \$20 million FY 2024-25)
- Cap and Trade \$1.576 billion FY 2022-23
- Zero-Emission Vehicles \$10.020 billion (\$3.907 billion FY 2021-22/multiyear and \$6.113 billion FYs 2021-2026)

BUDGET TRAILER BILLS DIRECTLY AFFECTING THE CPUC **AB 205 (COMMITTEE ON BUDGET): ENERGY**

• Sections 10 and 14 – Fixed Charge

Specifically, this bill does the following:

<u>Section 10</u> – Amends Pub. Util. Code Section 739.9 to add language authorizing the CPUC to adopt new, or expand existing, fixed charges for the purpose of collecting a reasonable portion of the fixed costs of providing electrical service to residential customers, and that the fixed charge shall be established on an income-graduated basis.

<u>Section 14</u> – Amends Pub. Util. Code Section 739.9 to authorize the CPUC to establish reasonable fixed charges on default residential customer rates to help stabilize rates and equitably allocate and recover costs among residential customers in each electrical corporation's service territory, and ensure the fixed charges are established to more fairly distribute the burden of supporting the electric system and achieving California's climate change goals through the fixed charge.

Status: Signed, Chapter 61, June 30, 2022

AB 209 (COMMITTEE ON BUDGET): ENERGY AND CLIMATE CHANGE

Several sections affect the CPUC:

- Sections 1 and 24 Electric IOUs Balancing Authority Participation
- Sections 22, 23, and 28 Updates to Audit Requirements
- Sections 25 and 26 Self-Generation Incentive Program
- Sections 5, 27, and 34 CPUC and CAISO Information Sharing and Protection

Specifically, this bill does the following:

<u>Sections 1 and 24 (Electric IOU Balancing Authority Participation</u>) –Amends Pub. Util. Code Section 362 to expressly require specified electric IOUs to participate in the CAISO and prohibit all electric IOUs from withdrawing their facilities from the operational control of the CAISO without CPUC approval.

<u>Sections 22, 23, and 28 (Updates to Audit Requirements)</u> – Amends Pub. Util. Code Sections 274 and. 314.5 to authorize the CPUC to conduct audits or reviews whenever it determines it to be necessary, applying a risk-based methodology to conduct those audits or review of program-related costs and activities. Audits or reviews of the books and records of every electrical or gas corporation must be conducted at least once every five years. Audits or reviews of the books and records of every high-risk telephone, water, or sewer corporation must occur at least once every ten years. In addition, the CPUC must also use a risk-based approach for reviewing or auditing balancing accounts.

<u>Sections 25 and 26 (Self-Generation Incentive Program)</u> – Amends Pub. Util. Code Section 379.6 and adds section 379.10 to require the CPUC to use funds appropriated by the Legislature for the purpose of providing incentives to eligible residential customers, including those receiving service from a local publicly owned electric utility, who install behind-the-meter storage systems or solar photovoltaic systems paired with energy storage systems.

<u>Sections 5, 27, and 34 (CPUC and CAISO Information Sharing and Protection</u>) – Amends Government Code Section 6254.5 and Pub. Util. Code section 583 to authorize the CPUC to share market-sensitive and confidential information with the CAISO for electric system planning and reliability and protects this information from public disclosure.

Status: Signed, Chapter 251, September 6, 2022

Fiscal Overview

When a piece of legislation is determined to have a fiscal impact on an agency, the DOF and the legislative appropriations committees request fiscal impact estimates to aid in their evaluation of the bill. The economic outlook for the state continued to be the main criterion employed to judge the necessity of each piece of legislation and any related costs resulting from its implementation. During the 2022 legislative year, the CPUC received 166 fiscal impact estimate requests for 74 bills. As usual, dozens of conversations were held – by telephone, WebEx, and email – with the DOF and appropriations committees of both the Assembly and Senate to further explain, discuss, and justify our fiscal impact analyses, as well as our policy concerns. Below is a list of positions identified in the Assembly and Senate appropriations committee analyses as needed to implement the new requirements established by bills that passed and were signed by the Governor this legislative year. (Note that positions are subject to change depending on the outcome of the Governor's Budget Proposal of 2023.)

Title	Posi	tions	Legislation
	Permanent	Limited- Term	
Net energy metering: construction of renewable electrical generation facilities: prevailing wage	2	1	AB 2143 (Carrillo)
Public Utilities Commission: customer renewable energy subscription programs and the community renewable energy program	5	-	AB 2316 (Ward)
Department of Technology: state digital equity plan	2	2	AB 2750 (Mia Bonta)
Department of Technology: broadband communications: report	-	2	SB 717 (Dodd)
Diablo Canyon powerplant: extension of operations	-	8	SB 846 (Dodd)
Electricity: expedited utility distribution infrastructure undergrounding program	6	1	SB 884 (McGuire)
Electricity: transmission facility planning	2	-	SB 887 (Becker)
Corrections: communications	3	-	SB 1008 (Becker)
Clean Energy, Jobs, and Affordability Act of 2022	3	-	SB 1020 (Laird)

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Retail electricity suppliers: emissions of greenhouse gases	3	-	SB 1158 (Becker)
Electricity: eligible renewable energy or energy storage resources: transmission and interconnection	3	-	SB 1174 (Hertzberg)
Low-income utility customer assistance programs: concurrent application process	6	3	SB 1208 (Hueso)
Electricity: storage facilities: standards and records	4	3	SB 1383 (Hueso)
Water corporations: rate	4	-	SB 1469 (Bradford)

2022 Climate Policy Bill Package

In August 2022, Governor Gavin Newsom partnered with legislative leaders to advance groundbreaking measures to achieve carbon neutrality no later than 2045 and 90% clean energy by 2035, establish new setback measures protecting communities from oil drilling, capture carbon pollution from the air and its sources, advance nature-based solutions, and more. Taken together, these measures represent the most significant action on the climate crisis in California's history and raises the bar for governments around the world.

The OGA was provided with a unique opportunity to become part of the team in the Governor's Office that developed and advanced this policy package, along with the complementary \$39 billion climate budget that focuses on equity and economic opportunity. It was a rewarding and insightful experience. The climate bills championed by the Governor this year are highlighted in the table below as his "Climate Pillars." Many of these bills will directly and indirectly impact the work of the CPUC.

2022 Main Climate Policy Bill Package			
Policy and Bill Number	Summary		
CARBON NEUTRALITY : AB 1279 (Muratsuchi and C. Garcia)	Establishes a clear, legally binding, and achievable goal for California to achieve statewide carbon neutrality as soon as possible, and no later than 2045, and establishes an 85% emissions reduction target as part of that goal		
PROTECT COMMUNITIES AGAINST OIL DRILLING : SB 1137 (Gonzalez and Limon)	Establishes a setback distance of 3,200 feet between any new oil well and homes, schools, parks, or businesses open to the public. Ensures comprehensive pollution controls for existing oil wells within 3,200 feet of these facilities		
100% CLEAN ELECTRIC GRID : SB 1020 (Laird)	Creates interim clean electricity targets of 90% by 2035 and 95% by 2040 with the intent of advancing the state's trajectory to the existing 100% clean electricity retail sales by 2045 goal, accelerates state agency and state water program clean electricity procurement, establishes grid reliability reporting and electric rate and bill affordability metrics		
CAPTURING AND REMOVING CARBON POLLUTION: SB 905 (Caballero, Skinner, and Limon)	Establishes a clear regulatory framework to advance carbon removal and carbon capture, utilization and sequestration projects, and prohibits the practice of injecting carbon dioxide for the purpose of enhanced oil recovery from these projects		
NATURE-BASED SOLUTIONS : AB 1757 (C. Garcia and R. Rivas)	Requires the state to develop an achievable carbon removal target for natural and working lands		

Appendix: 2022 New Legislative Responsibilities

Division	Bill	Author	Subject	Code	Notable Dates
Energy Division	SB 529	Hertzberg	Electricity: electrical transmission facilities	Amends Pub. Util. Code Section 1001 and Adds Pub. Util. Code Section 564	Effective 1/1/2023
electric investor-ov Section III(B) of C other modification substations within	vned utilities (I General Order 1 to its existing e existing transm	OUs) to use the p 31-D to seek app electrical transmis ission easements	n (CPUC) to update Gen permit-to-construct proc proval to construct an ex- ssion facilities, including , rights of way, or franch a 200-kilovolt voltage le	ess or claim an exer tension, expansion, electric transmissio ise agreements, irre vel.	mption under upgrade, or n lines and
Energy Division	SB 846	Dodd	Diablo Canyon powerplant: extension of operations	Adds Government Code Sections 25233, 25233.2, and 25302.7; Adds Public Resources Code Chapter 6.3 commencing with Section 25548; Amends Pub. Util. Code Sections 454.52 and 454.53; Adds Pub. Util. Code Sections 712.1 and 712.8; and Adds Water Code Section 13193.5	Effective 9/2/2022
agreement and req the United States N Continues the Inde	uires the CPUC Nuclear Regulat ependent Safety	C to set new retire ory Commission V Committee for 1	nyon Power Plant (DCPl ement dates for the DCP extending the powerplar Diablo Canyon, consistir of the once-through cool	P, as provided, corn nt's operating licens ng of three member	iditioned upon ses, as specified. rs appointed, as

October 31, 2030. Extends until 18 months after the permanent cessation of DCPP operations, the method for funding state and local costs for carrying out emergency service activities associated with a nuclear powerplant that are not reimbursed by federal funds, with the costs borne by utilities operating nuclear powerplants with a generating capacity of 50 megawatts or more, as specified. Specifies that, upon appropriation by the Legislature, certain amounts of money would be available for specified fiscal years to

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support a Clean Energy Reliability Investment Plan developed by the California Energy Commission (CEC), as specified, and to support a Land Conservation and Economic Development Plan developed by the California Natural Resources Agency (CNRA), as specified. States the intent of the Legislature to make available to the Department of Water Resources (DWR) a total principal amount not to exceed \$1.4 billion for the purpose of being loaned out to facilitate the extension of the operating period of the DCPP, as provided. Establishes the Diablo Canyon Extension Fund in the State Treasury and would continuously appropriate moneys in the fund to the department for purposes of making the loan. Transfer \$600,000,000 from the General Fund to the Diablo Canyon Extension Fund.

Energy Division and Safety Policy Division	SB 884	McGuire	Electricity: expedited utility distribution infrastructure undergrounding program	Amends Pub. Util. Code Section 8385, and Adds Pub. Util. Code Section 8388 5	Effective 1/1/2023
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Requires the CPUC to establish an expedited utility distribution infrastructure undergrounding program and would authorize only those electric IOUs with 250,000 or more customer accounts within the state to participate in the program. In order to participate in the program, large electric IOUs are required to submit a distribution infrastructure undergrounding plan (plan), including the undergrounding projects located in tier 2 or 3 high fire-threat districts or rebuild areas that will be constructed as part of the program, to the Office of Energy Infrastructure Safety (OEIS), which would be required to approve or deny the plan within nine months. If the office approves the large electric IOU's plan, the large electric IOU is required to submit to the CPUC a copy of the plan and an Application requesting review and conditional approval of the plan's costs. Requires the CPUC to approve or deny the plan within nine months. If the plan is approved by the OEIS and CPUC, a large electric IOU would be required to file specified progress reports; include additional information in its Wildfire Mitigation Plans; hire an independent monitor to review and assess its compliance with its plan; apply for available federal, state, and other non-ratepayer moneys throughout the duration of the approved plan; and use those non-ratepayer moneys to reduce the program's costs on its ratepayers, as specified. Authorizes the CPUC to assess penalties on a large electric IOU that fails to substantially comply with the Decision approving its plan.

Energy Division	SB 887	Becker	Electricity: transmission facility planning	Adds Pub. Util. Code Section 454.57	Effective 1/1/2023
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Requires the CPUC in consultation with the CEC, to provide the CAISO with 15-year projections of energy resource portfolios and energy demand to inform transmission planning to achieve the state's clean energy goals. Further requires the CPUC to request the CAISO to 1) identify the highest priority transmission facilities needed to deliver renewable energy resources or zero-carbon resources into local capacity areas and 2) consider whether to approve the identified transmission projects as part of the CAISO's 2022–23 transmission planning process.

		01			
				Amends	
				Government	
				Code Section	
				7921.505,	
			Clean Energy, Jobs,	Health and	Effective
Energy Division	SB 1020	Laird	and Affordability Act	Safety Code	1/1/2023
			of 2022	Section 38561,	1/1/2023
				Pub. Util. Code	
				Sections 454.53	
				and 583; and	
				Adds Pub. Util.	

				Code Sections 454.59 and Water Code Section 739.13		
supply 90% of all r retail sales of electr electricity to Califo all state agencies by disclose to the CA	retail sales of ele ricity to Californ mia end-use cu y December 31, ISO confidentia	ectricity to California end-use custo stomers by Dece , 2035. Authorize al information rel	renewable energy resour rnia end-use customers b mers by December 31, 2 ember 31, 2045; and 100 ⁶ es the CPUC and CEC, u ating to power purchase es of electric transmissior	by December 31, 20 2040; 100% of all re % of electricity pro- pon request of the agreements with el	035; 95% of all atail sales of cured to serve CAISO, to	
Energy Division	SB 1075	Skinner	Hydrogen: green hydrogen: emissions of greenhouse gases	Adds Health and Safety Code Section 38561.8, Adds and Repeals Public Resources Code Section 25307, and Amends Pub. Util. Code Section 400.3	Effective 1/1/2023	
website by June 1, of hydrogen and fu Workforce Develo of the 2023 and 20 hydrogen and its re	Requires CARB, in consultation with the CEC and CPUC, to prepare an evaluation to be posted on CARB's website by June 1, 2024, that includes specified information relative to the deployment, development, and use of hydrogen and further requires that CARB, in making this evaluation, consult with the California Workforce Development Board (CWDB) and labor and workforce organizations. Requires the CEC, as part of the 2023 and 2025 editions of the integrated energy policy report, to study and model potential growth for hydrogen and its role in decarbonizing, as defined, the electrical and transportation sectors of the economy, and helping to achieve specified goals. Requires the CPUC, CARB, and CEC to consider other potential uses					
Energy Division	SB 1109	Caballero	California Renewables Portfolio Standard Program: bioenergy projects	Amends Pub. Util. Code Sections 399.20.3 and 8388	Effective 1/1/2023	
Extends to December 31, 2023 the electric IOUs' obligation to collectively procure their proportionate share of 125 megawatts of generating capacity from existing bioenergy projects through financial commitments of five to 15 years, inclusive, under the Bioenergy Renewable Auction Mechanism (BioRAM) program. Requires any incremental procurement of electricity products from bioenergy resources by a new contract or contract extension of five years or longer in duration to be from a resource that meets emission limits equivalent to, or more stringent than, the applicable best available retrofit control technology.						
Energy Division	SB 1112	Becker	Energy: building decarbonization: notice and recordation of a decarbonization charge	Adds Pub. Util. Code Sections 8375-8377	Effective 1/1/2023	
Establishes require	ements for noti	tications that ele	ctric load-serving entitie	es (LSE) must prov	ide when	

adding a decarbonization charge as part of a program financing energy efficiency upgrades to an existing property. Requires the CPUC to require an LSE to facilitate proper notifications of decarbonization upgrades.

upgrades.	1					
Energy Division	SB 1158	Becker	Retail electricity suppliers: emissions of greenhouse gases	Amends Pub. Util. Code Section 380, and Adds Pub. Util. Code Section 398.6	Effective 1/1/2023 Report published annually - timing determined by CEC and CPUC	
Requires CEC to collect and publish hourly greenhouse gas (GHG) emissions data from electric LSEs and the CPUC to review the GHG data. Authorizes the CPUC to assess whether the data, combined with the LSE's integrated resource plan demonstrates adequate progress toward achieving the LSE's emissions reduction targets. Requires the CPUC to calculate and publish on its website the percentage of each LSE's local and system resource adequacy (RA) requirements from the previous calendar year that was met with capacity from eligible renewable energy, zero-carbon resources, or energy storage, and RA compliance status.						
Energy Division	SB 1174	Hertzberg	Electricity: eligible renewable energy or energy storage resources: transmission and interconnection	Amends Pub. Util. Code Sections 399.13, 454.52, and 913.4	Effective 1/1/2023 Report to the Legislature due November 1 each year	
energy and storage reason for any cha	Requires the CPUC to collect annual reports from electric IOUs on the in-service dates of renewable energy and storage resources that have executed interconnection agreements, and which also identify the reason for any changes to the status of in-service dates. Requires the CPUC to conduct an annual assessment of the systemwide impact of any delays to interconnection or transmission approvals for					
Energy Division	SB 1208	Hueso	Low-income utility customer assistance programs: concurrent application process	Adds Pub. Util. Code Section 731, and Adds and Repeals Pub. Util. Code Section 910.8	Effective 1/1/2023 By 6/30/2024, the CPUC must develop a universal application process By 6/30/2023, the LIOB must submit a report to the	

					т 1.
					Legislature
					regarding the facilitation of
					enrollment in
					low-income
					assistance
Poquinos the CDU	C in accerdinati	on and consultat	ion with the Departmen	t of Community S	programs.
1			icies that provide low-in		
1 (/	0	ss that enables customer	e	
			nce programs, as specifi		
			e Legislature regarding th		
			used for the Universal Li		
1 0	1 2		include water, gas, and	1	
			ncome assistance progra		
sharing concerns, a					iruej una auta
	1	0 1		Adds Pub. Util.	
Energy Division	AB 2083	Bauer-Kahan	Public utilities: rates	Code Section	Effective
0,				748.2	1/1/2023
fine, or penalty pai	id by the IOU,	in a settlement a	agreed to by the corpor greement resolving a cri PUC determines that tho	minal or civil inqu	iry,
			Net energy metering:		Effective 1/1/2023
			including metering.	A 1 1 D 1 TT.'1	
Energy Division	AB 2143	Carrillo	construction of renewable electrical generation facilities: prevailing wage	Adds Pub. Util. Code Sections 769.2 and 913.13	Report to the Legislature due annually, timing determined by agency
Requires the CPU resources in disady	C to annually rev	eport on the programmer of the	construction of renewable electrical generation facilities:	Code Sections 769.2 and 913.13 use of distributed l list, by census tra	Legislature due annually, timing determined by agency energy ct, all f.
Requires the CPU resources in disady	C to annually rev	eport on the programmer of the	construction of renewable electrical generation facilities: prevailing wage gress made to grow the income households, and	Code Sections 769.2 and 913.13 use of distributed l list, by census tra	Legislature due annually, timing determined by agency energy ct, all

		By
		3/31/2024,
		the CPUC
		must report to
		the Legislature
		within 24
		months of
		establishing a
		new customer
		community
		renewable
		energy
		program.
		If new
		customer
		community
		renewable
		program is
		established,
		annual
		reporting until
		2028. If no
		new program
		is established,
		one-time
		report due
	 	3/31/2024.
Requires the CPUC to evaluate	nity renewable energy programs, a	

determine whether to modify and/or terminate the programs. Requires the CPUC to determine whether it is beneficial to ratepayers to develop a new or modify a tariff or program for community renewable energy by an electric IOU based on specified criteria, including ensuring at least 51% of the energy capacity serves low-income customers. Within 24 months of establishing a community renewable energy program, if applicable, the CPUC shall submit a report to the Legislature on the facilities deployed and customers subscribed, pursuant to that program, including an analysis of low-income customer participation. The CPUC shall report to the Legislature on its actions taken to evaluate the existing customer community renewable energy program as specified and its justification for terminating, modifying, or retaining each customer renewable energy subscription program.

Energy Division	AB 2700	McCarty	Transportation electrification: electrical distribution grid upgrades	Adds Public Resources Code Section 25328, and Adds Pub. Util. Code Sections 740.21 and 9625	Effective 1/1/2023
Requires the CEC, in collaboration with CARB, CPUC, and other relevant stakeholders, to annually gather					

Requires the CEC, in collaboration with CARB, CPUC, and other relevant stakeholders, to annually gather from state agencies, as provided, specified entities' fleet data for on-road and off-road vehicles in the medium- and heavy-duty sectors and share that data with electric IOU and local publicly owned electric

electric utilities, as	part of their di railable data, to	stribution planni facilitate the rea	orts. Requires electric IC ng processes, to conside diness of their distributi	er the fleet data pr	oduced by the	
Energy Division	AB 2838	O'Donnell	Electrical corporations: green tariff shared renewables program (GTSR)	Amends Pub. Util. Code Section 2833	Effective 1/1/2023	
		1		orporations to terr	minate their	
Authorizes the CPUC, on and after April 1, 2023, to authorize electrical corporations to terminate their green tariff shared renewables programs if certain criteria is not met. Adds Government Code Article 13; Amends Public Resources Code Sections 25403.2 and 25806; Adds Public Resources Code Chapter 6.2, Chapter 7.4, and Chapter 8.9; Adds and Repeals Public on Budget Energy Energy Effective 6.2, Chapter 6.2, Chapter 7.4, and Chapter 8.9; Adds and Repeals Public Resources Code Section 32510.2 By 7/1/2024, the CPUC must establish a default income-based residuel to the CPUC must establish a default income-based residuel to the CPUC and 25216.8; Amends Public Resources Code Section 381, 739.7, 39.9, and 2827.1; Adds and Repeals Revenue and Tax Code Section 17131.20; and Adds Water Code Division 29 By 7/1/2024, the CPUC Section 22510.8; Adds and Repeals Revenue and Tax Code Section 22510.8; Adds and Repeals Revenue and Tax Code Section 22510.8; Adds and Repeals Revenue and Tax Code Section 22510.9; Adds and Repeals Revenue and Tax Code Section 22510.9; Adds and Repeals Revenue and Tax Code Section 229						
		0 ,	stablishes a new certifica	1		

Establishes the 2022 California Arrearage Payment Program (2022 CAPP) within the Department of Community Services and Development (CSD). Establishes a new certification process at the CEC for a solar photovoltaic, terrestrial wind electrical generation powerplant, or thermal powerplant that does not use fossil or nuclear fuels, with a generating capacity of 50 megawatts or more, an energy storage system capable of storing 200 megawatt-hours or more of electricity, an electric transmission line from those generating or storage facilities to a point of junction with an interconnected electrical transmission system, or a facility for the manufacture, production, or assembly of energy storage systems or their components, wind systems or their components, solar photovoltaic systems or their components, or specialized products, components, or systems that are integral to renewable energy or energy storage technologies with a capital investment of at least \$250,000,000 over a period of 5 years. Establishes the DWR Electricity Supply Reliability Reserve Fund and continuously appropriates moneys in the fund to the DWR to cover the costs incurred by the department in the implementation of the bill, thereby making an appropriation. Repeals the requirement that the nonbypassable element be collected on the basis of usage. Removes the requirement that each electric IOU offer default rates to residential customers with at least two usage tiers. Appropriates \$200,000,000 from the General Fund to the CEC for the 2021–22 fiscal year to be used for a program to provide incentives for demand side grid support and associated mitigation costs.

Requires -

- The CSD to release program notices and post program notices related to 2022 CAPP administration on its public-facing internet website, make available an online application for utility applicants to request 2022 CAPP funding for residential customers, develop an allocation formula for determining an individual utility applicant's share of 2022 CAPP funds based on the proportional share of the total statewide energy utility arrearages, approve utility applicant's 2022 CAPP applications, set statewide allocations, and disburse funds within seven months of the appropriation for the CAPP and report specified data to the Legislature and on its public-facing internet website relating to distribution of 2022 CAPP benefits within 60 days of receiving reporting from utility applicants.
 - A utility applicant must issue 2022 CAPP benefits to residential customers within 60 days of receiving 2022 CAPP funds and submit all reporting required by the CSD detailed in a program notice within 6 months of the utility applicant's receipt of its 2022 CAPP allocation.
 - Any payment authorized by the 2022 CAPP must be treated in the same manner as the federal earned income refund for purposes of determining the individual's eligibility to receive benefits under specified public social services laws. The bill also prohibits the payment from being taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of the individual, or any other individual, for benefits or assistance for any other state or local program.
- The CEC to establish and implement the Long-Duration Energy Storage Program to provide financial incentives for projects that have power ratings of at least one megawatt and are capable of reaching a target of at least eight hours of continuous discharge of electricity in order to deploy innovative energy storage systems to the electrical grid for purposes of providing critical capacity and grid services; authorizes the CEC to adopt guidelines or other standards for, use financial incentives to provide moneys to participants in, and provide technical assistance for, that program and authorizes the CEC to noncompetitively award moneys for that program under specified circumstances.
- The DWR, in consultation with the Energy Commission, to implement projects, purchases, and contracts to carry out the above-described purposes and states that the California Environmental Quality Act (CEQA) does not apply to contracts entered into, or approval granted by, the department to implement those projects, purchases, and contracts, and that the DWR may submit an application for certification for those sites, as provided.
- The CEC to establish a process to expedite the review of an application, as provided, and to determine whether to issue the certification within a specified time period.

- That the average effective rate discount, as determined by the CPUC, not reflect any charges for which California Alternate Rates for Energy (CARE) customers are exempted, discounts to fixed charges or other rates paid by non-CARE customers, or bill savings resulting from participation in other programs.
- The CPUC to develop an income-graduated fixed charge for default residential rates with no fewer than three income thresholds so that low-income ratepayers in each baseline territory realize a lower average monthly bill without making any changes in usage; ensure the approved fixed charges do not unreasonably impair incentives for beneficial electrification and GHG reduction; and prohibits the CPUC from applying the composite tier method to the treatment of any revenues resulting from any fixed charge adopted.

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				Amends Fish	
				and Game	
				Code Sections	
				2950, 2951,	
				and 2954;	
				Amends	
				Government	
				Code Sections	
				6254.5,	
				7921.505, and	
				63048.93; Adds	
				Health and	
				Safety Code	
				Section	
				18944.21;	
				Amends Public	
				Resources	
				Code Sections	
				25545.7.4,	
Energy Division	AB 209	Committee	Energy and Climate	25545.10,	Effective
0,		on Budget	Change	25792, 25794.2,	9/6/2022
				25794.3,	
				25794.5,	
				25794.6, and	
				26011.8; Adds	
				Public	
				Resources	
				Code Section	
				25704.5,	
				Chapter 7.2,	
				Chapter 7.6,	
				Chapter 7.8,	
				and Chapter	
				15; Amends	
				Pub. Util. Code	
				Sections 274,	
				314.5, 362,	
				379.6, 583, and	
				792.5; Adds	
	1			, <i>1</i> 2.3, 11003	

Pub. Util. Code
Section 379.10;
Amends
Taxation and
Revenue Code
Section 47100;
and Amends
Water Code
Section 80710

Renames the subaccount as the Salton Sea Lithium Fund, which is established in the State Treasury. Specifies that a disclosure made through the sharing of information between the ISO and a state agency does not constitute a waiver of the California Public Records Act exemptions. Authorizes a present officer or employee of the CPUC to share information with the ISO pursuant to an agreement to treat the shared information as confidential and makes legislative findings to that effect. Specifies that clean energy transmission projects are climate catalyst projects eligible for financial assistance under the Climate Catalyst Revolving Loan Fund Program and creates the Clean Energy Transmission Financing Account in the Climate Catalyst Revolving Loan Fund for purposes of repayment of financing under the program for the clean energy transmission projects. Further specifies that projects that avoid, reduce, use, or sequester air pollutants or anthropogenic emissions of GHGs are climate catalyst projects eligible for financial assistance under the Climate Catalyst Revolving Loan Fund Program, as provided. Makes only those customers enrolled in those demand response or emergency load reduction programs ineligible for the Demand Side Grid Support program and authorizes the CEC, in consultation with the CPUC, to adopt additional participation requirements or limitations. Deletes the CEC permitting authority exception and would clarify that, for those purposes, "disturbed" includes site clearing, excavating, grading, or other manipulation of the terrain. Deletes the Self-Generation Incentive Program (SGIP) requirement that solar technologies are ineligible for incentives under the program; specifies limitations on the eligibility for incentives under the program to distributed energy resources that are funded by the authorized annual ratepayer collection, and in administering the program, to use funds that are appropriated by the Legislature, as provided, for the purposes of providing incentives to eligible residential customers who install behind-the-meter energy storage systems or solar photovoltaic systems paired with energy storage systems. Limits the applicability of that requirement to submit those applications from DWR to the CEC to only those specified facilities and revises the descriptions of those facilities, as specified, and that those facilities that use any form of fossil fuel only operate as necessary to respond to extreme events, as defined. For the 2022, 2023, and 2024 calendar years, authorizes the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) to provide an additional \$15 million of sales and use tax exclusions for projects that manufacture, refine, extract, process, or recover lithium; and CAEATFA must consider, in addition to the existing criteria described above, specific criteria relating to relocation of projects to California from states that have enacted certain legislation, as described.

Requires -

- The Building Standards Commission (BSC) on or before July 1, 2023, to consider whether to adopt specified consensus safety standards and if BSC does not adopt the consensus safety standards, then a state or local building code would be prohibited from banning the use of a refrigerant listed as acceptable under specified provisions of the federal Clean Air Act if the use is installed in accordance with specified standards, effective July 1, 2024.
- The CEC to establish and administer the Climate Innovation Program to provide financial incentives, as defined, to California-headquartered companies, as defined, for developing and commercializing technologies that can either help California meet its GHG reduction targets and

achieve its climate goals or enable the state to be more resilient to the impacts of climate change, as specified. The program must include a term requiring the recipient to repay the full amount plus an additional 20% if there is a liquidity event, as defined, except as specified and recipients of a financial incentive must be a California-headquartered company for the entire term of the financial incentive and for 10 years after the financial incentive ends.

- The CEC to establish the following clean energy programs: (A) the Industrial Grid Support and Decarbonization Program to provide financial incentives for the implementation of projects at industrial facilities to provide significant benefits to the electrical grid, reduce emissions of GHGs, and achieve the state's clean energy goals and to exceed compliance requirements; (B) the Food Production Investment Program to provide financial incentives for the implementation of projects to accelerate the adoption of advanced energy technologies and other decarbonization technologies at facilities to support electrical grid reliability and reduce the emissions of GHGs from those facilities; (C) the Hydrogen Program to provide financial incentives to in-state hydrogen projects for the demonstration or scale-up of the production, processing, delivery, storage, or end use of hydrogen; (D) a direct install program to fund the installation of energy efficient electric appliances, energy efficiency measures, demand flexibility measures, wiring and panel upgrades, building infrastructure upgrades, efficient air conditioning systems, ceiling fans, and other measures to protect against extreme heat, where appropriate, and remediation and safety measures to facilitate the installation of new technologies; (E) a statewide incentive program for low-carbon building technologies; (F) a program to support offshore wind infrastructure improvements to advance the capabilities of California waterfront facilities to support the buildout of offshore wind facilities and maximize the economic and environmental benefits of an offshore wind industry in California; and (G) the Carbon Removal Innovation Program to provide financial incentives for eligible projects that advance technologies for direct air capture of atmospheric carbon.
- The CEC to administer the Voluntary Offshore Wind and Coastal Resources Protection Program to support state activities that complement, and are in furtherance of, federal laws related to the development of offshore wind facilities, as provided.
- Electric IOUs to participate in the CAISO and prohibits all electric IOUs from withdrawing their facilities from the operational control of the CAISO without CPUC approval.
- The CEC, on or before December 31, 2023, to develop recommendations about approaches to determine an appropriate minimum planning reserve margin for local publicly-owned electric utilities within the CAISO balancing authority area sufficient to ensure each local publicly-owned electric utility is adequately accounting for its contribution to reliability in that balancing authority area, as provided, and local publicly-owned electric utilities must use the recommendations in conformance with meeting the most recent minimum planning reserve and reliability criteria approved by the Board of Trustees of the Western Systems Coordinating Council or the Western Electricity Coordinating Council.

Energy Division	AB 179	Ting	Budget Act of 2022	Amends the Budget Act of 2022 for appropriations for the 2022- 2023 Fiscal	Effective 9/6/2022
				2023 Fiscal Year	

Makes appropriations for the support of state government for the 2022–23 fiscal year. Amends the Budget Act of 2022 by amending, adding, and repealing items of appropriation and making other changes. Declares that it is to take effect immediately as a Budget Bill.

Energy and Environmental Package, appropriates the following -

٠	Wildfire and Forest Resilience - \$2.824 billion (\$536 million FY 2021-22 early action, \$988 million
	FY 2021-22, and \$1.3 billion FY 2022-23 and 2023-24)

- Drought Resilience and Response \$8.741 billion (\$5.157 billion FY 2021-22 and \$3.584 billion FY 2022-23)
- Energy Reliability, Relief, and Clean Energy \$7.926 billion (\$2.250 billion FY 2021-22, \$2.902 billion FY 2022-23, \$2.426 billion FY 2023-24, \$154 million FY 2024-25, and \$193 million FY 2025-26)
- Extreme Heat \$365 million (\$165 million FY 2022-23 and \$200 million FY 2023-24)
- Nature-Based Solutions \$1.117 billion (\$669 million FY 2022-23, \$428 million FY 2023-24, and \$20 million FY 2024-25)
- Cap and Trade \$1.576 billion FY 2022-23
- Zero-Emission Vehicle \$10.020 billion (\$3.907 billion FY 2021-22/multiyear and \$6.113 billion FYs 2021-2026)
- CPUC Specific Programs -
 - \$900 (2023-24) million for the (SGIP)
 - \circ \$30 (2022-23) million for the new Capacity Grant program
 - \$145 (\$50 million 2022-23 and \$95 million 2023-24) million for Technology and Equipment for Clean Heating (TECH) program
 - o Adds 6 new positions for Distributed Energy Resource Planning
 - Adds California High-Cost Fund (CHCF) A & B program extension budget authorization contingent on SB 857 (Hueso, 2022)

Safety and Enforcement Division	SB 1383	Hueso	Electricity: storage facilities: standards and records	Amends Pub. Util. Code Section 761.3	Effective 1/1/2023	
	C to implemen	t and enforce sta	ndards for the maintena		of electric	
1	1		OUs or located in the st	1		
			s and provide those reco			
Communications Division	SB 717	Dodd	Department of Technology: broadband communications: report	Adds Government Code Section 11546.9	Effective 1/1/2023 By 5/1/2023, CDT must submit to the Legislature	
Requires the California Department of Technology (CDT), with input from relevant state agencies and						
	. 1		report to specified legisl			
			ment in, and efficient bu			
			es and property, private barriers to, and opportu			
1 0	, I		low-income tribal, urba			
			le recommendations on			
			ne customers, and disad			
communities. The report, at a minimum, should consider the extent to which specified factors serve as						
barriers to investment or deployment of broadband access points and to make recommendations on how						
to overcome these barriers.						
Communications Division	SB 857	Hueso	Telecommunications: universal service	Amends Pub. Util. Code Sections 275.6	Effective 9/29/2022	

programs

Sections 275.6

OFFICE OF GOVERNMENTAL AFFAIRS 2022

				and 276.5	
Extends the autho 2023, to January 1.		California High	-Cost Fund (CHCF) A		om January 1,
Communications Division	SB 1008	Becker	Corrections: communications	Adds Pub. Util. Code Section 2899	Effective 1/1/2023
communication set the communication	rvices to incarc n. The CPUC i ovided by comr	erated persons a s required to esta nunication servic	city youth residential de t no cost to the person ablish service quality sta ce providers rendering s	initiating and the p ndards for incarcer	erson receiving ated persons
Communications Division	AB 2750	Mia Bonta	Department of Technology: state digital equity plan	Adds Section 11546.46 to the Government Code	Effective 1/1/2023 By 1/1/2024 CDT must develop a state digital equity plan
develop a state dig to digital equity face affordability of acc include measurable an assessment of e	ital equity plan ced by specified cess to fixed an e objectives for xisting digital r	The plan must i populations, ind d wireless broadl documenting an avigator program	e CPUC, and the Califor include, among other the cluding, among other bac band technology. Additional d promoting digital equins. CDT to the extent p ing and implementing the	ings, the identificat arriers, the availabil ionally, requires the uity among those po practicable, shall ob	tion of barriers ity and e plan to opulations and
Communications Division	AB 2752	Wood	Broadband infrastructure and video service: mapping: subscriber information	Amends Pub. Util. Code Sections 281.6 and 5895	Effective 1/1/2023
			tion from providers of dential subscriber infor		s at the address
Executive Division – News and Outreach	SB 1213	Hueso	Public Utilities Commission and State Energy Resources Conservation and Development Commission: public outreach: community-based organizations	Adds Pub. Util. Code Section 242	Effective 1/1/2023
1	is (CBO) to dev		vork with existing comr in a list of CBOs to hel		
Executive, Administrative Law Judge,	SB 599	Hueso	Public Utilities Commission: proceedings,	Amends Pub. Util. Code Sections 910.3,	Effective 1/1/2023

Energy, and	reports, and 1701.3, 1701.8,
Legal Divisions	public utility 8284, 8285, and
	procurement 8286; Amends
	and Repeals
	Pub. Util. Code
	Section 913.7;
	and Adds Pub.
	Util. Code
	Section 1701.9

Revises and recasts provisions relating to activities of the CPUC including quiet periods and the authority for closed session meetings during certain proceedings; updates provisions related to supplier diversity development programs and procurement contracts (i.e., Supplier Diversity program) with women, minority, disabled veteran, and lesbian, gay, bisexual and transgender business enterprises; and repeals the requirement for the CPUC to complete an annual assessment on the California Solar Initiative program as of January 1, 2024, given that the last program ended as of December 31, 2021 - the Multifamily Affordable Solar Housing.

Water Division SB 14	Bradford	Water corporations: rates	Amends Pub. Util. Code Section 727.5	Effective 1/1/2023
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Upon application by a water IOU with more than 10,000 service connections, requires the CPUC to consider, and authorizes the CPUC to authorize, the implementation of a mechanism that separates the water corporation's revenues and its water sales, commonly known as "decoupling."

All	SB 154	Ting	Budget Act of 2022	An Act Making Appropriations for the Support of the Government of the State of California	Effective 6/27/2022
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Specific to the CPUC, appropriates the resources proposed in the following 2022-23 CPUC Budget Change Proposals, Spring Finance Letters, and Legislative Budget Change Proposals -

• Strengthen Internal Operations Core

- Converts ten blanket, temporary, and intermittent positions to permanent in Admin Services, Legal, and Human Resource Divisions
- Authorization for Permanent Funding of Key Limited-Term Positions in Support of Energy Policy Statutes
 - Converts 19.5 limited-term staff to permanent positions in Energy, Administrative Law Judge (ALJ), and Legal Divisions
- Communications Licensing and Compliance Section Permanent Position Authority
 - Converts two temporary staff to permanent positions in Communications Division
- Transportation Licensing and Enforcement Branch
 - Adds eight new permanent positions and converts one blanket to permanent in Consumer Protection and Enforcement and Legal Divisions; \$673,000 for contracts and equipment; and \$109,000 for licenses
- Administrative Law Judge Division Management and Proceeding Support
 - o Adds eight permanent positions in ALJ Division
- Physical and Cyber Security Section
 - Adds three permanent positions in Safety Policy Division

- Information Technology Services Division—Security Enhancements
 - Adds ten permanent positions in Information Technology Services Division
- Communications: Broadband Services: California Advanced Services Fund (AB 14, 2021)
 - Adds three 3-year temporary staff in Communications and Information Technology Services Divisions; \$2.95 million for contracts; and \$382,000 for subscriptions
- Broadband Infrastructure Deployment (AB 41, 2021)
 - Adds one permanent position in Communications Division and \$135,000 for licenses, computers, hardware, software, and training
- Communication: Universal Service: Lifeline Program (AB 74, 2021)
 - Adds one 2-year temporary staff to Communications Division and \$309,000 in contracts
- Bioenergy Market Adjusting Tariff Program: Community Choice Aggregators (AB 843, 2021)
 - o Adds four 3-year temporary staff in Energy, ALJ, and Legal Divisions
- Communications: California Advanced Services Fund (SB 4, 2021)
 - Adds six 3-year temporary staff to Communications, ALJ, and Energy Divisions; \$2.6 million in contracts; and \$40,000 in licenses and training
- Water and Sewer System Corporations: Consolidation of Service (AB 1250, 2021)
 - Adds five permanent positions in Water and Legal Divisions and nine 3-year temporary staff in ALJ, Information Technology Services, and Legal Divisions
- Digital Infrastructure and Video Competition Act of 2006: Deployment Data (SB 28, 2021)
 - Adds four 3-year temporary staff in Communications, ALJ, and Legal Divisions
- CPUC Enterprise Solutions Ongoing Maintenance and Support Costs
 - Adds \$6.6 million for IT maintenance and support in Information Technology Services Division
- Centralized Enterprise Geographical Information Systems and Data Analytics Environment
 - o Adds \$1.3 million for licensing and support in Information Technology Services Division
- Human Resources: Human Capital Management (HCM) System
 - Adds \$2 million for a new HCM system and ETS replacement in Human Resources Division
- Summer Reliability and Generation Audits, and Public Safety Power Shutoff Oversight
 - Adds 7 permanent positions; \$1 million for contracts; and \$175,000 for equipment in Safety and Enforcement Division
- ALJ Division Intervenor Compensation Program Support
 - o Adds 4.75 new permanent positions and converts 1 blanket to permanent in ALJ Division
- California Lifeline State Operations and Local Assistance Estimate
 - Approves \$332.5 million for local assistance and \$30.7 million for state operations for the California LifeLine Program