

2020 Legislative Outcomes

Hazel Miranda, Director

Grant Mack | Lori Misicka | Marina MacLatchie | Emilio Perez

Office of Governmental Affairs

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California Public
Utilities Commission

2020 Legislative Overview

- **124 Bills Tracked**
- **NINE Bills Passed by the Legislature and Signed by the Governor**
- **Took ONE formal legislative position**
- **Participated in FOUR legislative committee oversight hearings**
- **Provided THREE formal legislative staff briefings**

Legislative Engagement and Cross Agency Collaboration

- Engaged with the Senate and Assembly policy and fiscal committee consultants, Assembly Speaker's office, Senate Prop Tempore's office and key legislative staff.
- Actively coordinated with the Department of Finance on bill fiscal analyses.
- Collaborated with the California Energy Commission, California Independent System Operator, California Air Resources Board, California Office of Emergency Services, California Department of Forestry and Fire Protection, and the Department of Conservation – Geological Energy Management Division.
- Updated the Governor's Office on key policy issues.

CPUC Formal Legislative Positions

- **AB 1720 (Carrillo): Energy: long-duration energy storage: procurement. (As amended July 27, 2020)**
 - **CPUC Position:** OPPOSE
 - **Status:** In Senate Energy, Utilities & Communications committee: Hearing postponed by committee (August 3, 2020)
 - **Summary** – This bill proposed to require the CPUC to direct load-serving entities (LSEs) to procure long-duration energy storage, namely two proposed pumped hydro-electric storage projects, by March 1, 2021 using a lower greenhouse gas (GHG) emission reduction planning target than what was adopted in the 2019-20 Integrated Resource Planning (IRP) Reference System Portfolio (RSP) Decision (D. 20-03-028). The bill included provisions that if the CPUC did not order the procurement of specified long-duration energy storage by LSEs, then the Department of Water Resources (DWR) would be required to procure an amount of long-duration energy storage on behalf of all LSEs.
 - **Reason for Opposition** – The bill undermined the goals of the IRP process and compromised its holistic approach by favoring a specific clean energy resource. Senate Bill (SB) 350 (de Leon, 2015) requires the CPUC to adopt an IRP process that identifies a balanced energy resource portfolio that meets California's GHG emission reduction goals, while maintaining electric service reliability, at the lowest possible cost to ratepayers.

Summary - Broadband

- Considering the COVID-19 pandemic, the Legislature expressed a heightened interest in broadband service and closing the digital divide.
- 2 major broadband bills –
 - **AB 570** (Aguiar-Curry): Communications: broadband services: CASF
 - **SB 1130** (Gonzalez): Communications: CASF
- Other bills on telecommunications issues included universal service, consumer protection, and resiliency.

Summary – Transportation and Water Bills

- Provided technical feedback on two Assembly bills pertaining to the CPUC's regulatory authority over transportation services.
 - **AB 2995** (Chiu): Vessel common carriers: applications
 - **AB 3116** (Irwin): Mobility devices: personal information
- There was minimum legislative activity pertaining to CPUC jurisdictional water companies this year.

Summary - Energy Bills

- **At the beginning of this legislative year, the OGA was tracking and engaged in shaping roughly 80 energy (electricity and gas) bills.**
- **Many of these bills proposed a multitude of new policies largely focused on –**
 - Preventing electric utility equipment from igniting wildfires
 - Mitigating the effects of PSPS events
 - Creating new value streams for DERs to encourage additional deployment and subsidies for renewable natural gas (i.e., biomethane and hydrogen gas) production and use
 - Consolidating energy resource procurement and mandating the procurement of specific energy resources
 - Expanding and modifying rate and bill assistance programs for customers experiencing income losses or reductions due to the coronavirus pandemic
- **Bills that passed the Legislature and were signed by the Governor were largely aimed at –**
 - Expanding consumer protections
 - Modifying renewable resource contracting rules
 - Improving electric utility regulatory oversight
 - Mitigating immediate electric rate impacts, and changing regulatory definitions
 - Encouraging the expeditious deployment of transportation electrification infrastructure
 - Providing incentive programs to capture non-energy benefits in K-12 schools

Legislative Committee Oversight and Informational Hearings

Assembly Utilities & Energy Committee

- **January 22, 2020** – *Annual Review of California Public Utilities Commission and the Public Advocates Office*
- **February 19, 2020** – *Electricity Prices Matter*
- **March 4, 2020** – *Investor Owned Utility Wildfire Mitigation Plans: Will the Plans Reduce the Risk and Occurrence of Catastrophic Wildfires*

Senate Energy, Utilities & Communications Committee

- **January 8, 2020** – *Telecommunications Service Outages: Ensuring Reliable Lifeline for Californians*
- **June 4, 2020** – *The California Public Utilities Commission and the Public Advocates Office Annual Report to the Legislature*

Senate Transportation Committee

- **February 25, 2020** – *More Mobility Options, More Data: Transportation and Privacy Issues in Shared Mobility Data Use*

Formal Legislative Staff Briefings

- **November 21, 2019** – *CPUC Distributed Energy Resource Cost-Effectiveness Tests*
- **December 10, 2019** – *Electric Investor Owned Utility Ratemaking and Rates*
- **February 28, 2020** – *CPUC: 2019-2030 Integrated Resource Plan Reference System Plan Proposed Decision*

Fiscal Overview

- The economic outlook for the state in the wake of the COVID-19 pandemic became the main criterion employed to judge the necessity of each piece of legislation and any related costs resulting from its implementation.
- During the 2020 legislative year, the CPUC received **67 fiscal impact estimate requests for 35 bills.**
- Despite the reduced number of bills affecting the CPUC, many conversations were held with the Department of Finance and the appropriations committees to discuss and justify our fiscal impact and policy concerns.

Thank YOU!

Team Effort -

- OGA staff
- OGA liaisons & division staff
- Division Directors
- Commissioners and Advisors
- Legislative partners & stakeholders
- Governor's Office
- Agency partners



California Public Utilities Commission

For Additional Information and
2020 Legislative Outcomes Report:

www.cpuc.ca.gov/oga