

AGENDA

ORANGE COUNTY POWER AUTHORITY MEETING OF THE LEGISLATIVE AND REGULATORY COMMITTEE Monday, March 23, 2026 2:00 p.m.

This meeting will proceed as an in-person meeting at **15310 Barranca Parkway, Suite 250, Irvine, CA 92618**. In addition, as a convenience to the public, the Orange County Power Authority is also providing an option for members of the public to remotely view and participate in the meeting. Further details are below. Please note that, in the event of a technical issue causing a disruption in the remote participation option, the meeting may continue unless otherwise required by law.

Note: Any member of the public may provide comments to the Committee on any agenda items by requesting to speak during Item 4, or on any matter not appearing on the agenda but within the jurisdiction of the Committee by requesting to speak during Item 5. When providing comments to the Committee, it is requested that you provide your name and city of residence for the record. Commenters are requested to address their comments to the Committee as a whole through the Chair. Comments may be provided in the following manner:

To provide comments during the meeting, in-person attendees, please fill out the public speaker slip and provide it to the clerk at the beginning of the meeting. Before Items 4 and 5, the Chair or Clerk will ask members of the public to join the queue to provide public comment. The queue will remain open for a reasonable amount of time to allow members of the public sufficient time to request to speak and inform the Committee of the number of speakers. After such time, the queue will be closed and the members of the public who have joined the queue to speak will be recognized at the appropriate time may speak. To join the queue on Zoom video conference by computer or mobile phone, use the “Raise Hand” feature. If joining the meeting using the Zoom dial-in number, you can raise your hand and join the queue by pressing *9. Members of the public will not be shown on video but will be able to speak when called upon.

Comments shall generally be limited to three minutes when speaking, provided that the Chair may equally reduce each speaker’s time to accommodate a large number of speakers or a large number of agenda items. If you have anything that you wish to be distributed to the Committee, please provide it via comments@ocpower.org, who will distribute the information to the Members.

The public may participate using the following remote options:

ZOOM WEBINAR

Please click the link below to join the webinar:

[Launch Meeting - Zoom](#)

Dial-in: 1-669-900-6833

Webinar ID: 830 6060 2762

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**

4. **PUBLIC COMMENTS ON AGENDA ITEMS**

Opportunity for members of the public to address the Committee on any items on the agenda.

5. **PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Opportunity for members of the public to address the Committee on any items not on the agenda but within the jurisdiction of the Committee.

6. **COMMITTEE MEMBER ANNOUNCEMENTS**

Committee Members may briefly provide information to other members of the Committee and the public, ask questions of staff, or report on conferences, events, or activities related to Authority business. There is to be no discussion or action taken on comments made by Committee Members unless authorized by law.

7. **CONSENT CALENDAR**

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Legislative and Regulatory Committee, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Legislative and Regulatory Committee request specific items be removed from the Consent Calendar.

1. **MINUTES FOR THE LEGISLATIVE AND REGULATORY COMMITTEE MEETING OF DECEMBER 4, 2025**

Recommended Action:

Approve as submitted.

8. **REGULAR CALENDAR**

The following items call for discussion or action by the Committee. The Committee may discuss and/or take action on any item listed below if the Committee is so inclined.

1. **LEGISLATIVE UPDATE**

Recommended Action:

Receive and file.

2. **REGULATORY UPDATE**

Recommended Action:

Receive and file.

9. **ADJOURNMENT**

Compliance with the Americans with Disabilities Act

OCPA meetings comply with the protections and prohibitions of the Americans with Disabilities Act. Individuals with a disability who require a modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may contact 949-263-2612. Requests for disability-related modifications or accommodations require different lead times and should be provided at least 72-hours in advance of the public meeting.

Availability of Documents

Copies of the agenda and agenda packet are available at www.ocpower.org. Late-arriving documents related to a Committee meeting item which are distributed to a majority of the Committee prior to or during the Committee meeting are available for public review as required by law. Public records, including agenda-related documents, can be requested electronically at clerk@ocpower.org or by mail to 15642 Sand Canyon Avenue, P.O. Box 54283, Irvine, CA 92619-4283. The documents may also be posted at the above website. Such public records are also available for inspection, by appointment, at 15310 Barranca Parkway, Suite 250, Irvine, CA 92618. Please contact clerk@ocpower.org to arrange an appointment.



**MINUTES
REGULAR MEETING
LEGISLATIVE AND REGULATORY COMMITTEE
ORANGE COUNTY POWER AUTHORITY**

Thursday, December 4, 2025

1. CALL TO ORDER

Chair Sonne called to order the Legislative and Regulatory Committee Meeting at 3:31 p.m., on Thursday, December 4, 2025.

2. PLEDGE OF ALLEGIANCE

Director Jung led the Pledge of Allegiance.

3. ROLL CALL

Present:	Chair Susan Sonne	City of Buena Park
	Director Fred Jung	City of Fullerton

4. PUBLIC COMMENTS ON AGENDA ITEMS

None

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None

6. COMMITTEE MEMBER ANNOUNCEMENTS

None

7. CONSENT CALENDAR

Moved by Director Jung and seconded by Chair Sonne to approve the Consent Calendar

The motion carried unanimously by the following vote:

Ayes:	Chair Sonne, Director Jung
Noes:	None
Absent:	None

**1. MINUTES FOR THE LEGISLATIVE AND REGULATORY COMMITTEE
MEETING OF SEPTEMBER 2, 2025**

Action Taken:

Approved as submitted.

8. REGULAR CALENDAR

1. ADOPT 2026 LEGISLATIVE AND REGULATORY COMMITTEE MEETING CALENDAR

Regulatory and Legislative Manager, Steven Halligan said after reviewing holidays, and meeting dates and times of member agencies, staff recommend Legislative and Regulatory Committee meetings be held at 3:30 p.m. on the dates listed below:

- Thursday, February 26, 2026
- Thursday, May 28, 2026
- Thursday, August 27, 2026
- Wednesday, November 18, 2026

Action Taken:

Moved by Chair Sonne and seconded by Director Jung to adopt the 2026 Legislative & Regulatory Committee Meeting Calendar.

2. DRAFT 2026 OCPA LEGISLATIVE AND REGULATORY POLICY PLATFORM

Regulatory and Legislative Manager Steven Halligan presented the staff report and touched upon the purpose and evolution of the Platform, new and expanded policy areas in 2026, and the process and timeline. He said the final draft will be presented to the Board in January 2026. Regulatory Analyst Matthew Chill assisted Halligan with the presentation. Halligan noted that the changes are relatively minor and the core focus areas remain unchanged between 2025 to 2026.

Action taken:

Reviewed and Provided Feedback.

3. LEGISLATIVE UPDATE

Regulatory and Legislative Manager, Steven Halligan, presented the item and provided a summary of the bills monitored by OCPA, high priority bills, the outcomes and vetoed bills. He listed the key deadlines and strategic focus of OCPA.

Action Taken:

Received and filed.

4. **REGULATORY UPDATE**

Regulatory and Legislative Manager, Steven Halligan and Regulatory Analyst Matthew Chill presented the item and said staff actively participate in several regulatory proceedings at the California Public Utilities Commission (CPUC), California Independent System Operator (CAISO), and the California Energy Commission (CEC). They included a summary of high priority, active proceedings.

Action Taken:

Received and filed.

9. **ADJOURNMENT**

There being no further business to come before the Committee, Chair Sonne adjourned the meeting at 4:11 p.m.

Our next regular meeting will be Thursday, February 26, 2026, at 3:30 p.m.

Submitted by:

Lisette Chel Walker, Interim Board Authority Secretary

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.1

To: Orange County Power Authority Legislative and Regulatory Committee

From: Matt Chill, Regulatory Analyst

Approved By: Joe Mosca, Chief Executive Officer

Subject: LEGISLATIVE UPDATE

Date: March 23, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community: _____
- ☐ Prioritize Fiscal Sustainability & Affordability: _____
- ☐ Design & Deploy Community-Aligned Customer Programs: _____
- ☐ Energize Our Community with Renewable Energy: _____
- ☒ Raise Awareness of Community Energy & Advocate for Our Customers: _____
- ☐ Not Applicable: _____

RECOMMENDED ACTION

Receive and file.

BACKGROUND

Staff are actively conducting analysis and monitoring of state legislation throughout the 2026 legislative session and have identified 115 bills relevant to OCPA operations, customer impacts, or broader energy-sector policy (Attachment A – 2025 Orange County Power Authority Bill Tracker). Of these, four have been designated as high priority based on potential implications for affordability, procurement, compliance obligations, governance, or operational flexibility. Of the 115 bills monitored 29 are still in spot bill form and we are awaiting amendments.

Staff track legislation across multiple categories critical to OCPA and its member agencies, including affordability programs, building energy standards, resource procurement and energy sources, CEQA and environmental compliance, transmission policy, decarbonization strategy, demand forecasting, electrification, IOU rate case proposals, regulatory oversight reforms, and workforce development. These categories help staff identify cross-cutting risks and opportunities early in the legislative process and ensure alignment with OCPA's policy platform.

ANALYSIS AND DISCUSSION

On February 20, 2026, Senate Bill (SB) 1138 was introduced by Senator Padilla. This bill is sponsored by CalCCA and would allow for Resource Adequacy (RA) Transactability. SB 1138 would require the CPUC to permit Load Serving Entities (LSEs) to trade RA obligations to each

other up to 25% of their total compliance obligations. Such a modification furthers the intent of the Slice of Day RA framework to enable greater systemwide efficiency and cost savings within the RA program. SB 1138 will be first heard in the Senate Energy, Utilities, and Communications Committee. The date for the bill to be heard in the Committee has not yet been set.

Also, on February 20, 2026 Assembly Bill (AB) 1761 was introduced by Assemblymember Rogers. This bill is also sponsored by CalCCA and is related to data disclosure for the Power Charge Indifference Adjustment (PCIA) charge. AB 1761 would require all data used to inform the PCIA calculation, and other rate elements be made available to LSEs and ratepayer advocates on behalf of impacted customers. AB 1761 is scheduled to be heard in the Assembly Utilities and Energy Committee on March 18.

Fact sheets for both bills are included as Attachments 2 and 4. OCPA has submitted letters of support for both pieces of legislation to the respective Committees. Copies of these letters can be included as Attachments 3 and 5.

The Assembly Utilities and Energy Committee held a hearing on February 18 to review statewide progress on clean energy deployment and a hearing on February 25 to review the outcomes of AB 2316 (Ward, 2022) regarding customer renewable energy subscription programs and the community renewable energy program.

FISCAL IMPACT

None

ATTACHMENTS

1. 2026 OCPA Bill Tracker
2. AB 1761 Fact Sheet
3. AB 1761 Letter of Support
4. SB 1138 Fact Sheet
5. SB 1138 Letter of Support

Orange County Power Authority
2026 California Bill Tracker (Updated 3/12/2026)
High Priority

Bill #	Author	Title	Category	Summary	Status	Position
AB 710	Irwin	Electricity: dynamic pricing: advanced metering infraststructure	Dynamic Rates	This bill would require the commission, on or before January 1, 2028, to require each electrical corporation to offer optional dynamic pricing tariffs, as specified. This bill would require the commission to require each electrical corporation, and the governing board of each local publicly owned electric utility, on or before January 1, 2028, to analyze the feasibility of deploying advanced metering infrastructure to all customers. Based on that analysis, the bill would require each electrical corporation and the governing board of each local publicly owned electric utility, on or before January 1, 2029, to develop a plan for complete advanced metering infrastructure deployment, where feasible.	1/27/2026 - In Senate. Read first time. To Com. on RLS. for assignment.	
AB 1761	Rogers	Electricity: calculation methodology: data disclosure	Data Disclosure	This bill would require the commission to ensure that all data relied on in any decision or ruling, or in any proposal or analysis provided by an electrical corporation, the commission’s staff, or any other party, for the determination or application of a calculation methodology for any charge imposed on customers of a load-serving entity to recover the cost of contracts or resources owned by an electrical corporation or any value derived from that calculation is made available to load-serving entities and ratepayer advocates on behalf of customers. The bill would require that data to meet specified requirements, including that it is made through a public disclosure, except for market-sensitive data, as provided.	2/23/2026 - Referred to Com. on U. & E.	CalCCA Sponsored Legislation

Orange County Power Authority
2026 California Bill Tracker (Updated 3/12/2026)
High Priority

AB 1787	Schultz	Electricital Corporations: rates: optional dynamic rate tariff.	Dynamic Rates	This bill would require a large electrical corporation, if the commission approves the large electrical corporation’s request to upgrade its smart meter infrastructure and related information management and billing systems on or after January 1, 2027, to offer to each of its customers from whom the incremental costs of those upgrades are recovered at least one optional dynamic rate tariff upon the upgraded smart meter infrastructure being placed into service and its costs being recoverable in rates, as specified. The bill would prohibit the commission from approving a request of a large electrical corporation to recover costs associated with a smart meter infrastructure upgrade and related information management and billing systems costs unless specified conditions are met. The bill would require the commission, if it orders a large electrical corporation to implement an optional dynamic rate tariff, to ensure, among other things, the large electrical corporation makes the same time-varying transmission and distribution rates available to both bundled customers and unbundled customers located in the same geographic area.	3/3/2026 - Re-referred to Com. on U. & E.	
SB 1138	Padilla	Load-serving entities: resource adequacy requirements.	Resource Adequacy	This bill would require the commission to permit a load-serving entity to demonstrate compliance with resource adequacy requirements by selling to, or otherwise making transactions with, another load-serving entity to meet not more than 25% of its compliance obligation, on a short-term basis, and to permit those transactions to be denominated in the same unit of time used to denominate resource adequacy compliance requirements.	2/26/2026 - Referred to Com. On E., U & C.	CalCCA Sponsored Legislation

Medium Priority

Bill #	Author	Title	Category	Summary	Status
AB 13	Ransom	Public Utilities Commission: membership: reports.	CPUC Reporting	The bill would require the Governor, in selecting, and the Senate, in confirming, members of the commission to consider regional diversity in the membership of the commission. The bill would require the Governor, in appointing a candidate for membership in the commission, to consider using a candidate pool that comprises persons with permanent residences in certain regions of the state, as specified.	In committee: Held under submission.
AB 34	Patterson	CA RPS Program: local POU: large hydro generation	RPS	This bill would provide that the provision related to the procurement of eligible renewable energy resources by local publicly owned electric utilities also applies to the compliance periods established by the Energy Commission.	In Senate. Read first time. To Com. on RLS. for assignment.
AB 61	Pacheco	Electricity and natural gas: legislation imposing mandated program and requirements: third-party review.	Programs	This bill would request the office to establish, by January 1, 2027, a program to, upon request of the Legislature, analyze legislation that would establish a mandated requirement or program or otherwise affect electrical or gas ratepayers, as specified. The bill would request the office to develop and implement conflict-of-interest provisions that would prohibit a person from participating in an analysis for which the person knows or has reasons to know that the person has a financial interest. The bill would establish the Energy Programs Benefit Fund in the State Treasury and continuously appropriate the moneys in the fund to the office to support the work of the office in providing analyses under the bill. The bill would repeal these provisions on January 1, 2031.	In committee: Held under submission.
AB 72	Jackson	EV Economic Opportunity Zone: County of Riverside	EV	This bill would, upon appropriation by the Legislature, establish an Electric Vehicle Economic Opportunity Zone (EVEOZ) for the County of Riverside, administered by the Labor and Workforce Development Agency, for the purpose of creating programs to make electric vehicle manufacturing jobs and education more accessible to lower income communities. The bill would require the agency to collaborate with the County of Riverside in determining the geographical boundaries of the EVEOZ. By imposing additional duties on local officials, the bill would impose a state-mandated local program. The bill would authorize the agency to partner with educational institutions, electric vehicle manufacturing businesses, and local and national financial intuitions to develop EVEOZ education, training, and investment programs, as specified.	In Senate. Read first time. To Com. on RLS. for assignment.

Medium Priority

AB 222	Bauer-Kahan	Data centers: power usage effectiveness: cost shifts.	Data Centers	This bill would require the Energy Commission to establish a process for the owner of a data center, as defined, to submit the power usage effectiveness ratio, as defined, for the data center to the Energy Commission on a biannual basis, and require the owner of a data center to submit this information for the data center in the manner and timeframe specified by the Energy Commission. The bill would require the Energy Commission, as part of the 2027 edition of the integrated energy policy report, to include an assessment of electrical load trends for data centers, as provided.	In committee: Held under submission.
AB 306	Schultz and Rivas	Building regulations: state building standards	Building Standards	This bill would, from June 1, 2025, until June 1, 2031, inclusive, prohibit a city or county from making changes to the above-described building standards unless a certain condition is met, including that the commission deems those changes or modifications necessary as emergency standards to protect health and safety.	From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on HOUSING.
AB 441	Hadwick	Wildfire prevention: Office of Wildfire Technology Research and Development: wildfire mitigation program	Wildfires	Would repeal provisions related to the Office of Wildfire Technology Research and Development.	In committee: Set, first hearing. Hearing canceled at the request of author.
AB 443	Bennett	Energy Commission: integrated resource policy report: curtailed solar and wind generation: hydrogen production	Hydrogen	This bill would require the Energy Commission, as part of the 2027 edition of the integrated energy policy report and each edition thereafter, and contingent upon an appropriation for this purpose, to include an assessment of funding needs for port infrastructure for offshore wind energy development, as specified. The bill would require the Energy Commission, in consultation with specified entities, to include in the assessment any federal, state, and local funding opportunities, including general obligation bonds and funding from the private sector, that can help build port infrastructure for offshore wind energy development.	In committee: Held under submission.

Medium Priority

AB 550	Petrie-Norris	CESA: take of species: renewable electrical generation facilities	Generation Facilities	This bill would provide that if an at-risk species, as defined, becomes listed as an endangered, threatened, or candidate species, further authorization or approval shall not be required for a take of that species, if specified conditions are met, including that the potential listing of the at-risk species was anticipated in a permit previously issued by the department for incidental take caused by a renewable electrical generation facility. The bill would authorize the department, in partnership with a permit applicant for an incidental take caused by a renewable electrical generation facility, to develop a research project that evaluates specified factors. The bill would authorize a research project reviewed and approved by the department to contribute to a renewable electrical generation project's mitigation, as provided. The bill would require the department to report to the Legislature specified information, including among other things, a report on each at-risk species authorized for take, as provided.	In committee: Hearing postponed by committee.
AB 705	Boerner	Public Utilites Comission: Independent Office of Audits and Investigations	CPUC	This bill would delete the provision providing for the appointment of the chief internal auditor and instead provide that, effective January 1, 2026, the internal audit unit of the commission and its staff are transferred to the Independent Office of Audits and Investigations, which the bill would establish within the commission, as specified. The bill would provide for the appointment and removal of the director of the office, who would have the title of Inspector General. The bill would require that the office have access and authority to examine all records, files, documents, accounts, reports, correspondence, or other property of the commission, public utilities, and other entities regulated by the commission, as specified. The bill would require the Inspector General to report to the Governor and the Legislature, as provided.	In committee: Held under submission.
AB 716	Carillo	Fire safety standards: hydrogen facilities	Hydrogen	This bill would require the State Fire Marshal to to appoint a hydrogen fire expert to answer questions and provide clarification on the implementation of hydrogen production, storage, and distribution facilities, ensuring that hydrogen facilities comply with the most up-to-date fire safety standards. The bill would require the State Fire Marshal to provide ongoing training to local fire departments and building inspectors to ensure that hydrogen-related safety protocols are understood and enforced statewide.	In committee: Held under submission.

Medium Priority

AB 729	Zbur	Public utilities: climate credits	Climate Credits	This bill would require that the electric California Climate Credit be provided to the residential and small business retail customers of electrical corporations on the bills of those customers for the months of August and September of each year, and to the emissions-intensive trade-exposed retail customers of electrical corporations on the bills of those customers for the month of August of each year, unless otherwise directed by the commission, as specified. The bill would require that the natural gas California Climate Credit be provided to residential customers on the bills of those customers for the month of February of each year unless otherwise directed by the commission, as specified.	From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on E., U & C.
AB 745	Irwin	Electricity: climate credits	Climate Credits	This bill would require the credit provided to residential customers of an electrical corporation to be provided on the bills of those customers for the months of July, August, and September of each year, or as otherwise directed by the commission to address extreme, unforeseen, and temporary circumstances. The bill would require the credit to be volumetric, rather than independent of consumption.	Ordered to inactive file at the request of Senator Allen.
AB 864	Ward	Hazardous waste: solar photovoltaic modules	Solar Panel Recycling	This bill would exempt solar photovoltaic modules not identified as hazardous waste and treated, except as provided, as universal waste, as defined, from state hazardous waste regulations, if transferred to a designated recycler for legitimate recycling, as described, and if the facility meets specified criteria relating to registration permits, as provided. The bill would make the universal waste designation applicable to a solar photovoltaic module that is intended for recycling and cannot otherwise be resold, reused, or refurbished only until the department adopts regulations implementing alternative management standards for solar photovoltaic modules. The bill would also designate a solar photovoltaic module that can be resold, reused, or refurbished as surplus material. The bill would make a conforming change.	Ordered to inactive file at the request of Senator McNerney.
AB 942	Calderon	Electricity: climate credits	Climate Credits	This bill would exclude residential customers from receiving the California Climate Credit if they are not enrolled in the CARE or FERA program and their total electricity bills for the previous year were less than \$300.	From committee: Do pass and re-refer to Com. on RLS. (Ayes 5. Noes 2.) (August 29). Re-referred to Com. on RLS.

Medium Priority

AB 1016	Gonzalez	Power facility and site certifications: thermal powerplants: geothermal resources	Geothermal	This bill would additionally authorize the commission to exempt from the certification requirement, only until January 1, 2030, a thermal powerplant that generates electricity using geothermal resources and meets specified criteria, including that a person proposing an eligible thermal powerplant files an application on or before June 30, 2029, for certification with the local governmental agency that has land use and related jurisdiction over the area in which the powerplant is located to certify the site and related facility, and that the powerplant has a generating capacity of up to 150 megawatts, or that modifications are being made to a thermal powerplant that generates electricity using geothermal resources that do not add capacity in excess of 150 megawatts and for any plan for multiple geothermal powerplants that use at least one common infrastructure component and those powerplants, in total, have a net generating capacity of 50 or more megawatts.. Upon the commission granting an exemption, the bill would require the local governmental agency to be the lead agency to certify the site and related facility, as provided. The bill would make the local governmental agency that has land use and related jurisdiction over the area of the proposed site and related facility the lead agency pursuant to CEQA for any project that the commission exempts from the certification requirement and that generates electricity using geothermal resources as provided.	In committee: Set, first hearing. Hearing canceled at the request of author.
AB 1020	Schiavo	Public utilities: energy: taxpayer funding: reporting.	IOU	This bill would require each utility, defined as an investor-owned electrical corporation or gas corporation, to report certain information for any taxpayer funding, as defined, greater than or equal to \$1,000,000, that the utility has applied for or received. The bill would require the commission, for each application in which a utility is seeking ratepayer funding, to require the utility to report all relevant taxpayer funding the utility is pursuing or has secured, and, if the commission determines that a utility is not in compliance with that requirement, the bill would authorize the commission to impose a penalty against the utility, as specified. The bill would require the commission to require each utility to promptly deliver the financial benefits of taxpayer funding to ratepayers, as provided.	In committee: Held under submission.
AB 1117	Schultz	Electricity rates: optional dynamic rate tariffs	Rates	This bill would require the commission, through a new or existing proceeding, to develop optional dynamic rate tariffs applicable to each large electrical corporation for the large electrical corporation's commercial and industrial customers on or before July 1, 2028, and for its other customers, including residential customers, on or before July 1, 2030. The bill would require each optional dynamic rate tariff to include, at minimum, specified components, including dynamic transmission and distribution rates that reflect real-time grid conditions and certain nonbypassable charges, as specified.	In committee: Held under submission.

Medium Priority

AB 1156	Wicks	Solar-use easements: suspension of Williamson Act contracts: terms of easement: termination.	Solar	This bill would revise these provisions to authorize the Department of Conservation to determine that a parcel is eligible for suspension, as described above, upon the request of the landowner, instead of a request from a county or city, and would require the department to additionally make that determination in consultation with any applicable groundwater sustainability agency or services. The bill would revise the eligibility criteria for a parcel to be deemed eligible under these provisions by (1) additionally authorizing land for which there are or will be insufficient surface water or groundwater rights associated with the land to support commercially viable irrigated agricultural use; (2) deleting the requirement that the land not be located on lands designated as prime farmland, unique farmland, or farmland of statewide importance; and (3) additionally requiring that the land meet certain additional requirements relating to the land's historical use as cropland and whether it is encumbered by a conservation easement or enrolled in a land conservation program, as specified. The bill would also require the Department of Conservation to issue its determination of eligibility within 120 days following submission of a completed application package, and would deem any application not rejected within this 120-day period to be approved.	Ordered to inactive file at the request of Assembly Member Wicks.
AB 1301	Petrie-Norris	Electricity: Power Exchange	Power Exchange	This bill would abolish the Power Exchange and would make various conforming changes.	Referred to Com. on E., U & C.
AB 1334	Wallis	Solar energy: official state energy	Solar	This bill would establish solar energy as the official state energy.	In committee: Hearing postponed by committee.
AB 1436	Avila Farias	Public Utilities Commission: outreach.	PUC Outreach	Existing law, in effect until January 1, 2020, required the Policy and Planning Division of the Public Utilities Commission to undertake one or more studies of outreach efforts undertaken by other state and federal utility regulatory bodies and make recommendations to the commission to promote effective outreach, including metrics for use in evaluating success. This bill would repeal that obsolete provision.	Referred to Com. on E., U & C.

Medium Priority

AB 1677	Boerner	Public utilities: electrical and gas corporations: return on equity	Affordability	This bill would require the commission to require an electrical corporation or gas corporation proposing to change a rate, or to alter a classification, contract, practice, or rule so as to result in a new rate based directly or indirectly on its request for return on invested capital, to include in its proposal certain studies, as provided. The bill would prohibit the commission from establishing an authorized return on equity for an electrical corporation or gas corporation that exceeds the rate on long-term debt issued by the federal government by more than 400 basis points.	Re-referred to Com. on U. & E.
AB 1678	Harabedian	Public utilities	Spot	Spot Bill	From Printer. May be heard in committee March 5.
AB 1692	Pacheco	Energy	Spot	Spot Bill	From Printer. May be heard in committee March 6.
AB 1715	Schiavo	Public utilities: reporting	Reporting	This bill would require the commission to issue universal guidelines for a searchable database of public utility advice letters, as provided, and require each public utility to maintain on its internet website a database meeting those guidelines. The bill would require the commission to require public utilities to provide, in any customer notice of a rate change, a link to the advice letter associated with the rate change.	Referred to Com. on U. & E.
AB 1757	Gallagher	Energy: nuclear facilities	Spot	Spot Bill	From printer. May be heard in committee March 12.
AB 1774	Boerner	Electrical corporations and gas corporations: rates	Wildfire Mitigation Plans	This bill would require the commission, before an electrical corporation is authorized to recover, collect, or expend ratepayer funds for new or ongoing wildfire mitigation programs, to require an independent audit of the electrical corporation's wildfire mitigation expenditures incurred during the preceding 5 calendar years, as provided. The bill would require that the audit be conducted by an independent third-party auditor. The bill would require the commission to prescribe books, records, and accounting procedures for wildfire mitigation programs that support and enable the independent audit. The bill would require the commission to take certain actions, including disallowing recovery of the wildfire mitigation expenditures, if the commission determines that those expenditures are unreasonable, imprudent, or improperly incurred.	Re-referred to Com. on U. & E.

Medium Priority

AB 1813	Ward	Public Utilities Commission	Spot Bill	Spot Bill	From Printer. May be heard in committee March 13.
AB 1820	Schiavo	Solar energy systems: permit fees	Spot Bill	Spot Bill	From Printer. May be heard in committee March 13.
AB 1821	Pacheco	California Public Records Act	Spot Bill	Spot Bill	From Printer. May be heard in committee March 14.
AB 1975	Schultz	Electrical corporations: grid utilization metric.	Transmission	This bill would require the commission, on or before December 31, 2027, to establish a grid utilization metric that calculates electrical load as a percentage of rated capacity, as specified. The bill would require each large electrical corporation, each calendar quarter, to submit a publicly available report to the commission with the results of the large electrical corporation’s grid utilization metric calculations, as specified. The bill would require the commission to annually establish a minimum value for the grid utilization metric within each large electrical corporation’s distribution grid, and would require that the grid utilization metric minimum value increase annually, as provided. The bill would require the commission to establish financial performance-based incentives or disincentives correlated with achieving the grid utilization metric minimum value, as specified, and would require each large electrical corporation, on or before July 31, 2028, to propose grid utilization programs to achieve the grid utilization metric minimum value, as specified.	Re-referred to Com. on U. & E.

Medium Priority

AB 2031	Petrie-Norris	Public utilities: property, franchises, and permits: exemption.	CPUC	This bill would reduce the time the commission has to approve or deny the advice letter from 120 days to 90 days.	Referred to Com. on U. & E.
AB 2057	DeMaio	Building standards: natural gas.	Natural gas	This bill would prohibit a city or county from making a change or modification to the above-described building standards that prohibits the use of natural gas in a residential unit. The bill would also require the commission to reject a modification or change to any building standard affecting a residential unit and filed by the governing body of a city or county that prohibits the use of natural gas in that residential unit.	Referred to Coms. on H. & C.D. and U. & E.
AB 2065	Petrie-Norris	Transmission Infrastructure Accelerator: private-public partnership plan.	Spot Bill	Spot Bill	Referred to Com. on U. & E.
AB 2111	Papan	Electricity: transmission planning and transmission facilities	CPUC - Transmission Planning	This bill would require the PUC, before approving the procurement of certain resources, to complete a transmission and interconnection availability assessment and to confirm there is sufficient infrastructure in the last approved transmission plan from the ISO to support the cost-effective procurement of approved resources by load-serving entities, as specified.	Referred to Com. on U. & E.
AB 2124	Pacheco	Electricity and natural gas: legislation imposing mandated programs and requirements: third-party review.	Programs	This bill would require the CCST to establish, on or before January 1, 2027, a program to, upon request of the Legislature, analyze legislation that would establish a mandated requirement or program, as defined, or otherwise affect electrical corporation or gas corporation ratepayers, as specified. The bill would require the CCST to develop and implement conflict-of-interest provisions to prohibit a person from participating in an analysis for which the person knows or has reasons to know that the person has a material financial interest. The bill would repeal these provisions on January 1, 2032.	Referred to Com. on U. & E.

Medium Priority

AB 2175	Garcia	Electricity: electrical transmission and distribution systems.	Infrastructure	This bill would repeal from those policy objectives the deployment and integration of cost-effective advanced electricity storage and peak-shaving technologies.	Referred to Com. on U. & E.
AB 2181	Petrie-Norris	Public Utilities Commission.	CPUC	This bill would require the Governor, in appointing members of the commission, to ensure a diverse composition of commissioners by considering geographic diversity and other factors.	Referred to Com. on U. & E.
AB 2182	Irwin	Electrical corporations: Industrial Decarbonization and Energy Efficiency Program.	EE Programs	This bill would require, on or before August 1, 2027, each large electrical corporation, as defined, to file a Tier 2 advice letter with the commission establishing an Industrial Decarbonization and Energy Efficiency Program with funding allocated from energy efficiency charges collected from eligible facilities, defined as industrial or manufacturing facilities that meet specified requirements, as specified. The bill would require the program to award grants to eligible facilities for eligible projects, including, among others, energy efficiency projects that meet certain requirements. The bill would require each large electrical corporation to administer the program, as provided, and require the Governor’s Office of Business and Economic Development to provide independent review and approval of grants awarded pursuant these provisions.	Referred to Coms. on U. & E. and NAT. RES.
AB 2234	Papan	California Environmental Quality Act: geothermal exploratory projects.	Geothermal	This bill would expressly include as part of a geothermal exploratory project, among other things, equipment and activities necessary to establish interconnectivity between wells and reservoirs. The bill would exclude certain wells connecting to geothermal reservoirs from the 1/2-mile limit described above.	Referred to Com. on NAT. RES.

Medium Priority

AB 2239	Carrillo	Infrastructure-constrained energization areas: energization timelines: environmental review.	Infrastructure	This bill would require the PUC to designate an infrastructure-constrained energization area based on objective criteria, including limited distribution or transmission infrastructure relative to available electrical capacity or projected load growth, inland or desert geography, and extended energization timelines. The bill would require the PUC to adopt rules authorizing over-the-fence transactions within infrastructure-constrained energization areas when an electrical corporation cannot reasonably meet energization targets and other specific conditions are met, as specified. The bill would require the PUC, in coordination with the State Energy Resources Conservation and Development Commission (Energy Commission) and local jurisdictions, to establish procedures to facilitate expedited development of electrical generation and energy storage facilities in infrastructure-constrained energization areas, as specified. The bill would require the PUC, in coordination with the Energy Commission, the Office of Land Use and Climate Innovation, and local jurisdictions, to establish procedures to facilitate expedited permitting, siting, and construction of electrical infrastructure owned or operated by an electrical corporation within infrastructure-constrained energization areas, as specified. The bill would require the PUC and the Energy Commission to coordinate with, and advocate before, the Independent System Operator (ISO) for expedited review and prioritization of projects in infrastructure-constrained energization areas, as specified.	Referred to Coms. on U. & E. and NAT. RES.
AB 2266	Schultz	Electricity: load-serving entities.	Resource Adequacy	This bill would require the commission, on and after January 1, 2030, when setting certain resource adequacy and resource procurement obligations for load-serving entities, to use the same capacity valuation method to assess the reliability contribution of each resource type, as specified. The bill would require the commission, on or before January 1, 2030, to initiate a process to consolidate certain compliance reporting for load-serving entities, as specified.	Referred to Com. on U. & E.
AB 2338	Ransom	Local publicly owned electric utilities: minimum planning reserves and reliability criteria.	Spot Bill	Spot Bill	From printer. May be heard in committee March 22.

Medium Priority

AB 2340	Arambula	Energy resources.	Spot Bill	Spot Bill	From printer. May be heard in committee March 22.
AB 2369	Rogers	Public utilities.	Spot Bill	Spot Bill	From printer. May be heard in committee March 22.
AB 2383	Zbur	Electricity: large energy use facilities.	Large Loads	This bill would require the commission, on or before January 1, 2028, in a new or existing proceeding, to provide for a classification of retail electricity consumers that are large energy use facilities, as defined, that is separate and distinct from classifications of service for other commercial or industrial retail electricity consumers and has its own rate schedule. The bill would require any rate schedule adopted by the commission for large energy use facilities to meet specified requirements, and would require the commission, in deciding whether to approve an electrical corporation’s proposed rate schedule, to ensure the rates meet certain requirements, as provided. The bill would specify that, until January 1, 2028, an electrical corporation and a large energy use facility are not required to use the above-described classification of service if the commission has not approved the electrical corporation’s rate schedule for that classification of service.	Referred to Com. on U. & E.
AB 2408	DeMaio	Energy: billing.	Rates	This bill would require the commission, if the average price of electricity or natural gas in the state exceeds 10% of the national average price in the preceding quarter, to suspend the collection of all fees charged to ratepayers on electricity or natural gas bills for a period of 6 months. The bill would also require the State Air Resources Board, if the average price of electricity or natural gas in the state exceeds 10% of the national average price in the preceding quarter, to suspend the requirements of the market-based compliance mechanism known as the California Cap-and-Invest Program for a covered entity that is an electrical corporation or gas corporation, and the collection of any moneys under the California Cap-and-Invest Program from those entities, for a period of 6 months.	Re-referred to Com. on U. & E.

Medium Priority

AB 2459	Wallis	Electricity: climate credits.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.
AB 2463	Petrie-Norris	Public Utilities Commission: rates: baseline capital-market risk framework: returns on equity.	Rates	This bill would require the commission, on or before April 1, 2027, to open a rulemaking to conduct a systemwide review of the methodologies used to determine the cost of capital and authorized return on equity for each electrical corporation and gas corporation. The bill would require the commission to establish and apply a baseline capital-market risk framework to serve as the analytical foundation for determining authorized returns on equity for electrical corporations and gas corporations, as provided. The bill would require the commission to develop and adopt a strategy for adjusting authorized returns on equity for each electrical corporation and gas corporation based on specified load growth or sales volume thresholds. The bill would require the commission to conduct a comprehensive review of the cost of capital adjustment mechanism applicable to each electrical corporation and gas corporation, evaluate the authorized return on equity applicable to each electrical corporation’s infrastructure that serves transmission-level customers, and to evaluate alternative incentive-based return models that link a portion of shareholder earnings to performance outcomes, as provided.	Referred to Com. on U. & E.
AB 2464	Wicks	Energy: clean, firm resources.	Clean, firm resources	This bill would require the PUC, working with the Energy Commission, on or before June 30, 2027, to prepare and submit to the Legislature a statewide assessment of the role and necessity of clean, firm resources in meeting the state’s clean energy and reliability objectives, potential technologies and strategies for integrating clean, firm resources into the state’s energy mix, recommendations on procurement, policy, and planning actions to support clean, firm resources, and consideration of current and projected renewable and clean, firm generation capacity, reliability requirements under varying system conditions, and the cost and emission implications of clean, firm resources.	Referred to Com. on U. & E.

Medium Priority

AB 2476	Ellis	Electricity: integrated resource plans: Department of Water Resources: procurement.	DWR Procurement	This bill would additionally authorize the department to procure resources from a pump hydroelectric facility pursuant to the above-described provisions if the pump hydroelectric facility is exempt from Federal Energy Regulatory Commission licensing.	Referred to Com. on U. & E.
AB 2493	Petrie-Norris	Electrical corporations: interconnection: transmission: auditor.	Transmission	This bill would require the commission to require each electrical corporation to retain an independent third-party auditor to review certain transmission- and interconnection-related submissions made by the electrical corporation, the electrical corporation’s progress on completing network upgrades following approval in a generator interconnection agreement or transmission plan approved by the Independent System Operator, and the electrical corporation’s compliance with any remedial actions ordered by the commission, as specified. The bill would require the third-party auditor to report to the commission on an annual basis, as provided. Within 90 days of receiving the auditor’s report, the bill would require the commission to issue a resolution directing an electrical corporation to take remedial actions necessary to address any deficiencies identified by the auditor, as specified.	Referred to Com. on U. & E.
AB 2508	Hoover	Public Utilities Public Purpose Programs Fund.	Programs	This bill would establish the Public Utilities Public Purpose Programs Fund. The bill would require the commission, upon appropriation by the Legislature, to allocate the moneys in the fund to fund certain public purpose programs and programs administered by electrical regional energy networks, as specified. The bill would require the Controller to transfer an unspecified sum on July 1 of each fiscal year, commencing with the 2026–27 fiscal year, from the Greenhouse Gas Reduction Fund to the fund.	Referred to Com. on U. & E.

Medium Priority

AB 2516	Petrie-Norris	California Grid Manufacturing Initiative.	Infrastructure	This bill would require each public utility, as defined, on or before January 1, 2028, to submit to the Energy Unit a projection of its purchasing needs for critical electricity grid components for the period of January 1, 2028, through December 31, 2032, inclusive, as provided. The bill would require the Energy Unit, based on the projections, to determine the statewide aggregate purchasing needs for electricity grid components, as specified. The bill would require a public utility that purchases electricity grid components identified pursuant to the bill to purchase those components from the initiative, except as provided. The bill would permit an electrical corporation, and require the Public Utilities Commission, to authorize the recovery of costs incurred by the electrical corporation in implementing the above-described requirements, and would authorize a local publicly owned electric utility to recover the costs incurred from the implementation of the above-described requirements from its ratepayers. By imposing new duties on local publicly owned electric utilities, the bill would impose a state-mandated local program.	From printer. May be heard in committee March 23.
AB 2518	Sharp-Collins	Public utilities.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.
AB 2543	Ransom	Emergency preparedness: electric vehicle charging infrastructure.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.
AB 2554	Addis	Public utilities: regulation.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.

Medium Priority

AB 2589	Irwin	Public utilities: rates: changes to federal law.	Rates	This bill would require the commission to evaluate the full effect of all federal legislation that becomes law, including the recent federal House Resolution 1 (Public Law 119-21), upon the expenses and tax liabilities incurred by public utilities for payment of federal taxes and, if the commission determines that the projected expenses and tax liabilities for federal taxes that the commission has authorized in the rates for a public utility are materially affected by the enactment, to adjust the rates of the public utility to reflect the changes in projected expenses and tax liabilities in light of the changes in federal law, as specified.	Referred to Com. on U. & E.
AB 2611	Bains	Electrical rate schedules: hardships: hot climate zones.	Rates	This bill would require the commission to ensure that each electrical rate schedule does not cause an unreasonable hardship on public schools, or economically vulnerable residential customers, in hot climate zones, as specified. The bill would define several terms for that purpose, including, among others, “unreasonable hardship” to mean an electrical rate schedule that imposes a rate on a public school or economically vulnerable residential customer above the baseline rate during any hour when the temperature is above 90 degrees Fahrenheit for the duration of the hour, as provided.	Referred to Com. on U. & E.
AB 2612	Schultz	Building standards: qualified plug-in photovoltaic systems.	Solar	This bill would require the commission, commencing with the next triennial edition of the code, to adopt, approve, codify, and publish mandatory standards for building electrical circuit features to enable qualified plug-in photovoltaic systems to function as an energy source within a residential dwelling’s or nonresidential development’s electrical circuit, as specified. The bill would, for purposes of that requirement, require the department to research, develop, and propose for adoption mandatory building standards for a qualified plug-in photovoltaic system to function as an energy source within a multiunit dwelling’s electrical circuit. The bill would require the commission and the department, in satisfying those requirements, to, among other things, consult with certain interested parties and invite the participation of the public at large in the development of those building standards through open consensus-based processes.	From printer. May be heard in committee March 23.
AB 2618	Connolly	Energy: notification of redirection of moneys authorized for maintenance, safety, or reliability.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.

Medium Priority

AB 2619	Papan	Water resources: data centers.	Data Centers	This bill would require the Department of Water Resources and the State Energy Resources Conservation and Development Commission to develop, on or before January 1, 2029, guidelines and best practices to maximize the efficient use of natural resources to address the developing and emerging needs of technology in California that are consistent with urban water use objectives under prescribed provisions of law. The bill would specify that these guidelines and best practices include, among others, the use of closed-loop systems and nonpotable water. The bill would also require the department, in coordination with other relevant state agencies, to develop guidance that cities and counties may use for assessing projected water use, water efficiency measures, and cumulative water resource impacts of proposed data centers within the context of local and regional water management objectives.	Referred to Coms. on W., P., & W. and L. GOV.
AB 2638	Petrie-Norris	Climate Innovation Program	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.
AB 2647	Calderon	Energy: nuclear facilities: advanced nuclear reactors.	Nuclear	Existing law prohibits the State Energy Resources Conservation and Development Commission (Energy Commission) from certifying a nuclear fission thermal powerplant, except for specified powerplants, and provides that a nuclear fission thermal powerplant, except those specified powerplants, is not a permitted land use in California unless certain conditions are met regarding the existence of technology for the construction and operation of nuclear fuel rod processing plants and of demonstrated technology or means for the disposal of high-level nuclear waste, as specified.This bill would exempt advanced nuclear reactors, as defined, from that prohibition.	From printer. May be heard in committee March 23.

Medium Priority

AB 2680	Arambula	Local publicly owned energy utilities: low-income weatherization programs.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.
AB 2688	Zbur	Energy: offshore wind infrastructure.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.
AB 2695	Gallagher	Public Utilities Commission: reports.	CPUC Reporting	Existing law requires the commission to annually report to the Legislature on its timeliness in resolving cases, information on the disposition of applications for rehearings, and the days that its commissioners presided in and attended hearings, as provided. This bill would require the commission to instead biannually make that report.	From printer. May be heard in committee March 23.
AB 2699	Zbur	Public utilities.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.
AB 2700	Gallagher	Electricity: rate reduction: report	Rates	This bill would require the commission to generate a report outlining recommendations to decrease the kilowatt-per-hour rate for electricity charged to ratepayers by not less than 30% by January 1, 2028. The bill would require the commission, in making those rate-reduction recommendations, to take certain actions, including to review, and evaluate the cost effectiveness of, certain public purposes programs and to audit electrical corporation wildfire mitigation plan costs, as specified.	Re-referred to Com. on U. & E.
AB 2710	Bauer-Kahan	Electrical corporations: bankruptcy.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.

Medium Priority

AB 2733	Petrie-Norris	Local agencies.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.
AB 2748	Quirk-Silva	Building standards: affordable housing developments: electric vehicle charging.	EV Charging	This bill would exempt a new or existing affordable housing development, as defined, for which a permit application is submitted between January 1, 2025, and December 31, 2035, from the requirements for installation of low power Level 2 or higher electric vehicle charging receptacles in the 2025 California Green Building Standards Code, as provided. The bill would, instead, require those affordable housing developments for which a permit application is submitted between January 1, 2025, and December 31, 2035, to comply with the applicable requirements for installation of low power Level 2 or higher electric vehicle charging receptacles in the 2022 edition of the California Building Standards Code. The bill would repeal these provisions on January 1, 2037. By adding to the duties of local officials, and by expanding the scope of a crime, this bill would impose a state-mandated local program.	From printer. May be heard in committee March 23.
AB 2762	Boerner	Electrical corporations and gas corporations: rates.	Spot Bill	Spot Bill	From printer. May be heard in committee March 23.

Medium Priority

SB 222	Wiener	Residential heat pump systems: water heaters and HVAC: installations	Heat Pumps	The bill would require a city, county, or city and county, beginning July 1, 2027, to adopt and offer asynchronous inspections for installations of residential heat pump water heater or heat pump HVAC systems, as defined, that do not require a licensed contractor and building inspector to be simultaneously present during the inspection. The bill would authorize a building inspector to contact the licensed contractor who performed the installation by telephone call or real-time video conferencing during their inspection, and, if the building inspector determines during an asynchronous inspection that there is an issue with an installation of the heat pump water heater or heat pump HVAC system and that the licensed contractor who performed the installation must be present to perform tests or cure the installation, to require the licensed contractor who performed the installation to schedule an additional inspection in which the building inspector and the licensed contractor who performed the installation are required to be simultaneously present during the additional inspection. The bill would specify that these provisions do not require a local entity described above to discontinue offering inspections for the installation of a residential heat pump water heater or heat pump HVAC system where in a building inspector and licensed contractor who performed the installation are simultaneously present.	In Assembly. Read first time. Held at Desk.
SB 239	Arreguin	Open meetings: teleconferencing: subsidiary body	Teleconferencing	This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require the subsidiary body to post the agenda at each physical meeting location designated by the subsidiary body, as specified. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. The bill would also require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting.	In Assembly. Read first time. Held at Desk.

Medium Priority

SB 256	Perez	Electricity: electrical infrastructure: wildfire mitigation.	Infrastructure	This bill would require an electrical corporation, for the description in the wildfire mitigation plan of the preventative strategies and programs to minimize the risk of its electrical lines and equipment causing catastrophic wildfires, to include consideration of areas adjacent to high fire threat areas. The bill would require an electrical corporation’s wildfire mitigation plan to consider the impacts on the opportunity for residents within a household who are not the customer of record to subscribe to receive notifications related to deenergization events and communication with public safety partners, identify any lapses in communication coordination during recent past emergency response events with local governments, describe opportunities to collaborate with local governments and other steps that can be taken to establish more efficient communication coordination during future emergency responses, consider undergrounding distribution infrastructure when it is being rebuilt, include an accounting of all transmission facilities, including permanently abandoned facilities, and include a plan for how and when each permanently abandoned facility will be removed and the wildfire mitigation measures that are being implemented to prevent hazards, as provided. The bill would also require electrical corporations to conduct annual wildfire preparedness workshops, as provided.	August 29 hearing: Held in committee and under submission.
SB 327	McNerney	Public utilities: review of accounts: electrical and gas corporations: rates: political influence activities	Electrical Corporations	This bill would prohibit, except as provided, each electrical corporation or gas corporation from recording to accounts that contain expenses that the electrical corporation or gas corporation recovers from ratepayers, or otherwise recovering from ratepayers, direct or indirect costs of opposing the municipalization of electrical or gas service, as specified. The bill would require the commission to monitor and investigate compliance and noncompliance with the prohibition.	In Assembly. Read first time. Held at Desk.

Medium Priority

SB 330	Padilla	Electrical transmission infrastructure: financing	Transmission	This bill would authorize the Governor to establish one or more pilot projects to develop, finance, or operate electrical transmission infrastructure that meet the specified criteria, including, among other things, that the transmission line is identified by the Independent System Operator in its transmission planning process as a project subject to competitive bidding and necessary to support clean energy generation to meet the state’s clean energy goals. The bill would require the Governor to designate existing state agencies, local public agencies, tribal organizations, or joint powers authorities to implement the pilot projects. The bill would authorize the pilot projects to develop, finance, operate, and maintain electrical transmission lines and all works, facilities, improvements, and property, or portions thereof, necessary or convenient for the conveyance of electricity, as specified. The bill would authorize the Governor to issue guidelines regarding application and certification of pilot projects.	July 16 set for second hearing canceled at the request of author.
SB 332	Wahab	Investor-Owned Utilities Accountability Act	IOU Oversight	This bill would require the research institute to conduct the first phase of the comparative analysis and to submit an interim report, on or before December 31, 2026, to the Energy Commission on threshold legal issues, as provided. The bill would require the Energy Commission to convene a group of state attorneys from the legal departments of state agencies that regulate electrical corporations to advise the research institute on the first phase of the comparative analysis, as specified.	August 29 hearing: Held in committee and under submission.

Medium Priority

SB 534	Padilla	Green Empowerment Zone for the Salton Sea and Southeastern Desert Valleys.	Green Empowerment Zone	This bill, until January 1, 2035, would authorize establishment of a Green Empowerment Zone for the Salton Sea and Southeastern Desert Valleys (empowerment zone). The bill would authorize the empowerment zone to be composed of specified land and communities within the Imperial, Eastern Coachella, and Palo Verde Valleys, upon adoption of a resolution by the Imperial County Board of Supervisors, and would provide for the empowerment zone to be governed by a board of directors, as specified. The bill would task the empowerment zone with various duties, including, among other things, identification of projects and programs that will best utilize public dollars, distribute benefits to disinvested communities, and most quickly improve the economic vitality of California’s southeastern desert valleys, as specified, in a coordinated effort to support the development and equitable transition to a clean energy economy. The bill would require the board of directors, beginning on January 1, 2027, to submit an annual progress report to the Legislature and the Governor’s Office of Business and Economic Development, as specified. The bill would require the empowerment zone, commencing on January 1, 2027, as specified, to post the above-described report on its internet website and to submit a letter to the Legislature informing the Legislature that the report has been posted.	Referred to Com. on E.D., G., & H.I.
------------------------	---------	--	------------------------	---	--------------------------------------

Medium Priority

SB 540	Becker and Stern	Independent System Operator: independent regional organization	Regional Organization	This bill would delete provisions providing for the transformation of the ISO into a regional organization. The bill would authorize the ISO and the electrical corporations that are participating transmission owners whose transmission systems are operated by the ISO, in lieu of the ISO managing related energy markets, as provided, to use energy markets governed by an independent regional organization, provided that specified requirements are satisfied. This bill would specify that the above-described provisions do not diminish the PUC’s authority to direct an electrical corporation to withdraw from an energy market governed by an independent regional organization, and would authorize the PUC to direct an electrical corporation to withdraw from an energy market governed by an independent regional organization under specific circumstances. The bill would also require an electrical corporation within the balancing authority of the ISO to withdraw from an energy market governed by an independent regional organization under two specified conditions. This bill would establish the Regional Energy Market Oversight Council, which would be responsible for ensuring that participation in regional energy markets serves the interests of the state. The bill would require the council to approve or disapprove initial participation in the independent regional organization by electrical corporations and any other participating load-serving entities and determine whether electrical corporations and any other participating load-serving entities should be required to withdraw from an energy market governed by the independent regional organization. The bill would require the council to convene a duly noticed public meeting to make a finding of approval or withdrawal of participation in the independent regional organization and would require the council to disapprove of initial participation in the independent regional organization, or order withdrawal, if the council makes any of specified findings.	Joint Rule 61(a)(13) suspended. (Ayes 60. Noes 20. Page 3128.)
SB 742	Perez	Electricity: electrical infrastructure: permanently abandoned facilities: emergency response: liaisons.	Infrastructure	This bill would require the commission, on or before January 1, 2027, to update a general order to require each electrical corporation to remove all permanently abandoned facilities, as specified. This bill would require that an electrical corporation’s wildfire mitigation plan also include an accounting of all transmission facilities, including permanently abandoned transmission facilities, and include a plan for how and when each permanently abandoned transmission facility will be removed and the wildfire mitigation measures that are being implemented to prevent hazards, as provided.	In Assembly. Read first time. Held at Desk.

Medium Priority

SB 804	Archuleta	Hydrogen pipeline safety	Hydrogen	This bill would require the PUC to require that hydrogen pipelines meet specified requirements. The bill would require the PUC to establish, on or before January 1, 2028, and, with the exception specified below, to enforce, standards that meet or exceed those requirements, as provided. The bill would require the Energy Commission to enforce the standards for private, intrastate hydrogen pipelines. The bill would require a hydrogen pipeline owner to maintain accurate records of hydrogen concentration levels within its hydrogen pipeline and any leakage of hydrogen and, on or before December 31 of each year, to submit a report to the PUC detailing compliance with that requirement.	Read second time. Ordered to third reading.
SB 842	Stern	Energy: firm zero-carbon resources	Zero-Carbon Resources	This bill would require commission, on or before December 31, 2026, through a new or ongoing proceeding, to establish or identify a process by which each load-serving entity subject to its jurisdiction may solicit bids and propose projects for new firm zero-carbon resources to meet identified local reliability needs, as provided. The bill would require the report to include, among other things, characterization of the resource attributes vital for local reliability and identification of barriers, including market barriers, to deploying firm zero-carbon resources to enhance local reliability.	August 29 hearing: Held in committee and under submission.
SB 868	Wiener	Electricity: portable solar generation devices	Solar	This bill would exempt a portable solar generation device, as defined, from all interconnection requirements imposed by state law, the commission, electrical corporation rules, or local publicly owned electric utility rules, as specified. The bill would prohibit an electrical corporation or a local publicly owned electric utility from requiring a customer using a portable solar generation device to take specified actions, including, among other things, paying any fee or charge related to the device or the electricity the device feeds into a building's electrical system.	Set for hearing March 17.
SB 875	Wiener	Public utilities: eminent domain.	Public Utilities	This bill would specify that if property that has been appropriated to a public use is electrical, gas, or water public utility property that a public entity within the Pacific Gas and Electric Company service area intends to put to the same use, the presumption of a more necessary use is conclusive and not rebuttable. The bill would specify that the above-described litigation expenses provisions do not apply to those proceedings.	Re-referred to Coms. on JUD. and E., U & C.

Medium Priority

SB 886	Padilla	California Technology Innovation and Ratepayer Protection Act	Data Centers	This bill, the California Technology Innovation and Ratepayer Protection Act, would require the commission, on or before July 1, 2027, to establish or modify an electrical corporation tariff for the interconnection of the participating customer facilities and the transmission, distribution, and generation services to participating customers, as specified. The bill would require the commission, as part of establishing or modifying the electrical corporation tariff, to, at a minimum, establish eligibility criteria for large load customers, as defined, and facilities, evaluate the risks and benefits of this tariff to nonparticipating ratepayers, and ensure that the tariff prevents the creation of stranded costs for, or cost shifts, to nonparticipating ratepayers. The bill would require the tariff to require a large load customer that submits an application for interconnection of a facility to an electrical corporation to disclose whether an application for the same facility has been submitted in other electrical corporation service territories or other jurisdictions and to disclose each instance in which an application for the same facility has been submitted. The bill would also require the tariff to, among other things, assign cost responsibility for all transmission facility upgrades triggered by a facility interconnection to the applicable participating customer and to require an early termination fee to be assessed against any participating customer under specified circumstances. The bill would also require each participating customer to install onsite zero-carbon energy storage, as provided, and each electrical corporation to publish and update maps showing locations where large load customers can interconnect without the need for significant, costly, and time-consuming transmission upgrades.	Referred to Com. on E., U & C.
------------------------	---------	---	--------------	---	--------------------------------

Medium Priority

SB 887	Padilla	California Environmental Quality Act: environmental leadership development projects: data centers: clean energy powerplant projects	CEQA / Data Centers	This bill would prohibit the application of categorical exemption to a project for the development and operation of a data center, as defined. By increasing the duties of a lead agency in relation to the environmental review of a data center project, this bill would impose a state-mandated local program. This bill would authorize the Governor to certify a data center project that is certified by the lead agency to meet specified conditions as an environmental leadership development project. The bill would require the State Energy Resources Conservation and Development Commission to develop uniform statewide standards for those conditions for data centers, require regular compliance reporting by operators of data centers for those conditions, and initiate enforcement proceedings in the event of noncompliance with those conditions, as appropriate. The bill would also authorize the Governor to certify a clean renewable energy powerplant project using any source of thermal energy that does not burn, use, or rely on fossil fuels as an environmental leadership development project. By increasing the duties of a lead agency, the bill would impose a state-mandated local program.	From committee with author's amendments. Read second time and amended. Re-referred to Com. on E.Q.
SB 905	Becker	Electrical corporations: nonbypassable charge	Spot Bill	Spot Bill	Referred to Com. on RLS.
SB 913	Becker	Resource Adequacy: aggregated distributed capacity resources	Distributed Resources	This bill would require the PUC, in coordination with the State Energy Resources Conservation and Development Commission and the Independent System Operator, on or before June 30, 2027, to enhance existing market-integrated pathways for aggregated distributed capacity resources, as defined, to qualify as resource adequacy capacity, as specified. The bill would require the PUC to allow electrical corporations, electric service providers, and community choice aggregators to include aggregated distributed capacity resources in resource adequacy filings and commission-ordered procurement, as specified. The bill would require the commission, on or before June 30, 2027, to develop recommendations for changes to the Independent System Operator's proxy demand resource and the distributed energy resource aggregation participation models to be consistent with the commission's requirements for aggregated distributed capacity resources pursuant to these provisions, and to request that the Independent System Operator implement these changes in a new or existing initiative.	From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Medium Priority

SB 924	Hurtado	Low-income energy assistance	Home Weatherization	This bill would require the commission to require electrical corporations and gas corporations, in performing home weatherization services, to prioritize household affordability, integration of electrification and health and safety measures, and coordinated delivery across fuel types and housing conditions, while preserving flexibility in program design.	Referred to Com. on E., U & C.
SB 925	McNerney	Electrical corporations and gas corporations: ratepayer-funded energy efficiency assistance programs.	Programs	Spot Bill	Referred to Com. on RLS.
SB 943	Becker	Public utilities: electricity: transmission charge: industrial transition usage.	Rates	This bill would authorize the commission to direct an electrical corporation with more than 100,000 service connections in California, when billing an industrial customer for separately metered new load to provide industrial process heat, to apply an adjustment factor to the per kilowatthour rate so as to limit the nonbypassable charge ratio, as specified, in furtherance of facilitating electrification of industrial energy use.	Set for hearing March 17.
SB 978	Perez	Large-scale energy facilities: labor: electricity rates.	Rates	This bill would require the PUC to establish a special rate structure for large-scale energy users, who would be defined as customers of electrical corporations operating facilities with operational requirements of at least 75 megawatts of electricity, to protect other customers of electrical corporations, prevent cost shifts to those other customers, and require large-scale energy users to pay for the electrical corporations' upfront costs of transmission or distribution infrastructure upgrades necessary for the provision of electrical service to those users. The bill would require the construction of those facilities to comply with certain labor requirements.	From committee with author's amendments. Read second time and amended. Re-referred to Com. on E., U & C.

Medium Priority

SB 1011	McNerney	Energy: Utility Infrastructure AI Safety, Oversight, and Workforce Protection Act.	IOU Oversight	This bill would require the PUC, for a privately owned utility, and the Energy Commission, for a publicly owned utility, to oversee the implementation of a specified program to regulate automated decision systems in connection with certain utility functions. The bill would require privately owned utilities and publicly owned utilities (covered utilities) that employ automated decision systems in the mapping, design, configuration, operation, maintenance, or oversight of electrical or gas infrastructure to maintain a structured process by which qualified personnel are able to modify or override the output of the automated decision systems and to take other specified actions. The bill would prohibit a covered utility from deploying a high-risk automated decision system in its live operational environment unless it files with the PUC or Energy Commission, as appropriate, a safety plan containing certain information, and would require the high-risk automated decision system to operate in staging mode, as provided, before full operational deployment. The bill would require a high-risk automated decision system that creates, modifies, updates, or purports to correct system records to meet certain requirements. The bill would require a covered utility to report to the PUC or Energy Commission, as appropriate, within 24 hours of discovering any event in which a high-risk automated decision system contributed to or caused certain consequences, including a service interruption or outage affecting more than 500 customers, and would require the covered utility, within 30 days of the event, to submit a root-cause report to the PUC or Energy Commission, as appropriate, that includes certain information. The bill would require a covered utility to continuously monitor its high-risk automated decision systems and to submit an annual report to the PUC or Energy Commission, as appropriate, with certain information. The bill would require a covered utility to provide at least 180 days’ advance notice, as provided, to affected labor organizations and employees in impacted employee classifications before introducing any technological change involving automated decision systems that materially affects job duties, classifications, staffing levels, or training, and to develop retraining programs, as specified. The bill would prohibit a covered utility from implementing a high-risk automated decision system in its operations that results in the layoff of certain employees unless the covered utility has first exhausted any feasible retraining, redeployment, or reclassification options. The bill would subject a privately owned utility violating its requirements to enforcement pursuant to specified laws. Because the bill would subject a privately owned utility to those specified laws, and because a violation of a PUC action implementing the bill’s requirement would be a crime, the bill would impose a state-mandated local program. The bill would require a publicly owned utility to annually certify to its governing board and the Energy Commission its compliance with the bill’s requirements and regulations, guidelines, or procedures adopted to implement the bill’s requirements.	Referred to Coms. on E., U & C. and P., D.T., & C.P.
SB 1097	Wiener	Energy: permit streamlining.	Spot Bill	Spot Bill	Referred to Com. on RLS.

Medium Priority

SB 1158	Stern	Energy: reliability planning assessment.	Transmission	This bill would require that the assessment also include the status of utility transmission upgrades and electrical grid infrastructure capacity, PUC approvals of applications for certificates of public convenience and necessity and permits to construct utility and independent projects, and applications for permits for projects from the Energy Commission and the queue of projects from the Independent System Operator, include the expected completion dates for both system and local resources, and report on the use of fossil fuel by certain facilities constructed by, purchased by, or under contract with, the Department of Water Resources, as specified.	Referred to Com. on E., U & C.
SB 1168	McNerney	Data centers: natural gas and electricity: surcharges.	Data Centers	This bill would impose surcharges, on and after January 1, 2027, on natural gas consumed by a data center, as defined, or a person that consumes natural gas to produce electricity primarily for a data center, at an unspecified rate, and on electricity consumed by a data center that is purchased from an electric utility, which includes an electrical corporation and local publicly owned electric utility, at an unspecified rate. The bill would specify that the above-described surcharges apply to persons that meet specified criteria, including, among other things, that during any single month beginning January 1, 2027, the person purchased natural gas from a gas corporation, or electricity from an electric utility, that was wholly or partially consumed by a data center. The bill would require a gas corporation and electric utility to collect the applicable surcharge from each data center, except as provided. The bill would authorize a person to apply to a gas corporation or electric utility, as applicable, for an exemption from a surcharge, as specified.	Referred to Coms. on E., U & C. and REV. & TAX.
SB 1187	Durazo	Open meetings: majority.	Brown Act	This bill would define “majority” for purposes of the act to mean the number of members of the legislative body equaling more than half of the total number of seats on the legislative body. The bill would specify that if a seat on the legislative body is vacant, that seat is to still be counted as a seat on the legislative body.	Referred to Com. on L. GOV.

Medium Priority

SB 1215	Cortese	Electrical corporations: electric vehicle charging stations: multifamily residential properties.	EV Charging	This bill would require the commission, on or before March 1, 2027, to direct electrical corporations to submit Tier 3 advice letters to install Level 2 and Level 3 electric vehicle charging stations and associated equipment and facilities at multifamily housing, with certain parameters, including, among other things, a requirement that each electrical corporation install enough electric vehicle charging stations, on or before December 31, 2037, to at least triple the amount of electric vehicle charging stations in existence, as of January 1, 2027, at multifamily housing in its service territory, and a requirement that an electrical corporation recover all costs for deploying the electric vehicle charging stations and associated equipment and facilities, including the costs for administration and implementation and for equipment, installation, and maintenance on the customer side of the meter, as operations and maintenance costs rather than as capital costs.	Referred to Com. on E., U & C.
SB 1219	Strickland	Energy efficiency programs: discontinuance of administration.	Programs	This bill would require the commission, no later than 180 days after filing, to consider and approve an electrical or gas corporation's application to discontinue administration of an energy efficiency program or an energy efficiency portfolio because the program is not cost effective, not reliable, or, in the case of an electrical corporation, because the program is not being used to meet unmet resource needs in its integrated resources planning framework, as provided. Because a violation of a commission order implementing this provision would be a crime, the bill would impose a state-mandated local program.	Referred to Com. on E., U & C.
SB 1233	Allen	Public utilities: rates.	Spot Bill	Spot Bill	Referred to Com. on RLS.
SB 1245	Stern	Renewable energy resources: electrical transmission and distribution grid.	Spot Bill	Spot Bill	Referred to Com. on RLS.
SB 1267	Allen	Common interest developments: electric vehicle charging stations owned by members in common areas.	EV Charging	This bill would additionally make the owner and each successive owner responsible for the costs for the above-specified damages resulting from the use of the electric vehicle charging station. The bill would require that the installer of the electric vehicle charging station indemnify or reimburse the association or its members for loss or damage caused by the installation, maintenance, or use of the electric vehicle charging station.	Referred to Coms. on HOUSING and JUD.

Medium Priority

SB 1282	Becker	Transportation electrification: grid-integrated vehicle technologies: standards.	VGI	This bill would require the Energy Commission, on or before December 31, 2027, to conduct and publish on its internet website an assessment of, among other things, the electrical grid energy supply, reliability, and affordability needs associated with the state’s transition to 100% renewable and zero-carbon energy sources and the target level of grid-integrated vehicle technology use and grid-integrated charging technology-enabled vehicle use necessary to address those needs, as provided. The bill would require the Energy Commission, on or before December 31, 2028, to adopt and implement standards, in consultation with the state board, the PUC, and other relevant local and state agencies, for grid-integrated vehicle technology and associated grid-integrated charging technology of new vehicles, as provided. The bill would require the Energy Commission, before adopting the standards, to conduct at least 3 public workshops to receive public comments, as specified. The bill would require that these standards establish requirements for on-road vehicles of any weight class sold within the state to incorporate grid-integrated vehicle technology and grid-integrated charging technology to achieve those targets, except as specified, and include specified provisions relating to, among other things, classes and types of grid-integrated vehicle technologies that can satisfy those requirements and alternative compliance mechanisms, as provided.	Referred to Com. on E., U & C.
SB 1295	Stern	Energy storage systems: procurement.	Energy Storage	This bill would require the commission, in addition to the requirements described above, on or before January 1, 2030, to consider procurement strategies for the installation of a statewide total of up to 40,000 megawatts of energy storage systems. As part of the procurement strategies considered by the commission, the bill would require the commission to consider appropriate targets, if any, for load-serving entities to procure viable and cost-effective energy storage systems, to be achieved on or before December 31, 2040. If the commission imposes an energy storage system procurement target on load-serving entities, the bill would authorize each load-serving entity to meet up to 50% of its procurement target through energy storage systems that it owns, that are interconnected at the transmission or distribution level, or that are located on the customer side of the meter, as specified. The bill would require the commission to reconsider procurement strategies and appropriate targets not less than once every 3 years.	Referred to Com. on E., U & C.
SB 1300	Stern	California Global Warming Solutions Act of 2006: report.	CARB Reporting	This bill would also require that report to include a discussion of international agreements on the topic of climate change or clean technology innovation that influence the implementation of the scoping plan.	Referred to Com. on E.Q.

Medium Priority

SB 1350	McNerney	Energy: renewable electrical generation facilities: definition.	Energy Facilities	This bill would revise the definition of “renewable electrical generation facility” to include a facility that uses turbines that use specified fuels.	Referred to Coms. on E., U & C. and E.Q.
SB 1354	Archuleta	Energy: renewable energy resources program.	Spot Bill	Spot Bill	Referred to Com. on RLS.
SB 1359	Stern	Natural gas: surcharge	Spot Bill	Spot Bill	Referred to Com. on RLS.
SB 1370	Stern	Wildfire Fund: report.	Wildfire Fund Reporting	This bill would require the administrator to present those recommendations to specified Senate committees.	Referred to Com. on RLS.
SB 1406	McNerney	Public Utilities Commission: contracting: audits.	Spot Bill	Spot Bill	Referred to Com. on RLS.
SB 1424	Archuleta	Electric vehicle service equipment: advisory board.	Electric Vehicles	This bill would require the Energy Commission to establish the Electric Vehicle Service Equipment Standards Advisory Board to develop, and recommend to the Energy Commission, state standards for electric vehicle service equipment to ensure safety and reliability throughout the state.	Referred to Com. on E., U & C.

Failed Deadline

Bill #	Author	Title	Category	Summary	Status



Assembly Bill 1761 – Improving Energy Bill Transparency

Updated: February 18, 2026

Bill Summary

AB 1761 improves transparency to how the Power Charge Indifference Adjustment (PCIA), a charge on nearly all energy bills, is calculated.

Background

Electricity bills in California are on the rise, in part due to challenging market conditions and outdated and inefficient regulatory policies. Families and businesses are feeling the impact. Lawmakers and regulators need practical, consumer-focused solutions that ensure customers do not pay more than their fair share.

One tool to ensure customers receive energy bills that are fair and accurate is increased transparency in how PCIA charges are calculated. The PCIA is a fee designed to ensure customers who leave utility generation service, like customers of a Community Choice Aggregator (CCA) or Energy Service Provider (ESP), pay their portion of legacy power costs. But since the PCIA was implemented, there has been no consistent standard for what data must be made available in any California Public Utilities Commission (CPUC) process or proceeding where the PCIA, or a related charge, is set.

Problem

CCAs, ESPs, and their customers must pay the PCIA charge but often lack access to the data, assumptions, and methods used to set it. This transparency problem leads to disputes, inefficiencies, and unexpected rate impacts for customers. More specifically:

- Disclosures vary by utility and by CPUC proceeding, resulting in repeated fights between CCAs and Investor-Owned Utilities (IOUs) over data access and increased administrative inefficiencies as the CPUC resolves disputes on a case-by-case basis.
- Utilities sometimes make mistakes. In a 2019 PG&E proceeding, CalCCA identified \$73 million in errors (including a \$16 million increase for CCA customers). In a recent proceeding, PG&E identified an accounting error that would have cost CCA customers \$217 million.
- In an ongoing PCIA Rulemaking, the Commission withheld information on the evidence underlying their proposal and the rate impacts of a proposed change. The CPUC did not respond to a Public Records Act request for the information.

Without adequate transparency, CCAs and ESPs are unable to verify the accuracy of the PCIA charges that their customers must pay and cannot confidently forecast rates – both of which are affordability tools needed to protect customers from unexpected rate increases.

Solution

AB 1761 proposes amending the Public Utilities Code to require the CPUC and IOUs to disclose all data used to calculate PCIA costs, including cost inputs, forecasting assumptions, and methodologies. The bill would also ensure that when parties make proposals in a proceeding to change the PCIA they provide all the underlying data informing that proposal. Sensitive information would remain protected through Commission-approved nondisclosure agreements – a practice already used to protect sensitive information in other compliance areas.

Greater transparency allows CCAs and ESPs to better advocate for their customers and assess proposals to change the PCIA. It also can inform cost forecasts and shield customers from sudden rate swings. It reduces repeated fights over information, improves regulatory efficiency, and encourages utilities to verify calculations since the underlying data would be open to review. Costs to implement the proposal are miniscule, as most of this information already exists, while the benefits for rate, accuracy, stability, and consumer protection are substantial. This proposal strengthens confidence that customers pay their fair share — and not more.

For More Information:

Logan Pitts, Legislative Director

Logan.Pitts@asm.ca.gov

(916) 319-2002

Support

California Community Choice Association-
CalCCA(sponsor)



March 2, 2026

Assemblymember Cottie Petrie-Norris
Chair Assembly Committee on Utilities and Energy
1020 N Street, Room 408A Sacramento, CA 95814

Re: AB 1761 (Rogers) - Support

Dear Chair Petrie-Norris,

On behalf of Orange County Power Authority (OCPA), I am pleased to write in strong support of AB 1761 by Assemblymember Chris Rogers, which would improve transparency and predictability in the calculation of the Power Charge Indifference Adjustment (PCIA).

OCPA is a not-for-profit public agency and load-serving entity that offers clean power at stable and competitive rates, significantly reducing greenhouse gas emissions and reinvesting locally in energy programs. Launched in 2022, OCPA serves close to 200,000 customers across Orange County and growing.

Rising electricity costs across California continue to place increasing strain on families and businesses. Addressing affordability requires practical reforms that ensure customers are paying no more than their fair share. AB 1761 represents an important step in that direction.

The PCIA is a charge paid by customers who receive generation service from a Community Choice Aggregator (CCA) rather than an investor-owned utility. It is intended to ensure those customers cover their share of legacy utility power procurement costs. Yet since its creation, there has been no consistent standard governing what information must be disclosed in proceedings at the California Public Utilities Commission when PCIA rates are established or modified.

This lack of transparency creates real challenges for OCPA and the communities we serve. Without access to the data, assumptions, and methodologies underlying PCIA calculations, we are unable to fully verify the accuracy of these charges or confidently forecast future costs. Both verification and predictability are essential tools for protecting our customers from unexpected rate increases.

In addition, inconsistent disclosure practices across utilities and proceedings often result in avoidable disputes and inefficiencies. Errors in past PCIA-related filings have demonstrated the stakes for customers



answers@ocpower.org
(866) 262-7693
P.O. Box 54283
Irvine CA, 92619-4283

www.ocpower.org    



when assumptions or inputs go unexamined. Ensuring that underlying data is available would allow load-serving entities like OCPA to better assess proposals, improve long-term planning, and advocate more effectively on behalf of our ratepayers.

AB 1761 would address these issues by requiring disclosure of the inputs, assumptions, and methodologies used to calculate PCIA costs. It would also ensure that any proposal to modify the PCIA in a regulatory proceeding is supported by the data informing that proposal. Importantly, the bill preserves existing protections for market-sensitive information through nondisclosure agreements already used by the Commission.

Greater transparency will help improve regulatory efficiency, reduce unnecessary disputes, and increase confidence that PCIA charges are fair and accurate. Ultimately, this will better equip OCPA to manage costs and protect our customers from sudden and avoidable rate volatility.

For these reasons, OCPA strongly supports AB 1761 as an important step toward improving affordability and accountability in California's electricity rates.

If you have any questions, please contact Steven Halligan, Regulatory and Legislative Manager, at (949) 767-8700.

Sincerely,

Steven Halligan

Steven Halligan



answers@ocpower.org
(866) 262-7693
P.O. Box 54283
Irvine CA, 92619-4283

www.ocpower.org [f](#) [t](#) [@](#) [in](#)

CAPITOL OFFICE
1021 O STREET, SUITE 7630
SACRAMENTO, CA 95814
TEL (916) 651-4018
FAX (916) 651-4918

SAN DIEGO COUNTY DISTRICT OFFICE
780 BAY BOULEVARD, SUITE 204
CHULA VISTA, CA 91910
TEL (619) 409-7690

IMPERIAL COUNTY DISTRICT OFFICE
1224 STATE STREET, SUITE D
EL CENTRO, CA 92243
TEL (760) 335-3442

RIVERSIDE COUNTY DISTRICT OFFICE
82013 DR. CARREON BOULEVARD, SUITE J
INDIO, CA 92201
TEL (760) 398-6442

WWW.SENATE.CA.GOV/PADILLA
SENATOR.PADILLA@SENATE.CA.GOV

California State Senate

SENATOR
STEPHEN C. PADILLA
EIGHTEENTH SENATE DISTRICT



COMMITTEES

INSURANCE
CHAIR

MEMBER

AGRICULTURE

GOVERNMENTAL ORGANIZATION

HEALTH

HOUSING

PRIVACY, DIGITAL TECHNOLOGIES,
& CONSUMER PROTECTION

SB 1138 – Lowering the Cost of California’s Resource Adequacy (RA) Program

Background

California’s Resource Adequacy (RA) program, which ensures there is enough electricity supply to meet customer demand, recently transitioned to a new “Slice-of-Day (SOD)” compliance framework, which requires load-serving entities (LSEs), such as community choice aggregators (CCAs), investor-owned utilities (IOUs) and energy service providers (ESPs), to procure enough RA to meet load obligations in each hour rather than monthly. While this aligns resources more precisely with load, under current rules, LSEs can only buy or sell RA products for the whole month even though obligations are unique to each hour.

Problem

The mismatch between the procurement obligations and transaction rules forces LSEs to purchase more RA than they need to meet their obligations, creating artificial market scarcity and unnecessarily driving up RA demand (and prices). It’s akin to having to buy a crate of oranges when you only need a few slices. These unnecessary costs fall directly on California ratepayers, totaling tens of millions of dollars annually.

Solution

At a time of rapidly rising costs in the electricity sector, policymakers should provide LSEs maximum flexibility in how they contribute their fair share to keep the overall system reliable. SB 1138 would lower the costs to consumers of California’s RA trading program by allowing LSEs to transact RA load obligations on an hourly basis to align with the new slice-of-day RA program.

Benefits

Enabling hourly load obligation trading:

- ✓ Promotes efficiency: LSEs with excess resources in one hour could trade with LSEs that are short, reducing the need to purchase additional RA.
- ✓ Delivers affordability: In 2025, hourly trading could have lowered RA costs for consumers **by avoiding \$105 million in excess RA purchases for summer 2025** and **potentially saving an additional \$77 million annually**.
- ✓ Maintains LSE Responsibility: Creates a new procurement product rather than offering relief from meeting existing requirements
- ✓ Requires limited administrative oversight: Trades can be executed bilaterally with existing RA tracking tools, making the system administratively simple while maintaining each LSE’s full responsibility to meet obligations.

Today's RA rules make it difficult for CCAs to allocate resources efficiently, resulting in unnecessary costs and administrative hurdles. By allowing hourly transactions, CCAs can better match supply to local demand, reduce over-procurement, and protect customers from inflated electricity costs. The system becomes more transparent, predictable, and fair. **These reforms could save tens of millions of dollars each year while maintaining reliability and supporting California's clean energy goals.**

Staff Contact

Name: Emily Zhou

Title: Legislative Aide

Email: Emily.Zhou@sen.ca.gov

Capitol Office: (916) 651 – 4018

Support

- California Community Choice Association (sponsor)



March 2, 2026

Senator Benjamin Allen
Chair Senate Energy, Utilities, and Communications Committee
1021 O Street, Suite 3350
Sacramento, CA 95814

Re: SB 1138 (Padilla) – Support

Dear Senator Allen,

On behalf of Orange County Power Authority (OCPA), I am pleased to express our support for SB 1138, which would improve efficiency and affordability within California's Resource Adequacy (RA) program by allowing load-serving entities to transact RA obligations on an hourly basis.

OCPA is a not-for-profit public agency and load-serving entity that offers clean power at stable and competitive rates, significantly reducing greenhouse gas emissions and reinvesting locally in energy programs. Launched in 2022, OCPA serves close to 200,000 customers across Orange County and growing.

As electricity costs continue to rise across California, it is critical that policymakers pursue practical reforms that reduce unnecessary expenses while maintaining system reliability. SB 1138 offers a thoughtful solution that does both.

California recently transitioned its RA program to a Slice-of-Day compliance structure, requiring load-serving entities (LSE), including CCAs like OCPA, to demonstrate sufficient resources to meet demand in each hour of the day. While this framework improves alignment between resources and system needs, current market rules still require RA to be bought and sold on a monthly basis.

This disconnect between hourly obligations and monthly procurement creates inefficiencies that force LSEs to purchase more RA capacity than is actually needed to meet reliability requirements. The result is artificial scarcity in the RA market and higher costs that are ultimately borne by customers.

SB 1138 would address this mismatch by allowing hourly RA load obligation trading. By enabling load-serving entities with excess capacity



answers@ocpower.org
(866) 262-7693
P.O. Box 54283
Irvine CA, 92619-4283



in one hour to transact with entities that are short in another, the bill would:

- Improve market efficiency by better aligning procurement with actual system needs
- Reduce unnecessary over-procurement
- Lower costs for ratepayers
- Maintain full reliability obligations for all load-serving entities

Importantly, this reform does not weaken reliability standards or reduce procurement responsibilities. Instead, it introduces a more flexible transactional framework that allows providers to meet their existing obligations in a more cost-effective manner.

Today's rigid RA transaction rules limit the ability of community choice aggregators to efficiently manage resources on behalf of their customers. Greater flexibility through hourly trading would allow OCPA to better match supply to local demand and avoid unnecessary expenditures that provide no added reliability value.

At a time when affordability is a growing concern for households and businesses alike, SB 1138 represents a commonsense modernization of the RA program that could save ratepayers tens of millions of dollars annually while maintaining grid reliability.

For these reasons, OCPA supports SB 1138.

If you have any questions, please contact Steven Halligan, Regulatory and Legislative Manager, at (949) 767-8700.

Sincerely,

Steven Halligan

Steven Halligan



answers@ocpower.org
(866) 262-7693
P.O. Box 54283
Irvine CA, 92619-4283

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.2

To: Orange County Power Authority Legislative and Regulatory Committee

From: Matt Chill, Regulatory Analyst

Approved By: Joe Mosca, Chief Executive Officer

Subject: REGULATORY UPDATE

Date: March 23, 2026

STRATEGIC GOALS

- ☐ Enrich & Grow the OCPA Community: _____
- ☐ Prioritize Fiscal Sustainability & Affordability: _____
- ☐ Design & Deploy Community-Aligned Customer Programs: _____
- ☐ Energize Our Community with Renewable Energy: _____
- ☒ Raise Awareness of Community Energy & Advocate for Our Customers: _____
- ☐ Not Applicable: _____

RECOMMENDED ACTION

Receive and file.

BACKGROUND

Orange County Power Authority (OCPA) staff actively participate in several regulatory proceedings at the California Public Utilities Commission (CPUC), California Independent System Operator (CAISO), and the California Energy Commission (CEC). This report includes a summary of high-priority, active proceedings.

ANALYSIS AND DISCUSSION

California Public Utilities Commission Updates

Power Charge Indifference Adjustment (PCIA) Proceeding – R.25-02-005

Background: On February 11, 2025, the CPUC issued an Order Instituting Rulemaking (OIR) to initiate a new proceeding related to the Power Charge Indifference Adjustment (PCIA). The proceeding consists of two tracks. The first track was an expedited track focused on potential modifications to the Market Price Benchmark (MPB). Track two considered several issues

including a review of the revisions to the MPB, consideration of ERRA-specific implementation guidance for RA program changes, changes to Bundled Procurement Plan directions, and consideration of improved PCIA and ERRA mechanisms to reduce rate volatility.

The Track 1 PD was approved at the June 26, 2025, CPUC Voting Meeting. The Track 1 PD states:

- The current RA MPB methodology examines a three-year dataset to determine the local RA MPB forecast, adding a fourth year to the dataset for the final local RA MPB. Adjusting the methodology to a single RA MPB calculation, utilizing system, flexible, and local RA procurement data from the three- and four- year datasets, allows for the consideration of more transaction data.
- Combining the three MPBs into a single MPB with three years of data for forecast MPBs and an additional year of data for final MPBs appropriately balances data sufficiency with the Commission's currently established method of valuing RA portfolios based upon short-run market prices.
- The RA MPB should be based upon competitive market pricing that reflects supply and demand dynamics.
- Affiliate and swap transactions reflect considerations other than market-based supply and demand pricing of the resources involved in the transaction.
- Inclusion of affiliate and swap transactions in the RA MPB calculation introduces the potential for manipulation of the RA MPB.
- Transactions between the PG&E CPE and PG&E LSE, as well as transactions between the SCE CPE and SCE LSE are subject to independent verification that ensures transaction values reflect competitive pricing.
- Sleeve transactions involve multiple transactions based involving the same resource and single market-based price. Considering each transaction within a sleeve as a separate transaction in the RA MPB calculation results in the overweighting of a single price determination within the transaction dataset and distorts the RA MPB.
- The changes adopted should be applied to the calculation of the 2025 Final and 2026 Forecast RA MPB and all succeeding forecast and final MPB calculations.

On July 28th, 2025, CalCCA filed an Application for Rehearing (AfR) on Track 1 of the proceeding. This AfR addressed CCA opposition for the CPUC's engagement with retroactive ratemaking in the MPB calculation methodology for the 2025 ERRA True Up, which is prohibited under Section 728 of the Public Utilities Code. On October 31, 2025, the Commission issued an Order Denying CalCCA's Application for Rehearing of the Track 1 decision regarding RA MPB calculations.

On December 1, 2025, CalCCA requested that the Court grant the Petition for Review of D.25-06-049 and reverse the Decision on the grounds that (1) the Decision violated the prohibition against retroactive ratemaking; and (2) the Decision's retroactive application to 2025 rates was not supported by adequate findings or substantial evidence in the record.

Update: The CPUC filed a Scoping Ruling on February 3, 2026, which formally established the issues to be resolved within Track 2 of the proceeding. Specifically, the Commission will determine whether the proposal to value Pre2019 Banked RECs at a value other than zero dollars is consistent with applicable law and Commission precedent. If the Commission concludes that such a valuation approach is permissible, it will then consider whether to direct the IOUs to apply

a nonzero valuation for Pre2019 Banked RECs within the 2026 and future ERRA Forecast proceedings, including how any such value should be determined and allocated consistent with indifference principles for all customers. The Scoping Ruling also set forth the Track 2 schedule, beginning with Opening Testimony served on March 2, 2026, followed by Reply Testimony on March 23, 2026. A potential Staff Proposal is expected no later than March 27, 2026, and a deadline for parties to present a settlement is May 15, 2026. The Proposed Decision (PD) is expected to be issued by July 31, 2026, with a final Commission Decision expected at the September 3, 2026 Voting Meeting.

CalCCA's core arguments in its opening testimony are listed below.

- PCIA operates to ensure statutory indifference between bundled and unbundled customers, including how REC value is conveyed to customers.
- Later departing customers paid for their share of Pre-2019 banked RECs when those RECs were generated, but have not received share of value for those RECs when later used for bundled customer RPS compliance.
 - This represents a cost shift from current bundled customers to later departing customers.
- Pre-2019 Banked RECs should be valued at the current RPS MPB when used for current bundled customer compliance, with the full value of these RECs recorded as vintage-specific credits to the PCIA corresponding to the year the RECs were generated.
- CalCCA's proposed mechanism does not provide double compensation, and is consistent with CPUC precedent, maintains statutory indifference, and can be implemented within the existing PCIA framework.
- If valuation is not provided, the CPUC is required pursuant to Public Utilities Code section 366.2(g) to provide an allocation to later departing customers for their share of RECs used by the IOU of pre-2019 Banked RECs, possibly through reducing the Net RPS Procurement Need by the LSEs serving the later departing customers.

The IOUs' core arguments in their opening testimony are listed below. CalCCA will address these arguments in its reply testimony.

- CPUC is being asked to alter a single element of the PCIA as it existed pre 2019. If CPUC agrees to give value pre-2019, they would have to rewrite everything from pre-2019. They also argue that changes to the PCIA in 2019 annuls the right to address value of banked RECs from before 2019.
- When a customer leaves bundled service, they leave behind right to those attributes or value. Customer entitlements are a collective right, not individual right.
- Providing this adjustment for valuing pre-2019 banked RECs within the PCIA calculation is not practical and would be an enormous undertaking if it can be done.

Regarding the Track 1 Appeal, the CPUC, the IOUs, and CUE have all responded to CalCCA's Track 1 PCIA Appeal. CalCCA requested an extension for its reply to these comments from March 2, 2026 to April 1, 2026. The extension was granted one day after the request was filed.

The CPUC released a Ruling on February 20, 2026, requesting that parties file comments on the issues to address in Track 3 of the PCIA proceeding. Comments are due on March 27, 2026. Reply comments are due on April 10, 2026.

Resource Adequacy (RA) - R.25-10-003

Background: This rulemaking continues the CPUC's oversight of the Resource Adequacy (RA) program, establishes forward RA procurement obligations applicable to load-serving entities (LSEs) beginning with the 2027 compliance year, and considers structural reforms to the program. This proceeding is the successor to Rulemaking 23-10-011, which addressed these topics over the past two years.

This rulemaking will address the 2027 and 2028 RA compliance years, local RA obligations for the 2027-2029 and 2028-2030 compliance years, and further refinements to the Slice of Day (SOD) program.

Track 1 of the proceeding will consider:

1. Adoption of Local Capacity Requirements for 2027-29 compliance years
2. Adoption of Flexible Capacity Requirements for 2027
3. Accreditation for Long-Duration Energy Storage (LDES)
4. Unforced Capacity (UCAP)¹
5. Accreditation for Solar and Wind Resources
6. Transactability Issues within the Slice of Day Framework
7. Residual Unit Commitment (RUC) for RA Resources
8. Energy Only (EO) Resources²

A final decision on Track 1 is anticipated by early July 2026, and Track 2 is expected to conclude by June 2027.

Update: Parties to the RA Proceeding submitted Track 1 proposals for all relevant topics above on January 23, 2026, except Transactability Issues.

OCPA staff virtually attended large portions of the RA Proposal Workshops on February 10-11, 2026, which enabled parties to walk through the various Track 1 proposals they have recommended for modifying the RA program. CalCCA presented four proposals, recommending the CPUC:

1. Coordinate with the CEC to separate data center loads from the forecast used to set RA requirements and instead base associated RA requirements on actual data center load interconnection information;
2. Account for the reliability value that can be provided by energy only co-located resources under the SOD framework;
3. Clarify the intended use of local RA central procurement entity (CPE) data request results³ to ensure consistency; and
4. Publish aggregated results of the local RA CPE data request process so that CPEs and LSEs have access to the same information to inform their procurement processes.

Comments on Track 1 proposals are due on March 6, 2026. Reply Comments are due on March 20, 2026.

The CPUC released its Report on Transactability within the Slice of Day Resource Adequacy Framework on February 23, 2026, a delay of over two weeks from the original timeline. The CPUC's report concluded that the complexities, potential risks, and additional administrative burden on the CPUC of implementing RA obligation transactability outweigh any potential benefits.

This was a highly disappointing result. CalCCA still filed its proposal for RA SOD Transactability on March 3, 2026, and pushed back against the CPUC's report. Progress with RA SOD Transactability may prove more successful at the legislature with SB 1138, which would effectively order the CPUC to implement the mechanism.

The CPUC hosted a workshop on March 9, 2026 about RA transactability for discussion on party proposals. This workshop and the report reinforced the CPUC's opposition to RA transactability on several grounds including that:

1. Significant administrative burden and costs are associated with implementing this for modest benefits
2. The downside of over procurement of RA is greater reliability
3. The SOD framework did not create a need for transactability
4. Unintended consequences of obligation trading are possible

CalCCA's retorts to these arguments are listed below:

1. The costs to hire additional staff to handle this are almost certainly are lower than the estimated benefits, even using the significantly more modest benefits projected by the CPUC. CalCCA's estimated benefits are much higher.
2. The Planning Reserve Margin (PRM) is intended to capture all the reliability that is needed for the state. Anything beyond that is unnecessary based on this analysis, and increases costs for ratepayers.
3. This is an opportunity for ratepayer cost savings that arises from the SOD framework. Whether or not a need was created should not be a fundamental argument against RA transactability.
4. The CPUC has failed to communicate what the unintended consequences of obligation trading are.

Integrated Resource Planning (IRP) – R.25-06-019

Background: This OIR, issued on July 2, 2025, supersedes R.20-05-003 as the primary venue for CPUC oversight of the IRP process, which requires the Commission to identify a resource portfolio to ensure a reliable electric supply that can also achieve clean energy and environmental goals of SB 350 and SB 100.

R.20-05-003 remains open for purposes of considering a staff proposal on the Reliable and Clean Power Procurement Program (RCPPP) framework, as proposed in the April 25, 2025 Administrative Law Judge's Ruling. Future work or further development and implementation of RCPPP, if adopted, will occur in this new IRP rulemaking.

On January 15, the CPUC issued a PD in the IRP proceeding which illustrates currently intended procurement requirements. The decision would require OCPA to procure 23 MW of NQC by June 1, 2030 and an additional 46 MW by June 1, 2032, with at least 50% of each tranche coming from non-storage resources and contracts lasting at least 10 years. Eligible resources must be zero-emitting or RPS-eligible, accredited using marginal ELCC values, and failure to comply would trigger penalties based on the cost to procure additional supplemental resources. Semi-annual compliance filings are required through 2032. The CPUC will vote on a final decision as early as February 26, 2026.

The CPUC filed a ruling on January 16, 2026 that sets the IRP due date for OCPA as June 1, 2026, the same date as the required procurement compliance filings.

On February 9, 2026, CalCCA filed a joint request—supported by AReM, PG&E, SCE, SDG&E, Shell, and the UC Regents—to extend the IRP filing deadline for LSEs to six months after the issuance of the final Inputs and Assumptions documents, noting that the current June 1, 2026 deadline does not provide adequate time for incorporation of final modeling inputs.

CPUC staff shortly thereafter posted the Final 2024–2026 Inputs and Assumptions document and supporting materials on February 10, 2026, including additional detail on marginal ELCC study results and reliability inputs to inform LSE IRP development.

Update: On February 26, 2026, the CPUC voted unanimously (5-0) to approve a revised Procurement Order with significant changes to the original PD. OCPA’s original procurement obligations were 23 MW of net qualifying capacity (NQC) by 2030 and 46 MW of NQC by 2032, with a 50% cap on procurement coming from energy storage of any kind. OCPA’s procurement obligations are now to procure 25 MW of capacity in each of 2030, 2031, and 2032 for a total of 75 MW. The annual deadline for all three years is June 1. Out of the total 75 MW, OCPA must procure a total of at least 19 MW of clean, firm resources⁴ and/or Long-Duration Energy Storage (LDES).⁵ The 50% cap on procuring energy storage resources has been removed.

The PD was also updated with many other changes. Some of the more critical updates are listed below.

- The CPUC will maintain consideration of good faith efforts in this procurement order in the same manner as prior procurement orders, where an LSE can show its considerable efforts to reach compliance to potentially avoid or minimize penalties even if the LSE is ultimately found non-compliant.
 - LSEs can show evidence of non-competitive or unreasonable pricing received in solicitations in showings as part of these good faith effort considerations.
- RA bridge provisions from D.25-09-007 will also apply for this procurement order. These ensure that any LSE that fails to deliver the requisite new capacity by 2030, 2031, and 2032, and/or does not have signed contracts and is not resource-adequacy compliant, will be found non-compliant and subject to a financial penalty of the net CONE value.
- The two-tranche approach from the original PD was replaced with three tranches based on CAISO concerns with reliability in 2031.
- LSE total allocations were updated with finalized energy demand forecast tables for the 2024 IEPR on February 20, 2026.

- A new ELCC study is underway to develop ELCC values for the 4,000 total MW ordered by 2030 and 2031. The CPUC will finalize the report and ELCC values no later than July 31, 2026.
- The CPUC will publish indicative ELCC values for the remaining 2,000 MW for 2032 by July 31, 2026, and will have final 2032 ELCC values by December 31, 2027.
- Baseline swaps continue to follow the provisions outlined in D.23-02-040, including prohibition on swapping resources with contracts termination after January 13, 2023, and eligibility for swapping of 2030, 2031, or 2032 obligations.
- Department of Water Resources Long Leadtime Procurement will continue as adopted in D.24-08-064, and if this procurement proves successful, LSEs may be notified of allocations that lessen their requirements going forward.
 - o As of today, DWR procurement for long leadtime resources is zero.

On March 9, 2026, the CPUC granted approval of the joint party request for an extension on the due date for individual LSE IRP filings by six months from the date that the inputs and assumptions documents were finalized, which occurred on February 10, 2026. Accordingly, the deadline for these filings has been moved from June 1, 2026, to August 10, 2026.

Climate Credit – R.25-07-013

Background: This OIR was opened on July 24, 2025, to improve the California Climate Credit (Climate Credit). The Climate Credit has historically provided residential and small business customers with semi-annual bill credits using a portion of revenues from the California Cap-and-Trade Program. Residential customers received on average ~\$120 from the credit in 2025, dispersed in April and October. In 2026, the annual credit amount is anticipated to be closer to \$70. The CPUC opened the proceeding to further address affordability, and to support the California Industry Assistance which is intended to minimize businesses relocating to other states without emissions compliance programs.

CalCCA filed Opening Comments on the Climate Credit OIR on September 26, 2025 and reply comments on October 13, 2025, recommending the CPUC support the OIR preliminary scope, including the consideration of changes to customer eligibility criteria, timing and method of Climate Credit distribution, and messaging to customers. OCPA aims to support modifications to the Climate Credit that are competitively neutral, including eligibility criteria and customer messaging, and to ensure existing customers continue receiving the Climate Credit.

Update: The CPUC filed a Scoping Ruling for the Climate Credit proceeding on February 3, 2026, establishing the scope for Phase 1 of the rulemaking. Phase 1 will address only the residential Climate Credit through a bifurcated Phase 1A and Phase 1B process, excluding issues related to the Small Business Climate Credit and the Industry Assistance Credit.

The Climate Credit updates under consideration include implementation changes, modifications to program goals, revisions to eligibility, the timing and number of distributions, and other structural adjustments. The Scoping Ruling also set a schedule, bifurcating the issues into a Phase 1A and Phase 1B.

Phase 1A will evaluate whether the IOUs should pause distribution of the 2026 Climate Credits, whether immediate changes should be made to the residential gas and electric credits to enhance affordability, and how to implement statutory requirements regarding revenue transfers and outreach.

Phase 1B will consider broader potential reforms, including whether to revise overarching principles or goals for the Climate Credit, whether to change eligibility or distribution timing, how outreach practices should be updated, and whether the costs and implementation impact of any proposed changes are reasonable—including their effects on environmental and social justice communities.

On February 9, 2026, the CPUC distributed a PD that will pause the delivery of the residential climate credit until the Commission determines when in 2026 these credits should be distributed. Both the April and October credits were paused. Comments on the PD were due on March 2, 2026 and reply comments were due on March 9, 2026. This item may be heard, at the earliest, at the Commission's March 19, 2026, Business Meeting.

Opening comments on Phase 1A more generally were also due on March 2, 2026. Reply comments were due on March 9, 2026. A Phase 1A PD will be released for party comment no later than March 27, 2026. Importantly, within this PD, the CPUC is considering moving the credit distribution to high-billed summer months to maximize its support for most customers from an affordability perspective.

Demand Response – R.25-09-004

Background: The OIR was issued on September 29, 2025. This OIR seeks to evaluate and enhance the consistency, predictability, reliability, and cost-effectiveness of demand response resources. The Commission will accomplish this enhancement by updating the demand response guiding principles, policies, and data system and process requirements.

In this rulemaking, CPUC intends to re-evaluate several key Commission demand response policies, including its dual participation policy (D.09-08-027), valuation methodologies and evaluation metrics, and others. The dual participation policy enables customers to participate in up to two DR programs, assuming one provides an energy payment, and one provides a capacity payment.

Update: The CPUC released a Scoping Memo and Ruling on February 12, 2026, which set the topics and schedule for the Demand Response Proceeding. The issues and questions that will be considered in the proceeding include:

- 1) Should the Commission authorize bridge year funding extensions for existing demand response programs, pilots, and budgets approved by Decision (D.) 23-12-005?
- 2) Should the Commission authorize an extension of the existing Flex Alert marketing campaign budget and contract?
- 3) What guiding principles should the Commission adopt for demand response policies?

- 4) What standardized data systems, communication protocols, and data transfer processes should the Commission adopt or amend to support demand response, including supply side demand response and dynamic rates, with consideration of cost/benefits tradeoffs?
- 5) What policies should the Commission adopt or amend to make demand response resources more consistent, predictable, reliable, and cost-effective, including but not limited to:
 - a) Dual participation;
 - b) Valuation methodologies and evaluation metrics;
 - c) CAISO market integration topics;
 - d) Resource adequacy valuation;
 - e) Cost-effectiveness evaluation; and
 - f) Prohibited resource policy?

Addressing item 2 above, the CPUC filed a PD on February 13, 2026 to authorize the continuation of the Flex Alert paid media campaign for 2026. The 2026 calendar year budget for the Program shall be \$15 million, which is lower than originally proposed within the December 30, 2025 staff proposal that suggested maintaining the same annual budget of \$22M. The PD may be voted on, at the earliest, at the Commission's March 19, 2026, Business Meeting.

On March 10, 2026, the CPUC released an Administrative Law Judge (ALJ) Ruling with a staff report that recommends authorizing a two-year "bridge" extension of the IOUs' 2027 DR program operations for 2028-29. It also recommends directing IOUs to file a new five-year application for 2030-34 by January 1, 2029. Opening comments on this ruling are due on April 15, 2026 and reply comments are due on May 6, 2026.

Energization R.24-01-018

Background: This rulemaking seeks to implement provisions of SB 410 and AB 50, which require the Commission to establish reasonable average and maximum target time periods for the energization of new load, and a procedure for customers to report energization delays to the Commission. It also covers other matters that relate to prompt energization of load, such as the implementation of flexible connections contracts.

On December 24, 2026, the CPUC released a PD that would establish a standard offer for flexible service connections (FSC).⁶ Via this PD, PG&E and SCE would be required to implement ongoing data collection and reporting to refine the standard offer and formalize a preliminary capacity assessment process that allows prospective customers to determine if they qualify for an FSC at a particular grid location.

Update: On February 3, 2026, the CPUC sent out a revised version of its PD that would establish a standard offer for flexible service connections for energization customers. This revised version factors in stakeholder feedback via comments and reply comments.

On February 10, 2026, the CPUC issued D.26-02-025, which officially established a standard offer for flexible service connections for energization customers.

California Energy Commission (CEC) Updates

Integrated Energy Policy Report

Background: The CEC adopts an Integrated Energy Policy Report (IEPR) every two years and an update every other year. A cornerstone of California's energy planning is the California Energy Demand Forecast, developed by the CEC. This forecast provides critical information that informs energy planning proceedings across the state and serves as an important input into the state's comprehensive energy planning. The CEC, CPUC, and California ISO agreed that specific elements of this forecast set will be used for planning and procurement in the California ISO's transmission planning and the CPUC's integrated resource plan, resource adequacy, distribution system planning, and other planning processes.

Throughout 2025, the CEC had grappled with balancing priorities of reliability and affordability within the 2025 IEPR. OCPA is most directly impacted by the results of the Planning scenario as this scenario has historically been used to inform RA and IRP requirements. A higher electricity forecast within the Planning Scenario will likely increase OCPA's RA and IRP obligations. Greater electricity demand within the Local Reliability Scenario has historically informed transmission and distribution infrastructure planning and investment.

OCPA staff contributed significantly to CalCCA's comments on the 2025 IEPR assumptions, which stated that slightly more conservative assumptions should be made for the Planning Scenario.

The Final 2025 IEPR results include:

- Both a planning and local reliability forecast were adopted;
- Known loads were excluded from the planning forecast, which reduces System and Flex RA;
- The local reliability forecast will either include or exclude the known loads data depending on the use case as a one-time exception agreed to by the CAISO;
- Local capacity studies will use the local reliability forecast without the known loads since local capacity studies inform Local RA obligations for LSEs. Transmission local studies will use the forecast with the known loads; and
- More conservative EV and electrification demand load modifiers will be used for the planning scenario and the local reliability scenario than was done for the 2024 IEPR.⁷

Somewhat unexpectedly, the CEC decided to use the 2024 IEPR Planning Forecast for Integrated Resource Planning and Transmission Bulk System Planning. This forecast includes less conservative transportation electrification and building electrification assumptions, and more aggressive baseline demand than the 2025 IEPR Planning scenario. It is still lower than the 2025 IEPR Local Reliability scenario for peak impact with or without known loads, though, effectively serving as a middle ground for the IRP and transmission planning purposes.

At the CEC Business Meeting on January 21, 2026, CEC commissioners adopted the final IEPR results.

Update: The CEC released an RFP for an entity to support improvements to its IEPR modeling efforts pertaining to incorporating climate data on February 23, 2026. In 2024, IEPR tested additional Weather Research and Forecasting (WRF) model runs that suggested a significantly warmer climate than would be assumed using the historical approach. The 2024 and 2025 IEPR forecasts did not include these additional assumptions, and if they had, the electricity demand forecasts would have been higher. This RFP will seek to bring on expert support that will inform whether and how to improve climate data assumptions within future IEPR forecasts.

California Independent System Operator (CAISO) Updates

Interconnection Process Enhancements (IPE) 5.0

Background: [The 2023 Interconnection Process Enhancements \(IPE\) initiative](#) focused on enhancing coordination of resource procurement and interconnection, resource planning and transmission planning to achieve state reliability and policy needs. In the 2023 IPE initiative, the CAISO considered fundamental changes to the Generator Interconnection and Deliverability Allocation Procedures.

With IPE 2023, intake scoring and ranking processes are leveraged to determine which projects are included in cluster studies for determining Transmission Plan Deliverability (TPD) allocation. The scoring and ranking processes led to an overall 73% reduction in the number of submissions for cluster 15 projects, since only projects up to 150% of deliverability at an area of the transmission system are studied. IPE 2023 was approved by FERC.

[IPE 5.0](#) intends to address commitments the ISO made during IPE 2023. IPE 5.0 seeks to further enhance the interconnection process, but not nearly as substantially as IPE 2023. The CAISO released the IPE 5.0 Final Proposal on December 22, 2025.

The following are key takeaways on what IPE 5.0 is slated to do in its final form assuming it is approved by FERC.

- As an alternative pathway to the typical commercial interest capacity allocation process for LSE's that have not been awarded enough capacity to allocate to a project through the regular process, once per interconnection app cycle, this LSE may award full capacity to a single project to increase its commercial interest score (see intake scoring criteria above) and help it likely move to the cluster scoring.
- This new proposal caps the projects that receive commercial interest points through this alternative pathway to the lesser 500 MW or 50% of the LSE's forecasted resource adequacy load share
- CAISO proposes distribution level interconnection requests now also must go through this same process if they are seeking to participate in the ISO markets with deliverability
- From when this is passed by FERC, if a project seeks COD extensions beyond 7-years in queue, it must meet commercial viability criteria (CVC), including having an executed PPA.

Update: The CAISO held a virtual working group session on February 9, 2026 to gather stakeholder feedback on the revised and final IPE 5.0 proposal, which was modified one final time due to an overwhelming number of requests for energy-only (EO) project pathways. A revised final proposal will be posted on February 24, 2026 with further details on the modifications, but this is a win towards enabling EO projects to more easily gain full TPD status down the line.

California Air Resources Board Updates

Cap and Invest Program

Background: On January 20, 2026 California Air Resources Board (CARB) released proposed amendments to the Cap & Invest rules. CARB Staff are proposing amendments to the Cap-and-Trade Regulation (Proposed Amendments), aligned with Legislative direction in AB 1207, SB 32 (Pavley, Chapter 249, Statutes of 2016) GHG emissions reduction target of at least 40% below 1990 levels in 2030, the carbon neutrality and 85% below 1990 targets in AB 1279 and the requirements of AB 398 (Garcia, Chapter 135, Statutes of 2017) which are aimed at ensuring the Program:

- Supports the State's climate targets including enabling a smooth transition to the post-2030 Program;
- Considers consumer affordability, cost-effective GHG emissions reduction and technological feasibility;
- Minimizes the risks of emissions leakage;
- Maintains cost-containment mechanisms to protect against price volatility; and
- Avoids disproportionate impacts on low-income communities.
- The Proposed Amendments aim to achieve the following objectives:
- Updating allowance budgets to reflect recent adjustments to the GHG Emission Inventory and alignment of post-2030 budgets in support of achieving the State's 2045 climate targets.
- Updates to market rules, in the context of budget adjustments, to support liquidity, enhance market protections, and contain costs.
- Amendments to ensure the Program appropriately supports consumer affordability, covers emissions, minimizes GHG emissions leakage, and incentivizes decarbonization in the evolving electricity, industrial, and transportation sectors.
- Revised methodology to account for the use of offset credits in annual budgets.
- Technical updates to offset credit provisions to clarify, streamline implementation, and reflect lessons learned.
- Administrative updates to clarify and streamline Program implementation.

The Proposed Amendments, if adopted, would result in significant GHG emissions reduction as well as air quality, health, and economic benefits across the State. There will be a public hearing on March 9, 2026. A full summary can be found [here](#), while the proposed amendments can be found [here](#).

Update: Peninsula Clean Energy (PCE) is planning on submitting comments regarding CARB's proposed decision not to replenish the Voluntary Renewable Energy (VRE) Reserve.⁸ PCE is advocating for the maintenance of this mechanism that enables LSEs and other entities to contribute towards emission reductions above and beyond their mandates.

South Coast Air Quality Management District Updates

SCAQMD Rules 1146 & 1146.1

Background: The South Coast AQMD is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties. In California, local air districts have the authority to grant permits to stationary sources, while CARB reviews and helps coordinate programs for California air districts. As such, South Coast AQMD is responsible for controlling emissions primarily from stationary sources of air pollution, which contribute about 25% of the area's ozone-forming pollution. These can include anything from large power plants and refineries to the corner gas station.

SCAQMD used to implement the Regional Clean Air Incentives Market (RECLAIM) program, which was a market-based emissions trading program using RECLAIM trading credits (RTCs) for NO_x and SO_x emissions allowances. The US EPA criticized RECLAIM as falling short of expectations, pointing to RTC price spikes reducing the program's coverage and a subsequent glut of RTCs from plant closures that critics claim lowered the incentive for pollution reductions at remaining RECLAIM facilities. As such, SCAQMD decided to sunset the program in 2017. Command and Control Rules will take its place, which sets specific emission limits for each plant. SCAQMD completed broad rule amendments that enabled RECLAIM's sunset. They reviewed Best Available Retrofit Control Technology (BARCT), state-wide technology-based limits required by AB 617, to help develop command and control standards. Once the EPA approves the landing rules, the transition date from RECLAIM will be set and NO_x and SO_x RTCs will no longer be available.

Open Market Emission Reduction Credits (ERCs) can be purchased as offsets for emissions increases to receive a permit. ERCs are generated through reducing emissions above and beyond the minimum requirement or by fully shutting down a plant. It is expected that all facilities will find it challenging to generate NO_x ERCs, and there may be insufficient NO_x ERCs on the open market. Staff are brainstorming solutions to address this challenge. As of October 2023, New Source Review Rules were being developed that govern new construction or modification of plants in coordination with CARB and US EPA.

SCAQMD 1146 & 1146.1 are the Landing Rules for Boilers, Process Heaters, and Steam Generators. They most importantly set NO_x emission standards for Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters. As of 2018, NO_x limits range from 40 ppm at most lax as a general minimum for liquid units to 5-12 ppm as most stringent for gaseous units as of 2018.⁹

Update: SCAQMD held Rule 1146 & 1146.1 Working Group #3 on February 13, 2026. This meeting covered the cost-effectiveness of several potential decarbonization technologies for industrial energy usage.

Next, SCAQMD will hold another Working Group session to present initial rule concepts in March or April of 2026. SCAQMD expects to share preliminary draft rule language and a draft staff report in Q3 2026, and anticipates a public hearing on the matter to occur in Q4 2026.

Other Updates

Governor Newsom named a new California Public Utilities Commission President to launch a new phase in an effort to protect consumers from escalating utility costs. John Reynolds will be the new president of the CPUC. Former CPUC President Alice Reynolds will transition to the CAISO Board of Governors. Christine Harada has been added as the newest commissioner to the CPUC. The press release can be found [here](#).

FISCAL IMPACT

None

ATTACHMENTS

None