

AGENDA

ORANGE COUNTY POWER AUTHORITY MEETING OF THE LEGISLATIVE AND REGULATORY COMMITTEE

Thursday, September 5, 2024

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: 827 5952 0584

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 FEBRUARY 29, 2024**

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. **REGULATORY AND LEGISLATIVE 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, February 29, 2024

1. CALL TO ORDER

Chair Jung called to order the Regular Meeting of the Legislative and Regulatory Committee at 10:00 a.m. on Thursday, February 29, 2024.

2. PLEDGE OF ALLEGIANCE

Chair Jung led the Pledge of Allegiance.

3. ROLL CALL

Present:	Chair Fred Jung	City of Fullerton
	Director Kathleen Treseder	City of Irvine

4. PUBLIC COMMENTS ON AGENDA ITEMS

None

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None

6. COMMITTEE MEMBER ANNOUNCEMENTS

7. CONSENT CALENDAR

**1. MINUTES FOR THE LEGISLATIVE AND REGULATORY COMMITTEE
MEETING OF SEPTEMBER 8, 2023**

Moved by Director Treseder and seconded by Chair Jung to approve the September 8, 2023, Minutes.

The motion carried unanimously by the following vote:

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

8. REGULAR CALENDAR

1. ADOPT 2024 CALENDAR

Regulatory and Legislative Manager, Steven Halligan, provided a summary of the presentation on this item.

Moved by Director Treseder and seconded by Chair Jung to approve the April 4, 2024 and July 25, 2024 dates at this time.

The motion carried unanimously by the following vote:

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

2. REGULATORY AND LEGISLATIVE UPDATE

Regulatory and Legislative Manager, Steven Halligan, provided a summary of the presentation on this item.

Recommended Action:
Received and filed.

9. ADJOURNMENT

There being no further business to come before the Committee, Chair Jung adjourned the meeting at 11:00 a.m.

Submitted by:

Pat Jacquez-Nares, Board Authority Secretary

ORANGE COUNTY POWER AUTHORITY
Staff Report – Item 8.1

To: Orange County Power Authority Legislative and Regulatory Committee

From: Steven Halligan, Regulatory and Legislative Manager

Approved By: Joe Mosca, Chief Executive Officer

Subject: LEGISLATIVE AND REGULATORY UPDATE

Date: September 5, 2024

RECOMMENDED ACTION

Receive and file.

SUMMARY

In 2024, Orange County Power Authority (OCPA) actively engaged in various legislative and regulatory activities to advocate for policies that align with our mission and strategic priorities. This year, the agency has worked closely with legislators, stakeholders, and regulatory bodies at both the state and federal levels. Our efforts have been focused on building strong relationships with key stakeholders. This report provides a comprehensive overview of the legislative activities carried out in 2024, including adopting the OCPA Policy Platform, attending major events, and a recap on priority legislation.

2024 LEGISLATIVE ACTIVITIES

In December 2024, the OCPA Board approved the 2024 OCPA Legislative and Regulatory Policy Platform, a first for OCPA, after extensive outreach to critical stakeholders was conducted. The Policy Platform laid the framework for our advocacy efforts throughout the year. The policy included eight key priority areas including Affordability and Rates, Clean and Reliable Grid, Climate Change Mitigation, Customer Programs, Data Access, Diversity, Equity and Inclusion, Local Control and Development, and Power Resources Planning and Procurement.

Throughout 2024, our legislative team provided regular updates to the Board at each Board meeting. The updates included summaries of key pieces of proposed legislation, information on high-priority regulatory proceedings, reports on interactions with legislators and key stakeholders, and strategic recommendations for further advocacy efforts.

In February 2024, Chair Jung, Vice Chair Sonne, Director Kim, Director Treseder, Chief Executive Officer Joe Mosca, and Regulatory and Legislative Manager Steven Halligan attended a joint CCA advocacy day in Sacramento. The event was highly successful, with 13 meetings attended throughout the day, including meetings with nine legislators, two legislative directors, a director at the California Public Utilities Commission, and members of the Governor's staff.

Several topics were discussed throughout the day, including affordability, opportunities for OCPA to provide support, assistance, and partnerships, OCPA successes, and plans for the future.

In March 2024, Chair Jung, Chief Executive Officer Joe Mosca, and Regulatory and Legislative Manager Steven Halligan attended a joint CCA advocacy day in Washington D.C.. The OCPA delegation met with federal legislators and federal agency staff. This included four members of Congress, staff from both California Senators, and several Committee staff members, including the House Committee on Energy & Commerce and the Senate Committees on Energy & Natural Resources, as well as the Department of Energy. Key topics discussed included the need for timely and cost-effective development of transmission, the full deployment of IRA and IJA funding, and the need for further investments in Electric Vehicle infrastructure and building decarbonization.

Throughout 2024, OCPA attended several events to further our engagement and advocacy efforts. OCPA hosted a local staffers luncheon, which provided valuable opportunities to build relationships with local policymakers and staff, fostering collaboration on shared policy priorities. Participation in the California Climate & Energy Collaborative Conference and the CalCCA Annual Conference allowed us to stay informed on emerging trends and legislative developments in energy efficiency and other areas. OCPA staff received a tour of the CAISO operations center, which provided insights into the operational complexities of the state's energy grid. Staff also attended several regional and statewide conferences, including OCCOG Annual Conference, SCAG conference, Sustain SoCal Driving Mobility Conference, CivicWell Policy Makers Conference, UCI Dean's Climate & Energy Lecture, Irvine in Action: Sustainability Panel and Mixer, Cool Irvine Eco Fair, and the CalCities OC Division meeting. The events allowed OCPA to network with key stakeholders, share best practices, and advocate for key OCPA policy objectives.

PRIORITY LEGISLATION

Over 100 pieces of legislation were tracked throughout 2024. Through CalCCA, a position of support was taken on 13 bills. The bills ranged in topics from Affordability to Building Decarbonization to CCA Autonomy to Infrastructure. Summaries and outcomes of those pieces of legislation are below.

- AB 817 Open meeting: teleconferencing: subsidiary body (Pacheco)
 - Summary: Allows a subsidiary body of a local agency to teleconference without meeting all of the teleconferencing requirements of the Brown Act until January 1, 2026.
 - Status: In committee: Set, second hearing. Failed passage. Reconsideration granted.
- AB 1834 Resource adequacy: Electricity Supply Strategic Reliability Reserve Program (Garcia)
 - Summary: The bill clarifies that the identified reliability needs for the POU is determined by the POU and not DWR or CPUC.
 - Status: On Senate Floor. Read second time (8/19). Ordered to third reading.
- AB 2329 Energy: California Affordable Decarbonization Authority (Muratsuchi)

- Summary: This bill would require the PUC and Energy Commission to jointly authorize the establishment of the California Affordable Decarbonization Authority as a nonprofit public benefit corporation and to take all necessary measures to create the authority.
 - Status: In committee: Held under submission
- AB 2672 California Alternate Rates for Energy program: public housing authority owned or administered Homekey housing facilities (Petrie-Norris)
 - Summary: This bill would require that the CARE program include public housing authority owned or administered Homekey housing facilities where the residents of the facility substantially meet the CARE program's income eligibility requirements, as determined by the commission, and the account is in the name of Homekey, a nonprofit funded by Homekey, or the public housing authority that owns or administers the facility.
 - Status: On Senate Floor. Read second time (8/19). Ordered to third reading.
- AB 2779 Independent System Operator: transmission planning (Petrie-Norris)
 - Summary: Requires CAISO transmission plans to include the new use of grid-enhancing technologies deemed reasonable by CAISO in that plan and the cost of efficiency savings of deploying those technologies.
 - Status: On Senate Floor. Read second time (6/18). Ordered to third reading.
- AB 3238 California Environmental Quality Act: electrical infrastructure projects (Garcia)
 - Summary: Streamlines endangered species under CESA and streamlined CEQA for electrical infrastructure projects
 - Status: In committee: Held under submission
- AB 3246 Electricity: permit to construct: advanced reconductoring: exemption (Garcia)
 - Summary: This bill would require the commission, on or before January 1, 2026, to update the above-described general order to provide an exemption that would instead authorize an electrical corporation to seek the commission's approval of advanced reconductoring, as defined, of its existing electrical transmission facilities through the commission's informal advice letter process, as specified.
 - Status: In committee: Held under submission
- SB 59 Battery electric vehicles: bidirectional capability (Skinner)
 - Summary: This bill would authorize, the State Energy Resources Conservation and Development Commission (Energy Commission), in consultation with the state board and the Public Utilities Commission, to require any weight class of battery electric vehicle to be bidirectional capable, as defined, if it determines there is a sufficiently compelling beneficial bidirectional-capable use case to the battery electric vehicle operator and electrical grid.
 - Status: On Senate Floor. Read second time (8/21). Ordered to third reading.
- SB 1006 Electricity: transmission capacity: reconductoring and grid-enhancing technologies (Padilla)
 - Summary: CPUC must ensure CA on track to deliver specified transmission capacities by certain dates and annually report to Legislature. CPUC must conduct study on cost savings + efficiencies from using reconductoring and other grid enhancing tech to improve grid reliability

- Status: On Senate Floor. Read second time (8/15). Ordered to third reading.
- SB 1014 Wildfire safety: The California Wildfire Mitigation Strategic Planning Act (Dodd)
 - Summary: This bill would require the deputy director, on or before January 1, 2026, and every 3 years thereafter, to prepare a Wildfire Risk Mitigation Planning Framework sufficient to quantitatively evaluate wildfire risk mitigation actions, as provided. The bill would require the framework to allow for geospatial evaluation and comparison of wildfire risk mitigation actions, as defined, sufficient to direct coordinated mitigation efforts and long-term collaborative mitigation.
 - Status: Held in Committee and under submission
- SB 1095 Cozy Homes Cleanup Act: building standards: gas-fuel-burning appliances (Becker)
 - Summary: This bill would also require the department, if necessary, by July 1, 2026, to update rules and regulations that facilitate the use of electricity-powered space and water heating technologies for manufactured homes, mobile homes, and multifamily manufactured homes when necessary to replace fuel-burning appliances with electric appliances.
 - Status: Held in Committee and under submission
- SB 1130 Electricity: Family Electric Rate Assistance program (Bradford)
 - Summary: This bill would expand eligibility for the FERA program by eliminating the requirement that a household consist of 3 or more persons. The bill would require the commission, by March 1, 2025, and each year thereafter, to require the state's 3 largest electrical corporations to report on their efforts to enroll customers in the FERA program. The bill would require the commission, by June 1, 2025, and each year thereafter, to review each electrical corporation's report to ensure it has sufficiently enrolled eligible households in the FERA program commensurate with the proportion of households the commission determines to be eligible within the electrical corporation's service territory. If the commission, in its review of a report, determines an electrical corporation has not sufficiently enrolled eligible households in the FERA program, the bill would require the commission to require the electrical corporation to develop a strategy and plan to sufficiently enroll eligible households within 3 years of the adoption of the strategy and plan.
 - Status: On Senate Floor. Read second time (8/19). Ordered to third reading.
- SB 1165 State Energy Resources Conservation and Development Commission: certification of facilities: electrical transmission facilities or projects. (Padilla)
 - Summary: The bill would authorize an electrical corporation that files an application with the PUC to authorize the new construction of any electrical transmission facility to simultaneously submit to the Energy Commission an application for certification of the facility, as specified. The bill would authorize the Energy Commission to recover the reasonable administrative costs incurred from evaluating an application, as specified. The bill would provide that the Energy Commission's certification of a facility proposed by an electrical corporation satisfies and replaces the PUC's obligations under CEQA with respect

to that facility. The bill would prohibit the PUC from approving an application until after the Energy Commission has issued a decision on certification of the proposed facility. Because these provisions would be part of the Public Utilities Act and a violation of these requirements or a PUC action implementing these requirements would therefore be a crime, the bill would impose a state-mandated local program.

- Status: Held in Committee and under submission

UPCOMING ACTIVITIES

Several activities are still planned for the remainder of 2024. This includes attending the inaugural national CCA conference hosted by LEAN in Washington DC., where OCPA will meet with key legislators and federal agencies will also take place. In the fall, OCPA will participate in CalCCA's annual legislative planning day in Sacramento. Additionally, the OCPA Policy Platform will be updated based on feedback from stakeholders. To support our ongoing legislative and regulatory goals, OCPA is currently in the process of hiring a Policy Advisor.

REGULATORY UPDATE

OCPA actively participated in several regulatory proceedings in 2024. A summary of each proceeding is included below.

- Provider of Last Resort (POLR) – R.21-03-011
 - Summary: The CPUC issued a Scoping Ruling on September 16, 2021, to set forth the scope of the POLR proceeding. This proceeding implements the POLR requirements and framework directed by SB 520. The POLR proceeding will be considered in three phases. Phase 1 will focus on issues necessary to establish a comprehensive framework for existing POLRs. Phase 2 will set rules that allow a different entity to be designated as the POLR. Phase 3 may be opened to consider any additional issues not covered in Phase 1 or Phase 2.
 - Status: On July 17, 2024, a Joint CCA Advice Letter (AL) on New CCA Registration Requirements was filed as directed in the Phase 1 Decision. The AL contained the annual assumptions used in pro forma financial statements and key milestones for CCA implementation. These provisions apply only to new forming CCAs and not to the expansion of existing CCAs. PG&E protested this AL, stating that the AL attempts to limit the CPUC's authority over implementation plans and does not fully address the requirements of the POLR Decision. A Ruling setting the Phase 2 Pre-hearing conference (PHC) and ordering PHC statements was issued August 6, 2024. The PHC is scheduled for August 23, 2024.
- CEC Integrated Energy Policy Report Update 2024
 - Summary: Dockets 24-IEPR-01, 02 and 03 constitute the proceedings to develop the 2024 IEPR Update, focusing on electricity resource plans, the electricity demand forecast, and the feasibility of wave and tidal energy per SB 605.
 - Status: On August 8, 2024, the CEC held a workshop on wave and tidal technologies. The workshop contained presentations and panel discussions on the

status of technology development. Comments on the workshop are due August 22, 2024.

- CEC Load Management Standards (LMS)
 - Summary: Docket 23-LMS-01 implements the CEC's LMS (Calif. Code of Regulations, Title 20, sections 1621 1625), which include requirements for CCAs to develop dynamic pricing by 2027. The objective of the LMS is to increase statewide demand flexibility through the development of hourly locational marginal cost-based rates. The rates will be entered into a statewide database – the MIDAS – and automation service providers will access customers' rate information through a "Single Statewide Tool" created jointly by the IOUs, CCAs, and POUs. The statewide system of granular time and location dependent signals are intended to be used by automation-enabled loads to provide real-time load flexibility on the electric grid. The CEC adopted the LMS Regulations on October 12, 2022, in CEC docket 21 OIR 03.
 - Status: The IOUs, POUs, and CCAs are required to present a joint proposal on the SST to the CEC on October 1, 2024. The IOUs, CalCCA and CCA staff, and POUs met on August 8 and 15, 2024, to continue discussion of the IOU proposal on the Single Statewide Tool (SST), which will enable access by third party automated service providers and third parties to IOU, POU and CCA rates, potentially allowing load shifting and/or changing rates.
- Resource Adequacy (RA) – R.21-10-002 and R.23-10-011
 - Summary: The OIR for R.21-10-002 set forth the following objectives: to continue the CPUC's oversight of the RA program, to consider broader structural reforms to the program, and to establish RA procurement obligations for LSEs beginning with the 2023 RA year. This proceeding is split into two tracks. The implementation track has considered near term reforms, including the adoption of the local and flexible capacity requirements, reforms to the CPE structure, modifications to the PRM, and revisions to RA counting. The reform track considers broader structural changes to effectuate a 24-hour SOD framework. The OIR for R.23-10-011 continues the CPUC's oversight of the RA program, establishes forward RA procurement obligations applicable to LSEs beginning with the 2025 compliance year, and considers structural reforms to the program. This proceeding is the successor to proceeding R.21-10-002 and includes the following issues in scope: Adoption of local and flexible RA requirements, LOLE study and PRM, 24-hour SOD framework, UCAP, QC counting conventions, RA compliance and penalties, and other refinements to the RA program.
 - Status: Energy Division issued its LOLE study on July 22, 2024, recommending an 18.5 percent PRM. ALJ issued an email Ruling on August 6, 2024, stating that Energy Division identified errors in the LOLE study and will issue revised results in late August for parties to comment on.
- Disconnections – R.18-07-005
 - Summary: This proceeding was opened in 2018 to address rising disconnection rates from customer nonpayment of electric bills. After issuing several decisions

instituting various rules and programs, Phase 2 is now addressing issues to further prevent disconnections, especially following the COVID pandemic.

- Status: A PD was issued August 8, 2024, requiring the IOUs to continue, “unless and until the Commission orders otherwise,” allocating all payments made on past-due electric utility bills between the IOUs and CCAs based on their proportionate share of those bills. This indefinite suspension of the “waterfall” (the past standard practice of the IOUs to allocate all partial payments on past due bills to themselves, in the name of preventing disconnections, prior to allocating to CCAs) caps a long-running dispute over this issue between the IOUs and CCAs.
- Integrated Resources Planning (IRP) – R.20-05-003
 - Summary: The IRP proceeding considers the CPUC’s electric procurement policies and programs to ensure safe, reliable, and cost-effective electricity supply. The proceeding evaluates system, local, and flexible reliability needs ten years out, authorizes procurement, and reviews LSEs’ procurement plans. The current IRP process began with a Scoping Ruling released on September 24, 2020. The CPUC issued an updated Scoping Ruling on April 18, 2024.
 - Status: On August 9, 2024, the CPUC issued a PD allowing bridge resources for the Diablo Canyon Replacement Capacity MTR requirement. Comments are due August 29, 2024, and Reply Comments are due September 3, 2024.
- Energization Timelines for New Load – R.24-01-018
 - Summary: This rulemaking was opened January 25, 2024, to implement portions of SB 410, requiring the CPUC to establish procedures to promote timely energization of customer connections, and AB 50, requiring the CPUC to establish criteria for timely service through energizations and require the IOUs to revise their distribution planning processes. By September 30, 2024, the CPUC is required to establish reasonable average and target energization time periods per Pub. Util. Code section 934(a)(1), and to establish a procedure for customers to report energization delays per section 934(a)(2). The proceeding is split into two phases. P1 encompasses the issues that must be decided by September 30, 2024, including: (1) average and maximum energization timelines, (2) processes for the IOUs to report their compliance with the established deadlines to the CPUC, (3) procedures for customers to report delays to the CPUC, (4) whether unique energization timelines should be established for certain end-use project types including transportation electrification, or for projects requiring upstream capacity upgrades, and (5) reporting processes to ensure consideration of impacts to ESJ communities. P2 will continue the analysis of improving the energization timelines and process.
 - Status: The CPUC issued a PD Establishing Target Energization Time Periods and Procedures for Customers to Report Energization Delays on August 12, 2024.
- Demand Flexibility – R.22-07-005
 - Summary: The CPUC issued an OIR on July 22, 2022, to advance customer demand flexibility through electric rates to support reliability, decarbonization, and affordability. The Phase 1 Scoping Ruling, dated November 2, 2022, set forth

the schedule, including two tracks for (1) establishing an Income Graduated Fixed Charge (IGFC) for residential rates as required by AB 205 (Track A), and (2) streamlining the adoption of demand flexibility rates for IOUs (Track B). Within Track B, Energy Division formed two working groups (WG), addressing (1) demand flexibility rate design (WG 1), and (2) the systems and processes necessary to enable unbundled customers to take service on dynamic prices (WG 2). The WGs culminated with the filing of the Track B WG Report on October 11, 2023.

- Status: PG&E, SCE, and SDG&E submitted their IGFC Implementation Plan ALs on August 13, 2024.

FISCAL IMPACT

None

ATTACHMENTS

None