

Attachment A – DRAFT Commission Bylaws

# Commission Bylaws

## A RESOLUTION OF THE CLIMATE ADVISORY COMMISSION ADOPTING AND ESTABLISHING RULES FOR THE CONDUCT OF ITS MEETINGS PROCEEDINGS AND BUSINESS

WHEREAS, the Climate Advisory Commission has found it necessary and desirable to adopt Rules of Order for the conduct of its business, now therefore,

BE IT RESOLVED BY THE Climate Advisory Commission of the City of San José that the Commission does hereby adopt Rules of Order for the conduct of its business, as follows:

### **RULES OF ORDER**

#### **ARTICLE I**

#### **GENERAL PROVISIONS**

**Section 100. DEFINITIONS.** As used in these rules, unless the context clearly indicates otherwise:

- (a) “Commission” means the Climate Advisory Commission;
- (b) “Brown Act” means the Ralph M. Brown Act, California Government Code Sections 54950 et seq., as amended.

**Section 101. GENERAL.** The name of the Commission, the number of its members, the members’ qualifications, and their appointment, removal and terms of office shall be prescribed by San José Municipal Code Chapter 2.08.

**Section 102. OFFICE.** San José City Hall, 200 E. Santa Clara Street, San José, California, is designated as the office of the Commission.

**Section 103. REGULAR MEETING PLACE.** Except as the Commission may from time to time provide an alternate location, the regular meeting place of the Commission shall be in San José City Hall, 200 E. Santa Clara Street, San José, California in a room to be designated on the meeting agenda. If

a meeting cannot be held at the regular meeting place of the Commission or other City property, meetings may be held at any place designated by the Chairperson.

**Section 104. RECORDS.** All books, records, papers, tapes and minutes of the Commission meetings shall be maintained in the clerk's office or ESD staffer, San José City Hall, 200 E. Santa Clara Street.

**Section 105. FORMER COMMISSION MEMBERS.** Former Commission members shall be treated as members of the public. Emeritus members shall not be allowed.

## **ARTICLE II**

### **OFFICERS**

#### **CHAIR AND VICE CHAIR**

**Section 200. ELECTION.** The Chair and Vice-Chair of the Commission shall be elected by the Commission from its membership by signed ballot vote or by oral vote at a Commission meeting.

**Section 201. TERMS OF OFFICE.** The Chair and Vice-Chair shall be elected for terms of one (1) year commencing at noon on the first meeting day of March and continuing to the first meeting day of February of the succeeding year. Elections of the Chair and Vice-Chair shall be conducted at the first meeting of the Commission immediately following the expiration of the terms of office. The Chair and Vice-Chair shall serve at the pleasure of the Commission during the term of office and may be removed from office by the Commission at any time for any reason.

**Section 202. VACANCIES IN OFFICE.** The office of the Chair or Vice-Chair shall become vacant before the expiration of his or her term of office upon the happening of any of the events set forth in sub-sections (A) and (B) of Section 2.08.050 of the City of San José Municipal Code, or upon such officer's absence pursuant to Section 2.08.060, unless excused by the Rules and Open Government Committee. If the Chair or Vice-Chair should cease to be a member of the Commission, or if for any other reason the office of the Chair or Vice-Chair should become vacant prior to the expiration of the term of office, the Commission shall elect a successor to the office of Chair or Vice-Chair for the unexpired portion of the term.

**Section 203. CHAIR, POWERS AND DUTIES.** The Chair shall have the following powers and duties:

(a) The Chair shall preside at all meetings of the Commission.

(b) The Chair shall conduct meetings in accordance with the San José Municipal Code, the approved Bylaws, Council Policy 0-4 (Consolidated Policy Governing Boards and Commissions), Council Policy 0-37 (Code of Conduct for Public Meetings in the Council Chambers and Committee Rooms), and Rosenberg's Rules of Order. It is the responsibility of the Chair to make sure that matters before the Commission are dealt with in an orderly, efficient manner.

(c) The Chair shall sign all written resolutions of the Commission and all minutes of all meetings of the Commission which are approved by the Commission.

(d) The Chair shall perform all other duties which may be required by the City of San José Municipal Code, by ordinance of the City of San José, or by resolution or order of the Commission consistent with the Municipal Code and the ordinances of the City of San José.

**Section 204. VICE CHAIR, POWERS AND DUTIES.** The Vice-Chair shall have the following powers and duties:

(a) In the event of and during the absence of the Chair, he or she shall preside as Chair at all meetings of the Commission and shall have and perform all other powers and duties of the Chair; and

(b) He or she shall perform all duties which may be required of the Vice-Chair by the City Charter, by ordinance or Council Policy of the City of San José, or by resolution or order of the Commission consistent with the Charter, ordinances and policies of the City of San José.

### **ARTICLE III**

#### **OFFICERS**

##### **CHAIR PRO TEMPORE**

**Section 300.** In the event of vacancies in offices of the Chair and Vice-Chair, or in the event of the absence of the Chair and Vice-Chair, at the time of any meeting, the Commission may elect one of its members Chair Pro Tempore to preside over such meeting during such vacancies or absences. The Chair Pro Tempore shall have all the powers and duties of the Chair during such meeting.

## **ARTICLE IV**

### **SECRETARY**

**Section 400. APPOINTMENT.** The Secretary shall be the City staff person designated to serve as such by the City Administration.

**Section 401. POWERS AND DUTIES.** The Secretary shall have the following powers and duties:

- (a) The Secretary shall attend all meetings of the Commission and shall record or keep minutes of all that transpires;
- (b) The Secretary shall attest all minutes of the meetings of the Commission;
- (c) The Secretary shall preserve, and be custodian of, all books, records, papers and tapes of the Commission. Whenever necessary he or she shall certify true copies of Commission documents; and
- (d) The Secretary shall provide to the Commission agendas and agenda packets, and submit Commission letters, communications and recommendations to the Council.
- (e) The Secretary shall perform all duties required of him or her by these rules and regulations, Council Policy 0-4 (Consolidated Policy Governing Boards and Commissions), and/or required of him or her by resolution or order of the Commission consistent with the City of San José Municipal Code and ordinances of the City of San José.

## **ARTICLE V**

### **MEETINGS**

**Section 500. GENERAL.** Except as otherwise provided by this article, meetings of the Commission shall be open and public and shall comply with the requirements of the Brown Act and the City Council's Consolidated Open Government and Ethics Resolution.

**Section 501. REGULAR MEETINGS.** Regular meetings of the Commission shall be at the time and place designated by the Commission in coordination with the City Administration. If the time scheduled for a regular meeting falls on a City Holiday, the regular meeting shall be held on the next succeeding business day.

**Section 502. SPECIAL MEETINGS.** A special meeting may be called at any time by the Chair of the Commission, or by a majority of its membership, in accordance with the Brown Act and the additional rules of procedure as described in the City Council’s Consolidated Open Government and Ethics Resolution. The agenda shall specify the time and place of the special meeting and the business to be transacted; no other business shall be considered by the Commission at the special meeting.

**Section 503. ADJOURNMENT – ADJOURNED MEETINGS.** The Commission may adjourn any regular, adjourned regular, special or adjourned meeting to a time and place specified in the order of adjournment; a majority of members present, even though less than a quorum may so adjourn. If all members are absent from a regular or adjourned regular meeting, the Secretary of the Commission may declare the meeting adjourned to a stated time and place; and he shall cause a written notice of the adjournment to be given in the manner provided in Section 502 for special meetings. A copy of the order or notice of adjournment shall be posted conspicuously on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within twenty-four (24) hours after the time of adjournment.

When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.

**Section 504. CONTINUANCE.** A convened meeting, or any meeting ordered or noticed to be held, may by order or notice of continuance, be continued or recontinued to any subsequent meeting of the Commission in the same manner and to the same extent set forth in Section 503 for the adjournment of meetings; provided, if a hearing is continued to a time less than twenty-four (24) hours after the time specified in the notice or order of hearing, a copy of the order or notice of continuance shall be posted immediately following the meeting which orders or declares the continuance.

## **ARTICLE VI**

### **MEETING AGENDA AND PROCEDURE**

**Section 600. AGENDA.** The Commission shall provide for an agenda. No discussion may be held of any item that is not on the agenda. The Secretary shall prepare and distribute the agenda for the Commission.

**Section 601. QUORUM.** Six (6) members, being a majority of the total number of seats of the Commission, whether filled or vacant, shall constitute a quorum to transact business. Less than a quorum may adjourn the meeting or adjourn the meeting to a stated time.

**Section 602. VOTING.** No action shall be taken by the Commission except by affirmative vote of a simple majority of those voting, as long as there is a quorum present.

**Section 603. MANNER AND RECORDATION OF VOTES.** Voting by members of the Commission shall be by “ayes” and “noes,” and the result of each vote shall be entered by the Secretary in the record of the Commission proceedings. Upon the request of any Commission member, a roll call vote shall be taken on any matter upon which a vote is called, and each vote shall be recorded by the Secretary to the record of the Commission proceedings.

**Section 604. ORDER OF BUSINESS.** At regular meetings of the Commission the order of business shall be conducted in accordance with the requirements of the Brown Act and the City Council’s Consolidated Open Government and Ethics Resolution. The order of business may be changed at any meeting by the Commission.

Attachment B – Climate Advisory Commission Annual Report

Climate Advisory Commission FY 2023-2024 Annual Report

Climate Advisory Commission (CAC) Annual Report for Fiscal Year (FY) 23-24			
Objective of FY 2023-2024	Timeframe	Status & Accomplishments	Future Target/Goals
Onboarding of new Commissioners	March 21, 2024	Commissioners completed required trainings and recieved a briefing of thier roles and responsibilities.	Recap/review roles and responsibilities when new Commissioners join.
Review the Commission Work Plan for FY 23-24 and FY 24-25		Commissioners recieved a briefing of relevant policies, documents and resources for their role.	More discussion on Climate Smart scope in future meetings.
Adopt the ongoing Commission meeting schedule		Commissioners elected Chair and Vice Chair.	Chair and Vice Chair elections will be held again at the end of terms in one year.
Receive briefing on department program initiatives	May 16, 2024	Commissioners reviewed the CAC FY 23-24 and 24-25 work plan and asked staff to add two items to the workplan. Work plan was approved with this addition.	After FY 24-25 a new work plan will be drafted and will consider the updates made to the FY 24-25 work plan.
Receive briefing and give comment on Climate Smart outreach and advocacy strategies		Meeting schedule was adopted, the third Thursday of every other month at 7pm at City Hall.	Additional special sessions may be added as necessary for the first year of this Commission.
		Commissioners received a briefing on Climate Smart from the four co-lead deparments - ESD, ED, DOT, and PBCE.	As necessary, Departments will review the scope of the Climate Smart plan as it pertains to the Commission and department co-leads.
		Commissioners reviewed the Climate Smart outreach and advocacy strategies for FY 24-25 and provided input.	Staff incorporated feedback from Commissioners.

Climate Advisory Commission FY 2023-2024 Annual Report

Climate Advisory Commission (CAC) Annual Report for Fiscal Year (FY) 23-24			
Objective of FY 2023-2024	Timeframe	Status & Accomplishments	Future Target/Goals
Adopt the Commission Work Plan for FY 23-24 and FY 24-25	May 16, 2024	Commissioners reviewed the FINAL work plan and voted to approve.	Work Plan may be revised if necessary during FY 24-25.
Review the Commission Annual Report for FY 23-24		Commissioners reviewed the DRAFT Annual Report for FY 23-24 and provided comments.	Staff will incorporate comments and bring FINAL Annual Report to first meeting of FY 24-25.

Attachment C – Climate Smart Biannual Update

**Climate Advisory Commission Meeting - July 18, 2024**  
**Attachment C: Climate Smart Semi-Annual Update**

**Reference materials:** [Climate Smart Semi-Annual Update Memo 4/8/2024](#)  
[All Climate Smart Semi-Annual Update to Transportation & Environment Committee Materials 4/8/2024](#)

**Background:** Per City Council direction when the Climate Smart San José (“Climate Smart”) plan was adopted in 2018, City staff provide biannual updates to City Council on Climate Smart activities. The Environmental Services Department’s Climate Smart Division staff bring these updates to the City’s Transportation and Environment Committee (T&E) prior to City Council.

City staff standardized Climate Smart biannual reporting to occur in April (covering a September through February reporting period) and October (covering a March through August reporting period) each calendar year. Climate Smart staff coordinate across City departments to include relevant updates on Climate Smart initiatives.

**Climate Smart Semi-Annual Report Content:** Based on the most recent (April 2024) Climate Smart biannual update, the following items are expected to be covered in the next (October 2024) update, with other relevant items added as they arise during the reporting period:

1. Climate Smart Core Resources and Activities
  - a. Funding and Resources – *update on external funding and resources applied for and/or awarded supporting Climate Smart initiatives*
  - b. Climate Advisory Commission – *update on meetings and items covered*
  - c. Climate Smart Community Outreach and Engagement – *update on significant Climate Smart community engagement and outreach activities across departments (e.g. social media, webinars, surveys, events, etc.), including equity focused engagement*
2. Climate Smart Program and Policy Updates (grouped within the four key strategies in the Pathway to Carbon Neutrality by 2030)
  - a. Power Our Community with 100 percent Carbon-neutral Electricity
    - i. Carbon Neutral Power – *carbon-free/ renewable service options, participation rates, and clean energy development updates*
  - b. Switch Our Appliances from Fossil Fuels to Electric
    - i. Electric Homes San José program – *update on Climate Smart building electrification incentive program and participation rates*
    - ii. Energy Efficiency Programs – *update on San Jose Clean Energy efficiency programs, renter protection policy work, and participation rates*
    - iii. Electrification Workforce Development - *update on San Jose Clean Energy electrification workforce development assessment and initiatives*
    - iv. Energy & Water Building Performance Ordinance – *update on resources and compliance rates with City ordinance/ program requiring building benchmarking and “beyond benchmarking” measures*
  - c. Reduce the Miles We Travel in our Vehicles by at least 20 Percent

- i. Better Bike Plan 2025 – *update on funding and progress made on the implementation of the City’s Better Bike Plan 2025*
    - ii. Bike Share Service Expansion – *update on the City’s efforts to expand access to the Bay Wheels program in communities that do not have easy access to the bike share program.*
    - iii. Micro-Mobility Hubs on San Fernando Street – *update on the development of two micro-mobility hubs*
  - d. Move to Zero Emission Vehicles
    - i. California Electric Vehicle Infrastructure Project – *update on level 2 and fast charger rebate program*
    - ii. Electric Vehicle Education Pilot – *update on SJCE’s initiatives to increase EV vehicle adoption in San José, especially among residents with lower incomes and those who face the highest barriers to adoption*
    - iii. Building Reach Code Update – *update on the City’s activities related to building reach codes which may serve to increase requirements around solar, energy-efficiency, building electrification readiness, and EV charging infrastructure*
- 3. Looking Ahead – *summary of significant milestones (e.g. City Council items, program launches, etc.) City staff expect to reach in the next reporting period*

**Note:** Progress toward emission reductions and other Climate Smart metrics as measured via the City’s Climate Smart dashboard (updated annually) and community-wide greenhouse gas emissions inventories (currently completed every other year) are also referenced in Climate Smart biannual updates as data is available.

**Some questions for discussion:**

1. Within the required framework of City Council memos, are there any suggestions on the format and/or framing of the memo (i.e. framed around four carbon neutrality strategy areas plus a “looking ahead” section)
2. Any content items that are not included which you would like to see?

## Attachment D – Legislative and Regulatory Outlook

**Climate Advisory Commission Meeting - July 18, 2024**  
**Attachment D: Intergovernmental Relations Update**

**Legislation**

**Federal (118<sup>th</sup> Congress)**

<b>Bill #</b>	<b>Bill Title</b>	<b>Bill Description</b>	<b>Bill Link</b>	<b>City Position</b>
S. 1704	EVs for All Act of 2023	This bill would establish a grant program to facilitate electric vehicle sharing services operated at public housing projects, and for other purposes.	<a href="https://www.congress.gov/bill/118th-congress/senate-bill/1704">https://www.congress.gov/bill/118th-congress/senate-bill/1704</a>	Support (June 2023)
S. 1724	Bicycle Commuter Act of 2023	This bill would reinstate and expand the tax exclusion for employer-provided fringe benefits for bicycle commuting. It allows employees a bicycle commuting benefit equal to 30% of parking fringe benefits.	<a href="https://www.congress.gov/bill/118th-congress/senate-bill/1724">https://www.congress.gov/bill/118th-congress/senate-bill/1724</a>	Support (June 2023)
H.R. 3965	Extreme Heat Emergency Act of 2023	This bill would amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to include extreme heat in the definition of a major disaster.	<a href="https://www.congress.gov/bill/118th-congress/house-bill/3965">https://www.congress.gov/bill/118th-congress/house-bill/3965</a>	Monitor
H.R. 5807	MICROGRID Energy Credit	This bill would amend the Internal Revenue Code of 1986 to extend the energy credit with respect to microgrid controllers.	<a href="https://www.congress.gov/bill/118th-congress/house-bill/5807">https://www.congress.gov/bill/118th-congress/house-bill/5807</a>	Monitor
H.R. 5618	Clean Energy Victory Bond Act of 2023	This bill would direct the Secretary of the Treasury to issue Clean Energy Victory Bonds.	<a href="https://www.congress.gov/bill/118th-congress/house-bill/5618">https://www.congress.gov/bill/118th-congress/house-bill/5618</a>	Monitor

**State (2023-2024 Legislative Session)**

<b>Bill #</b>	<b>Bill Title</b>	<b>Bill Description</b>	<b>Bill Link</b>	<b>City Position</b>
AB 1238 (NOTE: Withdrawn)	<b>Hazardous waste: solar panels.</b>	This bill, among other things, would add consumer-owned solar photovoltaic modules to the definition of covered electronic devices, thereby subjecting consumer-owned solar photovoltaic modules to the act, as specified. The bill, on and after January 1, 2030, would require a consumer or a service provider serving the consumer, including a developer or installer of a consumer-owned solar photovoltaic system, to pay a consumer-owned solar photovoltaic module recycling fee in an amount determined by CalRecycle, as provided, upon the purchase of new consumer-owned solar photovoltaic modules.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1238">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1238</a>	Monitor
AB 1567	<b>Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024.</b>	This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,995,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, clean energy, and workforce development programs.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1567">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1567</a>	Support if Amended
AB 2	<b>Recycling: solar photovoltaic modules.</b>	This bill would, among other things, expand the definition of “covered electronic device” to include a “customer-owned solar PV module,” as defined,	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2</a>	Monitor

Bill #	Bill Title	Bill Description	Bill Link	City Position
(NOTE: Held under submission)		thereby expanding the scope of the act to include covered solar photovoltaic (PV) module products, for limited purposes, as provided. The bill would also require, on or before October 1, 2026, and on or before October 1 each year thereafter, CalRecycle to establish a covered solar PV recycling fee based on the reasonable regulatory costs to administer covered electronic waste recycling.		
AB 2083	<b>Industrial facilities' heat application equipment and process emissions.</b>	This bill would require the commission, on or before July 1, 2026, to evaluate opportunities to increase electrification of industrial heat processes to meet the state's industrial emissions reduction goals, as provided. The bill would, as part of its next update to the scoping plan occurring on or after January 1, 2025, require the state board to assess the potential for the state to reduce the emissions of greenhouse gases from the state's industrial facilities' heat application equipment and processes, as specified.	<a href="https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2083">https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2083</a>	Monitor
AB 2427	<b>Electric vehicle charging stations: permitting: curbside charging.</b>	This bill would require the office to develop a model permitting checklist, model zoning ordinances, and best practices for permit costs and permit review timelines to help local governments permit curbside charging stations as part of the office's development of the Electric Vehicle Charging Station Permitting Guidebook or any subsequent updates. The bill would also require the office to consult with local governments, electric vehicle service providers, and utilities while developing the above-described materials.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2427">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2427</a>	Monitor
AB 2503	<b>California Environmental Quality</b>	This bill would expand that exemption from CEQA to include a public project for the institution or increase of other passenger rail service, which will	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2053">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2053</a>	Monitor

Bill #	Bill Title	Bill Description	Bill Link	City Position
	<b>Act: exemption: passenger rail projects.</b>	be exclusively used by zero-emission trains, located entirely within existing rail rights-of-way or existing highway rights-of-way.		
AB 2513	<b>Gas stoves and ranges: warning label.</b>	This bill would prohibit a person from selling, attempting to sell, or offering to sell to a consumer in this state a gas stove, as defined, that is manufactured or sold online on or after January 1, 2025, or sold in a store on or after January 1, 2026, unless the gas stove bears a label attached in a conspicuous location and, for online sales, unless the internet website prominently posts a warning, that sets forth a specified statement relating to air pollutants that can be released by gas stoves, among other requirements.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2513">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2513</a>	Support
AB 2684	<b>Safety element: extreme heat.</b>	This bill would require a city or county, upon the next update of one or more of the elements included in the general plan on or after January 1, 2028, to review and update its safety element as necessary to address the hazard of extreme heat, as specified. The bill would authorize a city or county that has adopted an extreme heat action plan or other document that fulfills commensurate goals and objectives to use that information in the safety element, as specified, and, upon doing so, would require the city or county to summarize and incorporate into the safety element the other plan or document.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2684">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2684</a>	Monitor
AB 2672	<b>California Alternate Rates for Energy program: public housing authority owned or administered Homekey housing facilities.</b>	This bill requires the California Alternate Rates for Energy (CARE) program include public housing authority owned or administered Homekey housing facilities, where the residents of the facility meet the CARE program's income eligibility requirements and the account is in the name of Homekey or a	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2672">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2672</a>	Support

Bill #	Bill Title	Bill Description	Bill Link	City Position
		nonprofit funded by Homekey. The bill would require the commission to authorize electrical corporations and gas corporations to offer discounts to those facilities and to establish a feasible process for certifying that the assistance is used for the direct benefit of the residents of those facilities.		
AB 2779	<b>Independent System Operator: transmission planning.</b>	This bill would require the Independent System Operator, upon approval of each transmission plan, to report to the CPUC and to the relevant policy committees of each house of the Legislature any new use of any grid enhancing technology that is deemed reasonable by the Independent System Operator in that plan and the cost or <i>and</i> efficiency savings of the deployment of that grid enhancing technology.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2779">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2779</a>	Support
AB 2815	<b>Clean Transportation Program: electric vehicle chargers.</b>	This bill would add to the categories of programs and projects eligible for funding under the Clean Transportation Program a program to repair or replace nonoperational electric vehicle chargers that are at least 5 years old and that are located in a publicly available parking space, as provided. The bill would require the commission to allocate at least 50% of the funding allocated for the repair or replacement program to low-income communities and disadvantaged communities.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2815">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2815</a>	Monitor
AB 3006	<b>Energy: offshore wind generation.</b>	This bill would amend the definition of “infrastructure” described above to include port infrastructure for offshore wind energy development, and would require the 5-year infrastructure plan to include, beginning in the 2026–27 fiscal year, an assessment of funding needs	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB3006">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB3006</a>	Monitor

Bill #	Bill Title	Bill Description	Bill Link	City Position
		for port infrastructure for offshore wind energy development.		
AB 3246	<b>Electricity: permit to construct: advanced reconductoring: exemption.</b>	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 of its existing electrical transmission facilities through the commission’s informal advice letter process. The bill would require an electrical corporation to seek that commission approval by filing a Tier 2 Advice Letter that follows existing advice letter processes and requirements, and would require the commission, by 2026, to update its Tier 2 Advice Letter process to authorize that filing by an electrical corporation.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB3246">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB3246</a>	Monitor
AB 527	<b>Urban forestry: school greening projects: grants.</b>	This bill would require funds appropriated or allocated to the Department of Forestry and Fire Protection for the bill’s purposes to be administered to support school greening, as defined, by providing grants to eligible local educational agencies, as defined, nonprofit organizations, cities, counties, and districts, including special districts, through a competitive grant process that the bill would require the department to develop, including guidelines and selection criteria, as specified, on or before July 1, 2024.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB527">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB527</a>	Monitor
AB 593 (NOTE: Failed Deadline)	<b>Carbon emission reduction strategy: building sector.</b>	This bill would require the State Energy Resources Conservation and Development Commission, on or before June 1, 2024, to adopt a strategy, with milestones, to reduce emissions of greenhouse gases	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB593">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB593</a>	Monitor

Bill #	Bill Title	Bill Description	Bill Link	City Position
		for the building sector, as provided. The bill would require the commission, in developing the strategy, to consult and collaborate with certain entities, to hold at least 2 public workshops, and to convene stakeholder sessions		
AB 637	<b>Zero-emission vehicles: fleet owners: rental vehicles.</b>	This bill would, if the state board requires a fleet owner to acquire zero-emission vehicles as part of its fleet, require the state board to authorize the rental of a zero-emission vehicle or vehicles for a cumulative total of 260 days in a calendar year to be deemed ownership of one zero-emission vehicle for purposes of meeting that obligation.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB637">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB637</a>	Monitor
AB 824 (NOTE: Failed Deadline)	<b>Highway greening: statewide strategic plan.</b>	This bill would enact the Highway Greening Act, which would require the department to complete a statewide strategic plan, as specified, to work to achieve at least a 10% increase of green highways, as defined, in urban areas, disadvantaged communities, and low-income communities by 2035.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB824">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB824</a>	Monitor
SB 1018	<b>Electricity.</b>	This bill would revise the definition of “electrical corporation” to exclude a corporation or person employing certain solar or wind generating technology if electricity is transmitted exclusively and directly through private electrical lines to a single facility owned by a different corporation or person that uses the electricity only for new load, not for departing load, and for an electrolytic hydrogen production facility, as defined, or a facility using the electricity to provide industrial process heat, or both.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1018">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1018</a>	Monitor
SB 1142	<b>Electrical and gas corporations: termination of services.</b>	This bill would require an electrical or gas corporation to restore service to a residential customer whose service was previously terminated	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1142">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1142</a>	Support

Bill #	Bill Title	Bill Description	Bill Link	City Position
		for nonpayment of delinquent amounts upon the customer entering into an amortization agreement to the extent authorized by commission rules.		
SB 1143	<b>Household hazardous waste: producer responsibility.</b>	The bill would define “covered product” to mean a product that is flammable, toxic, ignitable, corrosive, reactive, or pressurized, and that meets other specified criteria. The bill would require a producer of a covered product to register with the PRO, which would be required to develop and implement a producer responsibility plan for the collection, transportation, and the safe and proper management of covered products.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1143">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1143</a>	Monitor
SB 1193	<b>Airports: leaded aviation gasoline.</b>	This bill would prohibit an airport operator or aviation retail establishment, as defined, from selling, distributing, or otherwise making available leaded aviation gasoline to consumers on or after January 1, 2031, as provided.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1193">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1193</a>	Support
SB 1210	<b>New housing construction: electrical, gas, sewer, and water service: service connection information.</b>	This bill would, for new housing construction, require the above-described utilities, on or before January 1, 2026, to publicly post on their internet websites (1) the schedule of estimated fees for typical service connections for each housing development type, including, but not limited to, accessory dwelling unit, mixed-use, multifamily, and single-family developments, except as specified, and (2) the estimated timeframes for completing typical service connections needed for each housing development type, as specified.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1210">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1210</a>	Monitor
SB 1298	<b>Certification of thermal powerplants: data centers.</b>	This bill would additionally authorize the commission to exempt from certification a thermal powerplant with a generating capacity of up to 150 megawatts if specified requirements are met, including that it is used solely as a backup	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1298">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1298</a>	Monitor

Bill #	Bill Title	Bill Description	Bill Link	City Position
		<p>generation facility for a data center, it is located on the customer side of the meter and is not interconnected to the distribution system, a skilled and trained workforce is used to perform all construction work on the facility, as specified, the commission finds that no substantial adverse impact on the environment or energy resources will result from the construction and operation of the facility, and the commission obtains a determination from the applicable air pollution control district or air quality management district that the facility's backup generation technology meets the best available control technology requirements.</p>		
SB 1497	<p><b>Polluters Pay Climate Cost Recovery Act of 2024</b></p>	<p>The bill would require the agency, within 90 days of the effective date of the act, to determine and publish a list of responsible parties, which the bill would define as an entity with a majority ownership interest in a business engaged in extracting or refining fossil fuel that, during the covered period, did business in the state or otherwise had sufficient contact with the state and is determined by the agency to be responsible for more than 1,000,000,000 metric tons of covered fossil fuel emissions, as defined, in aggregate, globally during the covered period.</p>	<p><a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1497">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1497</a></p>	Monitor
SB 1510	<p><b>Permitting: electric vehicle charging.</b></p>	<p>This bill would express the intent of the Legislature to enact subsequent legislation that would reduce state and local permitting barriers for electric vehicle charging.</p>	<p><a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1510">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1510</a></p>	Monitor
SB 308	<p><b>Net zero greenhouse gas emissions goal: carbon dioxide removal: regulations.</b></p>	<p>This bill would require the state board to develop and adopt regulations, or utilize existing programs and regulations, to ensure the state achieves carbon dioxide removals equivalent to at least 100% of</p>	<p><a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB308">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB308</a></p>	Monitor

Bill #	Bill Title	Bill Description	Bill Link	City Position
		statewide greenhouse gas emissions in calendar year 2045, and all subsequent years, in order to achieve the net zero and net negative greenhouse gas emissions goals. As part of those efforts, the bill would require the state board to establish separate interim targets for greenhouse gas emissions reductions and carbon dioxide removals, to be applicable beginning no later than calendar year 2030, and to report on progress toward achieving those targets.		
SB 422 (NOTE: Failed Deadline)	<b>California Environmental Quality Act: expedited environmental review: climate change regulations.</b>	This bill would also require those specified public agencies, at the time of adoption of a rule or regulation requiring the reduction in emissions of greenhouse gases, criteria air pollutants, or toxic air contaminants, to perform an environmental analysis of the reasonably foreseeable methods of compliance.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB422">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB422</a>	Monitor
SB 511 (NOTE: Failed Deadline)	<b>Greenhouse gas emissions inventories.</b>	This bill would require the state board, before January 1, 2026, to establish a local government advisory committee to inform its development of the greenhouse gas emissions inventories.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB511">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB511</a>	Support
SB 615	<b>Vehicle traction batteries.</b>	This bill would also require a battery supplier, as defined, to be responsible for, among other duties, ensuring the responsible end-of-life management of a vehicle traction battery once it is removed from a vehicle or other application to which the vehicle traction battery has been used, and for collecting a stranded battery, as defined, for which they were the battery supplier and fully fund the cost of collection.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB615">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB615</a>	Monitor
SB 638	<b>Climate Resiliency and Flood Protection Bond Act of 2024.</b>	This bill would enact the Climate Resiliency and Flood Protection Bond Act of 2024 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$6,000,000,000	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB638">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB638</a>	Monitor

Bill #	Bill Title	Bill Description	Bill Link	City Position
		pursuant to the State General Obligation Bond Law, for flood protection and climate resiliency projects.		
SB 755 (NOTE: Failed Deadline)	<b>Energy efficiency and building decarbonization programs.</b>	This bill would require the Energy Commission to enable customer application for the included programs through the internet website. The bill would prohibit including energy efficiency and building decarbonization programs established or administered by the Public Utilities Commission on the internet website, but would authorize the Energy Commission to provide a link to programs that cannot be included.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB755">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB755</a>	Monitor
SB 768	<b>California Environmental Quality Act: Transportation Agency: vehicle miles traveled: study.</b>	This bill would require the Transportation Agency, in consultation with local governments and other interested parties, as specified, by January 1, 2028, and subject to an appropriation by the Legislature for this purpose, to conduct and post on its internet website a study on how vehicle miles traveled is used as a metric for measuring transportation impacts pursuant to the California Environmental Quality Act (CEQA).	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB768">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB768</a>	Monitor
SB 867	<b>Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024.</b>	This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB867">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB867</a>	Support if Amended

Bill #	Bill Title	Bill Description	Bill Link	City Position
SB 972	<b>Methane emissions: organic waste: landfills.</b>	This bill would require the department to provide procedures for local jurisdictions to request technical assistance regarding organic waste and methane reduction requirements from the department, to post those procedures on its internet website, and to provide that technical assistance, as specified.	<a href="https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB972">https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB972</a>	Monitor
SB 1130	<b>Electricity: Family Electric Rate Assistance: reports</b>	This bill would expand eligibility for the Family Electric Rate Assistance (FERA) program by eliminating the requirement that a household consist of 3 or more persons. The bill would require the CPUC, 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 also requires the CPUC, to review each electrical corporation's report to ensure it has sufficiently enrolled eligible households in the FERA program and require the electrical corporation to develop a strategy and plan to sufficiently enroll eligible households within 3 years of the adoption of the strategy if the CPUC determines an electrical corporation has not sufficiently enrolled eligible households in the FERA program,	<a href="https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1130">https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1130</a>	Support
SB 1374	<b>Net energy metering</b>	This bill would require the CPUC, by July 1, 2025, to ensure that any contract or tariff established by the commission pertaining to net energy metering for renewable electrical generation facilities configured to serve multiple customers with meters at an apartment building on a single property, or configured to serve multiple meters of a single	<a href="https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1374">https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1374</a>	Monitor

Bill #	Bill Title	Bill Description	Bill Link	City Position
		customer on a public school property, or a set of contiguous public school properties owned, leased, or rented by the public school customer, meets certain requirements. The bill would require the CPUC, by July 1, 2027, to ensure that any contract or tariff established by the commission pursuant to a specified commission decision meets specified requirements.		

## Regulations

### Federal

- Chevron Doctrine
  - On June 28, 2024, the U.S. Supreme Court released its decision on *Loper Bright Enterprises Et. Al. v. Raimondo, Secretary of Commerce Et. Al.* and overturned the “Chevron deference”. This informal doctrine has been in place since 1984 (*Chevron U.S.A., Inc. v. Natural Resources Defense Council, Inc.*) and held that when Congress passes a bill that allows for interpretation in setting up regulations, courts should defer to the agency's interpretation if it’s reasonable. The Chevron deference was one of the most-cited precedents in American law and gave broad power to interpret laws to federal agencies tasked with regulated practically everything. Since 1984, it has enabled departments and commissions such as the Environmental Protection Agency to determine how vague laws should be implemented in their areas of expertise. In light of this ruling, courts are no longer required to defer to agencies’ interpretations of unclear laws, which is expected to make it more difficult for agencies—led by subject matter experts appointed by the president and confirmed by the Senate—to regulate the industries they oversee. The power to determine how a certain statute should be applied will instead return to judges.

### State

- Making Conservation a Way of Life
  - On March 12, 2024, the California Water Resources Control Board released a revised draft of the proposed regulation Making Conservation a California Way of Life that would establish new budget-based water conservation targets for the over 400 large water suppliers throughout California. Changes include extending timelines for water suppliers to meet efficiency goals and increasing the overall flexibility for how the proposed regulation can be implemented. These regulations formed out of 2018 state legislation and

established unique efficiency goals with local flexibility for each California urban retail water supplier beginning in 2027 to address an anticipated 10% reduction in water supply by 2040.

- Energy Resource Recovery Account (CPUC)
  - Energy Resource Recovery Account (ERRA) Forecast Applications are filed annually by IOUs to forecast energy procurement-related revenue requirements, which includes projected allocation of costs across Power Charge Indifference Adjustment (PCIA) vintages<sup>1</sup>. On May 15, 2024, PG&E filed its 2025 ERRA forecast application. PG&E is forecasting high prices for [Resource Adequacy](#) and proposes to freeze the PCIA Resource Adequacy Market Price Benchmark at 2024 levels if the forecast values continue to increase by the October forecast update report. On behalf of CCA's in PG&E's territory SJCE's state trade association, CalCCA, filed a protest to the application on June 17th arguing against PG&E's proposal to "freeze" the PCIA MPB.
- Integrated Resource Planning (CPUC)
  - The Integrated Resource Planning proceeding is part of a process ensuring that load serving entities like SJCE shape their future energy portfolios to meet California's clean energy goals in a reliable and cost-effective manner. The proceeding evaluates reliability needs ten years out, authorizes procurement, and reviews procurement plans. The current proceeding includes implementation of a new law allowing the CPUC to request that the Department of Water Resources serve as the central procurement entity for specific long lead-time resources such as offshore wind. A final decision is expected mid-August.
  - Additionally, this process requires from each load serving entity an individual Integrated Resource Plan every other year. SJCE's latest plan can [be found here](#).
- Resource Adequacy (CPUC)
  - Resource Adequacy (RA) is a regulatory construct developed to ensure load serving entities contract for enough resources to serve electric demand under all but the most extreme conditions. The RA proceeding continues the CPUC's oversight of this program, establishes forward procurement obligations, and considers structural program reforms. Currently, load serving entities are required to meet their RA requirement by contracting for enough RA to meet its maximum demand for each month. Starting in 2025, this framework shifts to a 24-hour, "Slice of Day" construct, where load serving entities must demonstrate that they have sufficient RA to satisfy demand for each hour of the day during the "worst day" in the month. This change places additional compliance pressure on load serving entities like SJCE. It also will increase costs due in part to the need to invest in storage technologies, like batteries, and other flexible resources to ensure that surplus energy generated during off-peak hours can be stored and used when needed. SJCE and

---

<sup>1</sup> The PCIA is an "exit fee" charged by Investor-Owned Utilities like PG&E to CCA customers. PG&E enters into long-term energy purchases on behalf of its customers, some of whom then depart to CCAs like SJCE. As the customers who remain may not pay increased rates simply to cover the costs of purchases made on behalf of former customers, CCA customers are charged the PCIA. The fee covers the difference between the market value of energy resources that were already contracted on a customer's behalf before they left to join a CCA, and the cost of those resources. "Vintage" refers to the year the customers left for the CCA.

other CCAs requested the CPUC delay implementation of the new framework to address these pressures, raised concerns about affordability, and offered suggestions to reduce compliance burdens. Most requests were denied and SJCE is working now to meet the new 2025 regulations.

- Provider of Last Resort (CPUC)
  - This proceeding implements the legally mandated Provider of Last Resort requirements and framework. Broadly speaking, the law mandates California answer the question “what happens to CCA customers if their CCA fails?” Phase 1 of proceeding determined issues necessary to establish a comprehensive framework for existing Providers of Last Resort (PG&E for SJCE customers). Phase 2 is not yet underway and will set the rules that allow a different entity to be designated as the Provider of Last Resort.
- Advancing Customer Demand Flexibility through Rates (CPUC)
  - The CPUC initiated the Demand Flexibility proceeding on July 22, 2022, to support reliability, decarbonization, and affordability. “Demand Flexibility” refers to the ability of customers to adjust their electricity usage in response to various signals such as price changes, grid needs, or incentives. Phase 1 of the proceeding included establishing an investor-owned utility residential income graduated fixed charge, effective in 2026.
- Transportation Electrification (CPUC)
  - In April 2024, the CPUC opened a new Transportation Electrification (TE) Policy and Infrastructure proceeding. Over the next couple years, this proceeding will focus on reassessing the statewide transportation electrification rebate program, proactive TE planning, vehicle to grid integration, and Low Carbon Fuel Standard implementation. The first track of the proceeding contemplates pausing the statewide transportation electrification rebate program (ratepayer funded) in light of customer affordability concerns, energization delays. Joint CCAs are advocating to preserve portions of the program specifically for multi-unit dwelling Level 1 chargers rebate program. Such program would continue to advance transportation electrification with minimal impact on customer affordability.
- Disadvantaged Communities Green Tariff DAC-GT (CPUC)
  - Through this proceeding, the CPUC evaluated the effectiveness of its Green Access Programs, including the [Disadvantaged Communities-Green Tariff \(DAC-GT\)](#) also known as [Solar Access](#) for SJCE, and to determine whether existing programs should be modified/terminated and/or whether a new community renewable program should be created. The SJCE regulatory team joined with other CCAs to advocate for continuation of the DAC-GT programs with modifications to benefit better the program (i.e., expansion of siting requirements, increase of program capacity cap). The CPUC’s Final Decision issued on June 7, 2024, retained the DAC-GT programs with modifications, and created a community renewable energy program available to CCAs.
- Energization Timelines (CPUC)
  - This rulemaking was opened in January 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. Phase 1 encompasses the following: (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, (5) reporting processes to ensure consideration of impacts to ESJ communities. A decision on Phase 1 is expected in July.

- Power Source Disclosure (CEC)
  - The California Energy Commission's Power Source Disclosure program works with retail electricity suppliers to ensure consumers receive energy source and greenhouse gas information on the energy they use. The most recent Power Source Disclosure Program rulemaking was instituted to consider modifications to the regulations, including implementing legal requirements related to hourly emissions reporting beginning in 2028. Final regulations are expected in August 2024.
  
- Load Management Standards (CEC)
  - The California Energy Commission's Load Management Standards encourage shifting electricity use from times of day when it is expensive and polluting to times when it is cheaper and cleaner. Load management, or demand flexibility, can save building owners money on their energy bills, reduce greenhouse gas emissions, and help strengthen the resiliency of the electricity grid. The April 1, 2023 amendments to these standards imposed new requirements on the largest investor owned and publicly owned utilities, as well as large CCAs like SJCE. As required, SJCE staff prepared a compliance plan which was approved at City Council on March 19, 2024, and later submitted to the CEC.
  
- West-wide Governance Pathways Initiative
  - The [West-Wide Governance Pathways Initiative](#) is a current effort to better connect and coordinate power grids throughout the western United States. A regional western energy market would promote significant cost savings, emission reductions, and greater reliability. The effort is coordinated by a launch committee consisting of industry experts and stakeholders; SJCE is represented by a well-involved CalCCA representative. The initiative has proposed a multi-step process to create a regional organization that allows for the independent governance of a regional grid.

## **Funding**

### **Federal**

- Solar for All
  - On June 28, 2023, the EPA released the Notice of Funding Opportunity for the \$7 billion Solar for All grant program, which was created through the Inflation Reduction Act's Greenhouse Gas Reduction Fund. This grant will provide funding to expand existing low-income solar programs as well as develop and implement new solar programs across the country. The California Infrastructure

and Economic Development Bank (Ibank) submitted an application on behalf of the state of California, as did a consortium led by Los Angeles County that included seven community choice aggregators, including the City of San José. In April 2024 Ibank was awarded \$249.8 million from this grant, and represents a coalition of state entities with deep programmatic expertise in regulatory design, capacity building, project finance, infrastructure development, and grid management. With this infusion of highly flexible, equity-focused new resources, California will build new programmatic capacity, expand current efforts, address funding gaps, and add momentum to new strategies under development to address future market conditions as California continues to advance the decarbonization agenda.

- Tax Credits

- In February 2024, the Internal Revenue Service (IRS) outlined the first steps cities can take to monetize clean energy tax credits. Under the Inflation Reduction Act's Elective Pay provision, municipal governments can take advantage of certain tax credits as a non-taxable entity. Through elective pay, cities large and small can receive rebates for projects in clean energy and fleet electrification. Among the incentives cities can now access are the 45W and 30C electric vehicle and infrastructure tax credits. Cities can receive these tax credits for any eligible vehicles and charging infrastructure purchased and put into service after Dec. 31, 2022. To claim these tax credits, cities must complete a pre-file registration with the IRS and then submit a tax return, although the project must have been put into service during that year. Once the project is complete and the city has identified the appropriate tax credit for the project, the city should then determine a tax year. Several City departments are currently evaluating the opportunity to claim these tax credits for projects.

- Climate Pollution Reduction Grant

- In April 2024, the City submitted three applications for the federal Climate Pollution Reduction Grants program administered by the Environmental Protection Agency. Applications for this grant were required to be identified in the Priority Climate Action Plan developed by the County of Santa Clara that was submitted in March 2024. The applications included one project from the City's Energy Department incorporated into the regional application from the Bay Area Regional Energy Network for residential building electrification; one project from the City's Public Works Department incorporated into the application from Silicon Valley Clean Energy for public facility electrification; and one project from the City's Environmental Services Department incorporated into the application from the City of Sunnyvale application for a regional reusable foodware system. Grant awards are anticipated in the fall of 2024.

- FEMA Community Disaster Resilience Zones

- On September 6, 2023, the Federal Emergency Management Agency announced 483 eligible census tracts nationwide for federal support to increase resiliency to natural hazards and extreme weather worsened by climate change. Congress directed the Federal

Emergency Management Agency to make these designations as part of the Community Disaster Resilience Zones Act of 2022. There were two census tracts identified in San José – one adjacent to Interstate 880 and another adjacent to Tully Road. There were only seven total census tracts identified in the Bay Area and 51 across California. An additional designation of zones will occur in fall 2024 based on updates to the National Risk Index. Additional funding opportunities are anticipated to be released for projects benefiting these areas.

## State

- State Budget
  - On June 29, 2024, Governor Newsom signed the FY 2024-2025 budget with a \$297.9 billion spending plan, closing a \$46.8 billion deficit through \$16 billion in spending cuts, in addition to fund shifts and drawing down reserves. The cuts include a blanket 7.95% reduction in funding for nearly all state departments and the elimination of thousands of vacant positions. The budget includes a cut of \$9 billion from the \$54 billion spending package addressing climate change approved two years ago for key climate programs. Some of that climate package was preserved through the adoption of a 5-year Greenhouse Gas Reduction Fund plan that shifts \$5.2 billion from the General Fund to the Greenhouse Gas Reduction Fund. Key legislative priorities that were preserved include funding for sustainable agriculture, water recycling, active transportation, equitable building decarbonization, offshore wind infrastructure, and extreme heat and community resilience, among others. However, several grant programs providing climate adaptation and climate resilience were significantly reduced.
  
- Climate Bond
  - On June 29, 2024, the Legislature came to agreement on a bond measure to allow the state to borrow an unprecedented \$10 billion for project to address and prepare for climate change. Senate Bill 867 by Senator Allen was amended to include a final funding framework to be included on the November 5, 2024 ballot for voter approval. The largest share of funding, \$3.8 billion, would be allocated to water, including increasing supplies, providing flood protection and cleaning up contamination. Approximately \$1.5 billion would be allocated for wildfires and forest health, including boosting firefighting efforts, conducting prescribed burns and making communities fire-resilient. Approximately \$1.2 billion would be allocated for efforts to combat sea-level rise, such as restoring wetlands to safeguard coastal communities, and approximately \$850 million would be allocated for clean energy projects. Funds would also be distributed to numerous other priorities, including creating wildlife corridors, establishing new parks, and developing youth recreation programs in poor neighborhoods. Much of the funding would be distributed through grants that communities and organizations could apply for, and disadvantaged communities will be prioritized for funding.
  
- Inflation Reduction Act – Clean Energy Programs

- The Inflation Reduction Act of 2022 created two programs to encourage home energy retrofits: Home Efficiency Rebates (HOMES) to fund whole house energy efficiency retrofits and the Home Electrification and Appliance Rebates (HEEHRA) to help low-moderate income households “go electric” through qualified appliance rebates. The HEEHR program will provide point-of-sale consumer rebates to low- and moderate-income households for qualified electrification projects for their homes. The \$4.275 billion in rebate funding will be distributed by State Energy Offices, including \$290 million for California, and will cover 100 percent of electrification project costs (up to \$14,000) for low-income households and 50 percent of costs (up to \$14,000) for moderate-income households. Qualified electrification projects include heat pump HVAC systems, heat pump water heaters, electric stoves and cooktops, heat pump clothes dryers, and enabling measures such as upgrading circuit panels, insulation, air sealing, ventilation, and wiring. Project costs will cover both purchase and installation costs. On October 15, 2023, the federal Department of Energy released updated program guidance to states on the HEEHRA program rollout. On January 12, 2024, the California Energy Commission submitted an application for the HEEHRA Program to receive funding and continue the process of setting up the state’s program.
- The HOMES program will provide \$292 million for California and will provide rebates for whole-home energy efficiency retrofits that will range from \$2,000-\$4,000 for individual households and up to \$400,000 for multifamily buildings. To be eligible, projects must achieve certain thresholds of energy savings, and enhanced rebates will be available for low-income households. On December 21, 2023, the California Energy Commission issued a request for information and will hold public workshops to inform program development and the application to the federal Department of Energy for HOMES Program funding. Californians are expected to be able to apply for funding for both programs by the end of 2024.

## **Ballot Measures**

- ACA 1
  - On September 14, 2023, the Legislature passed ACA 1. ACA 1 would make it easier for local governments to pass propositions that permit the levying of various types of taxes to fund public infrastructure, affordable housing, or permanent supportive housing by reducing the voter threshold to impose a special tax from 66.67% to 55%. This constitutional amendment will appear on the statewide ballot in November 2024. In February 2024, Assemblymember Aguiar-Curry introduced AB 2813, the Government Investment Act, which would authorize a local government imposing a tax under ACA 1 to commit revenues to affordable housing programs, including down payment assistance, first-time home buyer programs, and owner-occupied affordable housing rehabilitation programs. Additionally, this bill would require that any project funded by ACA 1 have an estimated useful life of at least 15 years, or five years if the funds are for specified for public safety buildings, facilities, and equipment. AB 2813 has passed both Legislative houses and is currently in Concurrence to resolve changes due to amendments.

Attachment E – Climate Smart San José Update

# Climate Advisory Commission Meeting – July 18, 2024

## Attachment E: Climate Smart Plan Update

### Background

The original Climate Smart San José plan (“Plan”) was approved in 2018 and was designed to be updated in alignment with the General Plan’s 4-year review cycle. This update will incorporate updates to goals and approved new elements including the Pathway to Carbon Neutrality by 2030, the Natural and Working Lands (“NWL”) Element, and the Zero Waste Element (“ZWE”; to be heard by Council in October 2024). In August, 2023, the City executed a Master Agreement with Raimi & Associates, Inc. to complete the Plan update.

This is meant to be an administrative update to the Plan, concise and high level, given the City budget for this work. It will be a stand-alone document but does not replace the original Plan. Metrics, data, and targets will be updated in the Plan and the associated model (i.e., back-up data for metrics and goals) based on feedback from relevant departments, updated model calculations, and updated data sources.

To date, Climate Smart staff have held 13 check-in meetings with 29 (unique) City staff participants for input on the plan and model. These meetings included staff from the Departments of Public Works; Housing; Planning, Building, and Code Enforcement; Energy; Transportation; Parks, Recreation, and Neighborhood Services; and Environmental Services.

### What Will Stay

Staff have indicated that updated aspects of these items are useful and relevant to the Plan:

- Good Life 2.0 community co-benefits
- Pillars and strategies format
- Look and feel of document

### Updates

Updates will include incorporating approved new elements into the Plan along with changes based on staff feedback, available data and data sources, as well as updated calculations.

- **Plan Content Updates**
  - What we have accomplished to-date
  - Updating metrics for Plan and [Dashboard](#)
    - Aligning metrics with data that is relevant and available to City departments
    - Aligning and incorporating metrics from new elements (Pathway to Carbon Neutrality, NWL, and ZWE)
  - Incorporate carbon neutrality by 2030 goal and *Pathway to Carbon Neutrality*
  - Incorporate NWL Element
    - Indicators of success and associated metrics
      - NWL preservation and expansion
        - Total acres of land designated as “Open Hillside”, “Agriculture”, or “Open Space, Parklands and Habitat”

- Regenerative agriculture
    - New acres of City designated NWLs with carbon farming / regenerative practices continuously applied.
  - NWL restoration and enhancement
    - New acres of City designated NWLs with restoration or enhancement practices applied.
  - Urban greening
    - Total acres of neighborhood / community serving parkland within San José city limits.
  - Zero Waste Element (for Council approval in October)
    - Indicators of success and associated metrics
      - Per capita waste generation
        - Tons of waste generated per person per year
      - City program diversion percentage
        - Percentage of waste diverted from landfill across all City programs
      - Waste to landfill
        - Landfill disposal across all City programs
- **Model Updates**
- Update data and calculations
  - Align goals and metrics
  - Add a scenario planning tool
    - Still in early discussion phase - idea is to focus on the four main goals outlined in the Pathway to Carbon Neutrality by 2030
      - Move to zero-emission vehicles
      - Reduce miles we travel in our vehicles by at least 20 percent
      - Switch our appliances from fossil fuel to electric
      - Power our community with 100 percent carbon-neutral electricity
    - *Name suggestions? Some ideas below*
      - ClimatePath
      - CarbonCompass
      - GreenGuide
      - ClimateScope
      - CarbonTracker
      - FutureFootprint

## Status and Next Steps

- **June 2024** – Draft language and graphics sent to City for review (see “CSSJ\_Plan\_LayoutSample\_062824.pdf”)
- **July 2024** – Commission input
- **October 2024** – ZWE to City Council
- **Late fall 2024** – Plan update to City Council
- **Late fall 2024** – Informational public webinars

- **2025** – Department-specific workplans – work with consultant to establish plans outlining potential programs, policies, and goals. These documents are intended to be updated more frequently than the Plan.

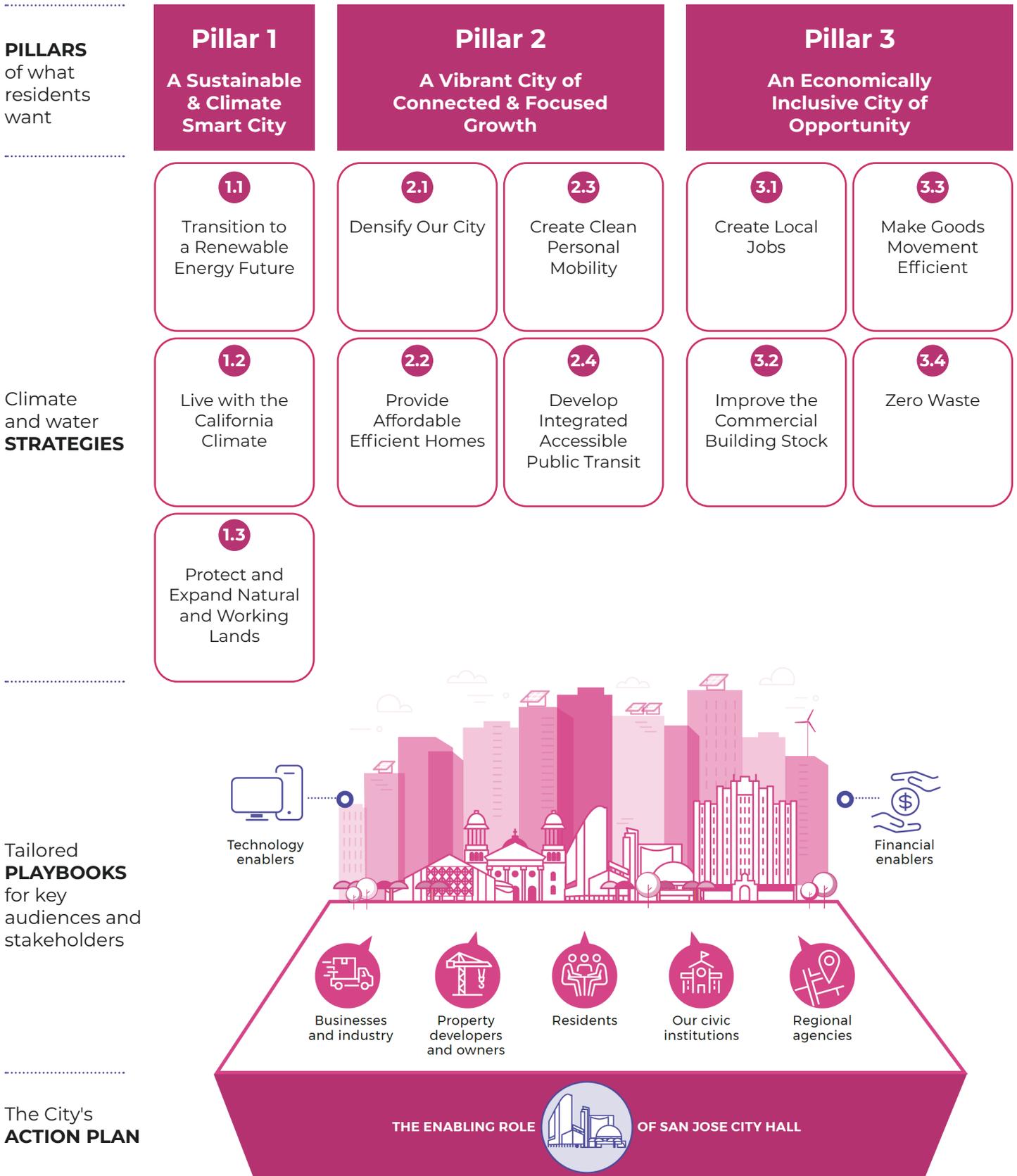
## **Questions for Commission**

- Any input or additional suggestions for the name of the scenario planning tool?
- Are there any questions or concerns with the approach to the update to the Plan?
- Are there any updates you would like us to consider for future updates to the Plan?

Attachment E supplemental – Plan Layout Sample

# 01 Climate Smart Strategies Update

**This update to Climate Smart reflects changes in the regulatory landscape, shifting market trends, and changes in the adoption of new technology.**



# Pillar I

## A Sustainable & Climate Smart City

San José has all of the ingredients to be a sustainable and climate smart city. It has abundant renewable resources, a skilled workforce, and a willingness to innovate. San José will become the model for what a truly California approach to being a sustainable and climate smart city looks like.

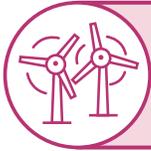


Strategy 1.1 Transition to a Renewable Future

Strategy 1.2 Live with the California Climate

Strategy 1.3 Protect and Expand Natural and Working Lands

# Strategy 1.1 Transition to a Renewable Future



San Jose Clean Energy, a community choice energy provider makes 100% carbon-free electricity available as a base offering to all users in the City.

## Good Life Benefits for Our City

Through SJCE the people of San Jose have direct control over how much they pay and where their energy comes from. Households generating energy through on-site solar panels also receive benefits by generating energy credits through net metering.

## Our Leadership to Date

In our 2007 San José Green Vision (Green Vision), we committed to receive 100 percent of our electrical power from clean, renewable sources. Ten years later, in May 2017, the City Council voted unanimously to establish SJCE. Launched in 2019, SJCE makes San José the largest city with a CCE program in the country with the option to choose the level of renewable power. Combined with 131 MW of distributed solar generating capacity in the city, San José is well-placed to transition to a renewable energy future.

## Low-Carbon Growth Milestones



INDICATORS	CARBON REDUCTIONS	RENEWABLE ENERGY	LOCAL RENEWABLES
METRICS	Emissions reduction from this strategy	Share of eligible renewable energy generation provided by SJCE	Amount of renewable energy capacity installed in San Jose
PROGRESS MILESTONES	Thousands of tons of carbon reduced per year	Percentage of SJCE's power mix	Installed capacity of renewables
2018	x	x	131
2030	784	xx%	668

# Strategy 1.2 Live with the California Climate



San José will effectively employ sustainable use practices of local water and green infrastructure to achieve a 30 percent reduction in residential water consumption to 42 gallons per day per capita by 2030.

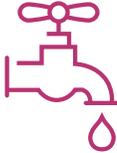
## Good Life Benefits for Our City

Embracing our Californian climate means having an authentic relationship with our natural resources and curating our open spaces, both private and shared, to not just be low-water use, but also beautiful, enjoyable, and compatible with our climate.

## Our Leadership to Date

San José recently emerged from an unprecedented period of drought. During this time, we collectively reduced our water consumption by 28 percent. While we relax our water conservation efforts in the short-term, we know that through stewardship and efforts that learn from our programs such as Lawn Busters, a sustainable pattern of low water consumption is possible.

## Smart Water Use Milestones



INDICATORS	TOTAL WATER CONSUMPTION	RESIDENTIAL WATER USE	REUSED AND RECYCLED WATER SOURCES
<b>METRICS</b>	Total volume of water consumed in the city per day	Residential water use per capita per day	Percentage of water captured and reused or treated and recycled
<b>PROGRESS MILESTONES</b>	Millions of gallons of water per day	Gallons of water per capita per day	Percent of demand met by reuse/recycling
2018	116	60	5%
2030	107	42	14%

# Strategy 1.3 Protect and Expand Natural and Working Lands



San José will continue to identify opportunities to expand the area of protected open space as use land management practices that sequester carbon and allow for stormwater capture.

## Good Life Benefits for Our City

Protecting and expanding open spaces provides opportunities for respite, relaxation, and recreation for members of the San José community. Green spaces also mitigate the urban heat island effect, capture stormwater, and provide habitat that supports biodiversity.

## Our Leadership to Date

San José has \_\_\_\_ acres of dedicated acres of open space and has \_\_\_\_ parks that with a variety of uses and design features ranging from playing fields to riparian areas, to protected endangered species habitat.

## Natural and Working Land Milestones



INDICATORS	CARBON SEQUESTRATION	PROTECTED OPEN SPACE	OPEN SPACE ACCESS
METRICS	Total stock of carbon in natural and working lands	Total acres of open space	Communities within close proximity of a park
PROGRESS MILESTONES	Tonnes CO <sub>2</sub> e	Acres of open space per capita	Percent of population within a ½ walk to a park or open space
2018	X	X	X
2030	X	X	X