

**COMMUNITY ADVISORY
COMMISSION UPDATE:
LEGISLATIVE & REGULATORY**

January 14, 2020



LEGISLATIVE UPDATE

Two Year Bills introduced in 2019 and active in 2020

- **AB 56 (E. Garcia):** Central buyer for all resources. Currently in the Senate Energy Committee. Likely heard later this summer.
- **SB 350 (Hertzberg):** Central buyer for resource adequacy. Currently in Assembly Energy Committee. Likely heard later this summer.
- **AB 352 (E. Garcia):** Wildfire Protection, Safe Drinking Water, Drought Preparation, and Flood Protection Act of 2020. Senate Environmental Quality. No hearing date set yet.
- **SB 774 (Stern):** Expediting microgrid deployment. Currently in Assembly Energy. Likely heard later this summer.

LEGISLATIVE UPDATE

Two Year Bills must pass House of Origin by Jan 31, 2020

- **SB 378 (Wiener):** PSPS events; ratepayer protections. In Senate Energy Committee. Hearing scheduled January 15, 2020.
- **SB 592 (Hueso):** Pumped hydro storage; San Vincente Reservoir. In Senate Energy Committee, but pulled from the calendar. Vehicle likely dead for the year.
- **SB 605 (Hueso):** Expedited PUC hearings for catastrophic wildfire proceedings. Currently in Senate Energy Committee. Hearing January 15, 2020.
- **SB 702 (Hill):** RPS long-term contract requirement exemptions for direct access. Currently in Senate Energy Committee. Hearing January 15, 2020.

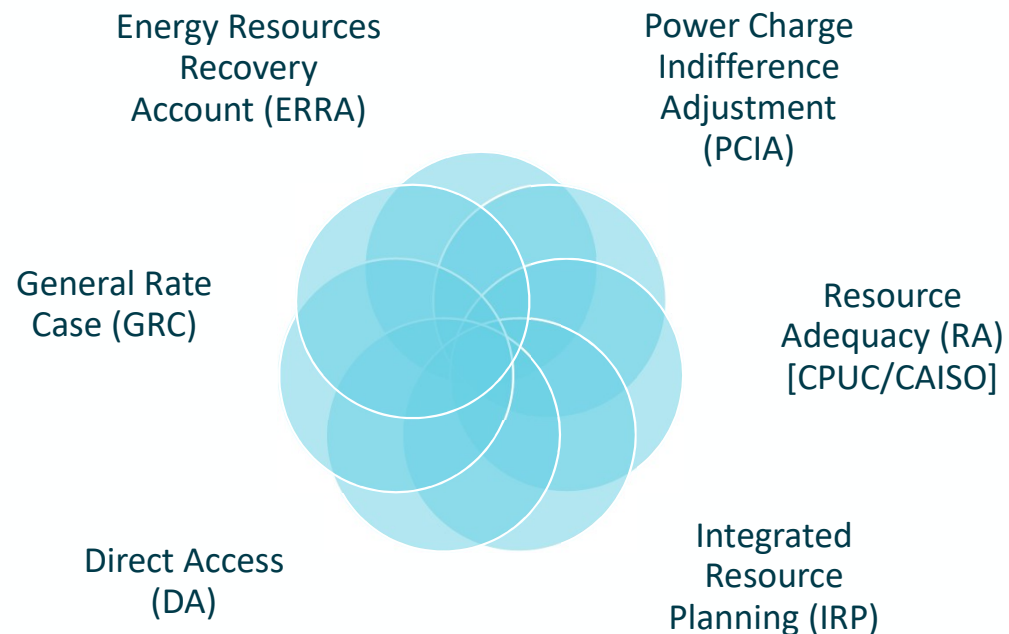
LEGISLATIVE UPDATE

2020 new introductions bills

- **SB 801 (Glazer):** Medical baseline customers; backup electricity and financial assistance
- **SB 802 (Glazer):** Health facilities; emergency backup generators
- **SB 804 (Wiener):** Rate reduction bonds; utility infrastructure investments

REGULATORY PROCEEDINGS IMPACTING SJCE

Procurement Requirements, Cost Allocation, System Reliability and GHG Reduction Rules



CPUC TARIFF PROCEEDINGS IMPACTING SJCE

PG&E ERRA 2020, A.18-05-003 (2 Tracks):

- **ERRA Forecast:** PG&E revenue requirements to cover expected costs define 2020 PCIA, potential for 70% increase in 2020
- **ERRA Compliance:** 2020 ERRA forecast results are compared to actuals and trued up in the 2021 ERRA forecast

PG&E GRC 2020, A.18-12-009 (2 Tracks):

- **GRC Phase 1:** proceeding authorizes increased rates and charges over next three years, beginning Jan 01, 2020.
- **GRC Phase 2:** proceeding sets marginal costs, revenue allocation, and rate design over next three years, including cost allocation between IOU customers and CCA customers.

PCIA Reform, R.17-06-026 (3 Working Groups):

- **RA and RPS Market Price Benchmarking (WG 1):** Part one concluded in Oct 10, 2019, Part two pending.
- **PCIA Pre-payment (WG 2):** Proposed Decision expected Q1 2020
- **Portfolio Optimization (WG 3):** Final Report to CPUC on January 30, 2020, PD expected Q2 2020, implementation in 2021.

CPUC MARKET DESIGN PROCEEDINGS

Direct Access, R.19-03-009 (2 Tracks):

- **DA Ruling (Track 1):** CPUC expanded DA to 4,000 GWh for commercial customers, phased in over DATES
- **DA Report to Legislature (Track 2):** CPUC exploring expanded commercial DA, report to Legislature June 2020.

Integrated Resource Planning, R.16-02-007 (3 Tracks):

- **Compliance (Track 1):** May 1, 2020 submission to CPUC, potentially joint CCA IRP proposal, August 1, Annual RPS Compliance Report results included in 2019-20 IRP Plan.
- **Procurement (Track 2):** July 22, 2019 comments on June 20, 2019 CPUC IRP Ruling which initiated resource procurement track in 2017-18 IRP docket. IRP procurement discussions overlap with RA and PCIA proceedings. CAISO 2019-20 Transmission Planning Process (TPP), RA deliverability and RA enhancement rules overlap with IRP .

Resource Adequacy, R.17-09-020 (3 Tracks):

- **RA Refinement (Track 1):** Refined Local RA procurements
- **RA Central Buyer (Track 2):** No CPUC Ruling on Central Procurement Entity (CPE) Settlement Proposal
- **RA Sales Framework (Track 3):** New RA OIR that will address issues not covered by settlement, potential reform