

# INSIGHTS FROM 'THE BUILDING': CLEAN ENERGY BILLS IN THE 2017 CALIFORNIA LEGISLATIVE SESSION

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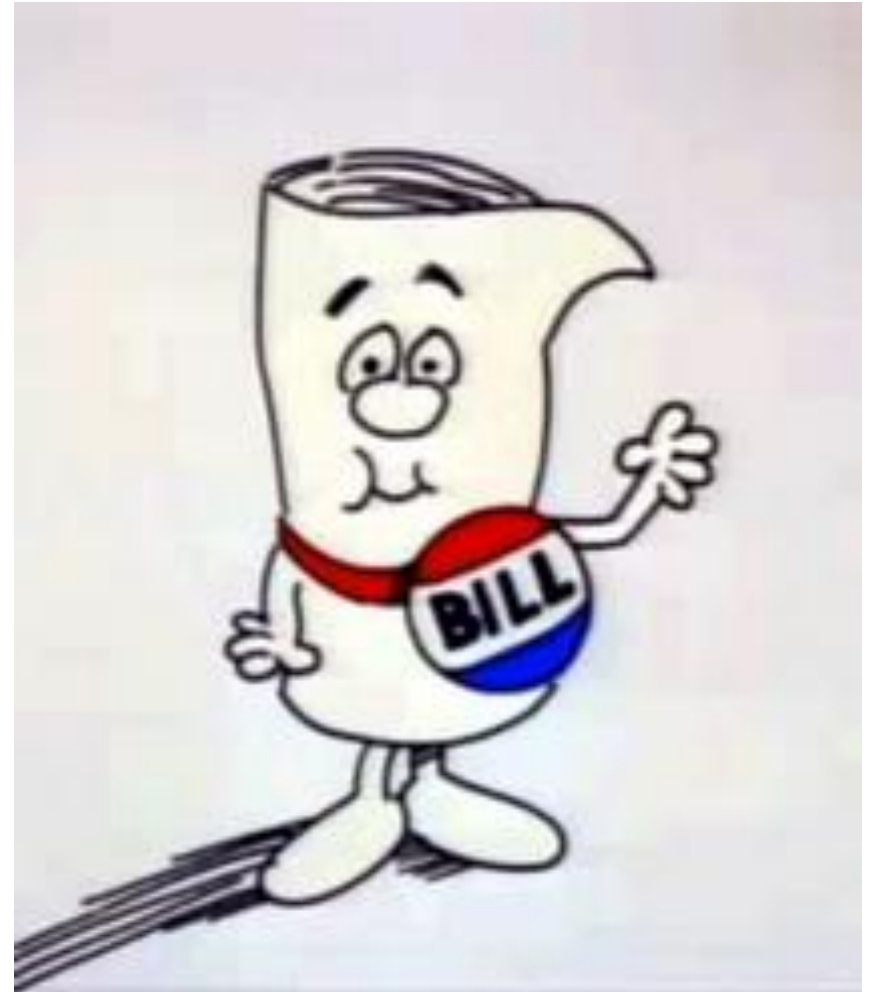
# Context of 2017 Legislative Session

- 2016 Election – Health Care, Immigration, Climate Change
- Housing Costs
- Cap and Trade Litigation



# Policy – Energy Bills

- Cap and Trade
- Gas tax
- Local Storage
- Electric Vehicles
- CCA Regulation



# Process -- Committees

- Appropriations Committees
- Assembly Energy Committee



# Politics -- Stakeholders

- Investor-Owned Utilities
- Environmental Groups
- Environmental Justice Groups
- Ratepayer Advocates
- Clean Energy Trade Groups/Clean Tech
- Clean Energy Think Tanks/Advocates
- International Brotherhood of Electrical Workers (IBEW)

# Politics -- Low Income and Disadvantaged Communities

- Community Block Grants – local money
- Cal EnviroScreen
- Central Valley vs. Coastal Communities
- Low income OR Disadvantaged Communities – 30%

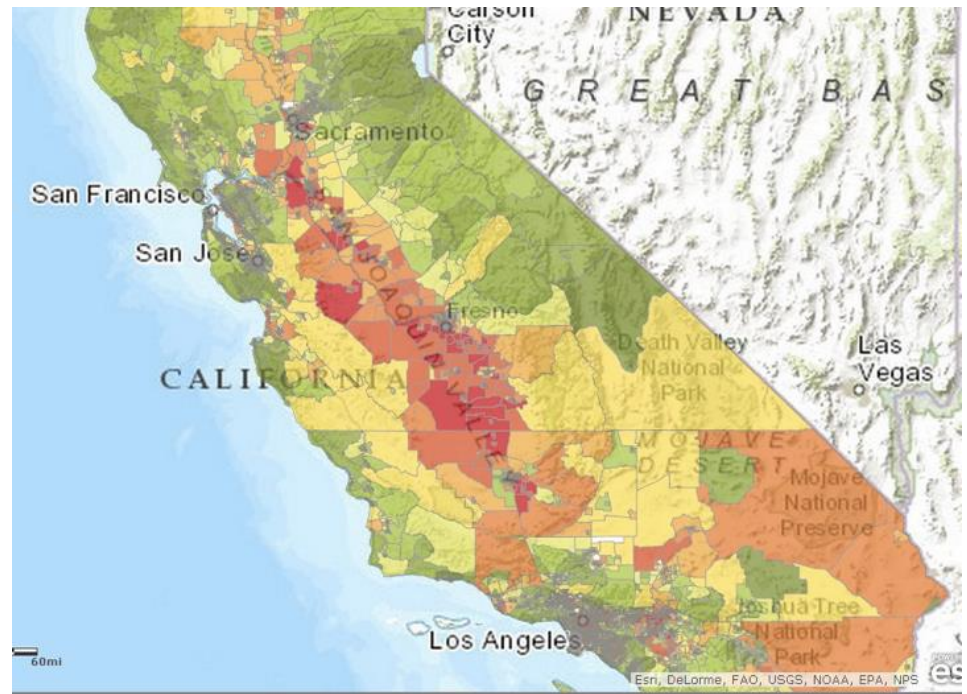


Image: Valley Public Radio

# AB 797 (Irwin) -- Solar Thermal Rebates

- 2 year extension existing funds (\$120M)
- 50% low-income and disadvantaged communities
- 10% industrial-scale
- San Joaquin Valley
- 74 groups support – low income/social justice, enviro, industry, SoCalGas



# AB 398 (E. Garcia) -- Cap and Trade

- Extends CA Cap and Trade program through 2030.
- Gives certainty to overall program since passed each chamber by 2/3 votes, avoiding court challenges that consider it a tax that requires 2/3 vote.
- Extends exemption to sales and use tax for energy generation and storage to 2030 for *“special purpose buildings and foundations used for the generation or production or storage and distribution of electric power.”*



# Transportation Legislation

- SB 1 (Beall) -- Gas Tax Increased -- \$5.2 billion
  - Increased 12 cents/gallon to 30 cents
  - Electric vehicle owner pay \$100 annual fee starting 2020
  - Freshman Sen. Josh Newman (D-Fullerton) -- recall campaign
- AB 1284 (Ting) – Failed
  - \$3 billion expansion CA electric vehicle rebate expansion/extension
  - Funding for regional transportation
  - Became study bill and no vote taken
- Tesla State EV \$2500 Rebate
  - United Auto Workers pushed provision in Budget “Clean Up” Bill requiring “fair and responsible in their treatment of workers”

# Consumer Protection

- AB 1070 (Gonzalez Fletcher)
  - Requires Contractors State License Board on or before July 1, 2018, to develop a disclosure document that must be provided to consumers prior to sale, finance or lease of solar installation.
  - CSLB reporting requirements and CPUC develop standard inputs for calculation and presentation of energy savings.
- SB 242 (Skinner)
  - Property Assessed Clean Energy (PACE) financed projects. Mandates that PACE providers have calls with all homeowners before they take out the loan to ensure they understand the terms.
- AB 1284 (Dababneh)
  - Requires PACE lenders make “reasonable good faith effort” that borrowers can repay their loans -- income, assets and current debt obligations. Department of Business Oversight now regulates PACE providers.

# Local Government and HOAs

- AB 546 (Chiu)
  - Requires storage permitting documents available and submitted online by 2019. Authorizes Governor's office to develop guidance on streamlined storage permitting processes.
- AB 1414 (Friedman)
  - Permitting fee cap extended for 7 years to 2025 on residential and commercial solar projects
  - Expanded to ground-mount systems and solar thermal
  - Cap lowered from \$500 for residential projects to \$450. Commercial cap extended at existing \$1000 (plus sliding scale).
- AB 634 (Eggman)
  - Removes 2/3 vote requirement to install solar on common area roofs on multifamily units in HOAs; adds new insurance requirements for solar on multifamily homes in HOAs.

# SB 700 (Wiener) and AB 1030 (Ting)

- Energy Storage Initiative: 10 year local storage rebate program; ramps down over time.
- Not less than 30% funding for low-income or disadvantaged communities.
- Funds capped at current SGIP allocation
- Requires grid benefits, included workforce development, streamlined multi-family housing provisions.



# Energy Package – Too Big and Failed

- SB 100 (de Leon)
  - Renewable Portfolio Standard (RPS) to 50% by 2025 and 60% by 2030 (currently 50% by 2030).
  - Sets 100% zero-carbon electricity goal by 2045.
- Regionalization – Expand CAISO into West
- Required IOUs Accelerated Purchase Renewables before 2020 Federal Investment Tax Credit Ramp-Down
- Community Choice Aggregation – Limit Expansion
- Prohibition of Distributed Solar, Storage, Demand Response to Offset Distribution System Costs
- Baseload Renewables into RPS
- Large-scale hydroelectric provisions

# Future Energy Legislation Continued

- Energy Storage Rebates
  - SB 700 (Wiener)
  - AB 1030 (Ting)
- Clean Peak Standards
  - SB 338 (Skinner)
    - CPUC consider distributed resources in IRP planning
    - Originally directed CPUC and CEC to establish policies and targets for meeting peak demand with clean storage, demand response or energy efficiency
  - AB 1405 (Mullin)
    - Merged with SB 338
    - Initially required increasing percentage of clean storage to meet peak demand.

Thank you!

Questions?

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