



*Arts & Innovation*

## 2015 Legislative Year in Review

**Board of Public Utilities**

December 18, 2015

[RiversidePublicUtilities.com](http://RiversidePublicUtilities.com)

## RPU Legislative Work

**RPU operates in accordance with our platform and uses it as a tool to help guide advocacy and legislative efforts. This includes:**

- Maintaining and protecting reliable, affordable energy and water delivery to the city
- Supporting efforts to maintain local control
- Protecting ratepayers
- Promoting the success of RPU's green energy efforts and water independence
- Educating and engaging our delegation of elected officials
- Supporting and working to increase customer rebate and incentive programs
- Supporting the utility's continued financial stability

2

[RiversidePublicUtilities.com](http://RiversidePublicUtilities.com)



## State Policy: First Session: 2015

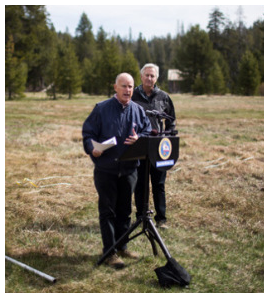


3

RiversidePublicUtilities.com



## 50/50/50



- During his January State of the State speech, Governor Brown announced his plan to cut green house gas emissions, petroleum use by 50% and increase renewable portfolio standards to 50% by 2030.
- California is already a leader in renewable and green energy and is home to some of the nation's most advanced green energy policy.
- California currently operates under an RPS goal of 33% renewables by 2020
- RPU is currently at 24% renewables and will likely reach the 33% goal before 2020.

4

RiversidePublicUtilities.com



## SB 350 becomes law

On September 11<sup>th</sup>, California's legislative chambers voted to approve the final version of SB 350



New 50% Renewable Portfolio Standard (RPS) by 2030.



Directs the CEC to set annual statewide targets to achieve a doubling of energy savings by 2030.



Requires Mandatory reporting of utility Integrated Resource Plans (IRP) to the state.



Final bill excluded Petroleum

5

RiversidePublicUtilities.com



## Vote Count



Assemblymember,  
Jose Medina

Aye Vote



Senator,  
Richard Roth

Aye Vote



Assemblymember,  
Eric Linder

Noe Vote

Senate Floor: **26 (Ayes)**-14 (Noes)  
Assembly Floor: **52 (Ayes)**- 27 (Noes)

6

RiversidePublicUtilities.com



# Riverside and Implementation

Implementation of SB 350 will move to the California Energy Commission and California Public Utilities Commission to be turned into regulations through a public process. Next steps to expect include:



RPU will work to be a part of the regulation process and submit comments when appropriate.

[RiversidePublicUtilities.com](http://RiversidePublicUtilities.com)



7

# Federal Policy: 114<sup>th</sup> Congress



[RiversidePublicUtilities.com](http://RiversidePublicUtilities.com)



8

## Comprehensive Energy Package

- Attempts to create comprehensive, bipartisan energy legislation in 2015 were unsuccessful though bills were developed in both the House and Senate.
  - **Policy items to be address in a comprehensive package include:** Reduction of GHG emissions, Increased energy efficiency, Economic Development, grid reliability, Cyber Security



### HOWEVER,

- President Obama signed a transportation bill (H.R. 22 FAST Act) that included measures aimed at firming the U.S. electric grid against attacks and outages, and includes plans to develop a strategic reserve of transmission equipment, Smart Grid News reports.
- H.R. 22 gives the President authority to declare a grid emergency in response to physical or cyber attacks, electromagnetic pulses or a geomagnetic storm.

9

RiversidePublicUtilities.com



## Clean Power Plan

**In August, President Obama announced the Clean Power Plan seeks to:**

- reduce carbon emission from power plants
- grow the green economy.

### What's in the Plan?

- CPP sets first-ever carbon pollution standards for existing power plants.
- Reduce carbon dioxide emissions by 32 percent from 2005 levels by 2030.
- Better Buildings Challenge to improve energy efficiency
- Work with international partners on climate change as a whole



10

RiversidePublicUtilities.com



## Clean Power Plan

In August, President Obama announced the Clean Power Plan seeks to:

• reduce carbon emission from power plants



**Republicans in Congress led efforts to block implementation of the plan. 2016 will likely bring legal challenges in opposition to the plan possibly delaying implementation.**

- CPP sets first-ever carbon pollution standards for existing power plants.
- Reduce carbon dioxide emissions by 32 percent from 2005 levels by 2030.
- Better Buildings Challenge to improve energy efficiency
- Work with international partners on climate change as a whole



11

RiversidePublicUtilities.com



## Federal Drought Legislation

- HR. 2892 (Valadao) the Western Water and American Food Security Act of 2015 and the California Emergency Drought Relief Act of 2015 (Feinstein) have been reviewed in a Senate hearing although next steps for either bill are unclear.
- These bills focus on access to water resources primarily in the central valley and place a heavy emphasis on assistance for disadvantaged communities.
- Bills authored in 2015 are still in play until the end of the 114<sup>th</sup> Congress in 2016.

In 2015 there were an estimated 31 bills in Congress that addressed the drought.



12

RiversidePublicUtilities.com





## Waters of the U.S. Rule (WOTUS)

- On August 28<sup>th</sup> 2015, the Environmental Protection Agency (EPA) released their final Waters of the U.S. Rule.
- Currently, 27 states are challenging the rule in court and implementation has been put on hold during the legal battle that carries into 2016.
- Arguments against the rule note that it is overreaching and violates the Clean Water Act by declaring tributaries and other small waters are subject to federal jurisdiction and pollution control laws.
- Efforts in the Senate to keep the rule from being implemented, or to change the language of the rule, were unsuccessful.

13

RiversidePublicUtilities.com



## Water Infrastructure Finance and Innovation Act (WIFIA)

- RPU has been actively engaged in amending the WIFIA program to allow municipal bonds to be used in conjunction with the program.
- Language to this effect was included in the Senate transportation authorization legislation (the DRIVE Act) signed by the President.
- Efforts underway in 2016 to ensure funding availability.

14

RiversidePublicUtilities.com



## Legislative Platform



15

RiversidePublicUtilities.com



## RPU State Platform

- Builds on approved 2015 Platform
- Focus Areas:
  - Local Control
  - Green Energy Initiatives and Drought Resiliency
  - Reliable & Affordable Energy and Water

16

RiversidePublicUtilities.com





## RPU Federal Platform

- Builds on approved 2015 Platform
- Focus Areas:
  - Local Control
  - Reliable & Affordable Energy and Water
  - Financial well-being of publicly-owned utilities
  - Modernization of the Endangered Species Act

17

RiversidePublicUtilities.com



## Recommendation

That the Board of Public Utilities:

1. Receive and file a legislative update covering the state and federal policy matters; and,
2. Recommend that the City Council approve the 2016 State and Federal Legislative Platform.

18

RiversidePublicUtilities.com

