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Agenda Memo

CITY HALL - ONE FRANK H. OGAWA PLAZA, 2ND FLOOR - OAKLAND - CALIFORNIA - 94612

FROM:

DAN KALB
Councilmember District 1

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TO: Rules and Legislation Committee

SUBJECT: Resolution in Support of SB 366 (Senator Leyva) – Renewable Energy for All

DATE: April 13, 2017

Dear Members of the Rules and Legislation Committee,

We respectfully ask you to adopt the following resolution:

ADOPT RESOLUTION IN SUPPORT OF SENATE BILL 366 (SENATOR CONNIE M. LEYVA) THAT WOULD MAKE CALIFORNIA'S SHARED SOLAR PROGRAM, KNOWN AS THE GREEN TARIFF SHARED RENEWABLES (GTSR) PROGRAM, AFFORDABLE FOR LOW-INCOME CUSTOMERS BY USING ELECTRICITY SECTOR AUCTION REVENUES TO ENSURE SAVINGS FOR LOW-INCOME CUSTOMERS AND ENCOURAGE SOLAR DEVELOPMENT IN DISADVANTAGED COMMUNITIES.

Thank you!

Respectfully submitted,

Councilmember Kalb

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Approved as to Form and Legality

DRAFT
City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBERS KALB

RESOLUTION IN SUPPORT OF SENATE BILL 366 (SENATOR LEYVA) THAT WOULD MAKE CALIFORNIA'S SHARED SOLAR PROGRAM, KNOWN AS THE GREEN TARIFF SHARED RENEWABLES (GTSR) PROGRAM, AFFORDABLE FOR LOW-INCOME CUSTOMERS BY USING ELECTRICITY SECTOR AUCTION REVENUES TO ENSURE SAVINGS FOR LOW-INCOME CUSTOMERS AND ENCOURAGE SOLAR DEVELOPMENT IN DISADVANTAGED COMMUNITIES.

WHEREAS, in 2013, Senate Bill 43 (Wolk) established the GTSR Program, which was implemented by the California Public Utilities Commission (CPUC) and launched in 2015. GTSR authorizes up to 600 megawatts (MW) of shared solar to be built and reserves 100 MW of that total for projects that are located in environmental justice (EJ) communities; and

WHEREAS, many low-income customers cannot put solar on their own roofs because they are renters or homeowners with unsuitable roofs; and

WHEREAS, in December 2016, the Energy Commission published the SB 350 Low-Income Barriers Study which recommends, among other things, that the State make the economic advantages of shared solar more readily accessible to low-income and disadvantaged populations; and

WHEREAS, SB 366 would make California's shared solar program, known as the Green Tariff Shared Renewables (GTSR) Program, affordable for low-income customers by using Electricity Sector auction revenues to ensure savings for low-income customers and encourage solar development in disadvantaged communities; and

WHEREAS, SB 366 will promote the development of more renewable energy projects in disadvantaged communities that will directly benefit low-income energy customers and help ensure that lower income residents have affordable opportunities to be part of our range of shared climate solutions; now, therefore, be it

RESOLVED: That the Oakland City Council supports Senate Bill (SB) 366 (Leyva), state legislation that will augment the GTSR program to ensure that it benefits low-income customers and has a strong environmental justice focus and will enhance outreach and education efforts so that low-income customers are aware of the benefits of the program. The auction revenue dollars that would fund this program would make renewable energy

affordable for low-income customers and incentivize more renewable energy development;
and be it

FURTHER RESOLVED: That the City Administrator is directed to forward a copy of this enacted Resolution to state legislative elected officials representing Oakland, Governor Jerry Brown, and to the lobbyist for the City of Oakland to advocate for passage of SB 366.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLÉN, KALB, KAPLAN
AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council of the City
of Oakland, California

17 APR 13 PM 4:33

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 523

Introduced by Assembly Member Reyes
(Principal coauthor: Senator Lara)

February 13, 2017

An act to add Section 25711.6 to the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 523, as introduced, Reyes. Electric Program Investment Charge: allocation.

The California Constitution establishes the Public Utilities Commission (PUC), with jurisdiction over all public utilities, as defined. Existing decisions of the PUC institute an Electric Program Investment Charge (EPIC) to fund renewable energy and research, development, and demonstration programs.

Existing law creates in the State Treasury the Electric Program Investment Charge Fund to be administered by the State Energy Resources Conservation and Development Commission (Energy Commission) and requires the PUC to forward to the Energy Commission at least quarterly moneys for those EPIC programs the PUC has determined should be administered by the Energy Commission for deposit in the fund.

Existing law requires the Energy Commission, in administering moneys in the fund for research, development, and demonstration programs, to develop and implement the EPIC program for the purpose of awarding funds to projects that may lead to technological advancement and breakthroughs to overcome barriers that prevent the achievement of the state's statutory energy goals and that may result

in a portfolio of projects that are strategically focused and sufficiently narrow to make advancement on the most significant technological challenges.

This bill would require the Energy Commission to allocate at least 25% of the moneys in the fund for technology demonstration and deployment at sites located in disadvantaged communities, as defined. The bill would require the Energy Commission to allocate at least 10% of the moneys in the fund for technology demonstration and deployment at sites located in, or benefiting, low-income communities, as defined. The bill would require the Energy Commission to give preference for funding to clean energy projects under the EPIC program that benefit residents of low-income or disadvantaged communities.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25711.6 is added to the Public Resources
2 Code, to read:
3 25711.6. (a) The commission shall give preference for funding
4 pursuant to this chapter to clean energy projects that benefit
5 residents of low-income or disadvantaged communities.
6 (b) The commission shall expend at least 25 percent of the
7 moneys appropriated from the fund for technology demonstration
8 and deployment at sites located in disadvantaged communities.
9 (c) The commission shall expend at least 10 percent of the
10 moneys appropriated from the fund for technology demonstration
11 and deployment at sites located in, or benefiting, low-income
12 communities located in the state.
13 (d) For purposes of this section, the following definitions apply:
14 (1) "Disadvantaged communities" means communities identified
15 pursuant to Section 39711 of the Health and Safety Code.
16 (2) "Low-income communities" means communities within
17 census tracts with median household incomes at or below either
18 of the following levels:
19 (A) Eighty percent of the statewide median income.
20 (B) The applicable low-income threshold listed in the State
21 Income Limits updated by the Department of Housing and
22 Community Development and filed with the Office of

- 1 Administrative Law pursuant to subdivision (c) of Section 50093
- 2 of the Health and Safety Code.

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Senate Bill 366

Renewable Energy for All

Senator Connie M. Leyva (D-Chino)

SUMMARY

SB 366 would make California's shared solar program, known as the Green Tariff Shared Renewables (GTSR) Program, affordable for low-income customers by using Electricity Sector auction revenues to ensure savings for low-income customers and encourage solar development in disadvantaged communities.

BACKGROUND

In 2013, Senate Bill 43 (Wolk) established the GTSR Program, which was implemented by the California Public Utilities Commission (CPUC) and launched in 2015. GTSR authorizes up to 600 megawatts (MW) of shared solar to be built and reserves 100 MW of that total for projects that are located in environmental justice (EJ) communities. The GTSR program includes two components: the Green Tariff component requiring the utility to purchase all the shared solar energy from a project and then to sign up their customers as subscribers; the Enhanced Community Renewables component allowing clean energy developers to sign up interested customers directly as subscribers, who then pay the developer directly for renewable energy.

The Clean Energy and Pollution Reduction Act of 2015 (SB 350, De Leon) ordered the California Energy Commission to publish a study on the barriers and solutions for fully realizing the potential of solar to serve low-income customers, including those in disadvantaged communities. In December 2016, the Energy Commission published the SB 350 Low-Income Barriers Study which recommends, among other things, that the State make the economic advantages of shared solar more readily accessible to low-income and disadvantaged populations.

PROBLEM

Many low-income customers cannot put solar on their own roofs because they are renters or homeowners with unsuitable roofs. Shared solar is not an affordable option because the GTSR program charges actually increase utility costs for customers instead of decreasing them.

The current structure of these programs has created extra costs for potential subscribers that decrease demand and limit the ability of low-income people to participate.

Meanwhile, the utilities have signed over 100 MW of contracts for new shared solar projects under the program but only 2 MW of those projects will be located in EJ communities. Thus, the program is not currently serving low-income customers well, nor is it getting enough shared solar projects built in EJ communities.

SOLUTION

SB 366 would augment the GTSR program to ensure that it benefits low-income customers and has a strong environmental justice focus. The auction revenue dollars that would fund this program would make renewable energy affordable for low-income customers and incentivize more renewable energy development. Additionally, this bill would enhance outreach and education efforts so that low-income customers are aware of the benefits of the program.

This effort will promote the development of more renewable energy projects in disadvantaged communities that will directly benefit low-income energy customers.

STATUS

Senate Energy Committee, April 4

SUPPORT

Asian Pacific Environmental Network (Co-sponsor)
California Environmental Justice Alliance (Co-sponsor)
Communities for a Better Environment
Vote Solar

CONTACT

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