



CITY OF OAKLAND

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17 APR 13 PM 4:34

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 AB 523 (Assemblymember Gómez Reyes) – Equity in Clean Energy Investments

DATE: April 13, 2017

Dear Members of the Rules and Legislation Committee,

We respectfully ask you to adopt the following resolution:

RESOLUTION IN SUPPORT OF ASSEMBLY BILL 523 (ASSEMBLYMEMBER GÓMEZ REYES) THAT WILL DEDICATE A MINIMUM OF 25% OF THE AVAILABLE MONEYS ADMINISTERED BY THE CALIFORNIA ENERGY COMMISSION (CEC) IN THE ELECTRIC PROGRAM INVESTMENT CHARGE (EPIC) FOR CLEAN ENERGY PROJECTS LOCATED WITHIN AND BENEFITING INDIVIDUALS LIVING IN DESIGNATED DISADVANTAGED COMMUNITIES (DAC) AND AN ADDITIONAL 10% OF FUNDS TO LOW INCOME COMMUNITIES.

Thank you!

Respectfully submitted,

Councilmember Kalb

DRAFT

City Attorney's Office

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17 APR 13 PM 4:36

OAKLAND CITY COUNCIL**RESOLUTION NO. _____ C.M.S.****INTRODUCED BY COUNCILMEMBERS KALB**

RESOLUTION IN SUPPORT OF ASSEMBLY BILL 523 (ASSEMBLYMEMBER GÓMEZ REYES) THAT WILL DEDICATE A MINIMUM OF 25% OF THE AVAILABLE MONEYS ADMINISTERED BY THE CALIFORNIA ENERGY COMMISSION (CEC) IN THE ELECTRIC PROGRAM INVESTMENT CHARGE (EPIC) FOR CLEAN ENERGY PROJECTS LOCATED WITHIN AND BENEFITING INDIVIDUALS LIVING IN DESIGNATED DISADVANTAGED COMMUNITIES (DAC) AND AN ADDITIONAL 10% OF FUNDS TO LOW INCOME COMMUNITIES.

WHEREAS, the California Public Utilities Commission created the EPIC program in December of 2011, authorizing investor owned utilities to collect funds for innovative investments in clean energy. The CEC administers the EPIC funds collected; and

WHEREAS, renewable energy spending, research and programs are not reaching low income and communities of color who are the most impacted by negative fossil fuel energy production; and

WHEREAS, a report released in December by the CEC found disadvantaged and low income communities face significant barriers to fully participating in the state's clean energy programs like EPIC. In 2015, EPIC funded 12 projects out of 81 research and deployment projects in disadvantaged communities. By this measure, only 14% of EPIC's programs are reaching disadvantaged communities even though they constitute 25% of the state, demonstrating a need for more clear targeted investment; and

WHEREAS, it is critical that as the green economy develops we include communities who not only have been overburdened by pollution but also have the most to gain from the economic impacts of the renewable industry; and

WHEREAS, AB 523 dedicates a minimum of 25% of the available moneys administered by the California Energy Commission (CEC) in the Electric Program Investment Charge (EPIC) for clean energy projects located within and benefiting individuals living in designated disadvantaged communities (DAC) and an additional 10% of funds to low income communities; and

WHEREAS, AB 523 is co-sponsored by Women's Policy Institute and endorsed by Asian Pacific Environmental Network, California Environmental Justice Alliance, Center on Race, Poverty, and the Environment, Central California Asthma Collaborative, Climate Works, Communities for A Better Environment, Environmental

Defense Fund, Medical Advocates for Healthy Air and the Sierra Club California, now, therefore, be it

RESOLVED: that the Oakland City Council supports Assembly Bill (AB) 523 (GOMEZ REYES) that will ensure clean energy projects funded by the EPIC program benefit communities of need by dedicating a minimum of 25% the funds benefit individuals in disadvantaged communities and an additional 10% benefit low income communities; 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 AB 523.

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

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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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OFFICE OF ASSEMBLY MEMBER

Eloise Gómez Reyes

FORTY-SEVENTH ASSEMBLY DISTRICT

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AB- 523 Equity in Clean Energy Investments

SUMMARY

AB 523 dedicates a minimum of 25% of the available moneys administered by the California Energy Commission (CEC) in the Electric Program Investment Charge (EPIC) for clean energy projects located within and benefiting individuals living in designated disadvantaged communities (DAC) and an additional 10% of funds to low income communities.

EXISTING LAW/BACKGROUND

The California Public Utilities Commission created the EPIC program in December of 2011, authorizing investor owned utilities to collect funds for innovative investments in clean energy. The CEC administers the EPIC funds collected.

A report released in December by the CEC found disadvantaged and low income communities face significant barriers to fully participating in the state's clean energy programs like EPIC. In 2015, EPIC funded 12 projects out of 81 research and deployment projects in disadvantaged communities. By this measure, only 14% of EPIC's programs are reaching disadvantaged communities even though they constitute 25% of the state, demonstrating a need for more clear targeted investment. The study also found disadvantaged communities and low-income households pay often triple what higher income households pay for their utility services. Given these barriers, the CEC recommended EPIC target a minimum of 25 % technology demonstration and deployment funding for sites located in disadvantaged communities.

Renewable energy spending, research and programs are not reaching low income and communities of color who are the most impacted by negative fossil fuel energy production. It is critical that as the green economy develops we include communities who not only have been overburdened by pollution but also have the most to gain from the economic impacts of the renewable industry.

THIS BILL

AB 523 ensures clean energy projects funded by the EPIC program benefit communities of need by dedicating a minimum of 25% the funds benefit individuals in disadvantaged communities and an additional 10% benefit low income communities.

SUPPORT

- **Women's Policy Institute (Sponsor)**
- Asian Pacific Environmental Network
- California Environmental Justice Alliance
- Center on Race, Poverty, and the Environment
- Central California Asthma Collaborative
- Climate Works
- Communities for A Better Environment
- Environmental Defense Fund
- Medical Advocates for Healthy Air
- Sierra Club California

CONTACT

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