

ENERGY & ENVIRONMENTAL RESOURCES COMMITTEE VOTING MEMBERS WILL RECEIVE A UNIQUE PANELIST LINK BY EMAIL. PLEASE USE THIS LINK TO PARTICIPATE IN THIS MEETING.



Pursuant to Assembly Bill 361 and the findings made by CVAG, this meeting will only be conducted via video/teleconferencing.

ENERGY & ENVIRONMENTAL RESOURCES COMMITTEE AGENDA

THURSDAY, FEBRUARY 9, 2023
12:00 p.m.

INSTRUCTIONS FOR PUBLIC PARTICIPATION

Members of the public may use the following link:

<https://us02web.zoom.us/j/82742834484?pwd=MXJGQXRtMURBVzM2M3ZmV3E3dGpFQT09>

Passcode: 493854

One tap mobile: +16699009128,, 82742834484#

Dial In #: +1 669 900 9128

Webinar ID: 827 4283 4484

Passcode: 493854

This will provide listening access and ability to address the Energy & Environmental Resources Committee when called upon.

IF YOU ARE UNABLE TO CONNECT VIA DIAL IN OPTION, PLEASE CALL 760-346-1127

Public Comment is encouraged to be emailed to the Energy & Environmental Resources Committee prior to the meeting at cvag@cvag.org by 5:00 p.m. on the day prior to the committee meeting.
Comments intended to be read aloud should be no more than 300 characters.

**THIS MEETING IS HANDICAPPED ACCESSIBLE.
ACTION MAY RESULT ON ANY ITEMS ON THIS AGENDA**

**UNLESS OTHERWISE STATED, ALL ACTION ITEMS WILL BE PRESENTED TO THE
EXECUTIVE COMMITTEE FOR FINAL APPROVAL.**

1. **CALL TO ORDER** – Mayor Oscar Ortiz, City of Indio, Chair

2. **ROLL CALL**

A. Member Roster

P4

3. **PUBLIC COMMENTS ON AGENDA ITEMS**

Anyone wishing to address the Energy & Environmental Resources Committee on items appearing on this agenda may do so at this time. Please limit comments to 3 minutes. At the discretion of the Chair, additional public comment time and/or opportunities during the meeting may be granted.

4. **COMMITTEE MEMBER / DIRECTOR COMMENTS**

5. **CONSENT CALENDAR**

- A. Approve November 10, 2022 Committee Meeting Minutes

P5

- B. Authorize the Executive Director to execute Amendment No. 1 to the Memorandum of Understanding with the Imperial Irrigation District, extending the term until December 31, 2023 with an option to extend for an additional year, to assist its Coachella Valley Energy Commission and to help achieve a local collaborative governance and electrical service solution post-2033

P9

6. **DISCUSSION / ACTION**

- A. Presentation: Coachella Valley Water District and Regional Conservation Programs – Adam McVey, CVWD Acting Conservation Manager

- B. Update on Inland Regional Energy Network Agreements, Programs, and Governance – Kenyon Potter

P24

Recommendation: Provide input to the Committee's Chair, Indio Mayor Oscar Ortiz, regarding the consultant contracts expected to be presented for approval at the upcoming Inland Regional Energy Network's Executive Committee meeting

- C. Urban Tree Planting and Shade Initiative – Kenyon Potter

P30

Recommendation: Endorse a regional urban tree planting and shade initiative to increase shading, build climate resilience and reduce the impacts of increased heat

7. **INFORMATION**

- | | | |
|----|--|-----|
| A. | Attendance Record | P33 |
| B. | Update on Property Assessed Clean Energy (PACE) program | P34 |
| C. | Update on Senate Bill 379 and Automated Solar Permitting | P37 |
| D. | California Public Utilities Commission NEM 3.0 and Net Billing Tariff Decision | P42 |
| E. | Heat Mitigation Opportunities | P44 |
| F. | Electric Vehicle Charging Station Guidance | P46 |

8. **PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Any member of the public wishing to address the Committee on items not appearing on this agenda may do so at this time. Please limit comments to 2 minutes. At the discretion of the Chair, additional public comment time and/or opportunities during the meeting may be granted.

9. **ANNOUNCEMENTS**

The next meeting of the **Energy & Environmental Resources Committee** will be held on Thursday, April 13, 2023, at noon with additional meeting logistics to be announced.

The next meeting of the **Executive Committee** will be held on Monday, February 27, 2023, at 4:30 p.m. via Zoom webinar.

10. **ADJOURN**

Item 2A

**Energy & Environmental Resources Committee
Member Roster
2022 – 2023**



| VOTING MEMBERS | |
|---|---|
| Agua Caliente Band of Cahuilla Indians | Tribal Vice Chair Vincent Gonzales III |
| City of Blythe | Vice Mayor Joseph DeConinck |
| City of Cathedral City | Councilmember Nancy Ross |
| City of Coachella | Mayor Pro Tem Neftali Galarza |
| Coachella Valley Water District | Board Member Anthony Bianco |
| City of Desert Hot Springs | Councilmember Russell Betts |
| Imperial Irrigation District | Director JB Hamby |
| City of Indian Wells | Mayor Donna Griffith |
| City of Indio | Mayor Oscar Ortiz, <i>Chair</i> |
| City of La Quinta | Mayor Linda Evans, <i>Vice Chair</i> |
| Mission Springs Water District | Director Russ Martin |
| City of Palm Desert | Councilmember Gina Nestande |
| City of Palm Springs | Councilmember Ron deHarte |
| City of Rancho Mirage | Councilmember Ted Weill |
| Riverside County – District 4 | Supervisor V. Manuel Perez |
| Torres Martinez Desert Cahuilla Indians | Secretary Altrena Santillanes |
| Ex-Officio / Non-Voting Members | |
| Desert Water Agency | Board Member Patricia Oygarr |
| Riverside County – District 5 | Supervisor Yxstian Guterrez |

ITEM 5A

Energy & Environmental Resources Committee Meeting Minutes November 10, 2022



The audio file for this meeting can be found at: <http://www.cvag.org/audio.htm>

1. **CALL TO ORDER** – The meeting was called to order by Chair Oscar Ortiz, City of Indio, at 12:00 p.m. via Zoom, pursuant to AB 361 and the guidelines for governing how public meetings are held virtually.

Seeing that members were still arriving, Chair Ortiz opened the meeting with member and director comments.

4. COMMITTEE MEMBER / DIRECTOR COMMENTS

Rancho Mirage Mayor Charles Townsend noted that this was his last meeting as he was departing City Council and provided departing remarks. Members acknowledged his work in the community.

Executive Director Tom Kirk noted that the January meeting would be canceled in order to accommodate a tour by the Coachella Valley Conservation Commission. The next meeting would be February 9, 2023. Mr. Kirk also followed up on previous questions from members and stated staff would be providing information on electric vehicle infrastructure at an upcoming meeting.

2. **ROLL CALL** – Roll call was taken and it was determined that a quorum was present.

Members Present

Vice President Vincent Gonzales III
Director JB Hamby
Mayor Pro Tem Oscar Ortiz, *Chair*
Mayor Linda Evans, *Vice Chair*
Vice President Nancy Wright
Councilmember Gina Nestande
Councilmember Dennis Woods
Mayor Charles Townsend

Agency

Agua Caliente Band of Cahuilla Indians
Imperial Irrigation District
City of Indio
City of La Quinta
Mission Springs Water District
City of Palm Desert
City of Palm Springs
City of Rancho Mirage

Ex-Officios Present

Director Russ Martin

Riverside County – District 5

Members/ Ex-Officios Not Present

Vice Mayor Joseph DeConinck
Councilmember Nancy Ross
Councilmember Neftali Galarza
Board Member Anthony Bianco
Councilmember Russell Betts
Mayor Pro Tem Donna Griffith
Supervisor V. Manuel Perez
Board Member Patricia Oygar

City of Blythe
City of Cathedral City
City of Coachella
Coachella Valley Water District
City of Desert Hot Springs
City of Indian Wells
Riverside County – District 4
Desert Water Agency

3. PUBLIC COMMENTS ON AGENDA ITEMS

None.

4. COMMITTEE MEMBER / DIRECTOR COMMENTS

Continuing on this item with a quorum present, Chair Ortiz congratulated members on the recent council elections. He also provided an update from the Southern California Association of Governments.

5. CONSENT CALENDAR

A. Approve September 15, 2022 Committee Meeting Minutes

IT WAS MOVED BY DIRECTOR HAMBY AND SECONDED BY MAYOR EVANS TO APPROVE THE CONSENT CALENDAR ITEM.

THE MOTION CARRIED WITH 8 AYES AND 7 MEMBERS ABSENT.

| | |
|---------------------------------|--------|
| Vice Chair Vincent Gonzales III | Aye |
| Vice Mayor Joey DeConinck | Absent |
| Councilmember Nancy Ross | Absent |
| Councilmember Netfali Galarza | Absent |
| Board Member Anthony Bianco | Absent |
| Councilmember Russell Betts | Absent |
| Director JB Hamby | Aye |
| Mayor Pro Tem Donna Griffith | Absent |
| Mayor Pro Tem Oscar Ortiz | Aye |
| Mayor Linda Evans | Aye |
| Vice President Nancy Wright | Aye |
| Councilmember Gina Nestande | Aye |
| Councilmember Dennis Woods | Aye |
| Mayor Charles Townsend | Aye |
| Supervisor V. Manuel Perez | Absent |

6. DISCUSSION / ACTION

A. Presentation: Imperial Irrigation District's Growth and Economic Development Proposal – Jamie Asbury, Energy Department Manager, Imperial Irrigation District

Jamie Asbury, IID's Energy Department Manager, provided an overview of the proposal being considered by IID for its ratepayers. Member discussion ensued, including discussion on community engagement and the potential challenges with an opt-out program.

There was no action taken on this informational item.

B. Contract for the Regional PM10 Street Sweeping Program – Emmanuel Martinez

Senior Programs Manager Emmanuel Martinez provided the staff report.

IT WAS MOVED BY MAYOR EVANS AND SECONDED BY MAYOR TOWNSEND TO AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE A SERVICES CONTRACT WITH CLEANSTREET FOR REGIONAL STREET SWEEPING SERVICES THROUGH 2025, WITH AN OPTION FOR TWO, ONE-YEAR EXTENSIONS, FOR A NOT-TO-EXCEED ANNUAL AMOUNT OF \$763,573.96

THE MOTION CARRIED WITH 8 AYES AND 7 MEMBERS ABSENT.

| | |
|---------------------------------|--------|
| Vice Chair Vincent Gonzales III | Aye |
| Vice Mayor Joey DeConinck | Absent |
| Councilmember Nancy Ross | Absent |
| Councilmember Netfali Galarza | Absent |
| Board Member Anthony Bianco | Absent |
| Councilmember Russell Betts | Absent |
| Director JB Hamby | Aye |
| Mayor Pro Tem Donna Griffith | Absent |
| Mayor Pro Tem Oscar Ortiz | Aye |
| Mayor Linda Evans | Aye |
| Vice President Nancy Wright | Aye |
| Councilmember Gina Nestande | Aye |
| Councilmember Dennis Woods | Aye |
| Mayor Charles Townsend | Aye |
| Supervisor V. Manuel Perez | Absent |

Chair Ortiz noted that Supervisor Perez sent his regrets about missing the meeting, but had a conflicting Salton Sea meeting with Natural Resources Secretary Wade Crowfoot.

C. Opportunities for Sustainable Urban Greening and Heat Mitigation Initiatives –
Kenyon Potter

Energy and Sustainability Director Kenyon Potter provided the staff report. Member discussion ensued with a focus on opportunities for shade tree programs. An update on water usage was requested for a future meeting.

There was no action taken on this informational item. Members expressed a consensus for CVAG seeking grants and funding opportunities, and staff indicated related items would be presented at future meetings.

D. Federal and State Legislative Advocacy in 2023 – Emmanuel Martinez

Mr. Martinez provided the staff report. Brief member discussion ensued. The Chair also requested that a future update on electric infrastructure include discussion of hydrogen.

7. INFORMATION – The following items were provided in the agenda for information only:

A. Attendance Record

B. Update on Property Assessed Clean Energy (PACE) program

C. Used Oil Recycling Program Event Schedule for 2023

D. Waste Tire Amnesty Cycle 5 (TA5) Final Report

E. Recent News Coverage of the Salton Sea

F. SB 535 and California Climate Investments - Tribal Designation

G. Update on Inland Regional Energy Network Agreements, Programs, and Governance

H. Utility Box Art Wrap Programs

8. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

9. ANNOUNCEMENTS

The January meeting of the **Energy & Environmental Resources Committee** is expected to be canceled. The next meeting will be held on Thursday, February 9, 2023, at noon via Zoom webinar.

The next meeting of the **Executive Committee** will be held on Monday, December 5, 2022, at 4:30 p.m. via Zoom webinar.

10. ADJOURN – Prior to the end of the meeting, Chair Ortiz acknowledged departing Committee members: Mayor Townsend and Councilmember Woods. Chair Ortiz adjourned the meeting at 1:08 p.m.

Respectfully submitted,

Erica Felci
Assistant Executive Director

ITEM 5B

Coachella Valley Association of Governments Energy & Environmental Resource Committee

February 9, 2023



STAFF REPORT

Subject: Memorandum of Understanding between CVAG and Imperial Irrigation District for the Coachella Valley Energy Commission

Contact: Emmanuel Martinez, Senior Programs Manager (emartinez@cvaq.org)

Recommendation: Authorize the Executive Director to execute Amendment No. 1 to the Memorandum of Understanding with the Imperial Irrigation District, extending the term until December 31, 2023 with an option to extend for an additional year, to assist its Coachella Valley Energy Commission and to help achieve a local collaborative governance and electrical service solution post-2033

Background: As noted in previous updates to the Energy & Environmental Resources Committee, the looming expiration of the 1934 Agreement of Compromise between the Imperial Irrigation District (IID) and the Coachella Valley Water District (CVWD) has led to several discussions amongst Coachella Valley cities regarding continued electrical service in the Coachella Valley. To address this issue, the eastern Coachella Valley Cities served by IID have expressed priority interest in addressing governance and electrical service issues posed by the existing agreement. In recent years, the issue has led to IID creating a Coachella Valley Energy Commission, which is exploring a variety of issues regarding the continuation of electrical service beyond 2033.

In February 2022, CVAG's Executive Director was authorized to enter into a Memorandum of Understanding with IID to assist with coordination of the CVEC. Section 5.06 of the IID-approved CVEC bylaws includes the appointment of a coordinator by the IID in collaboration with CVAG. The role of the coordinator is to assist in carrying out and overseeing the actions, activities and affairs of the CVEC.

The term of the MOU expired in December 2022. After consulting with IID, CVAG staff is recommending extending the term of the MOU for a year, with the option for the Executive Director to extend the terms an additional year, to allow for continued coordination related to the CVEC. The MOU will allow CVAG to continue providing some staff support to the CVEC and its activities, which would be largely carried out by the Senior Programs Manager serving in a coordinator role. The term of the new MOU will end on December 31, 2023, but may be extended for an additional year by the CVAG Executive Director.

The remaining terms of the MOU will continue. As outlined in the MOU, the activities of the coordinator include being a liaison between CVAG and the CVEC; attending monthly CVEC meetings and provide CVAG updates or reports; assisting with CVEC agenda planning and setting; attending IID Board of Directors meetings and relaying updates to CVAG; and providing updates on CVEC related matters to CVAG's Energy and Environmental Resources and Executive Committees, as needed. In addition to mentioned duties, the coordinator also

assisted with authoring the CVEC's annual report for Fiscal Year 2021-22, which is attached to this staff report. The report details the activities of the CVEC, including priorities it has focused and taken action on. These include, but are not limited to, review of the 1934 Agreement of Compromise, exploration of alternative governance options, discussion of innovative infrastructure finance mechanism and continued education related to electrical infrastructure. The MOU allows CVAG to cover some of the staff time to related to CVEC activities. The MOU may be terminated at any time and for any reason upon written notice to the other party.

Since its creation, the CVEC has been holding monthly meetings which occur on the second Thursday of the month at 4 p.m. at the IID's offices in La Quinta. There are 12 members that comprise the CVEC and three subcommittees have been established: governance, growth and economic development and reliability, to further investigate relevant issues.

Fiscal Analysis: Amendment No. 1 to the MOU will extend the original terms through December 31, 2023, with authorization for the Executive Director to extend it for an additional one-year term. The MOU allows for the coordinator's staff time allocated to the CVEC to be compensated at the rate of \$75 per hour, not to exceed 40 hours per month.

Attachments:

1. Amendment No. 1
2. CVEC annual report for Fiscal Year 2021-22

AMENDMENT NUMBER ONE
to the
MEMORANDUM OF UNDERSTANDING
With
IMPERIAL IRRIGATION DISTRICT
Regarding
COORDINATOR FOR THE COACHELLA ENERGY COMMISSION

This **AMENDMENT NUMBER ONE** is made and entered into this 27TH day of February 2023, by and between the **Coachella Valley Association of Governments**, a California joint powers agency ("**CVAG**"), and **Imperial Irrigation District**, a California special district ("**IID**"), and is made with reference to the following background facts and circumstances. All other terms and conditions shall remain the same as stated in the original Agreement dated February 28, 2022 regarding Coordinator for the Coachella Valley Energy Commission.

1. **This Amendment Number One extends the term of the agreement to December 31, 2023, with an option to extend one (1) additional year with authorization by the Executive Director.**

| | | |
|--------------------------------------|-------------------|------------------------|
| Original Agreement | February 28, 2022 | \$3,000 Monthly |
| Amendment Number One | February 27, 2023 | <u>No cost</u> |
| Total Agreement Not-to-Exceed | | \$3,000 Monthly |

IN WITNESS WHEREOF, the parties hereto have caused this **Amendment Number One** to be executed by their duly authorized representatives on this date:

**COACHELLA VALLEY ASSOCIATION OF
GOVERNMENTS**

IMPERIAL IRRIGATION DISTRICT

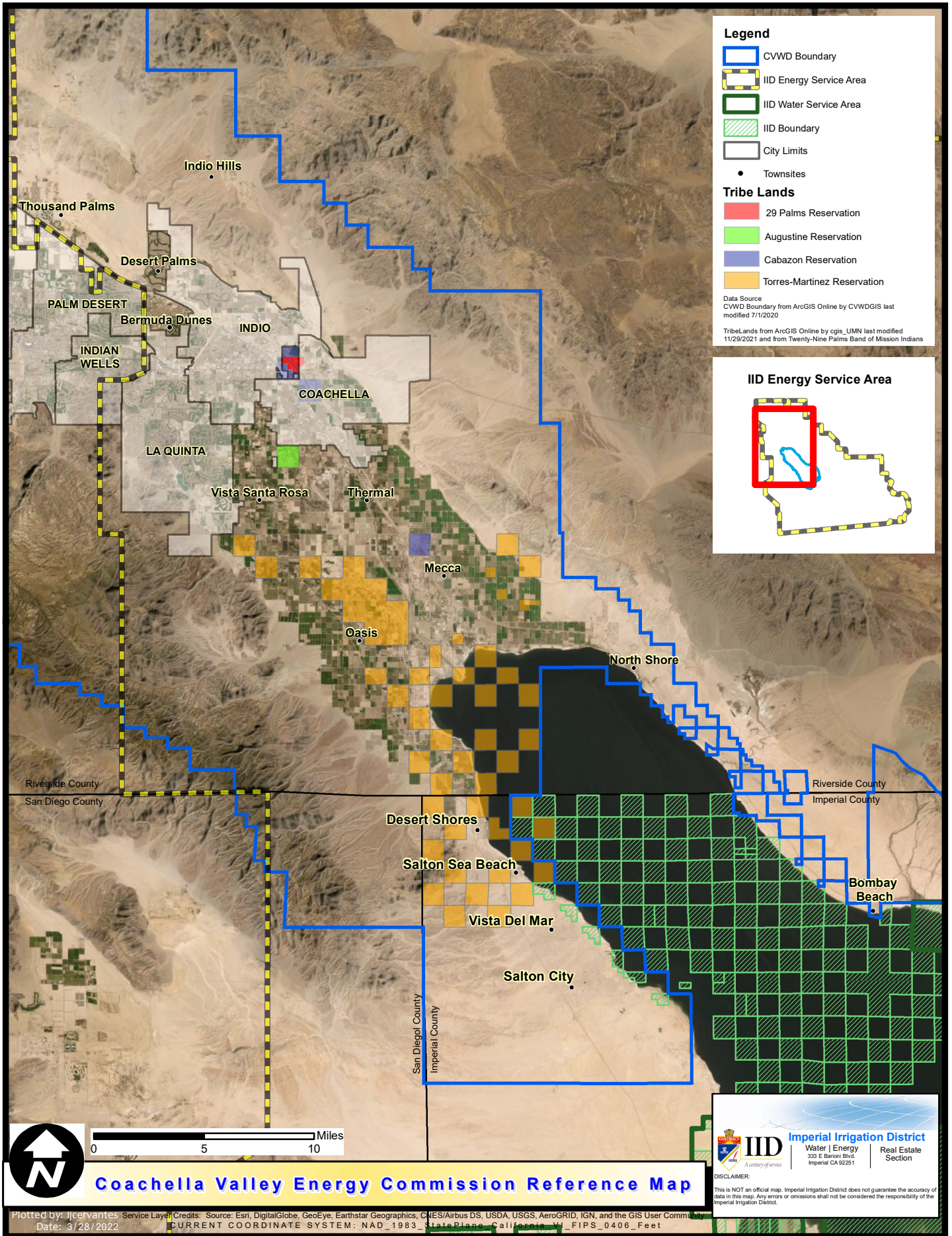
By: _____
Tom Kirk, CVAG Executive Director

By: _____
Enrique B. Martinez,
General Manager



2021-2022 ANNUAL PROGRESS REPORT





CVEC COMMISSIONERS



JB Hamby, Chairman
Imperial Irrigation District



Linda Evans, Vice-Chair
City of La Quinta



Joseph Mirelez, Vice-Chair
Tribal Nations



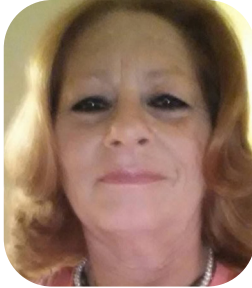
Steven Hernandez
City of Coachella



Waymond Fermon
City of Indio



Richard Balocco
Cove Communities Services Commission



LaVon Jaksch
Imperial County



James C. Hanks
Imperial Irrigation District



Gloria Fernandez
Riverside County



Philip Bettencourt
At-Large, Cities



Blaine Carian
At-Large, Counties



Anthony Madrigal
At-Large, Tribal Nations



Emmanuel Martinez
Coordinator



Susie Carrillo
Secretary

EXECUTIVE SUMMARY

The Imperial Irrigation District serves the retail electric needs of the eastern Coachella Valley as provided for under the 1934 Agreement of Compromise. Although the agreement is primarily based on settling water rights and disputes between the Coachella Valley Water District and IID, it allowed CVWD to lease to IID potential power rights for 99 years. Under the agreement, IID pays eight percent of its net power proceeds to CVWD. The 99-year lease provisions set forth in the Agreement of Compromise expire in 2033, and stakeholders must plan ahead and reach an agreement on how the electrical service needs of the eastern Coachella Valley are best met post-2033 and in the interim.

Questions and concerns regarding continued energy service to the Coachella Valley after 2033, representation of and by Coachella Valley energy stakeholders, and the protection of IID's Imperial Valley water rights necessitated the formation of the Commission in order to resolve said questions and concerns by providing opportunities for collaboration toward locally developed solutions for energy service and governance forged between Coachella Valley energy stakeholders and IID.

The 2021 Budget Act included \$500,000 to conduct a joint study of service options by the Riverside and Imperial County Local Agency Formation

Commissions. The results of the study will complement efforts of the CVEC in its purpose to develop a strategic plan that addresses governance and electrical service needs of the communities in the eastern Coachella Valley.

In its 2021-2022 first year, the CVEC has focused and taken action on a number of items including:

- Review of the 1934 Agreement of Compromise
- Review of IID's Energy Department budget and operations with special focus on the Coachella division
- Review and input regarding power outage emergency response plans
- Exploration of potential alternative governance structures
- SWOT analysis and strategic planning sessions
- Formation of a Governance Committee, Growth and Economic Development Committee, and a Reliability Committee to better focus on specific areas of interest
- Tour of IID energy facilities across the Coachella and Imperial Valleys
- Riverside and Imperial County LAFCO updates regarding the service and governance options study
- Discussion of infrastructure finance mechanisms for Coachella Valley cities
- Review of Mecca/North Shore resiliency efforts, including proposed hardening improvements to the K-Line and L-Line to better withstand micro-burst storms and high wind events

Reaching locally-driven collaborative solutions to the issues aforementioned are the impetus for the work of the Coachella Valley Energy Commission. Moving forward, the goals of the Commission in the next year will be to continue to help refine post-



2033 governance options through collaboration with Imperial County and Riverside County LAFCOs on their joint-study of governance options. Also, the Commission and its member agencies will continue efforts regarding infrastructure financing mechanisms with hopes of moving towards implementation. Near and long-term goals of the Commission include:

Near-term goals:

- Refine governance options and examine implications of each, including cost to ratepayers and impact to IID's Balancing Authority
- Continue updates on resilience and hardening efforts for the North Shore/Mecca area
- Better understand and implement alternative financing mechanisms for new growth and development
- Analysis of localized rate or fee structure to address higher levels of service

- Support completion of joint-LAFCO governance options study
- Monitor emergency power outage plan implementation and refine plans as needed
- Develop components of a strategic plan for governance and energy service

Long-term goals:

- Study and develop a preferred alternative governance model
- Analyze cost implications of preferred governance and energy service models, with emphasis on low-income ratepayers
- Begin technical evaluation of implementing the alternative model
- Determine legislative asks in order to effectuate the strategic plan



COMMISSION ACTIVITIES

The CVEC held its initial meeting on August 5, 2021 at the City of Coachella's Library. One of the key activities of the CVEC this past year was to provide robust educational opportunities for its members. In the first year, the basics of public power and the issues that affect IID customers generally, and in the Coachella Valley specifically, were the core focus. Education has been a critical component given the diverse makeup of the Commission's members. Technical staff offered information regarding technical, operational, legal, regulatory, and management compliance requirements to effectively operate a publicly owned electrical utility. The CVEC has prioritized education as a key tool to help ensure members of the CVEC have a solid understanding of how electrical utilities function in order to help inform decisions. As the Commission continues its work, education will remain a key component to help further understanding of complex energy issues and helping to arrive at informed proposed solutions and recommendations.

As part of the onboarding, the Commission delved into understanding the IID electrical enterprise and how it operates. For example, the IID is the third largest public provider in California. The service area spans more than 6,400 square miles and is home to a diverse and rich renewable resource portfolio that includes geothermal, hydroelectric, biomass, and solar. IID provides more than 1,100 megawatts derived from this diverse resource portfolio. This energy is critical to servicing the more than 150,000 IID electric customers. Of these, 97,106 customers are in the Coachella Valley of which 85,133 are residential, 11,313 are commercial, and 660 are industrial customers. In comparison, the Imperial Valley has 61,893 total customers of which 51,705 are residential, 10,024 are commercial, and 164 are industrial customers.

IID provides energy either through its own generation or from market purchases and transmits that energy long

distances through its transmission lines and distributes it to all of its customers. As a result, IID is considered a vertically integrated utility. The Commission spent time understanding the energy department and its various operational oversight responsibilities in order to ensure that power remains on for customers. For instance, the 2021 IID Energy Department Budget was \$521,884,000. The IID as a whole has 1,441 employees, of those 486 are in the Energy Department and 476 are in the Water Department. IID also, has joint support employees that assist both departments, such as Human Resources, Finance, General Services, and Information Technology which together total 479 positions.

There are several unique characteristics of the IID that the Commission learned about that contribute to lower energy rates when compared to neighboring investor-owned utilities. IID is a publicly owned utility, or POU. Unlike investor-owned utilities, or IOUs, IID operates on a cost-of-service basis or a non-profit model. As non-profit, IID does not have the requirement to pay dividends to investors. This helps to keep rates low for customers with energy rates set locally. Other examples of POUs include the Los Angeles Department of Water and Power, the Sacramento Municipal Utility District, and the Turlock Irrigation District.





Additionally, IID is its own balancing authority which requires the district to reliably balance supply and demand. In California, most of the transmission is controlled by the California Independent System Operator, or CAISO. This allows IID the ability to deliver or receive energy from other balancing authorities through the use of 2,049 miles of IID-owned transmission facilities. It also allows IID to control and set transmission rates, which is a component of the rates paid by its customers. This added benefit and responsibility comes with oversight from the Western Electrical Coordinating Council and the North American Electric Reliability Corporation, which provide industry wide oversight over balancing authorities, and transmission operators and owners.

In the context of adhering to state legislative and regulatory requirements, the Commission also learned about the renewable energy requirements of utilities in California. SB 100 is a landmark renewable portfolio standard energy policy that establishes minimum renewable energy procurement for all utilities in the state. At a high-level, this legislation established the goal of renewable energy and zero-carbon resources supplying 100 percent of electric retail sales to end-use customers by 2045.

Currently, according to its Power Content Label, the IID projects that 41.1 percent of its energy is from renewable resources, 5 percent from hydro, 37 percent from natural gas, 3 percent from nuclear and the remainder from other sources.

On April 28, 2022, members of the CVEC were invited to attend an all-day energy tour across the Imperial and Coachella valleys. The tour was part of the educational focus to provide CVEC members an opportunity to visit key IID infrastructure in the Coachella Valley and the Imperial Valley. The tour commenced with an overview of transmission and substation facilities that serve the Coachella Valley. The Commission visited a geothermal facility near the Salton Sea that is not only producing clean renewable energy, but is also now exploring opportunities to extract lithium from geothermal brine. The tour also provided the opportunity for the Commission to visit IID Headquarters in Imperial, to get a firsthand view of its daily operations, including its fleet shop which is critical to maintaining vehicles that serve both the IID energy and water infrastructure. The group also visited hydroelectric Drop 4 on the All-American Canal, which provided the opportunity for members to see firsthand the IID water-energy nexus.

COMMITTEE ACTIVITIES

Understanding the key basic operational functions of the IID was a major activity of the CVEC. To help further dive into the depth and breadth of the details of topics of interest, the Commission established three committees in December 2021; the Growth and Economic Development committee, the Governance committee and the Reliability Committee.

Each of the committees was tasked with studying specific issues within their jurisdiction. As a result, the Commission has been able to focus on some specific concepts that have provided positive momentum and progress for ascertaining the long-term goal of alternative governance models while ensuring reliable service and affordable rates for the eastern Coachella Valley.

The Governance Committee researched various utility models that exist under California law. Some of the models include the investor-owned utility, municipal utility district, rural electric cooperative, city or county-run municipal utility, joint powers authority, and other options. After review and discussion of the various alternatives, members of the Governance Committee focused on the municipal utility district and joint powers authority models as potential solutions to establishing an alternative governance model in the long-term. Although these models and final decisions as to their use will require additional discussion and analysis, they allow for the benefits of a publicly owned utility to be achieved, while also allowing Coachella Valley stakeholders an enhanced role in decisions related to the provision of electrical services.

The joint-study by the Riverside and Imperial LAFcos will also contribute to better understanding what the preferred governance model could be for the Coachella Valley and IID post-2033.

The Growth and Economic Development Committee focused its efforts on understanding how IID plans for increased load growth, as well as challenges and

opportunities in meeting the increased demand in the Coachella Valley. One of the main challenges identified relates to how substations are financed. Specifically, the committee has discussed the creation of a Coachella Valley Financing Authority to assist in the financing of substations and associated infrastructure. As it stands, financing responsibility of a substation on a developer can render their project to be cost prohibitive when a project is in an area in which the serving substation has reached its capacity. Because IID policy requires the developer to cover the costs of a new a substation, project developers will wait for others to make the improvements before moving their project forward. As a result, the improvements are difficult to make or are never made and the respective project fails to advance. The committee has honed in on the Coachella Valley Financing Authority as a potential solution. The committee has discussed this approach as have the respective cities. Although work remains to be done, the concept has received considerable interest as an option to address immediate energy needs to advance economic development goals. To that end, the financing authority is flexible in terms of its membership and fee surcharge, so solutions can be tailored for interested jurisdictions.





The Reliability Committee has worked to better understand issues that impact power reliability in the Coachella Valley. The committee spent time understanding microburst storms in the North Shore and Mecca area that have caused multi-day power outages. For example, on June 5, 2020, a microburst storm impacted 1,839 customers in the North Shore / Mecca area due to 50 transmission and distribution poles being damaged on the 92 kV K-Line. On February 25, a storm and high winds knocked down 14 poles near Bombay Beach, impacting about 3,400 customers. These storms have significantly disrupted service due to power lines and poles being knocked over by strong winds. For instance, since 2019, four severe storms have affected the K-line resulting in \$5.9 million in damage. To mitigate future disruption, the committee also received an update on IID funding efforts for the K-Line and L-Line, both of which bring power to the Coachella Valley. The IID applied to the California Office of Emergency Services' Hazard Mitigation Grant to help the cost of the K- and L-lines, which are \$29.8 and \$1.9 million, respectively. The K-line project is a capital improvement project while the L-Line funding request is for pre-construction costs.

To better respond to emergency situations, the committee received presentations regarding the development of an emergency response plan that coordinates efforts between IID, the County of

Riverside and other key agencies. The Riverside County Desert Area Power Outage Concept of Operations plan details how the county, in collaboration with IID, local, state, and federal partner agencies will prepare for, respond to, and recover from unplanned power outages that turn into prolonged emergencies. The plan has been developed by the Riverside County Emergency Management Department and has been reviewed and approved by IID. The CVEC as a whole also had an opportunity to review and provide input on the plan.

In addition to understanding outages resulting from natural causes, the Reliability Committee also reviewed other issues that impact reliability. For example, the issue of mylar balloons as a cause of unplanned outages. Although attempts have been made via legislation to ban mylar balloons, these efforts have been proven controversial and unsuccessful. Nonetheless, the committee has increased awareness of the leading causes of outages, which also include bird contact with power lines and copper theft, among others. To measure the overall reliability of the system, the committee also reviewed reliability indices. The indices help measure the number of outages, duration and restoration times, helping the IID to track performance and areas of the system that need improvements.

LOOKING AHEAD

In its first year, the CVEC participated in strategic planning sessions focused on various topics, including understanding the various governance options, responsibilities of each of those options, a SWOT analysis, and a prioritization survey of “must haves” in a long-term solution. These strategic planning sessions were conducted by Phyllis Currie, retained for the Commission as an outside independent facilitator, to guide complex discussions amongst the Commissioners.

To help steer the direction of the work for the CVEC and its committees in its second year, Ms. Currie conducted a self-assessment of the CVEC members. The assessment focused on Commission structure, topics, and schedule. Based on the results of this assessment, the members of the Commission overall feel that progress is being made. For instance, some of the key take-aways for the Commission in the past year are related to better understanding IID organization and services, better understanding infrastructure conditions

and causes of outages, and funding efforts to address aging infrastructure and hardening IID’s electric system. Commissioners also responded that more work needs to be done on the long-term governance solution for the Coachella Valley. As the joint Riverside and Imperial counties LAFCO study progresses, it is anticipated that its findings will help inform and make progress on the governance issue. Also, continuing discussions that help members better understand the nuances of various governance options will drive a stronger sense of direction as to the preferred governance option.

Further, based on the assessment, the Commission would like to prioritize a few key issues in the next year. These include understanding the unique priorities of each jurisdiction and working towards solutions that address key common denominators. For instance, incorporated cities may have differing priorities when compared to a Tribal Nation or the unincorporated areas of the county. A key example





would relate to rate increases, which would have varying degree of impacts that are relative to the economic conditions of the respective community or jurisdiction.

Condition and resilience of the distribution systems is another key topic that has been highlighted as a one that needs further attention in the next year. Commissioners have expressed a desire to better understand infrastructure investment priorities for the IID in light of extreme weather events. To address distribution capacity, the cities in the eastern Coachella Valley are pursuing financing options that would help to address the higher level of service required in the Coachella Valley to facilitate economic development. The Coachella Valley Financing Authority concept is still in its early stages. As concrete decisions and actions are made regarding participation and fee levels, the Commission will be in a position to provide input and monitor progress to address distribution infrastructure and reliability concerns.

In summary, the key topics for year two are:

- Monitor progress of the LAFCO study
- Refine options for long-term governance
- Increase public and overall participation

Commission members have expressed satisfaction with the Commission schedule, topics, committee structure and progress. The first year of the CVEC has established the groundwork for ongoing efforts to ensure that a collaborative solution on governance and representation matters for the eastern Coachella Valley on electrical matters is achieved. The diverse array of Commissioners, their backgrounds and expertise, together with technical assistance of IID staff, have propelled the Commission forward on key issues. The CVEC has established the foundational structure to continue discussions and understanding among key stakeholders on the energy issues that will impact the Coachella and Imperial valleys for generations to come.





For more information, please visit IID.com/CVEC

ITEM 6B

Coachella Valley Association of Governments Energy & Environmental Resources Committee February 9, 2023



STAFF REPORT

Subject: Update on Inland Regional Energy Network Agreements, Programs, and Governance

Contact: Kenyon Potter, Director of Energy & Sustainability (kpotter@cvaq.org)

Recommendation: Provide input to the Committee's Chair, Indio Mayor Oscar Ortiz, regarding the consultant contracts expected to be presented for approval at the upcoming Inland Regional Energy Network's Executive Committee meeting

Background: As previously reported to the Energy & Environmental Resources Committee, CVAG is collaborating with Western Riverside Council of Governments (WRCOG) and San Bernardino Council of Governments (SBCOG) on creating a new joint Regional Energy Network (REN) for the Inland Empire, known as Inland Regional Energy Network (I-REN). The California Public Utilities Commission (CPUC) approved I-REN's application and business plan in November 2021. In recent months, the WRCOG Executive Committee and the SBCOG Board of Directors echoed the endorsement provided by CVAG and approved the I-REN Programs and Budgets Agreement (Programs Agreement), Memorandum of Agreement (MOA), and Governance & Operations Charter (Charter). These agreements have now been signed by all parties.

I-REN is governed by a new Executive Committee. CVAG has delegated its votes to the Energy & Environmental Resources Committee Chair (Indio Mayor Oscar Ortiz). In the Chair's absence, votes would be delegated to the Energy & Environmental Resources Committee Vice Chair (La Quinta Mayor Linda Evans), and in the Vice Chair's absence to the Executive Director or his designee. The WRCOG is represented by Jurupa Valley Mayor Chris Barajas, San Jacinto Mayor Crystal Ruiz and Corona Councilmember Jacque Casillas. SBCOG's representatives on the I-REN Executive Committee are San Bernardino County Supervisor Curt Hagman, Apple Valley Mayor Art Bishop, and Rialto Mayor Deborah Robertson.

I-REN's Executive Committee held its first meeting on December 13, 2022. During this introductory meeting, WRCOG staff provided Executive Committee members with background information on the purpose and function of RENs and the status of I-REN. At this meeting, the Executive Committee selected Mayor Ruiz as Chair, Mayor Ortiz as Vice-Chair and Mayor Bishop as 2nd Vice-Chair, to serve through the end of Fiscal Year 2022/2023.

The I-REN Executive Committee held its second meeting on January 17, 2023, at which it received a briefing on the CPUC-approved business plan and I-REN's strategic planning initiative discussed below. For the remainder of 2023, the I-REN Executive Committee will hold public meetings on the third Tuesday of each month at 2 pm. Meeting locations will rotate throughout the Inland Empire, including CVAG's territory, to be scheduled by WRCOG staff.

Based on previous CVAG Committee direction, the Energy & Environmental Resources Committee will review the items being presented to I-REN and provide direction to the Chair on how to vote for the region. Some of the first I-REN Executive Committee decisions will be at the February 21, 2023

meeting, when they will consider consulting contracts to design and implement the I-REN programs. Additional details are outlined in this staff report.

I-REN Consultants

In a process that started in August 2022, staffs of the three COGs worked together to solicit proposals for the programs for the Public and the Codes & Standards sectors, as well as a marketing & communications consultant who will work on all I-REN programs. Between two and five prospective consultants submitted proposals for each of the Request for Proposals (RFPs) by the deadline in mid-September. Staff from the three COGs reviewed the proposals and interviewed the prospective consultants and recommend that the highest-scoring firms below be retained based on their responsiveness to the RFP, their qualifications, and the proposed cost of their services. The RFPs are outlined below:

- The Public Sector programs will target, but not be limited to, upgrades to existing public buildings and facilities with high energy use and older equipment with a focus on community-serving buildings such as community centers, libraries, senior centers, schools, and fire and police buildings. For this sector, there were two separate RFPs:
 - The Public Sector RFP contains three scopes of work that were bid on by four firms: 1) Technical Assistance and Strategic Energy Planning Program Implementation, 2) Public Buildings Normalized Metered Energy Consumption Incentive Program Implementation, and 3) Public Sector Financing Services. Staff of the COGs are recommending that The Energy Coalition be retained for the Public Sector contract for a not-to-exceed amount of \$7.1 million.
 - Business Upgrade Concierge RFP was bid on by two firms is for software services to support I-REN staff and Public Sector implementer(s) in providing technical guidance and tools, inform and enable priority energy improvements, provide a database of information and documents, track performance metrics, and more. Staff of the COGs are recommending that AESC be retained for the Business Upgrade Concierge contract, for a not-to-exceed amount of \$750,000.
- The Codes and Standards RFP contains two scopes that were bid on by two firms: 1) Training and Education Program and 2) Technical Support Program. I-REN's Codes and Standards Training and Education Program will establish and implement training and education for building department staff and the building industry to support, understand, and effectively implement energy efficiency codes and standards. The program will also include outreach to engage, educate and involve regional construction firms, architects, industry experts, and building departments, and support compliance and enforcement within regional energy efficiency programs and customers. I-REN's Technical Support Program will develop technical assistance tools and resources to assist building departments and the building industry with understanding, evaluating, and permitting the energy codes to support improved enforcement and compliance. I-REN will also develop regionally appropriate model ordinances, vet and refine them with participating local governments, provide ongoing technical assistance for adoption and implementation, and deliver model ordinance updates to reflect the triennial code cycle. Staff of the COGs are recommending that Frontier Energy be retained for the Codes and Standards contract, for a not-to-exceed amount of \$ 2,625,000.
- The I-REN-wide Marketing RFP bid on by five firms sought a consultant to provide marketing and communications services for I-REN and its energy efficiency programs. The consultant will also provide support for program-specific marketing and outreach efforts, working in close coordination with I-REN program staff, program implementers, and other consultants to ensure consistency of branding and messaging across all programs and activities. In

identifying a consultant, CVAG staff reinforced the need to have Coachella Valley-specific outreach. Staff of the COGs recommends that ICF be retained for the Marketing & Outreach contract, for a not-to-exceed amount of \$750,000.

The contract term for each consultant will be three years from the date of execution with the option of two one-year extensions. The contracts will be based on the WRCOG Professional Services Agreement provided with the RFPs, which is similar to CVAG's.

In addition to administering the proposed consultant contracts, I-REN will carry out Workforce Education & Training programs using staff resources from the three COGs supplemented as appropriate by paid internships using organizations such as CivicWell and others. CVAG staff anticipate that I-REN Workforce Education & Training programs will leverage existing career training organizations and institutions, such as the College of the Desert, that have existing programs in this area. I-REN's Workforce Education & Training programs will supplement and build on these existing programs to ensure that appropriate training is made available locally to all interested persons and organizations.

CVAG staff is recommending the Energy & Environmental Resources Committee provide input these consulting contracts expected to be presented for approval at the I-REN Executive Committee meeting.

Additional I-REN Pre-Launch Activities:

Although a formal launch of I-REN programs will occur in early 2023 following selection of the consultants, CVAG staff has informed its member jurisdictions regarding the I-REN program initiatives ahead of I-REN's upcoming rollout through the Energy & Environmental Resources Committee. Initially, there may be joint trainings with other RENs on the 2022 California Energy Code, which entered into effect on January 1, 2023. CVAG staff will also inform the building and permitting departments in CVAG member jurisdictions of these programs, and the resource materials will be posted on I-REN's website/. WRCOG has also developed a splash page as a placeholder until the full website is designed and launched.

As part of strategic planning to guide I-REN's programs, later this month the COGs are issuing surveys to member jurisdictions and other local stakeholders seeking input on the implementation of I-REN programs and I-REN's consultant Blue Point Planning will be conducting interviews with members of the Energy and Environmental Resources Committee to obtain input on strategic goals and objectives. CVAG staff will send out the survey to sustainability directors at CVAG member jurisdictions. Similarly, the other COGs will send out the member survey to either respective member cities and jurisdictions. The responses from these surveys will ensure that the forthcoming I-REN programs are tailored to the needs of member jurisdictions during strategic planning sessions, and will subsequently guide the implementation of I-REN programs. Concurrent with the member survey, each COG will send a separate survey to its local partners and stakeholders in their respective territories. Outreach is also subsequently planned for elected officials of each member jurisdiction.

I-REN staff is already working with the California Energy Commission (CEC), BayREN and 3C-REN to secure grant funding from the U.S Department of Energy (DOE) to expand the automated solar permitting software app referred to in Item 7C so that the app can be used to expedite permitting for heat pump water heaters as well as heat pump HVAC units, electric vehicle chargers, and to adapt the software app CodeCycle has developed for lighting code requirements to include mechanical, envelope, and process load requirements. The CEC prepared and submitted concept papers in which the RENs are also listed as partners. Full grant funding applications are due to the DOE on March 27.

Fiscal Analysis: There is no cost to CVAG for participation in I-REN. Staff time dedicated to I-REN and the costs of the services of the consultants described above are covered through the I-REN

budget, which is nearly \$65.6 million through 2027. This funding comes from customers of Investor-Owned Utilities (IOUs) such as SCE and SoCalGas through the on-bill Public Goods Charge set by the CPUC and collected by the IOUs. The I-REN Executive Committee will, as part of its budget process, determine amounts to be allocated to I-REN's programs.

The CPUC designated SoCalGas as the fiscal and contracting agent for I-REN, and final execution of the Programs Agreement will authorize the ability to transfer funds from SoCalGas to WRCOG. Pursuant to the MOA, CVAG presents to WRCOG invoices for time and expenses incurred by CVAG staff on I-REN matters. Staff has already requested reimbursement for CVAG staff time on I-REN in 2022.

Attachment: I-REN Fact Sheet



INTRODUCING I-REN: INLAND REGIONAL ENERGY NETWORK

About I-REN

I-REN is a coalition of three councils of government, the Western Riverside Council of Governments (WRCOG), the Coachella Valley Association of Governments (CVAG), and the San Bernardino Council of Governments (SBCOG), encompassing San Bernardino County, Riverside County, and all of the jurisdictions within the region. These organizations have joined together to establish locally administered, designed, and delivered energy efficiency (EE) programs.

I-REN sees a critical need to accelerate action in the region, catalyzing current local government activities related to climate change through targeted and tailored energy efficiency programs and layering other efforts to increase impact.

Historically, the Inland Empire has faced challenges in receiving equitable opportunities to participate in energy efficiency and advanced energy. I-REN will establish a locally administered regional energy network with robust programs to ensure ratepayers in this region can become active participants in meeting California energy efficiency goals.



Background: I-REN Business Plan

I-REN is funded by ratepayer funding and empowered by the California Public Utilities Commission (CPUC) through I-REN's Business Plan, which details their mission, vision, goals, activities, and outcomes.

Mission

Actively participate in California's clean energy initiatives and build a stronger clean energy economy and community.

Vision

Connect residents, businesses, and local governments to a wide range of energy efficiency resources to increase energy savings and equitable access throughout San Bernardino and Riverside counties.

I-REN CPUC Business Plan Goals



Build capacity and knowledge to enable local governments to effectively leverage energy efficiency services and to demonstrate best practices.



Ensure there is a **trained workforce** to support and realize energy efficiency savings goals across sectors.



Work closely with local building departments and the building industry to support, train, and **enable long-term streamlining of energy code compliance**.



ORGANIZATIONAL 5-YEAR STRATEGIC PLAN

Strategic Planning Overview

I-REN is developing a 5-year Organizational Strategic Plan to ensure effective and efficient use of CPUC funding, to identify clear priorities and actions, and to ensure that activities and engagement are aligned across members of the REN. This process will include several avenues for stakeholder feedback, including a survey, small group conversations, and in-person and virtual community workshops.

Primary areas for discussion will include prioritizing which programs and areas to build out first, Identifying and securing regional partners, and connecting with local governments to provide related to building codes and training.

Strategic Plan Process & Engagement

The schedule below gives an overview of the Strategic Planning process. The colors indicate the various aspects of the process with the internal meetings in **blue**, the work products in **orange**, and the external activities in **green**.



Stay tuned for I-REN updates and participation opportunities!

For more info, visit <https://www.wrcog.us/330/Inland-Regional-Energy-Network>

ITEM 6C

Coachella Valley Association of Governments Energy & Environmental Resources Committee February 9, 2023



STAFF REPORT

Subject: Urban Tree Planting and Shade Initiative

Contact: Kenyon Potter, Director of Energy & Sustainability (kpotter@cvag.org)

Recommendation: Endorse a regional urban tree planting and shade initiative to increase shading, build climate resilience and reduce the impacts of increased heat

Background: At its November 2022 meeting, the Energy and Environmental Resources Committee, was provided with report on opportunities for sustainable urban greening and heat mitigation initiatives in the face of hotter, more frequent, and more prolonged heat waves. Based on feedback from the Committee members, CVAG staff have gathered more information about successful urban forest programs and also reviewed resources from health experts. Staff is now recommending CVAG pursue a regional urban tree planting and shade initiative. Shading is a key mitigation strategy to address the extreme heat and sun-related health risks and cities across the southwestern United States are making efforts to expand the shading in their communities. One example is the City of Phoenix, with a climate very similar to our region, and who is currently implementing its Tree and Shade Master Plan which combines trees and manmade shade structures to provide more shading to the community.

Shading—from trees and/or shade structures—is an important mitigation strategy to address the extreme heat by providing shelter from direct sun to people in outdoor spaces, reducing heat gain by 50+°F on outdoor surfaces, and improving livability and mitigating heat exhaustion and illness.

As previously reported, tree canopy coverage varies throughout the Coachella Valley. *American Forests* recommends up to 15% tree canopy coverage for urban forests in desert regions.

Some local cities already have tree canopy coverage in the range of 10-13% while other disadvantaged communities are generally much lower in the range of 3-8%.

In addition to trees, more shade may be provided by structures in appropriate locations, such as playgrounds and outdoor seating areas. Staff researched the public parks and learned that of the more than 85 parks in the Coachella Valley, approximately 64 parks have playgrounds and at least 50 parks have partially covered playground equipment. It is also noted that many of the playgrounds lacking shade structures are located in disadvantaged communities. Shade structures can complement an urban tree planting program and also have the benefit of quickly delivering shade, as trees need time to grow and develop a full canopy.

Below are examples that show the extensive shading opportunities by planting more urban trees and installing more shade structures.

Comparison of Trees along Local Streets



Miles Ave (East from Monroe St)



Miles Ave (West from Monroe St)

Comparison of Local Playgrounds



Ocotillo Park in Cathedral City



Guy Tedesco Park in Desert Hot Springs

If endorsed by the Energy & Environmental Resources Committee, CVAG staff would develop an urban tree planting and shading initiative with the following goals:

- Establishing a 12% minimum tree canopy coverage in all local communities, by planting trees in public spaces and developing a residential program to increase canopy coverage up to 15% with trees being planted where people live.
- Working with member jurisdictions to encourage 100% shading of playground equipment from overhead sun where shading from trees is unavailable.
- Working with member jurisdictions to encourage 25% of seating at playgrounds (if not already available) and outdoor stages have shading from trees or shade structures.

As envisioned, the initiative/program will result in a combination of shade trees and shade structures across the Coachella Valley, particularly the eastern Riverside County communities, to increase shading of public spaces, offset carbon emissions, and improve urban microclimates. The program will focus on communities with low numbers of trees, where shade on public buildings, tree-lined streets, and shady plazas and park areas will increase climate resilience.

The tree planting component of the program will involve working with member jurisdictions to select species of shade trees (including some native tree species) and to identify needs in public spaces including parks, plazas, and along public streets. Priority for planting of shade trees and installation

of shade structures will be given to disadvantaged communities with less shade. The program will include engaging with an arborist to work with cities and the County to coordinate best locations for tree planting and a crew to dig tree wells and plant trees.

CVAG staff requests endorsement of the proposed urban tree planting and shade initiative to expand on existing urban greening and shading efforts. The direction will be relayed to potential project partners, including UC Riverside, The Living Desert, the Coachella Valley Mountains Foundation, and Friends of the Desert Mountains. It also will guide grant application development as CVAG seeks funding for planning and implementation of the initiative.

Fiscal Analysis: There is no cost to CVAG for this update. CVAG staff will pursue grant funding opportunities to cover costs of any such initiative not already covered by existing programs.

ITEM 7A

**ENERGY AND ENVIRONMENTAL RESOURCES COMMITTEE
ATTENDANCE RECORD
FY 2022-2023**

| <i>VOTING MEMBERS</i> | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUNE |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| Agua Caliente Band of Cahuilla Indians | - | - | | - | ✓ | - | - | | - | | | |
| City of Blythe | - | - | | - | | - | - | | - | | | |
| City of Cathedral City | - | - | ✓ | - | | - | - | | - | | | |
| City of Coachella | - | - | ✓ | - | | - | - | | - | | | |
| Coachella Valley Water District | - | - | | - | | - | - | | - | | | |
| City of Desert Hot Springs | - | - | ✓ | - | | - | - | | - | | | |
| Imperial Irrigation District | - | - | ✓ | - | ✓ | - | - | | - | | | |
| City of Indian Wells | - | - | | - | | - | - | | - | | | |
| City of Indio | - | - | ✓ | - | ✓ | - | - | | - | | | |
| City of La Quinta | - | - | ✓ | - | ✓ | - | - | | - | | | |
| Mission Springs Water District | - | - | ✓ | - | ✓ | - | - | | - | | | |
| City of Palm Desert | - | - | ✓ | - | ✓ | - | - | | - | | | |
| City of Palm Springs | - | - | ✓ | - | ✓ | - | - | | - | | | |
| City of Rancho Mirage | - | - | | - | ✓ | - | - | | - | | | |
| Riverside County - District 4 | - | - | ✓ | - | | - | - | | - | | | |

EX-OFFICIO / NON-VOTING MEMBERS

| | | | | | | | | | | | | |
|-------------------------------|---|---|---|---|---|---|---|--|---|--|--|--|
| Desert Water Agency | - | - | | - | | - | - | | - | | | |
| Riverside County - District 5 | - | - | ✓ | - | ✓ | - | - | | - | | | |

Absent
Vacancy



No Meeting
Present

-
✓

ITEM 7B

**Coachella Valley Association of Governments
Energy & Environmental Resources Committee
February 9, 2023**



STAFF REPORT

Subject: Update on Property Assessed Clean Energy (PACE) Program

Contact: Elizabeth Barnwell, Management Analyst (ebarnwell@cvag.org)

Recommendation: Information

Background: Property Assessed Clean Energy (PACE) programs provide financing to property owners to implement energy saving, renewable energy, water conservation, and seismic strengthening improvements to their homes and businesses, with little or no money out of pocket. Financing for these improvements is paid back through a lien placed on the property and collected through the annual property tax bill. CVAG staff provides a periodic update on the PACE program to the Energy & Environmental Resources Committee. The attached report details the PACE activity for November and December 2022.

Current active residential and commercial PACE providers in Coachella Valley consist of: CaliforniaFIRST/Renew Financial (Renew), HomeRun Financing/PACE Funding (HomeRun), FortiFi (formerly known as Energy Efficient Equity or E3), and Ygrene Energy Fund (Ygrene). As previously reported, Ygrene provides funding only for commercial customers.

Renew, HomeRun, and Fortifi have shown financial growth in both their residential and commercial accounts ranging from 8.41% - 14.35% from fourth quarter of 2021 to fourth quarter of 2022 and customer growth in both sectors ranging from 3.7% - 11.17% for the same period. The chart below illustrates the change in volume between 2021 and 2022. Each quarter, these providers pay a fee to CVAG for its jurisdictional participation in PACE programs. Ygrene had no numbers to report in the third or fourth quarters of 2022 and thus is not included in the chart below.

PACE Provider Trends 2021 - 2022

| Company | 2021 Year End | 2021 Customers | 2022 Year End | 2022 Customers | Dollar Increase |
|----------------|--------------------------|---------------------------|--------------------------|---------------------------|----------------------------|
| Fortifi | \$6,956,204.91 | 219 | \$7,544,627.59 | 227 | \$588,422.68 |
| HomeRun I | \$3,773,005.00 | 188 | \$4,314,359.00 | 209 | \$541,354.00 |
| Renew | \$3,198,472.00 | 117 | \$3,605,284.00 | 122 | \$406,812.00 |

In discussions with these PACE providers, many of their customers' projects comprise solar installations while other projects are eligible energy efficiency projects. With the increasing demand by home and business owners to achieve higher energy efficiency along with continuing solar installations in response to rising Southern California Edison (SCE) rates, it is anticipated there will be a growing need for additional installation capacity in the Coachella Valley, including possibly additional PACE providers serving communities in the valley. In that regard, CVAG staff is in communication with the California Department of Financial Protection and Innovation, the organization charged with certifying and overseeing PACE providers in California, regarding ways to reach out to eligible financing organizations to encourage additional PACE providers in Coachella Valley.

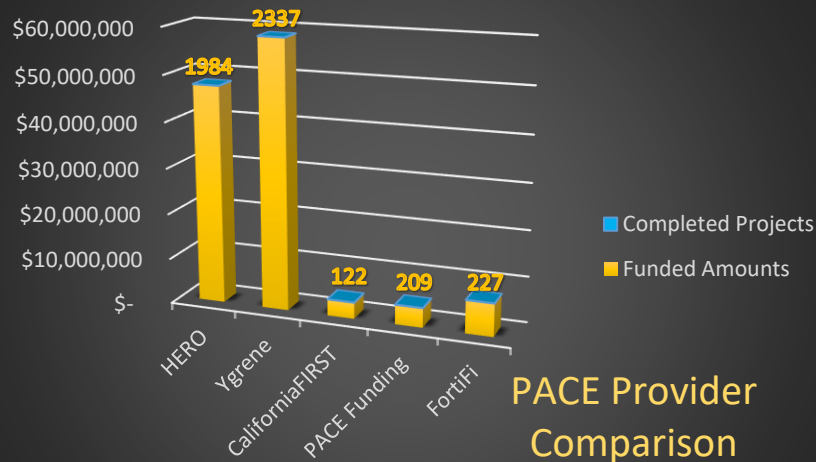
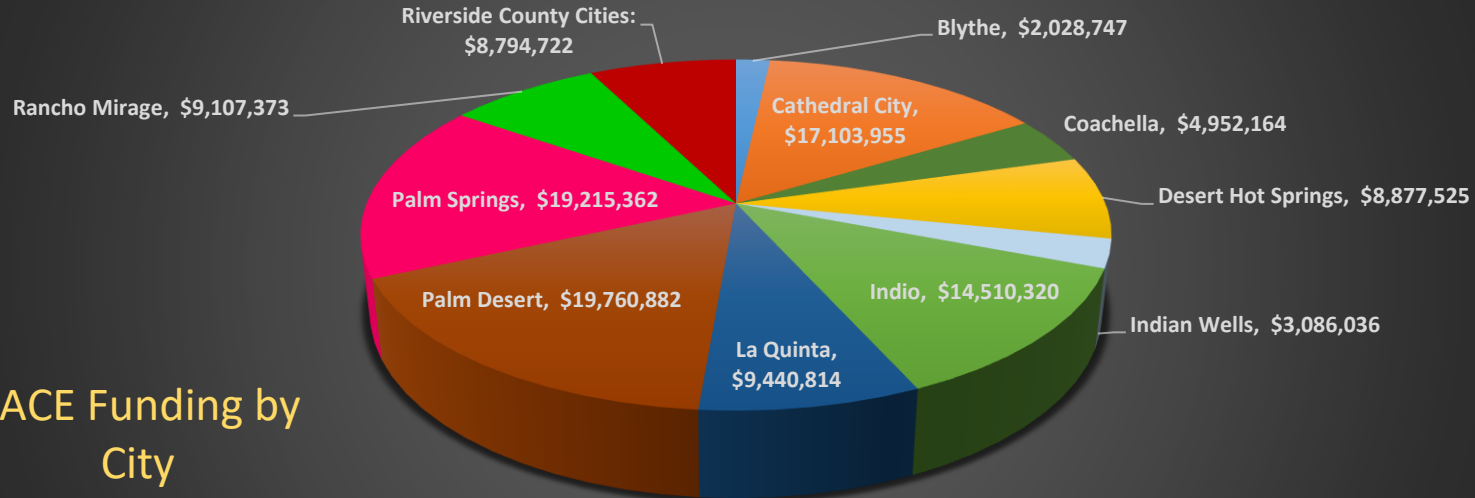
Fiscal Analysis: There is no cost associated with this update. CVAG's staff time spent on these programs is recovered by a participation fee collected from each provider.

Attachment:

PACE Activity Report for November & December 2022

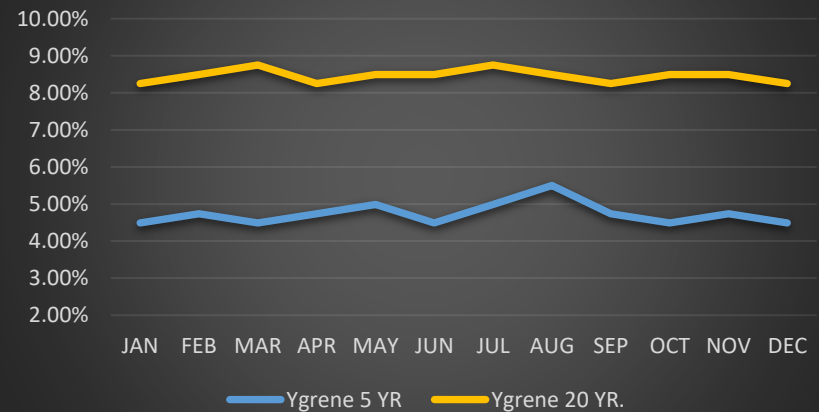
CVAG PACE REPORT

PACE Funding by City



PACE Provider Comparison

PACE Interest Rates



CARS REMOVED FROM ROAD: 41742

Other PACE providers have interest rate ranges from 5.99%-10.98%

JOBS CREATED: 1063

Updated for January 3, 2023

ITEM 7C

Coachella Valley Association of Governments Energy & Environmental Resources Committee February 9, 2023



STAFF REPORT

Subject: Update on Senate Bill 379 and Automated Solar Permitting

Contact: Peter Carlstrom, Management Analyst (pcarlstrom@cvag.org)

Recommendation: Information

Background: In order to achieve California's ambitious clean energy goals, a dramatic increase in the adoption of residential solar and storage resources is required. California law requires cities and counties to approve applications for solar systems by issuing a building permit. Permitting can take extra time and cost additional money to potential adopters of solar technology, as well as to city and county staff who are responsible for issuing permits.

In April 2022, the CVAG Executive Committee, at the recommendation of the Energy and Environmental Resources Committee, issued support for Senate Bill 379. Signed into law by Governor Newsom in September 2022, SB 379 requires cities and counties to implement an online, automated permitting platform that verifies code compliance and issues permits in real time for residential solar installations, as well as for residential storage installations paired with solar. The goal of SB 379 is to make the permitting of new residential energy systems more efficient, contributing to the larger goal of achieving California's ambitious clean energy objectives.

The law is now being implemented and the first deadlines are approaching. In this report, CVAG staff is providing an SB 379 update to the Energy and Environmental Resources Committee. CVAG staff has also been reaching out to individual jurisdictions with this information.

The SB 379 implementation deadline is September 30, 2023, for cities and counties with populations greater than 50,000, and September 30, 2024, for cities with a population of 50,000 or fewer.

The California Energy Commission (CEC)'s California Automated Permit Processing Program (CalAPP) offers funding to assist cities and counties implement and integrate their automated permitting program through May 1, 2023. Initially funded at \$20 million, as of December 2022, \$14 million remains available. This funding is available to cities and counties regardless of exemption status. For example, a city with a population less than 5,000 is eligible for this program.

CVAG member cities with a population less than 50,000 can be awarded up to \$40,000 from the CEC, and those with a population of 50,000 to 99,999 people can be awarded up to \$60,000. Riverside County as the solar permitting agency for unincorporated areas can be awarded up to \$100,000. The City of Blythe has recently been approved for a CalAPP grant of up to \$40,000. CVAG staff has been in communications with member jurisdictions to notify them that applications for this funding must be submitted by May 1, 2023, regardless of jurisdiction population.

More information on the CalAPP program, including how to apply, can be found at this location: <https://www.energy.ca.gov/programs-and-topics/programs/california-automated-permit-processing-program-calapp>

Jurisdictions may be asked self-certify its compliance with SB 379 when applying for funds from the CEC. Cities and counties that fail to comply may be ineligible for other funding opportunities offered by the CEC (not including CalAPP).

One of the options that is being widely adopted is SolarAPP+, which is a web-based platform that automates solar permitting for local governments and other authorities having jurisdiction. Funded by the U.S. Department of Energy and developed by the National Renewable Energy Laboratory (NREL) in collaboration with stakeholders, SolarAPP+ is free for jurisdictions although solar installers pay a \$25 administrative fee to use it.

SB 379 requires cities and counties to implement an online, automated permitting platform, such as SolarAPP+ or an equivalent alternative platform, that meets the following requirements:

- 1) The platform verifies code compliance and issues permits in real time or allows the city or county to issue permits in real time to a licensed contractor for a residential solar energy system that is no larger than 38.4 kilowatts alternating current nameplate rating and a residential energy storage system paired with a residential solar energy system that is no larger than 38.4 kilowatts alternating current nameplate rating.
- 2) The platform issues permits or allows the city or county to issue permits for residential solar energy systems and residential energy storage systems paired with residential solar energy systems that SolarAPP+ is capable of processing.

SB 379 also requires that non-exempt jurisdictions report to the CEC on the number of permits issued, as well as relevant characteristics of permitted systems (solar, solar plus storage, etc.). Annual reports from non-exempt jurisdictions will be due on June 30 and shall cover the previous calendar year. SB 379 reporting will be required every year after achieving compliance through 2034.

Fiscal Analysis: There is no cost to CVAG to provide this update. Staff time dedicated to promoting SolarAPP+ is covered through the Inland Regional Energy Network (I-REN) budget, which is nearly \$65.6 million through 2027. This funding comes from customers of Investor-Owned Utilities (IOUs) such as SCE and SoCalGas through the on-bill Public Goods Charge levied by the IOUs.

Based on discussions that staff has had with several cities in western Riverside County that are implementing SolarAPP+, the cost for a city to implement SolarAPP+ would be in the \$15,000 - \$20,000 range. As noted above, CEC funding through the CalAPP program to cover these costs is available until May 1, 2023.

Attachments:

1. CEC CalAPP Program flyer
2. NREL SolarAPP+ flyer

Grant Money For Solar Permitting



Expedite your solar permitting process! Reduce the time and resources needed to review and approve small residential solar installations in your community with money from the California Energy Commission. **Millions of dollars in grant funding** are available to all permitting jurisdictions in California for the adoption of an online, automated solar permitting platform such as SolarAPP+.

The **application window is open now** until May 1, 2023. Funding is reserved on a first-come, first-served basis while money is still available.

Program Highlights:

Quick and easy
application with
electronic submittal

Grants between
\$40,000-\$100,000
based on population
of jurisdiction

Grant activities can
be reimbursed until
May 1, 2027



The California Automated Permit Processing (CalAPP) Program is administered by the California Energy Commission. The program was funded with \$20 million from the California Budget Act of 2021 to support a grant program for California cities and counties to establish online solar permitting. Visit the CalAPP Program webpage at www.energy.ca.gov/calapp for more information.

Questions? Contact the CalAPP team at CalAPP@energy.ca.gov

Solar Automated Permit Processing (SolarAPP+) Benefits

NREL has built advanced, no-cost permitting software

The SolarAPP+ is a collaborative effort to foster rooftop solar adoption by making it easier for local governments to quickly and safely approve standardized rooftop projects for installation via NREL's new, no-cost permitting software. The project is motivated by national data showing that local governments with instant online permitting for rooftop solar process 5-14x more volume than jurisdictions with traditional permit processing.

The National Renewable Energy Laboratory (NREL) has been working with an all-star team of experts to build an online permitting platform that will automate rooftop solar plan review and produce compliant approvals instantly. Our team includes local governments, the building safety community, solar industry leaders, environmental organizations.. and you! See our full list of partners at solarapp.nrel.gov

Automated permitting unleashes growth

Most residential solar systems are simple and standardized, like HVAC installations, but the sheer volume of applications can also be time and resource consuming for permitting departments. SolarAPP+ helps make this workload manageable.

SolarAPP+ functionality:

- Allows permit departments to collect the same permit fees, while also opening the door to market growth
- Uses standardized compliance checks to catch typos, and errors; returning corrections to the applicant instantly
- [Eligible](#), cookie-cutter rooftop solar applications get approved permits to build instantly, while ineligible projects flow through a typical permitting review. Stale applications never require action.
- Produces an inspection checklist replicating the application details for inspectors to utilize and confirm.

SolarAPP+ piloting and adopting is easy

- Stays up to date with relevant code and certifications as new editions and technologies arise
- Free for AHJs to use for plan review, approval, fee payments, and record tracking
- Installers pay small admin fees to support SolarAPP+ updates and long-term availability
- Can standalone or integrate with existing government software and inspection platforms
- Reduces the need to constantly retrain staff on new codes and instead rely on the SolarAPP+ guidance

Automated permitting is already popular

Online and instant permitting is common practice for many localities in the US. We built on examples from CA, AZ, NV, FL, CA, SC, TX, NY, and more. When rooftop solar installation hurdles are simplified effectively, homeowners are happier and growth compounds. In turn, local governments benefit from greater resilience, flexibility, and economic development.

"I was eager to work with NREL to find this new approach to handle solar permits. There has been such a good collaboration to create a different way to review these residential projects in a way that is outside the traditional plan review box but still covers the technical aspects. We're now able to move qualifying solar permits directly to field inspections, which is giving our staff much needed time to work on other, more complex projects."

- Geoff Simmons, Chief Building Official, Pleasant Hill (CA)

Learn more and share your contact information on solarapp.nrel.gov or by emailing solarapp@nrel.gov

How to Pilot and Adopt SolarAPP+

SolarAPP+ is free software and NREL will provide all the support local governments need to adopt. However, it will require a few meetings with your team to get you set up.

- Step 1 - SolarAPP+ [technical demo](#) and review of compliance checks with your engineering team
- Step 2 - Onboard planning and execution w building team and relevant departments, like Accounting or IT
- Step 3 - Pilot SolarAPP+ in a way that suits you
- Step 4 - Implement adoption strategy and announce new process locally
- Step 5 - Go live with SolarAPP+ and enjoy unencumbered rooftop solar growth!

SolarAPP+ Integration and Features

| Standalone option for offline AHJs | Integration option for online AHJs |
|---|---|
| If your permitting department is processing and approving permits and fees in-person or by email, NREL can set up SolarAPP+ to handle it all. All you need is an email address. SolarAPP+ uses Stripe to support permit fees. | If your permitting department is processing and approving permits with an online portal, SolarAPP+ can easily be added to your system. Let us know what systems you use for fee payment and permit processing. NREL will handle the rest! |

SolarAPP+ Code and Technology Support

| Current | In Progress |
|--|---|
| <ul style="list-style-type: none"> • 2017 National Fire Protection Association 70 National Electrical Code (NEC) for residential PV • 2018 I-Codes (International Residential Code, Fire code, and Building Code) for residential PV • CA Title 24 • State and local license verification • Inspection checklists | <ul style="list-style-type: none"> • 2017 NEC for residential storage • 2020 NEC for residential PV and storage • 2021 I-Codes for residential PV and storage • Main panel upgrades • Roofing integrated solar products • API integrations • Residential EV chargers |

SolarAPP+ adoption is newsworthy

NREL projects are often the subject of the trade press as well as local and national news. As your partnership grows, NREL will include you in these opportunities. NREL will also track the resulting benefits of your decision to adopt SolarAPP+ which you can share with your jurisdiction's executive leadership. Your decision will not go unnoticed!

SolarAPP+ Partner Press:

- Underwriters Laboratories/UL LLC - [The SolarAPP: The Emerging US Permitting Solution](#)
- International Code Council - [Industry comes together to develop solar permitting solution](#)
- National League of Cities - [Online Solar Permitting in the Age of Uncertainty](#)
- SPUR - [Streamlining residential solar installs can jumpstart a green economic recovery](#)

"As a Solar America City, Tucson looks for ways to support the solar industry. SolarAPP provides a further incentive to use solar power by making permitting easy." -Scott Clark, Director, City of Tucson (AZ) Planning and Development Services.

Learn more and share your contact information on solarapp.nrel.gov or by emailing solarapp@nrel.gov

ITEM 7D

Coachella Valley Association of Governments Energy & Environmental Resources Committee February 9, 2023



STAFF REPORT

Subject: California Public Utilities Commission NEM 3.0 and Net Billing Tariff Decision

Contact: David Freedman, Program Manager (dfreedman@cvag.org)

Recommendation: Information

Background: Customers who install small solar, wind, biogas, and fuel cell generation facilities to serve all or a portion of onsite electricity needs are currently eligible to enroll in the small generation interconnection program known as Net Energy Metering (NEM) program adopted by the California Public Utilities Commission (CPUC). NEM allows customers who generate their own energy to serve their energy needs directly onsite and to receive a financial credit on their electric bills for any surplus energy fed back to their utility. NEM is designed to support the installation of customer-sited renewable energy generation, consistent with state law calling for the continued sustainable growth of such generation. This program applies to customers served by the state's three investor-owned utilities (IOUs): Pacific Gas & Electric, Southern California Edison (SCE), and San Diego Gas & Electric. Publicly owned utilities, such as Imperial Irrigation District, have their own NEM programs and are not subject to the CPUC's NEM rules.

The CPUC adopted the current NEM program, which is referred to as NEM 2.0, in Decision 16-01-044 on January 28, 2016. A previous NEM program, also known as NEM 1.0, is in effect for customers who were enrolled prior to the effective date of the 2016 decision. Through these NEM programs, customers receive bill credits for excess generation that is exported to the grid, offsetting energy costs. NEM customers also pay the same charges for public services as non-NEM customers.

Staff has been keeping both CVAG's committees and the Desert Community Energy Board updated on NEM changes. The CPUC began a formal proceeding to update the current NEM structure in 2020. The new rulemaking was referred to as NEM 3.0 because this is the third iteration of the NEM program. It was approved on December 15, 2022, establishing a new billing tariff established that the CPUC now refers to as the Net Billing Tariff. The Net Billing Tariff will become effective on April 15, 2023.

The CPUC's approval of the Net Billing Tariff brings major changes to net metering. The key takeaway is the amount a customer is credited per kilowatt hour for feeding electricity to the grid will be reduced substantially. In essence, there is no longer "net" metering for new solar projects because customers will pay more for energy taken from grid than energy fed into the grid. While solar projects still have value, they need to be sized or configured differently or possibly in combination with battery storage. In its NEM 3.0 decision, the CPUC set a target payback period of nine years for residential solar-only customers on the Net Billing Tariff, compared with a payback period of three to five years for residential NEM 2.0 customers. The Net Billing Tariff payback period would be slightly shorter for customers who also install a battery storage system.

To be enrolled under the current NEM 2.0 program and true “net” metering, residential customers (or the contractor on their behalf) must by April 14 submit to SCE an interconnection application that is free of major deficiencies and includes:

- a complete application;
- a single-line diagram;
- a properly executed contract;
- a California Contractors License Board Solar Energy System Disclosure Document;
- a signed California Solar Consumer Protection Guide; and
- e-signature verification document/audit trail and oversizing attestation (if applicable).

Nonresidential customers also have until April 14 to submit an interconnection application that is free of major deficiencies and includes a complete application, a signed Authorization to Act on a Customer’s Behalf, a single-line diagram, and an oversizing attestation (if applicable).

There is no impact to existing customers enrolled under NEM 1.0 or NEM 2.0. These customers (and any new owners of their systems) will move to new billing rates under the Net Billing Tariff (or any successor tariff) 20 years after their original interconnection. After the Net Billing Tariff begins, existing NEM customers who increase their system size by 10 percent or 1kW, whichever is more, will be placed on the Net Billing Tariff. However, existing NEM customers can add battery storage at any time without affecting their NEM status.

Staff is monitoring the implementation of the Net Billing Tariff and will report back to the Energy & Environmental Resources Committee on future developments as the implementation date approaches.

Fiscal Analysis: The costs associated with monitoring the implementation of the Net Billing Tariff are covered in staff time.

ITEM 7E

Coachella Valley Association of Governments Energy & Environmental Resources Committee February 9, 2023



STAFF REPORT

Subject: Heat Mitigation Opportunities

Contact: Kenyon Potter, Director of Energy & Sustainability (kpotter@cvag.org)

Recommendation: Information

Background: At its November 2022 meeting, the Energy & Environmental Resources Committee was provided with a report on opportunities for sustainable urban greening and heat mitigation initiatives. That report provided background on various programs being pursued across the southwest and identified ideas that could work as regional programs in the Coachella Valley. A separate staff report in this month's agenda discusses some recommended next steps for urban greening initiatives. In this report, CVAG staff is providing an informational update to the Committee about ideas that staff is evaluating for grants and also sharing with local member jurisdictions for their own consideration.

As noted in the previous report, heat waves in Coachella Valley and across California have broken records in recent years. The air temperatures are expected to continue to rise and the summers are growing longer as forecasted by climate models. In 2020 the City of Palm Springs had a total of 66 days with a high temperature over 110°F and 151 days over 100°F. In comparison, in 2020 City of Phoenix had 53 days over 110°F and 145 days over 100°F. Last year shows a similar pattern with Palm Springs having 122 days over 100°F and Phoenix having 113 days over 100°F.

In California, in 2021 Governor's Office of Planning & Research updated California's Climate Adaptation Strategy and in 2022 published the Extreme Heat Action Plan which states that heat ranks amongst the deadliest of all climate-driven hazards in California, and heat waves in cities are projected to cause two-to-three times more heat-related deaths by 2050. Climate vulnerable communities will experience the worst of these effects, as heat risk is associated and correlated with physical, social, political, and economic factors. In 2021, Riverside County set a new record of 39 for heat-related deaths – and experts warn there is likely an undercount. The number of persons with serious heat illnesses has also increased. The chances for illnesses and death increases during a major power outage, when more people would be vulnerable without air conditioning.

CVAG staff have researched several heat mitigation strategies for consideration. These include: shading, hydration stations, reflective surfaces such as cool roofs and cool pavement, duct sealing and insulation, powered attic ventilation and the use of portable evaporative cooling units.

Shading a key mitigation strategy that is further explored in a staff report on a proposed urban tree planting and shading program. In the near term, CVAG staff is also looking at ways to increase the availability of hydration stations, similar to those being incorporated through the CV Link multi-modal project that is currently under construction. CVAG staff continue to coordinate with member jurisdictions to review outdoor recreation areas where there may be opportunities work to incorporate additional hydration stations. CVAG staff also identified the need to have hydration stations mapped for the benefit of park and trail visitors and are beginning discussions with stakeholders including All Trails regarding adding hydration stations to trail maps.

CVAG staff is also looking for projects that would be prime for grant funding, such as a demonstration project for cool pavement coating. Staff is also exploring opportunities around portable evaporative cooler, which can be used to keep one room cooler instead of cooling an entire house. CVAG staff will return to the Energy & Environmental Resources Committee with updates and projects as they develop for its endorsement.

Fiscal Analysis: There is no additional cost to CVAG for this update.

ITEM 7F

Coachella Valley Association of Governments Energy & Environmental Resources Committee February 9, 2023



STAFF REPORT

Subject: Electric Vehicle Charging Station Guidance

Contact: Peter Carlstrom, Management Analyst (pcarlstrom@cvag.org)

Recommendation: Information

Background: According to the U.S. Department of Energy Alternative Fuels Data Center, California is home to 39 percent of all electric vehicles (EVs) in the United States – making it the nation’s leader by wide margin in adopting the technology. California has recently mandated that all new passenger cars and light trucks sold be zero-emission vehicles (ZEVs) by 2035, further prompting the growing need for additional EV charging infrastructure. This directive coincides with historic investments from the state and federal governments to build more electric vehicle charging stations. Beginning this year, California stands to receive a total of \$384 million over five years from the federal Infrastructure Investment and Jobs Act as part of the National Electric Vehicle infrastructure (NEVI) program to install charging stations along transportation corridors. Additionally, the California Electric Vehicle Infrastructure Project (CALeVIP), funded by the California Energy Commission, offers rebates to public and private entities for the installation of Level 2 (L2) and Direct Current Fast Chargers.

To increase the state-wide deployment of EV charging infrastructure, the California Legislature has passed two bills that have been signed into law streamlining the permitting process for electric vehicle charging stations. Assembly Bill (AB) 1236 and AB 970 set requirements for local jurisdictions to develop an expedited, streamlined permitting process for electric vehicle charging stations. Both pieces of legislation apply to charging stations of all types: Level 1 (L1 – 120-volt; regular home outlet that charges at speeds of 3-5 miles per hour), Level 2 (L2 – 220-volt; charges at speeds of 12-80 miles per hour), and Direct Current Fast Chargers (DCFC – 480-volt +; charge at speeds of 3-20 miles per minute); public and private charging stations; light-, medium-, and heavy-duty charging stations; and accessory and primary use stations of a site. The legislation also applies to new charging station installations and upgrades of existing installations.

AB 1236, approved in 2015, mandates that cities and counties must adopt a streamlining ordinance and permitting checklist. Jurisdictions are graded based on the Permitting Electric Vehicle Charging Stations Scorecard (see attachment). The Governor’s Office of Business and Economic Development (GO-Biz) maintains an online map showing the scores of each California city and county.

The Legislature approved AB 970 in 2021 to build upon the framework mandated by AB 1236. AB 970 went into effect on January 1, 2022 for jurisdictions with populations greater than 200,000, and on January 1, 2023 for jurisdictions with populations fewer than 200,000. It adds specific binding timelines to plan review periods based on project size.

Under the new law, applications for projects of 25 stations or less will be deemed complete if, after five business days, the jurisdiction has not:

1. Found the application to be complete; or
2. Issued a written deficiency notice that details changes needed to bring project into compliance with jurisdiction's electric vehicle charging station permitting checklist or identifies specific information that would allow the jurisdiction's Building Official to conduct a limited health and safety review.

If the jurisdiction has not adopted an electric vehicle charging station permitting checklist, a deficiency notice is limited to a health and safety review conducted by the Building Official. Once complete, the application will be deemed approved after 20 business days if the jurisdiction has not:

1. Made an evidentiary finding that the charging stations could have a specific adverse impact upon public and safety;
2. Required the applicant to apply for a use permit; or
3. An appeal has not been made to the jurisdiction's planning commission.

Projects with 26 stations or more follow the same process except timelines are extended to 10 business days for applications to be deemed complete, and to 40 business days after being deemed complete for applications to be deemed approved.

Additionally, AB 970 clarifies that jurisdictions must reduce the number of required parking spaces by amount necessary to accommodate the charging stations and associated equipment. For jurisdictions that have already adopted an EV charging ordinance consistent with the mandates of AB 1236, the existing ordinance may be modified to incorporate AB 970's binding timelines and parking requirements to reach compliance.

CVAG staff has shared this information with member jurisdictions. Additionally, staff has an electric vehicle charging station ordinance and checklist that meet the requirements of AB 1236 and AB 970 available to cities that would like assistance in adopting their own streamlining process.

Fiscal Analysis: There is no cost to CVAG for this informational update.

Attachments:

1. Permit Streamlining Fact Sheet
2. Permitting Scorecard

Electric Vehicle Charging Station Permit Streamlining Fact Sheet



AB 1236 (Chiu, 2015) and AB 970 (McCarty, 2021) Requirements for Cities and Counties

EVCS Permit Streamlining Overview

AB 1236 (Chiu, 2015), codified in Government Code [Section 65850.7](#), requires all California cities and counties to develop an expedited, streamlined permitting process for electric vehicle charging stations (EVCS). The law was developed to further the availability of charging infrastructure to help drive the deployment of zero emission vehicles—the faster charging stations are deployed, the sooner California's air quality improves, greenhouse gas emissions are reduced, and local economic benefits are captured.

Pursuant to AB 1236, cities and counties must adopt a streamlining ordinance and checklist. Current city and county streamlining status is reflected on the [EVCS Streamlining Map](#) and jurisdictions are graded based on the [Permitting Electric Vehicle Charging Stations Scorecard](#), which includes the streamlining requirements of AB 1236 and reiterated below.

Scoring Criteria:

1. Streamlining Ordinance for Expedited EVCS Permit Process
2. Permitting Checklists Online for L2 & DCFC
3. Administrative Approval of EVCS
4. Approval Limited to Health & Safety Review
5. Electronic Signatures Accepted
6. EVCS Not Subject to Association Approval
7. One Complete Deficiency Notice if Application is Incomplete

AB 970 (McCarty, 2021), codified in Government Code [Section 65850.71](#), builds on California's existing permit streamlining law, AB 1236. Jurisdictions are required by AB 1236 to **limit EVCS project review to health and safety requirements**. AB 970 adds specific binding timelines to that review period based on the size of the project and clarifies parking requirements (see below).

To meet the AB 970 timelines and requirements of AB 1236, the city or county should provide one complete set of comments detailing all application deficiencies, which the applicant should address in a streamlined and complete manner through modifications to the existing application.

To avoid the need for corrections, project applicants should communicate with local permitting jurisdictions to ensure application compliance with building, electrical, accessibility, and any health and safety requirements.

Permit Streamlining Law Applicability

AB 1236 and AB 970 apply to all charging station installations, including: Level 1, Level 2, and DC Fast Charging; public and private charging stations; light-, medium-, and heavy-duty electric vehicle charging stations; and stations that are installed as the accessory or primary use of a site. AB 1236 and AB 970 likewise apply to essential components and infrastructure necessary for charging station function.

All cities and counties, including charter cities, in California are required to comply with AB 1236 and AB 970. AB 970 shall become operative on January 1, 2022 for every city, county, or city and county with a population of more than 200,000 residents. This section shall apply beginning on January 1, 2023 for every city, county, or city and county with fewer than 200,000 residents.

EVCS Permit Application Timelines

1-25 station project at a single site: An EVCS application will be deemed complete if after **5 business days** the city or county has not either (1) found the application to be complete or (2) issued a written deficiency notice (a) detailing all changes needed to make the application consistent with the city or county EVCS permitting checklist or (b) identifying specific information necessary for the Building Official to conduct a limited review of whether the project meets all health and safety requirements. If the city or county has not yet created its checklist, the deficiency notice will be limited to the building official's review of whether it meets all health and safety requirements of local, state, and federal law per AB 1236.

If not already approved or denied pursuant to the requirements of AB 1236 (Section 65850.7(b) or (c), respectively), the application will be deemed approved **20 business days** after it was deemed complete if (1) the city or county has not made a finding, based on substantial evidence, that the EVCS could have a specific adverse impact upon the public health or safety; (2) the city or county has not required the applicant to apply for a use permit as specified in Section 65850.7(b); and (3) an appeal has not been made to the planning commission pursuant to Section 65850.7(d).

26 or more stations at a single site: The process described above is the same for applications including 26 or more EVCS at a site, except: an EVCS application will be deemed complete after **10 business days** and will be deemed approved **40 business days** after deemed complete.

Electric Vehicle Charging Station Permit Streamlining Fact Sheet



Parking Requirements

AB 970 clarifies that cities and counties shall reduce the number of required parking spaces by the amount necessary to accommodate the EVCS if the EVCS and associated equipment interferes with, reduces, eliminates, or in any way impacts the required parking spaces for existing uses.

Connecting to the Grid & Operation

Utility approval to begin the grid connection process is a separate and distinct approval process from the city and county EVCS permitting process. Project applicants should involve their local utility early in the planning process to understand the timeline for interconnection and delineation of responsibilities, which vary by utility territory.

Before a station can be used, it must pass final inspection(s) by the local permitting jurisdiction and utility. The local jurisdiction and utility processes should be coordinated to mitigate delays, reduce inspections, and expedite site energization and commissioning.

EVCS Permitting Resources

For resources on how to become a streamlined jurisdiction, refer to [Permitting Electric Vehicle Charging Stations: Best Practices](#). The [Electric Vehicle Charging Station Permitting Guidebook](#) covers planning and site selection, permitting, accessibility, grid interconnection, and construction, commissioning and operation procedures, and best practices. The Guidebook will be updated to include the provisions of AB 970 in 2022.

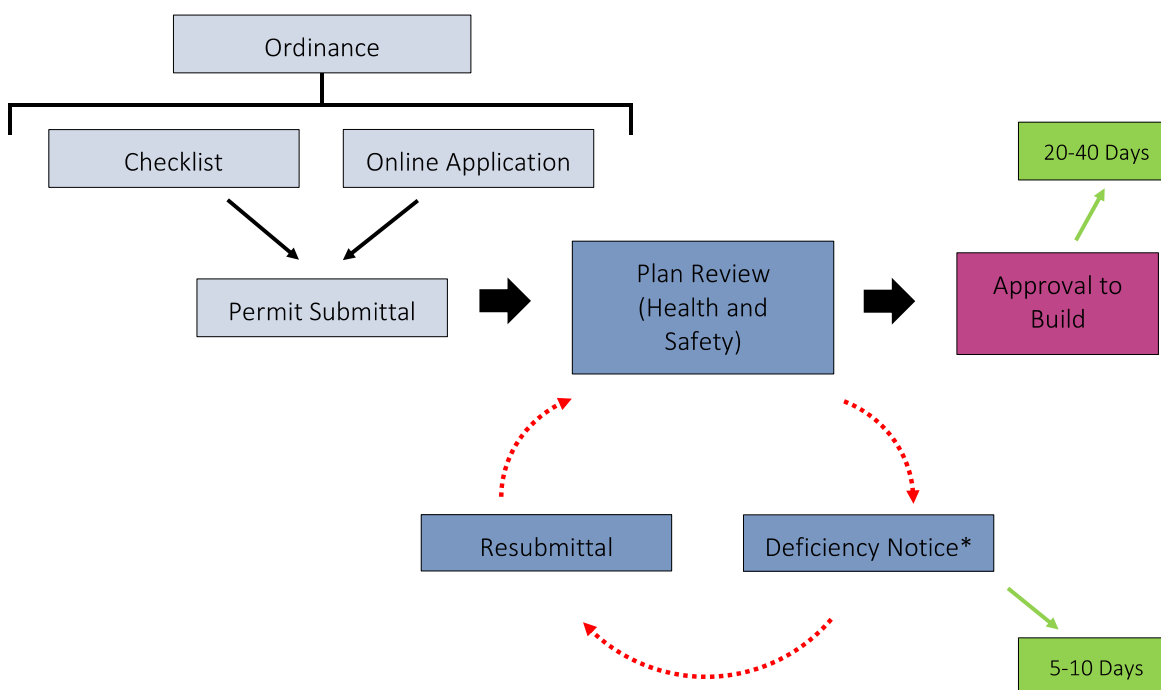
Related Relevant Laws

AB 1100 (Kamlager-Dove, 2019), codified in Vehicle Code [Section 22511.2](#): charging spaces count as at least one standard parking space for complying with minimum parking requirements. Accessible charging spaces with an access aisle count as at least two standard parking spaces.

Civil Code [Section 4745](#): limits a homeowner association's ability to prohibit or restrict the installation of an EVCS by a member.

Civil Code [Section 1947.6](#) (residential) and Civil Code [Section 1952.7](#) (commercial): tenants have the right to install EVCS and landlords must grant permission under specified circumstances.

EVCS Permit Process and Timeline



* The deficiency notice should include one complete set of comments.

Permitting Electric Vehicle Charging Stations Scorecard: Updated 10/2/2019

| | Scoring Criteria: | Complete if: |
|--------------------------|---|--|
| <input type="checkbox"/> | 1. Streamlining Ordinance Ordinance creating an expedited, streamlined permitting process for electric vehicle charging stations (EVCS) including level 2 and direct current fast chargers (DCFC) has been adopted. | <ul style="list-style-type: none"> – Streamlining ordinance has been adopted |
| <input type="checkbox"/> | 2. Permitting checklists covering L2 and DCFC Checklist of all requirements needed for expedited review posted on city or county website. | <ul style="list-style-type: none"> – Permitting checklist is available and easily found on city or county website |
| <input type="checkbox"/> | 3. Administrative approval of EVCS EVCS projects that meet expedited checklist are administratively approved through building or similar non-discretionary permit. | <ul style="list-style-type: none"> – The streamlining ordinance states that permit applications that meet checklist requirements will be approved through non-discretionary permit (or similar) |
| <input type="checkbox"/> | 4. Approval limited to health and safety review EVCS project review limited to health and safety requirements found under local, state, and federal law. | <ul style="list-style-type: none"> – The streamlining ordinance states that no discretionary use permit is required and permit approval will be limited to health and safety review |
| <input type="checkbox"/> | 5. Electric signatures accepted AHJ accepts electronic signatures on permit applications.* | <ul style="list-style-type: none"> – Electronic signatures accepted on City or County website (usually specified in the ordinance) |
| <input type="checkbox"/> | 6. EVCS not subject to association approval EVCS permit approval not subject to approval of an association (as defined in Section 4080 of the Civil Code). | <ul style="list-style-type: none"> – The streamlining ordinance states that EVCS permits do not require association approval |

| | | |
|--------------------------|---|---|
| <input type="checkbox"/> | 7. One complete deficiency notice AHJ commits to issuing one complete written correction notice detailing all deficiencies in an incomplete application and any additional information needed to be eligible for expedited permit issuance. | – The streamlining ordinance dictates that a written correction notices must detail all deficiencies |
| <input type="checkbox"/> | 8. Bonus: Expedited timeline for approval Consistent with the intent of AB 1236, AHJ establishes expedited timelines for EVSE permit approval compared to standard project approval procedures. | – The streamlining ordinance (or other policy mechanism) outlines expedited approval timelines for EVSE permits |

*If a city or county determines it is unable to accept electronic signatures on all forms, the permit streamlining ordinance shall state the reasons.

How scoring works:

Cities and counties that meet at least 6 of the first 7 checklist criteria will be highlighted as “EVCS Permit Ready” if the missing criteria does not have a negative impact in practice. Cities and counties that add #8 will be designated as “EVCS Permit Ready All Stars” on our permit list.

Grading is based on relevant ordinances, checklists and stakeholder feedback. It is important to note that the intent of this tool is to assess permit streamlining from a holistic perspective. While AB 1236 guides the assessment, this effort is not intended to determine compliance with AB 1236.

| |
|--|
| EVCS Permit Ready Score: |
| Green – City or County is EVCS Permit Ready, charging infrastructure permitting is streamlined |
| Yellow – City or County EVCS permit streamlining is in progress, or partially complete |
| Red – City or County is not streamlined for EVCS permitting |
| Grey – Not yet evaluated (or in process) |

Tips on how to streamline (“How to become green”):

Communities do not need to create ordinances and checklists from scratch. California Building Officials (CALBO) offer [AB 1236 compliance toolkits for both small and large jurisdictions](#). These toolkits include model ordinance templates, adoption timelines, and supporting staff reports, as well as a sample permitting checklist.

Furthermore, the map acts as a repository of streamlining ordinances and checklists of jurisdictions all throughout California. The included information and links can assist cities and counties in crafting ordinance and checklists to become EVCS Permit Ready (and compliant with AB 1236).

Role of GO-Biz:

The GO-Biz ZEV team's goal is to help California jurisdictions streamline electric vehicle charging station permitting to support rapid growth of the ZEV market. We hope this map, and the discussions around it, will help connect resources and amplify best practices.

As the first step, GO-Biz will determine the streamlining status of each jurisdiction using the above checklist based on what we can find online and through stakeholder engagement. If you have information about a city or county that is not reflected in our map please email us ordinances, checklists or other information.

On an ongoing basis, the GO-Biz ZEV team will verify evaluations based on stakeholder and industry feedback (in consultation with the subject city or county). Ultimately, the goal of this tool is to create a collective learning space to support cities, counties, and applicants as we all work towards permitting processes that work well for all parties.

We anticipate that the Electric Vehicle Charging Station Permit Streamlining Map will evolve and improve through time with stakeholder participation and feedback. Please reach out to zev@gobiz.ca.gov for any questions, suggestions, or guidance.