



ENERGY & ENVIRONMENTAL RESOURCES COMMITTEE AGENDA

**THURSDAY, MAY 11, 2023
12:00 p.m.**

**CVAG Conference Room
73-710 Fred Waring Drive, Suite 119
Palm Desert, CA 92260**

Members of the Committee and the public may attend and participate by video at the following remote locations:

**Blythe City Hall
235 N Broadway, Room A
Blythe, CA 92225**

**Imperial Irrigation District
1284 Main Street
El Centro, CA 92243**

Members of the public may use the following link for listening access and ability to address the Energy & Environmental Resources Committee when called upon:

<https://us02web.zoom.us/j/83901738518?pwd=L05WUVVWajFqemg2bk9QdTJ3WktHQT09>

Dial In: +1 669 900 9128

Webinar ID: 839 0173 8518

Password: 484060

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 April 13, 2023 Committee Meeting Minutes

P5

6. **DISCUSSION / ACTION**

A. **Distributed Energy Resources, Community Solar and Microgrids**–
Jaime Alonso from GRID Alternatives Inland Empire

P9

Recommendation: Information

B. **Colorado River Negotiations and the Potential Impacts for California** –
Imperial Irrigation District Director JB Hamby

P12

Recommendation: Information

C. **Renaming of the Energy and Environmental Resources Committee** –
Tom Kirk

P15

Recommendation: Rename CVAG's Energy & Environmental Resources Committee to be CVAG's Energy & Sustainability Committee

7. **INFORMATION**

- A. **Attendance Record** **P16**
- B. **Update on the Inland Regional Energy Network** **P17**
- C. **Net Energy Metering 3.0 and the Implementation of the Solar Billing Plan** **P19**
- D. **Update on Efforts to Regulate Mylar Balloons** **P21**
- E. **Availability of Southern California Edison's Green Rate** **P23**

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, June 8, 2023, at noon at the CVAG conference room, 73-710 Fred Waring Drive, Suite 119, Palm Desert, 92260.

The next meeting of the **Executive Committee** will be held on Monday, June 5, 2023, at 4:30 p.m. at the CVAG conference room, 73-710 Fred Waring Drive, Suite 119, Palm Desert, 92260.

10. **ADJOURN**

ITEM 2A

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



VOTING MEMBERS	
Agua Caliente Band of Cahuilla Indians	Tribal Vice Chair Candace Patencio Anderson
City of Blythe	Mayor Joseph DeConinck
City of Cathedral City	Councilmember Nancy Ross
City of Coachella	Councilmember Stephanie Virgen
Coachella Valley Water District	Board Member Anthony Bianco
City of Desert Hot Springs	Councilmember Russell Betts
Imperial Irrigation District	Director Karin Eugenio
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 Oyar
Riverside County – District 5	Supervisor Yxstian Gutierrez

ITEM 5A

**Energy & Environmental Resources Committee
Meeting Minutes
April 13, 2023**



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. at the CVAG Conference Room, 73-710 Fred Waring Drive, Suite 119, in the City of Palm Desert. Videoconferencing was available from the city of Blythe.

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

Members Present

Vice Chair Candace Patencio Anderson
Mayor Joseph DeConinck
Councilmember Nancy Ross
Councilmember Stephanie Virgen
Director JB Hamby
Mayor Donna Griffith
Mayor Oscar Ortiz, *Chair*
Mayor Linda Evans, *Vice Chair*
Director Russ Martin
Councilmember Gina Nestande
Councilmember Ron deHarte
Councilmember Ted Weill

Agency

Agua Caliente Band of Cahuilla Indians
City of Blythe
City of Cathedral City
City of Coachella
Imperial Irrigation District (*arrived at 6A*)
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

Members/ Ex-Officios Not Present

Councilmember Russell Betts
Supervisor V. Manuel Perez
Supervisor Yxstian Gutierrez
Board Member Anthony Bianco
Secretary Altrena Santillanes
Board Member Patricia Oygar

City of Desert Hot Springs
Riverside County – District 4
Riverside County – District 5
Coachella Valley Water District
Torres Martinez Desert Cahuilla Indians
Desert Water Agency

3. **PUBLIC COMMENTS ON AGENDA ITEMS**

None.

4. **COMMITTEE MEMBER / DIRECTOR COMMENTS**

Executive Director Tom Kirk welcomed back the committee to in-person meetings. Mr. Kirk explained meeting logistics with regards to Zoom options and compliance with the Brown Act.

5. **CONSENT CALENDAR**

A. Approve February 9, 2023 Committee Meeting Minutes

IT WAS MOVED BY MAYOR GRIFFITH AND SECONDED BY DIRECTOR MARTIN TO APPROVE THE CONSENT CALENDAR ITEMS.

THE MOTION CARRIED WITH 10 AYES, 1 ABSENTION AND 5 MEMBERS ABSENT.

Vice Chair Candace Patencio Anderson	Abstained
Mayor Joey DeConinck	Aye
Councilmember Nancy Ross	Aye
Councilmember Stephanie Virgen	Aye
Board Member Anthony Bianco	Absent
Councilmember Russell Betts	Absent
Director JB Hamby	Absent
Mayor Donna Griffith	Aye
Mayor Oscar Ortiz	Aye
Mayor Linda Evans	Aye
Director Russ Martin	Aye
Councilmember Gina Nestande	Aye
Councilmember Ron deHarte	Aye
Councilmember Ted Weill	Aye
Supervisor V. Manuel Perez	Absent
Secretary Altrena Santillanes	Absent

6. DISCUSSION / ACTION

A. Regional Efforts to Expand Urban Tree Planting and Increase Shade

Management Analyst Peter Carlstrom provided an overview of the regional efforts to secure funding. He then introduced Sabrina Barber, Imperial Irrigation District's manager for Regulatory and Strategic Marketing, to provide a presentation on IID's tree planting program.

Member discussion ensued. No action was taken as this was an informational item.

B. Imperial Irrigation District (IID) Governance and Electricity Services Study

Senior Programs Manager Emmanuel Martinez provided an overview of the electrical services study with regards to IID. IID Director JB Hamby also provided on the issues discussed in the study. Member discussion ensued, with staff noting the longer timeline for providing feedback.

No action was taken for this item.

C. Appointment of Regional Representation to SCAG Policy Committee

Conservation Program Manager Peter Satin provided the staff report and sought nominations from the Committee. One nomination was made.

IT WAS MOVED BY CHAIR ORTIZ AND SECONDED BY MAYOR EVANS TO NOMINATE AND APPOINT COACHELLA COUNCILMEMBER STEPHANIE VIRGEN TO BE THE CVAG REPRESENTATIVE FOR SCAG'S ENERGY AND ENVIROMENT COMMITTEE.

THE MOTION CARRIED WITH 12 AYES AND 4 MEMBERS ABSENT.

Vice Chair Candace Patencio Anderson	Aye
Mayor Joey DeConinck	Aye
Councilmember Nancy Ross	Aye
Councilmember Stephanie Virgen	Aye
Board Member Anthony Bianco	Absent
Councilmember Russell Betts	Absent
Director JB Hamby	Aye
Mayor Donna Griffith	Aye
Mayor Oscar Ortiz	Aye
Mayor Linda Evans	Aye
Director Russ Martin	Aye
Councilmember Gina Nestande	Aye
Councilmember Ron deHarte	Aye
Councilmember Ted Weill	Aye
Supervisor V. Manuel Perez	Absent
Secretary Altrena Santillanes	Absent

D. Update on Inland Regional Energy Network Actions and Program Rollout

Management Analyst Peter Carlstrom provided the staff report, including roll out of the CivicSpark fellowships to local communities. No action was taken on this informational item.

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

8. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Chair Ortiz asked Director Hamby from Imperial Irrigation District to give a brief update on the Colorado River negotiations situation.

9. ANNOUNCEMENTS

The next meeting of the **Energy & Environmental Resources Committee** will be held on Thursday, May 11, 2023, at noon with at the CVAG conference room, 73-710 Fred Waring Drive, Suite 119, Palm Desert, 92260.

The next meeting of the **Executive Committee** will be held on Monday, April 24, 2023, at 4:30 p.m. at the CVAG conference room, 73-710 Fred Waring Drive, Suite 119, Palm Desert, 92260.

10. ADJOURN –

Chair Ortiz adjourned the meeting at 1:06 p.m.

Respectfully submitted,

Elysia Regalado
Management Analyst

ITEM 6A

Coachella Valley Association of Governments
Energy & Environmental Resources Committee
May 11, 2023



STAFF REPORT

Subject: Distributed Energy Resources, Community Solar and Microgrids

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

Recommendation: Information

Background: At the February 9 meeting of the Energy & Environmental Resources Committee, Chair Oscar Ortiz requested information on several related topic areas, including distributed energy resources. A distributed energy resource (DER) is a small-scale unit of power generation that operates locally and is connected to a larger power grid at the distribution level, often behind a customer's retail power meter. Rooftop solar, battery storage, microgrids, and energy efficiency and demand management are often collectively referred to as DERs. When the energy from one of these DERs is generated at a home or business and can be used to directly offset the customer's retail load, the resource is considered behind the meter.

This staff report outlines the characteristics of two kinds of DER projects: community solar and microgrids. At the May meeting of the Energy & Environmental Resources Committee, Jaime Alonso from GRID Alternatives Inland Empire will provide an overview of the Santa Rosa Community Solar Project, a low-income community solar project that celebrated its ribbon cutting in 2021.

Community Solar

Community solar, also known as shared solar or solar gardens, is a distributed solar energy deployment model that allows customers to buy or lease part of a larger, off-site shared solar photovoltaic (PV) system. Community solar arrangements allow customers to enjoy the advantages of solar energy without having to install their own solar energy system. Community solar projects also provide an alternative to rooftop PV systems for customers who:

- Have insufficient solar resources or roof conditions to support a rooftop PV system (due to shading, roof size, or other factors).
- Do not own their homes or buildings.
- Are unable or unwilling to install an on-site solar PV system for financial or other reasons.

Community solar subscribers typically receive a monthly bill credit for electricity generated by their share of the solar PV system, as if the system were located on their premises.

As of December 2021, community solar projects existed in 39 states (including California), plus Washington, D.C. Community solar projects at that time represented more than 3,200 megawatts alternating-current (MW-AC) of total installed capacity. About 74% of the total market was concentrated in the top four states: Florida (1,636 MW-AC), Minnesota (834 MW-AC), New York (731 MW-AC), and Massachusetts (674 MW-AC).

A 2015 National Renewable Energy Lab and U.S. Department of Energy analysis estimated that 50% of residential and commercial rooftops are suitable for on-site distributed PV systems. Community solar is one model for addressing the lack of solar PV access that many U.S. customers face.

Proponents of community solar projects note the benefits to customers, utilities, and third-party entities, including providing greater electricity rate stability and potential bill savings for program participants. It also can provide wider solar accessibility for different electricity customer classes, especially if portions of projects are set aside for low-income customers. Additionally, there are grid resiliency benefits and they can help address renewable portfolio standard compliance.

Community solar projects can be owned by utilities or third-party developers and can be located on public buildings, private land, and other suitable areas. There are many program designs that vary by type of bill credit (usually kilowatt-hours or dollars), contract length, cost of participation and financing options, eligibility, number of participants allowed, and products offered (e.g., panels or generation).

One such nearby project is GRID's Santa Rosa Community Solar Project. This nearly one megawatt solar array (994.6 kW DC) is located on the Santa Rosa Band of Cahuilla Indians reservation in Anza Valley. GRID Alternatives worked in partnership with the Santa Rosa Band of Cahuilla Indians and Anza Electric Cooperative on the project.

According to the U.S. [Department of Energy](#), this project is considered a low-income project in California that meets the standard for 100% of customers classified as Low-to-Moderate Income. This project provides no-cost solar energy with significant savings for local low-income households. This project is expected to save up to \$6.9 million for the total 200 enrolled low-income subscribers over the project's 30-year lifespan, including 38 homes on the Santa Rosa tribal lands and an additional 162 low-income members of the Anza Electric Cooperative.

In 2019, the Imperial Irrigation District (IID) commissioned its community solar project in partnership with Citizens Energy. The IID/Citizen's community solar project serves more than 12,000 IID customers who are enrolled in their Residential Energy Assistance Program, IID's public assistance program to subsidize energy costs for low-income customers in the Coachella and Imperial Valleys. Considered one of the largest community solar projects in the nation, the project generates 30 megawatts of power for the IID grid under a 23-year purchase power agreement. Energy savings from this project are passed to all of IID's qualified low-income customers in the form of a monthly discount on their electric bills, which is estimated to be as high as 5 percent. The IID/Citizen's energy community solar project consists of 107,000 solar panel modules on approximately 200 acres outside Calipatria, California.

Community solar is expected to grow in California following the Legislature's passage of AB 2316 in September 2022. This bill requires the California Public Utilities Commission (CPUC), to determine on or before March 31, 2024 whether it would be beneficial to ratepayers served by investor-owned utilities such as Southern California Edison (SCE) to establish a community renewable energy program. Staff are monitoring the CPUC proceeding and will report back to the Energy & Environmental Resources Committee as it develops.

While there were 27,000 residential installations of solar in the Coachella Valley as of 2021 typically on rooftops, there is a growing number of commercial installations of solar arrays both on rooftops and parking structures. There were few examples of community solar except for GRID's Santa Rosa project. With the anticipated implementation of AB 2316, followed by funding through AB 209 that the Legislature passed in 2022, it is anticipated that more community resiliency projects with a community solar component will be developed through opportunities for expanding low-income customers' access to energy efficiency, weatherization, and renewable energy investments.

Microgrids

Microgrids are another specialized form of DER that offer the possibility of a critical facility or neighborhood having better resilience, as the microgrid serving the facility or neighborhood can be isolated from the grid and allows for power to be utilized off grid in the event of grid failure. The local solar array feeds the microgrid, which also includes battery or other storage. When the battery storage in the microgrid is fully charged, excess power generation can be fed to the grid and improve grid reliability. Examples of microgrid applications include public, civic facilities such as hospitals, fire stations, community centers and libraries that operate as cooling centers.

Because a microgrid can operate while the main grid is down, it strengthens grid resilience, helps mitigate grid disturbances, and functions as a grid resource for faster system response and recovery. Microgrids vary in size from a single-customer microgrid to a full-substation microgrid, which may include hundreds of individual generators and consumers of power. DERs make microgrids a more widespread option because the means of energy production are more easily obtained and sited in neighborhoods. Community-scale microgrids may provide resiliency or backup during and after disasters or excessive heat events.

SB 1339, which was passed by the Legislature in 2018, requires the CPUC, in consultation with the California Energy Commission and the California Independent System Operator, to take action to facilitate the commercialization of microgrids for distribution customers of large electrical corporations. The CPUC is currently implementing SB 1339. On April 16, 2023, the CPUC adopted implementation rules for the previously authorized Microgrid Incentive Program for Pacific Gas and Electric Company, San Diego Gas & Electric Company, and SCE.

The Microgrid Incentive Program is a program that targets placement of community microgrids in disadvantaged communities, which is defined based on criteria that includes median household income levels and how census tracts score under the California Communities Environmental Health Screening Tool (CalEnviroScreen). Staff will continue monitoring the CPUC's decisions and programs related to microgrids and will report back to the Energy & Environmental Resources Committee. However, staff would caution that the state's measurements of disadvantaged communities – particularly CalEnviroScreen – often don't reflect the true socioeconomic diversity of the Coachella Valley and have made it more difficult for the region to compete for funding and projects.

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

ITEM 6B

**Coachella Valley Association of Governments
Energy and Environmental Resource Committee**

May 11, 2023



Staff Report

Subject: Colorado River Negotiations and the Potential Impacts for California

Contact: Emmanuel Martinez, Program Manager – External Affairs (emartinez@cvaq.org)

Recommendation: Information

Background: At its April meeting, members of the Energy and Environmental Resources Committee expressed strong interest in being updated on the ongoing negotiations related to the Colorado River and potential impacts for the State of California, particularly for the Coachella and Imperial Valleys. Imperial Irrigation District (IID) Director, JB Hamby, currently serves as Chairman of the State of California’s Colorado River Board, which is tasked with protecting California’s rights and interests in the river’s resources. In that role, he is responsible for negotiating matters related to the Colorado River on behalf of the state. Director Hamby will provide an update on Colorado River negotiations at the May meeting.

The Colorado River is at a critical point after experiencing drought conditions for more than 20 years. Water levels at two of the river’s reservoirs, Lake Powell and Lake Mead, have dropped to historic lows, threatening water reliability and delivery to approximately 40 million people across the seven basin states – Colorado, Utah, Wyoming, New Mexico, Arizona, Nevada, California – as well as in Mexico. At 4.4 million acre-feet of water per year, California has the largest allocation of Colorado River water, which is being sought after by the other six basin states as a potential source for water cutbacks. Of the 4.4 million, IID is entitled to 3.1 million acre-feet and Coachella Valley Water District is entitled to 330,000 acre-feet of river water per year.

In 2021, given the reduced water levels at Lake Powell and Lake Mead, the federal government declared a water shortage, prompting mandatory cuts also known as Tier 1 reductions. These reductions, which primarily impact Arizona to the tune of 512,000-acre feet, are part of a negotiated Drought Contingency Plan approved in 2019 by all seven basin states. The DCP guidelines include three tiers of water shortages to intentionally leave water in Lake Mead and avoid reaching dead pool water levels. Dead pool occurs when water levels drop to the point it does not flow downstream from the dam. This not only impacts water supply delivery but also negatively affects hydroelectric generation along the river, impacting energy supply, grid reliability. Because hydroelectric power is a zero-emission resource, other electric generation resources must backfill the loss in supply, including those that emit greenhouse gases.

Given the persistent drought, the Department of Interior in August 2022 announced a [Tier 2 shortage](#). This declaration caused for Lake Mead to operate under its first ever Level 2a Shortage Condition for 2023. In effect, the Tier 2 shortage will require reductions and water saving contributions for Mexico and the Lower Basin States, namely Nevada and Arizona.

Specifically, under Tier 2 Nevada's water will be reduced by 8 percent, and Arizona's by approximately 21 percent, of their annual allotment. California's water allotment is not impacted by the Tier 2 operating condition.

Despite the enactment of the water shortage declarations and associated reductions to water allotments, the Department of the Interior continues to seek collaboration among all basin states to seek consensus on how to best manage the river in light of historic water rights.

To continue to address the historic drought and historically low reservoirs, on April 11, 2023, the Bureau of Reclamation issued a draft Supplemental Environmental Impact Statement for Near-term Colorado River Operations. The purpose of these guidelines is to address operation of Glen Canyon Dam and Hoover Dam, given the low runoff conditions in the Colorado River basin. In short, these guidelines propose reduced water releases and model larger additional shortages in 2025-2026. The SEIS rules are available on the Department of Interior's website and are open to a 45-day comment period. Additionally, the California Assembly Committee on Water, Parks and Wildlife held an informational hearing on May 2, 2023 to consider the potential impacts on California. Director Hamby was among those who presented at the hearing, and an IID news release recapping the hearing is attached.

Fiscal Analysis: There is no cost to this information item. CVAG is using existing staff resources for the task force and related efforts.

Attachments: IID news release on Assembly's Colorado River hearing, May 2, 2023



News & Resources

IID testifies to State Assembly on Colorado River status and potential state impacts

Representatives of the Imperial Irrigation District and the Colorado River Board of California testified Tuesday, May 2, during an informational hearing before the California State Assembly's Water, Parks and Wildlife standing committee.

Post Date: 05/02/2023

SACRAMENTO – Representatives of the Imperial Irrigation District and the Colorado River Board of California testified Tuesday, May 2, during an informational hearing before the California State Assembly's Water, Parks and Wildlife standing committee.

IID Board Vice President and California's Colorado River Commissioner JB Hamby and IID Water Department Manager Tina Shields testified at the state capitol on how Southern California is preparing for climate impacts to water supplies.

Commissioner Hamby spoke on the history of the development of the river by California's Colorado River water users, the Law of the River, programs and agreements that maintain the state's use within its 4.4 million acre-feet entitlement, and next steps toward a consensus-based alternative to the Bureau of Reclamation's Supplemental Environmental Impact Statement (SEIS).

Concluding, Hamby said, "California is working with our in-state stakeholders, Basin Tribes, Mexico, and the United States to be able to deal with these challenges in the next short-term basis and in the long-term."

The Colorado River supports 40 million people — half of which live in California — including 5.5 million acres of irrigated agriculture. The Colorado River Board of California is charged with protecting California's rights and interests in Colorado River resources.

Shields provided an overview of IID's current water conservation measures. The district has conserved over 7.2 million acre-feet since implementation of the nation's largest ag-to-urban water transfer agreement (the Quantification Settlement Agreement). She also addressed impacts to the Salton Sea and the district's proposal to conserve an additional 1 million acre-feet over the next four years to assist current conditions on the Colorado River.

"The Colorado River is our only source of water," Shields told the committee. "If we lose the Colorado River, our community ceases to exist...so we're very interested in how these multi-state discussions turn out in the future."

Click images to be taken to video:

ITEM 6C

Coachella Valley Association of Governments
Energy & Environmental Resources Committee
May 11, 2023



STAFF REPORT

Subject: Renaming of the Energy & Environmental Resources Committee

Contact: Tom Kirk, Executive Director (tkirk@cvaq.org)

Recommendation: Rename CVAG's Energy & Environmental Resources Committee to be CVAG's Energy & Sustainability Committee

Background: The Energy and Environmental Resources Committee serves as an advisory policy committee to the Executive Committee. The Committee's origins date back to CVAG's founding years in the 1970s, when the CVAG General Assembly created a Natural Resources Committee and an Ad Hoc Energy Resources Committee.

Over the years, some of these standing and ad hoc committees merged and the Committee's name changed to reflect change in scope and programs. By the early 1980s, the Committee was known as the Energy and Environment Committee, and the range of regional programs included solid waste management and air quality issues. By 1988, the Committee was engaged in overseeing the Fringe Toed Lizard Preserve, which eventually led to the formation of the Coachella Valley Conservation Commission (CVCC). CVAG has dubbed the committee the Energy and Environmental Resources Committee for more than 20 years.

CVAG staff is now recommending that the Energy and Environmental Resources Committee be renamed again, this time to the Energy & Sustainability Committee. Thanks to the stellar work of the CVCC, CVAG and its committee no longer take a lead on habitat conservation nor does CVAG spearhead preservation of natural habitat and other natural resources. The new name of the Energy & Sustainability Committee would be more in line with the policy direction and programs that CVAG is leading. It also would make CVAG internally consistent with how these programs are detailed in the annual budget.

Fiscal Analysis: There is no cost to CVAG for the name change.

ITEM 7A

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

VOTING MEMBERS	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	-	-	✓	-		-	-	✓	-			
Torres Martinez Desert Cahuilla Indians	-	-	**	-	**	-	-		-			
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
May 11, 2023



STAFF REPORT

Subject: Update on the Inland Regional Energy Network

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

Recommendation: Information

Background: CVAG is collaborating with Western Riverside Council of Governments (WRCOG) and San Bernardino Council of Governments (SBCOG) on a joint Regional Energy Network (REN) for the Inland Empire, known as Inland Regional Energy Network (I-REN). I-REN is governed by a new Executive Committee. Based on previous CVAG committee direction, CVAG's Energy & Environmental Resources Committee reviews the items being presented to the I-REN Executive Committee and provides direction to the Chair on how to vote for the region.

The next I-REN Executive Committee meeting is scheduled for May 16. The agenda is still being finalized, but is expected to include an update on the Strategic Plan, which is further detailed below, and a presentation on Codes and Standards. At this point, staff does not anticipate any voting items on this agenda for which Energy & Environmental Resources Committee direction would be required.

Staff also wanted to provide an update on the activities that occurred since the last Energy & Environmental Resources Committee meeting and a summary of upcoming I-REN opportunities for CVAG member jurisdictions.

I-REN Strategic Plan

Staff has been working with BluePoint Planning, the consultant tasked with developing I-REN's Strategic Plan, and anticipates an update at the May I-REN Executive Committee meeting. During the I-REN Executive Committee meeting on March 21, 2023, there was a request for I-REN staff to develop a proposal on how to allocate I-REN funds throughout the Inland Empire in an equitable manner over time. In response, I-REN staff provided an update to the I-REN Executive Committee at its April 18 meeting regarding considerations taken for managing the equitable distribution of I-REN resources as established by the California Public Utilities Commission (CPUC) upon approving I-REN's Business Plan in November 2021. CVAG staff have been working with BluePoint on a draft of the Strategic Plan, which previews activities for the next three-to-five years, and is advocating for includes language ensuring equitable access to services and that is in line with CPUC requirements.

I-REN CivicSpark Fellowship

As noted in the Committee's last update, I-REN is working with CivicWell to identify, recruit, and place up to 27 fellows in its CivicSpark fellowship program in communities throughout I-REN's service area.

I-REN, led by staff in each respective COG, has sent the CivicSpark application to member jurisdictions. Though the fellowship doesn't start until fall 2023, I-REN staff recommends filling out applications as soon as possible to have greater input into the evaluation and selection of potential fellows.

I-REN Orientation Meetings

I-REN staff is finalizing a schedule of 18 orientation meetings for member jurisdictions across I-REN's service area, broken up evenly between Riverside and San Bernardino counties. The current schedule includes three meetings for CVAG's member jurisdictions.

Initially thought to launch in the first half of May, the first orientations are now scheduled to begin in early June. The orientations will include information on I-REN's Public Sector services and incentive programs, CivicSpark Fellowship opportunity, trainings on the California Energy Code for building officials and the building industry, and obtaining city building information for the Building Upgrade Concierge software program. CVAG staff will coordinate with member jurisdictions' staffs to finalize dates and times. The first Energy Code training is currently scheduled for late May or early June.

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 for the large area of both counties. 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, as part of its budget discussion, will review the amounts to be allocated to I-REN's programs established by the CPUC.

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.

ITEM 7C

Coachella Valley Association of Governments
Energy & Environmental Resources Committee
May 11, 2023



STAFF REPORT

Subject: Net Energy Metering 3.0 and the Implementation of the Solar Billing Plan

Contact: David Freedman, Program Manager (dfreedman@cvag.org) and
Emily Langenbahn, Program Specialist (elangenbahn@cvag.org)

Recommendation: Information

Background: As previously reported to the Energy & Environmental Resources Committee, on December 15, 2022, the California Public Utilities Commission (CPUC) approved a decision revising the Net Energy Metering (NEM) programs for solar customers. Through these NEM programs, customers receive bill credits for excess generation that is exported to the grid, offsetting energy costs. Effective April 15, 2023, all three investor-owned electric utilities – Southern California Edison (SCE), Pacific Gas & Electric, and San Diego Gas & Electric – began implementing this decision, which was referred to as NEM 3.0 because it is the third iteration of the NEM program. For customers in SCE’s service territory, this updated program is known as the Solar Billing Plan.

The most significant change in SCE’s Solar Billing Plan is the reduction in compensation for solar customers exporting excess energy to SCE’s grid. These customers will now pay more for energy taken from the grid than energy fed into the grid. This reduction is approximately a 75% decrease in export value from the previous NEM 2.0 program, increasing the payback period for residential solar-only customers from three-to-five years under NEM 2.0 to nine years under the Solar Billing Plan.

Another significant change is increased incentives for customers who also install battery storage systems. The incentive amount including any funding reserved to encourage low-income customers to install solar and battery storage is currently being considered in the state’s 2023-24 budget discussions. For customers living in a designated area for Tribal Land, fire hazard zones, or disadvantaged communities, there may be additional rebates or benefits available.

NEM 3.0 impacts new solar customers. There is generally no impact from the implementation of the Solar Billing Plan on 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 Solar Billing Plan (or any successor tariff) 20 years after their original interconnection date. Existing NEM customers who increase their system size by 10 percent or 1kW, whichever is more, will move then to the Solar Billing Plan. However, existing NEM customers can add battery storage at any time without affecting their NEM status.

Despite SCE’s Solar Billing Plan taking effect in April 2023, SCE is expected to take 12 to 24 months to properly update its billing system, meaning all new Solar Billing Plan customers will temporarily be billed under the NEM 2.0 program until SCE updates its billing system. This situation will also apply to generation charges from the two Community Choice Aggregators (CCAs) in CVAG’s region, Desert Community Energy (DCE) and the Rancho Mirage Energy Authority. CVAG staff have been keeping CVAG’s committees and the DCE Board updated on NEM changes and will report back to these bodies on future developments as SCE’s Solar Billing Plan implementation continues.

There are no changes from the implementation of the Solar Billing Plan in the Imperial Irrigation District (IID) service territory. Because IID is publicly owned, its solar program is decided by its five-member Board of Directors and is not subject to the CPUC decisions. IID instituted its net billing program in lieu of NEM in July 2016, and the current payback period for solar customers under IID's net billing program is 11 to 12 years.

Fiscal Analysis: There are no costs to CVAG for this informational update.

ITEM 7D

**Coachella Valley Association of Governments
Energy & Environmental Resources Committee
May 11, 2023**



STAFF REPORT

Subject: Update on Efforts to Regulate Mylar Balloons

Contact: Erica Felci, Assistant Executive Director (efelci@cvag.org)

Recommendation: Information

Background: Over the course of several meetings last year, the Public Safety Committee was provided updates on the increasing public safety concerns related to Mylar balloons and power outages. The issue, which has drawn attention from both Southern California Edison (SCE) and Imperial Irrigation District (IID), involves conversations around limiting the sale or possession of Mylar balloons. This led to CVAG taking a position on statewide legislation seeking to regulate the issue. In November 2022, CVAG staff sought direction on pursuing a model ordinance that limits the sale and/or possession of Mylar balloons in order to address power outages in the Coachella Valley. At the time, the Public Safety Committee did not take a position on the model ordinance but rather requested staff continue to track the issue.

On April 13, 2023, the Palm Desert City Council discussed potential city regulations of Mylar balloons. Palm Desert city staff is now drafting an ordinance that, if approved, would ban Mylar balloons in Palm Desert's parks. The ordinance will be presented for Council's consideration at a future meeting. In the interim, City staff has reached out to CVAG staff about renewing discussions around a regional approach to banning the sale of Mylar balloons, and specifically requested that the issue be brought to the Energy & Environmental Resources Committee. Because this issue had previously originated with the Public Safety Committee, CVAG staff also provided the Public Safety Committee with an update at its May 8 meeting. Staff will continue tracking the City's conversations. Should a ban or any similar regulations be implemented locally, CVAG staff will bring them forward to both the Public Safety and the Energy & Environmental Resources Committees for direction on any regional considerations.

Mylar balloons are made with Mylar nylon, a non-biodegradable material, and are typically coated with a metallic finish that conducts electricity. These balloons are a common feature at celebratory events such as birthdays or graduations, and they stay inflated for two weeks or longer. When they are not sufficiently weighted and are released into the air, Mylar balloons have the potential to contact power lines, which can result in power outages and fires.

Since 1990, California has prohibited the release of Mylar balloons into the air in an effort to help reduce power outages. Additional legislative efforts have sought to limit the manufacture or sale of celebratory foil balloons. In June 2022, based on the direction and recommendation of the Public Safety Committee, the CVAG Executive Committee issued support for Assembly Bill 847, authored by Assemblymember Bill Quirk (D-Hayward), which aimed to impose additional regulations to govern the manufacture or sale of celebratory foil balloons. The version of AB 847 that was signed by the Governor was amended after CVAG's committees endorsed it. Whereas the bill initially aimed to ban the sale of Mylar balloons in

2026 if they cannot pass certain standards and requirements, the final version has a much longer phase-out that will start no sooner than January 2027 and could extend past 2031.

Fiscal Analysis: There is no cost to CVAG for this informational update. The development of a model ordinance can be covered under existing staff time, should the Public Safety Committee or the Energy & Environmental Resources Committee endorse a regional approach to addressing Mylar balloons.

ITEM 7E

**Coachella Valley Association of Governments
Energy & Environmental Resources Committee
May 11, 2023**



STAFF REPORT

Subject: Availability of Southern California Edison’s Green Rate

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

Recommendation: Information

Background: California Public Utility Commission (CPUC) rules require Investor-Owned Utilities (IOUs) and the Community Choice Aggregators (CCAs) in their service territories to post a Joint Rate Comparison (JRC) showing their respective key residential and commercial rates on a per kilowatt hour and monthly basis. The JRC must be posted on the respective websites of the IOU and CCA within 60 days of a rate change by either the IOU or the CCA. CPUC rules also require the IOUs and CCAs to send an annual Joint Rate Mailer (JRM) to all customers in a CCA’s territory with this rate information. The CPUC’s Public Advocates Office (PAO) reviews and approves the wording of the JRMs before they are distributed to customers and posted on the CPUC’s website.

There are two CCAs in CVAG’s area: Desert Community Energy (DCE), which is staffed by CVAG through a staffing agreement, and the Rancho Mirage Energy Authority (RMEA). Both have included SCE’s Green Rate for its 50% and 100% renewable products in their respective JRCs and JRMs. SCE ceased offering its Green Rate to new customers in June 2022. Beginning with the JRC reflecting SCE rates effective June 1, 2022, the PAO approved the following text for the JRCs and JRMs of SCE and the CCAs in SCE’s service territory, including DCE and RMEA:

The volume of interest for both the 50% and 100% Green Rate program has currently exceeded the amount of capacity available from approved Green Rate resources. SCE will maintain a waitlist for customers interested in participating in the Green Rate program, and as capacity becomes available, SCE will enroll customers on the Green Rate on a first-come, first-served basis.

By September 2022, the SCE Green Rate had been unavailable for four months and the unavailability of this rate led to the question of how many DCE customers/ratepayers have enrolled in the Green Rate. The following chart provides a recap of how those numbers compare with DCE:

	DCE	SCE ¹
Total Customers	32,858	3,500,000
DCE Desert Saver Customers	8,919	
SCE 50% Green Customers		585
DCE 100% Carbon Free Customers	23,939	

¹ SCE has approximately 5,000,000 total customers, but approximately 1,500,000 are served by CCAs like DCE and RMEA.

SCE 100% Green Rate Customers		2,293
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As shown in the table, SCE has more than 100 times as many total customers as DCE, but DCE has more than 10 times as many customers who are enrolled in a 100% Green/Carbon free program. The number of DCE's 100% Carbon Free customers has continued to grow. As of March 2023, DCE had a total of 24,521 customers enrolled in the Carbon Free Energy Product.

In the summer of 2022, the PAO denied a request from another CCA in SCE's service territory that the CCAs no longer be required to include in their JRCs and JRMs an unavailable SCE rate. The CCAs all viewed having to make that comparison as unfair competition, since SCE showed rates for its Green Rate products as being below its base rate and the base rates of all the CCAs in SCE's service territory, which have a much lower renewable energy content.

However, on March 10, 2023, SCE informed the CCAs in SCE's territory that it will remove all Green Rates from the JRC, effective with the JRC reflecting SCE's March 1 rate change. SCE will resume including Green Rates on the JRC once the CPUC renders a decision on SCE's application to increase its Green Rate capacity. That proceeding is ongoing, and the CPUC currently expects to issue a Proposed Decision this summer.

Staff will continue to track the issue and provide updates to the Energy & Environmental Resources Committee as they are available.

Fiscal Analysis: There is no cost to CVAG for this information item.