



Local Government Sustainable Energy Coalition

2017 Impact Report

Mission

The Local Government Sustainable Energy Coalition catalyzes local government leadership and innovation through ongoing dialogue and action to enhance current and develop new roles for local government in the California's sustainable energy future. LGSEC provides a collective voice for its city, county and local agency members on statewide policy and program issues for sustainable energy, energy efficiency, local renewable power and related issues. LGSEC elevates the role of local governments in shaping California's energy future through driving innovation; regulatory intervention and action; coordination of local governments' broad technical expertise; convening forums for networking; local and regional programs implementation; and, development of local leadership.

BACKGROUND

The Local Government Sustainable Energy Coalition (LGSEC) was formed in 2007 by a group of cities and counties interested in advancing the role of local governments in energy efficiency and climate action leadership. Since January 2016, LGSEC has been operated as a coalition within the Local Government Commission.

The LGSEC intervenes at the CPUC on behalf of its members to inform state policy on energy efficiency, distributed energy resources, climate, and energyrelated emergency response policies. Because local governments play an increasingly critical role in shaping California's energy future, the LGSEC ensures local governments have a voice at the CPUC, and other key state agencies.

The LGSEC has been instrumental in establishing or supporting statewide policies and programs, including:

- Local Government Partnerships,
- Regional Energy Networks (RENs),
- Property Assessed Clean Energy (PACE), and
- Community Choice Aggregation (CCA)

The LGSEC also serves their members through the development of local leadership through:

- Sharing technical expertise and best practices
- Providing members frequent regulatory updates about actions the CPUC through calls and newsletters
- Convening forums for networking and education
- Providing an online resource for members to share information resources opportunities.

CURRENT POLICY ENGAGEMENT

Through our Regulatory Consultant, Irene Moosen, LGSEC monitors and engages in CPUC proceedings on behalf of LGSEC members, including:



- General rate cases
- The Rolling Portfolio for Energy Efficiency
- Community Choice Aggregation issues; PCIA, Bonding, Resource Planning
- Resource Adequacy
- Distributed Energy Resources/Integrated **Demand Response**
- Emergency response and preparedness
- Diablo Canyon closure

In 2017, the LGSEC advocated for a statewide, consolidated administration of local government energy efficiency programs, as part of the Rolling Portfolio. The objectives of this proposal are to remedy several issues encountered by local governments in their implementation of energy efficiency programs (Local Government Partnerships or "LGPs"), including:



Equitable access to resources for under and un-served communities, including the disadvantaged, rural and hard-to-reach.



Access to community energy data appropriate for local government energy efficiency and renewable energy program design, climate action planning, reporting and progress assessment.



Consistent contracts, terms and budget cycles







Consistent metrics and performance reporting



The outcome of the Business Plan "Rolling Portfolio" proceeding will be determined in 2018.

In 2017, the LGSEC advanced the application to the California Public Utilities Company (CPUC) to combine all local government energy efficiency programs (presently worth \$154M) under a single LGC-run statewide administration. A CPUC proposed decision on the proposal is likely to be forthcoming in the first half of 2018.

An early success of the process has been the adoption of an Interim GHG Adder in the CPUC's decision D.17-08-022 as advocated by LGSEC and others, which adds greenhouse gas emissions benefits to energy efficiency metrics.

Local government access to consistent and complete community-wide energy data for climate action planning is an issue for many LGSEC members. LGSEC continues to support the replication of the UCLA Energy Atlas as a model and possible solution.

LGSEC is monitoring CPUC decisions regarding the closure of the Diablo Nuclear Power Plant and associated proposals for non-by-passable charges to pay for efficiency and renewable energy generation. A proposed decision on the Diablo proceeding is anticipated in early 2018.

A SoCal Edison proposal for grid infrastructure investments, and the legal and regulatory consequences of the historic 2017 fires are also being closely monitored.

Community Choice Aggregation (CCAs) agencies and their constituent local governments are impacted by the ongoing Power Charge Indifference Adjustment (PCIA) proceeding, as well as by a proposed decision that would have added significant burdens to existing and emerging CCAs by requiring (among other things) burdensome resource adequacy assurance. LGSEC's comments, along with those from other interested parties, resulted in significant improvements from the original proposed decision. However, difficulties remain, and LGSEC may consider additional

participation in this case, as it sets a troublesome precedent for the usurpation of local control by the CPUC, as well as for the CPUC's own lack of adherence to rules of notice.

Other Regulatory Agency Monitoring & Engagement

LGSEC has monitored these agencies for critical issues impacting Local governments and has provided information regarding funding opportunities, comment periods for pending regulations and other announcements.







Legislative Analysis and Tracking



The following bills were tracked and supported:

SB-242 Property Assessed Clean Energy Program (Skinner) - passed

AB-398 Cap and Trade Extension (Garcia) - passed

The following bills were tracked and opposed:

AB 271 (Caballero) Unduly burdened the PACE industry that is critical to meeting California's energy



goals. The bill failed to pass.

SB 618 (Bradford) Undermined Community Choice energy programs, which are important local and clean energy initiatives. The bill failed to pass.

MEMBERSHIP SERVICES

Information and Networking Forums

The 1st Forum of 2017 Hosted by the City of Benicia, focused on Transportation Electrification. Over 60 local government attendees attended a day-long gathering featuring policy and implementation leaders, sharing their perspectives on future directions in transportation electrification, as well as current challenges and solutions.



The 2nd Forum of 2017, Hosted by the City of San Diego, focused on Energy Data issues and resources. Over 100 local government and agency representatives attended a lively series of presentations by CPUC staff, local government program implementers, academic program resource leaders and others, for a deep-dive into the complex issue associated with access to and use of aggregated, community-scale energy data.

The 2017's 3rd Forum, Hosted by the Sierra Club in Oakland in collaboration with Green Cities California, focused on Building Decarbonization. 75 attendees from local governments around the state attended to learn about the state of policy, technology, economics and local programs advancing the transition from natural gas space and water heating to carbon-free electric options.



This forum marked the start of LGSEC's collaboration with NRDC and Green Cities California to advance programs, policies and resources to accelerate building electrification as a strategy for reducing greenhouse gas emissions.

The Business of Local Energy Symposium

LGC and LGSEC partnered with the Center for Climate Protection to host the Business for Local Energy Community Choice Energy Symposium on May 5th, 2017 in Long Beach. The event drew over 400 attendees. Keynote speakers included: California Senate Pro Tempore Kevin De León and CPUC Commission President Michael Picker.



Quarterly Newsletters

The LGSEC's newsletters are distributed to member organization representatives and provide a quarter-by-quarter summary of the status of CPUC proceedings impacting local governments, regulatory agency actions, state legislation of interest and any significant federal regulatory or legislative actions.

Webinars

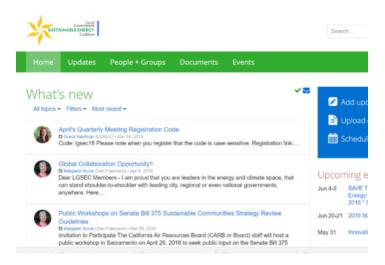
In 2017, LGSEC hosted 5 webinars attended in total by over 375 local government representatives and local government allies. Webinar topics were:

- Community Choice Aggregation 101
- Community Choice Aggregation Implementation
- Energy-related Legislation Highlights of the year
- Funding resources for local governments wishing to promote clean energy
- Solar + Storage Sizing Tool demonstration

All webinar materials and audio recordings are posted on the LGSEC website.

Member's Portal

The LGSEC Member's portal is a unique benefit of membership. Access is restricted to LGSEC member representatives and serves as both a forum for discussion and information-sharing and a resource for energy and climate related resources and references.



About LGSEC

LGSEC members work together to make it easier for local governments in California to provide innovative, cost-effective and sustainable energy options for their communities.

LGSEC members include cities, counties, joint powers, and councils of governments. Members also include aligned non-profit organizations and upon LGSEC board approval, for-profit organizations.

More information about LGSEC's activities can be found at www.lgsec.org

For information about joining LGSEC, please contact:

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