



ENERGY LEGISLATION, REGULATIONS AND ISSUES

Overview

The City's electric utility, Silicon Valley Power (SVP) has a mission to be a progressive, service-oriented utility, offering reliable, competitively priced services for the benefit of Santa Clara and its customers. Additionally, in 2018, SVP adopted a Strategic Plan that is intended to address the challenges facing the utility over a ten-year period. The Strategic Plan contains over thirty strategic initiatives in four distinct areas: Utility Performance Excellence; Customer Engagement and Satisfaction; Progress and Innovation Focus; and Community and Environmental Stewardship. The Legislative Advocacy Position works to further the objectives outlined in the Strategic Plan, and complements the other Legislative Advocacy Positions adopted by the City.

Guiding Principles

The City follows the below guiding principles for all areas of legislative advocacy:

- Support the positions of the League of California Cities, and National League of Cities, on priority bills that benefit Santa Clara.
- Protect local revenue sources and prevent unfunded mandates.
- Protect and/or increase funding for specific programs and services that benefit the City of Santa Clara and its residents.
- Protect and/or increase local government discretion.
- Advance approved policies, such as the City's Statement of Values, the General Plan, and the Climate Action Plan.

Legislative Advocacy Position

In order to ensure the City can provide safe, reliable, and affordable energy to ratepayers, while operating in an environmentally and fiscally conscious manner, the City will:

- Support policies that will help ensure that transmission level Public Safety Power Shut-offs (PSPS) events do not unnecessarily burden local communities that are dependent on investor owned utility (IOU) transmission infrastructure.
- Support legislation that would provide local public agencies with financial resources to prepare for, and mitigate the impacts from, planned power outage events.
- Support efforts to increase advance notice for Emergency Energy Alerts to allow for preparation of backup power generation, or other alternative power supply during disruptions.
- Support efforts to align wildfire-related liability with fault, safeguarding public utility customers against exorbitant rate increases when their utility acts prudently.
- Support efforts to expand energy generation and transmission infrastructure, including CEQA streamlining, permit streamlining, and other efforts that will help the City meet the pace of decarbonization goals.
- Support efforts to reduce supply chain delays negatively impacting the ability to secure equipment for electric utilities.

- Support legislation and efforts to enhance funding for grid transforming technologies that include but are not limited to clean energy, energy storage, and transmission development.
- Support legislation and other efforts to promote the public retention of energy and utility assets, as well as other efforts aimed at mitigating increased costs for utility providers and customers.
- Support policies that recognize energy affordability and provide financial incentives or assistance to residents and businesses.
- Support legislation or regulatory efforts that would allow Tier 4 diesel generators or better to run to help support the grid during peak demand periods.
- Support Northern California Power Agency (NCPA), American Public Power Association (APPA), and California Municipal Utilities Association (CMUA) positions on legislation that benefit Santa Clara.
- Support policies and legislation that allow SVP to provide safe, reliable, affordable energy to businesses and residents.
- Support legislation streamlining the CEQA processes for rebuilding infrastructure damaged by wildfires.
- Support efforts to increase the utilization of hydropower, including, but not limited to streamlining of hydropower relicensing processes and including hydropower as part of the Renewable Portfolio Standard.
- Monitor Natural Gas Transportation and Electric Transmission Owner rate-making and regulatory activities to ensure it meets its obligations and agreements and advocate for changes that would mitigate adverse impacts to SVP and other publicly owned utilities (POUs).
- Monitor the development of new market initiatives from state and regional grid operators which may result in new energy-related products and changes to electric grid operations. Staff will advocate for changes that would benefit or protect SVP ratepayers.
- Monitor and participate with federal, state and local governments and stakeholders in the development of new regulations and advocate for changes that enhance system reliability and mitigate operational and ratepayer impacts.
- Monitor and support transmission related activities focusing on enhancing the reliability and deliverability of clean energy resources and advocating for greater transparency and assurance that transmission access charges are allocated equitably between the various beneficiaries.
- Oppose legislation and efforts that limit the amount of time, or scope, of local review of energy-related developments within the City.
- Oppose legislation and efforts that increase the supply chain costs for electricity generating or transmission equipment and components.
- Oppose legislation that would impose additional costs on SVP customers, or would require the implementation of programs whose costs would be passed on to SVP customers.