Senate Budget and Fiscal Review—Scott Wiener, Chair
SUBCOMMITTEE NO. 2 **Agenda**

Senator Ben Allen, Chair
Senator Catherine Blakespear
Senator Steven Choi
Senator Jerry McNerney

Thursday, March 13, 2025
9:30 a.m. or Upon Adjournment of Session
1021 O Street - Room 2200

Consultant: Eunice Roh

Item **Department** **Page**

ITEMS FOR PUBLIC COMMENT

ITEMS FOR DISCUSSION

Pursuant to the Americans with Disabilities Act, individuals who, because of a disability, need special assistance to attend or participate in a Senate Committee hearing, or in connection with other Senate services, may request assistance at the Senate Rules Committee, 1020 N Street, Suite 255 or by calling (916) 651-1505. Requests should be made one week in advance whenever possible.

ITEMS FOR PUBLIC COMMENT

3360 ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

Issue 1: Reappropriation and Technical Adjustment Proposal

Governor's Proposal. The Governor's budget includes the following reappropriations for the California Energy Commission (CEC).

Ref	Fund	ENY	Fund Name	Note
006	0001	2021	General Fund	491 - Reappropriation - Extended June 2026
101	0001	2021	General Fund	491 - Reappropriation - Extended June 2026
001	0001	2022	General Fund	491 - Reappropriation - Extended June 2026
002	0001	2022	General Fund	491 - Reappropriation - Extended June 2026
005	0001	2022	General Fund	491 - Reappropriation - Extended June 2026
007	0001	2022	General Fund	491 - Reappropriation - Extended June 2026
102	0001	2022	General Fund	491 - Reappropriation - Extended June 2026
107	0001	2022	General Fund	491 - Reappropriation - Extended June 2026
002	0001	2023	General Fund	491 - Reappropriation - Extended June 2026
101	0890	2016	Federal Trust Fund	491 - Reappropriation - Extended June 2026
001	0890	2018	Federal Trust Fund	491 - Reappropriation - Extended June 2026
101	0890	2018	Federal Trust Fund	491 - Reappropriation - Extended June 2026
001	0890	2022	Federal Trust Fund	491 - Reappropriation - Extended June 2026
001	0890	2023	Federal Trust Fund	491 - Reappropriation - Extended June 2026
001	3117	2017	Alternative and Renewable Fuel and Vehicle Technology Fund	491 - Reappropriation - Extended June 2027
001	3117	2018	Alternative and Renewable Fuel and Vehicle Technology Fund	491 - Reappropriation - Extended June 2027
001	3117	2019	Alternative and Renewable Fuel and Vehicle Technology Fund	491 - Reappropriation - Extended June 2027
001	3117	2020	Alternative and Renewable Fuel and Vehicle Technology Fund	491 - Reappropriation - Extended June 2027
001	3117	2021	Alternative and Renewable Fuel and Vehicle Technology Fund	491 - Reappropriation - Extended June 2027
101	3117	2022	Alternative and Renewable Fuel and Vehicle Technology Fund	491 - Reappropriation - Extended June 2027
001	3211	2016	Electric Program Investment Charge Fund	491 - Reappropriation -Extended June 2026
101	3211	2016	Electric Program Investment Charge Fund	491 - Reappropriation -Extended June 2026

001	3211	2017	Electric Program Investment Charge Fund	491 - Reappropriation -Extended June 2026
101	3211	2017	Electric Program Investment Charge Fund	491 - Reappropriation -Extended June 2026
001	3211	2018	Electric Program Investment Charge Fund	491 - Reappropriation -Extended June 2026
101	3211	2018	Electric Program Investment Charge Fund	491 - Reappropriation -Extended June 2026
001	3211	2019	Electric Program Investment Charge Fund	491 - Reappropriation -Extended June 2026
101	3211	2019	Electric Program Investment Charge Fund	491 - Reappropriation -Extended June 2026
101	3228	2017	Greenhouse Gas Reduction Fund	491 - Reappropriation - Extended June 2026
101	3228	2018	Greenhouse Gas Reduction Fund	491 - Reappropriation - Extended June 2026
001	3228	2022	Greenhouse Gas Reduction Fund	491 - Reappropriation - Extended June 2026
101	3228	2022	Greenhouse Gas Reduction Fund	491 - Reappropriation - Extended June 2026
001	3117	2016	Alternative and Renewable Fuel and Vehicle Technology Fund	492 - Reappropriation - Extended June 2031
001	3117	2017	Alternative and Renewable Fuel and Vehicle Technology Fund	492 - Reappropriation - Extended June 2031
001	3117	2018	Alternative and Renewable Fuel and Vehicle Technology Fund	492 - Reappropriation - Extended June 2031
601	3117	2018	Alternative and Renewable Fuel and Vehicle Technology Fund	492 - Reappropriation - Extended June 2031
001	3117	2019	Alternative and Renewable Fuel and Vehicle Technology Fund	492 - Reappropriation - Extended June 2031
001	3117	2020	Alternative and Renewable Fuel and Vehicle Technology Fund	492 - Reappropriation - Extended June 2031
001	3117	2021	Alternative and Renewable Fuel and Vehicle Technology Fund	492 - Reappropriation - Extended June 2031
101	3117	2022	Alternative and Renewable Fuel and Vehicle Technology Fund	492 - Reappropriation - Extended June 2031
101	3117	2014	Electric Program Investment Charge Fund	492 - Reappropriation - Extended June 2031

All of these appropriations have been previously approved in prior budget bills. However, because sometimes it takes longer to expend funds than the typical appropriation frame, the department requests additional time to use these funds. All appropriations are listed in Items 3360-491 and 3360-492 of the proposed budget act, SB 65.

Staff Recommendation. Hold open.

Issue 2: Grid Resilience and Innovation Partnership 2 (GRIP 2) Federal Authority

Governor's Proposal. The budget includes $600.6 million in budget authority from the Federal Trust Fund to receive federal funds awarded through the Grid Resilience and Innovation Partnership (GRIP) program authorized by the Infrastructure Investment and Jobs Act (IIJA).

Background. The GRIP program is a $10.5 billion program aimed to improve grid flexibility and resilience, administered by the U.S. Department of Energy's Grid Deployment Office.

The California Harnessing Advanced Reliable Grid Enhancing Technologies for Transmission (CHARGE 2T) project was awarded $600.6 million in federal funding through the GRIP program. This project will reconductor more than 100 miles of transmission lines with advanced conductor technologies and deploy dynamic line ratings (DLR) to quickly and significantly increase the state's system capacity to integrate more renewable energy onto the grid. CHARGE 2T also supports transmission interconnection reform through process improvements, an interconnection portal, workforce investment, and educational resource development. The total budget of CHARGE 2T is anticipated to be roughly $1.5 billion. The remaining $900 million will mostly come from Southern California Edison (SCE) and Pacific Gas & Electric (PG&E) ratepayers through existing federal and state recovery mechanisms.

The CHARGE 2T project will focus on upgrades at over thirty locations throughout northern and southern California. These upgrades were selected based on several factors including acceleration of clean energy access and delivery, technology advancement, impact on disadvantaged communities, reduction in wildfire risks, and cost-effectiveness.

The anticipated cost breakdown is as follows—though final amounts are still being finalized and are subject to change:

- Community Benefits Plans, which include substantial investments in workforce development and labor engagement: $120 million (8%)
- Reconductoring with advanced conductors, including both substation and line work: $1.1 billion (75%)
- Dynamic line rating: $40 million (2%)
- Short circuit duty monitoring: $65 million (4%)
- Interconnection process improvements: $80 million (5%)
- Administration, reporting, and compliance (includes CEC budget and compliance costs in utility budgets): $100 million (6%)

The CEC is the “prime” recipient of this grant, and will work with all subrecipients (PG&E, SCE, CPUC, CAISO, UC Berkeley) to satisfy all requirements of the GRIP program. The CEC secured a conditional award that began January 1, 2025, and will span until the CEC executes a final award agreement no later than April 31, 2025. The performance period of the award spans 8 years ending on December 31, 2032. The Administration estimates that implementation will require the entire program period due to the numerous significant transmission projects involved.

If necessary, the CEC may request one no-cost time extension (NCTE) of up to 12 months, bringing the term to 9 years ending December 31, 2033. All federal funds must be expended by December 31, 2032, unless the CEC requests the maximum NCTE and DOE approves, then all federal funds must be expended by December 31, 2033.

The duration and estimated expenditures/encumbrances are primarily driven by the utilities’ transmission project schedules, which in turn are impacted by equipment lead times, labor availability, sequencing project development activities, and seasonality, among other factors. As such, the CEC requests the following provisional language for the CEC to have budget authority for the full term of the CHARGE 2T program: “Funds appropriated under this item shall be available for encumbrance or expenditure until June 30, 2034.”

Staff Recommendation. Hold open.

Issue 3: California Energy Commission Chairperson Salary Increase Trailer Bill Language

Governor’s Proposal. The Administration proposes trailer bill language to increase the salary of the chairperson of the California Energy Commission by 5 percent for the 2025-26, 2026-27, and 2027-28 years. In 2023, the budget included trailer bill that provided increases in CEC commissioner salaries of five percent per year for the next three fiscal years. This proposal is to reflect a similar increase for the chairperson of the Commission, because the prior language did not apply to the chair.

Staff Recommendation. Hold open.

Issue 4: Demand Side Grid Support Trailer Bill Language

Governor’s Proposal. The Administration proposes trailer bill language to amend the Demand Side Grid Support program by exempting the program from the Administrative Procedure Act, allowing the use of third party block grant or contract with incentive program implementers, allowing CEC to provide an advance up to 25 percent of awarded funds at a time, and exempting contracts, grants, or loans as part of the program from any review, consent, or approval from the Department of General Services or other state department or agency.

Staff Recommendation. Hold open.

3360 Energy Resources Conservation and Development Commission
8660 Public Utilities Commission

Issue 5: Electric Transmission Grid Study (AB 3264)

Governor's Proposal. The California Public Utilities Commission (CPUC) requests ongoing budget authority of $829,000 for three permanent positions and $500,000 per year for four years for consulting services from the Public Utilities Commission Utilities Reimbursement Account (PUCURA); and the CEC requests $204,000 from the Energy Resources Program's Account annually and one permanent position to implement requirements from AB 3264 (Petrie-Norris and Rivas), Chapter 762, Statutes of 2024 to enhance clean energy initiatives by developing and reporting on a new and complex framework for assessing, tracking, and analyzing total annual energy costs paid by residential households in California.

AB 3264 requires CPUC staff to develop and report on a new and complex framework for assessing, tracking, and analyzing total annual energy costs paid by residential households in California, in consultation with the CEC. AB 3264 also requires CPUC staff to construct scenarios of actions that could lead to different levels of reductions in total annual energy costs.

This type of energy cost modeling presents new additional workload that is not able to be absorbed by existing CPUC and CEC staff at this time. As such, the CPUC requests three positions to develop the modeling tools and conduct ongoing analyses of cost, rate, and bill impacts associated with alternative household energy consumption scenarios as well as one consultant contract to develop total energy cost framework modeling tools during initial framework development as well as ongoing consulting support for forecasting of costs and evaluation of cost reduction options. In addition, CEC requests one position to expand the fuel forecast, develop three cost reduction scenarios, and collaborate with CPUC to implement AB 3274.

Staff Recommendation. Hold open.

8660 Public Utilities Commission

Issue 6: Implementation of Recent Legislation

Governor's Proposal. The Governor's budget includes funding to implement the following bills:

- California Public Utilities Commission Energy Reports (AB 2462): $400,000 for one-time consulting services and $50,000 per year ongoing for subscription fees from PUCURA to annually report on recommendations for actions that could be undertaken during the succeeding 12 months to limit utility cost and rate increases, consistent with the state's energy and environmental goals, culminating in the creation of the SB 695 Report.

- Industrial Process Heat Recovery (AB 2109): $222,000 ongoing for one position from PUCURA to establish rules regarding the exemption of nonbypassable or departing load surcharges from applying to a reduction in kilowatt-hours of electricity consumption due to industrial heat process technology that meets prescribed requirements.

- Neighborhood Decarbonization Zones (SB 1221): $1,652,000 ongoing for seven positions and $49,000 one-time, $240,000 over four years, and $7,000 for training, travel, workshop support, and software licensing from PUCURA to implement a new neighborhood decarbonization program to transition customers from natural gas usage to cleaner forms of energy usage.

- Public Utilities Rate of Return (AB 2666): $2,720,000 ongoing for twelve positions; $35,000 for one-time equipment and training; $40,000 per year for two-years for workshop travel; and $20,000 ongoing for software subscriptions from PUCURA to establish guidelines, evaluate rate of return variances, and adjust revenue requirements as appropriate while ensuring sufficient funds for safe and reliable services, in addition to clearly communicating to consumers about the CPUC and utility work in support of implementing this statute and outcomes.

- Family Electric Rate Assistance Program (SB 1130): $222,000 ongoing from PUCURA for one senior analyst position to implement the changes to the Family Electric Rate Assistance (FERA) program, pursuant to SB 1130.

- System Reliability and Outages (AB 2368): $845,000 ongoing for four positions from PUCURA to implement the reliability and modeling requirements in the integrated resource planning and resource adequacy programs pursuant to AB 2369.

Staff Recommendation. Hold open.

Issue 7: Ongoing Support for Legislation Implementation

Governor's Proposal. The budget includes the following to continue implementing three pieces of legislation from 2021:

- Implementation Support for AB 14 of 2021: $602,000 ongoing from PUCURA to convert three limited-term positions to permanent positions to continue to administer and maintain surcharge and user fee revenues.

- Implementation Support for SB 28 of 2021: $1,139,000 annually from PUCURA to convert four limited-term positions to permanent positions, and the addition of one new permanent position to implement new complaint and enforcement procedures related to video services.

- Implementation Support for SB 4 of 2021: $1,085,000 ongoing from PUCURA to convert five limited-term positions to permanent positions; and $2.55 million one-time for consultant services with an extended encumbrance and liquidation period from the California Advanced Services Fund (CASF) to address the increased demand for broadband funding, larger collection authority, and overall expansion of the CASF program.

Staff Recommendation. Hold open.

Issue 8: Public Advocates Office Administrative Support (AB 2109, AB 2368, and SB 1221)

Governor's Proposal. The budget includes $925,000 from the Public Utilities Commission Public Advocates Office Account (PUC) for four positions to meet the Public Advocates Office's statutory obligations resulting from AB 2109, AB 2368, and SB 1221. Specifically, this request includes one Public Utilities Regulatory Analyst (PURA) V for AB 2109, one PURA V for AB 2368, and one PURA V and one Senior Utilities Engineer for SB 1221:

- AB 2109: 1.0 PURA V position would be assigned to develop expertise on Public Utilities Regulatory Policies Act (PURPA) policy and industrial heat recovery on technology and baseline emissions.

- AB 2368: 1.0 PURA V to design and run probabilistic modeling to support analysis of Loss of Load Expectation (LOLE) studies and Planning Reserve Margins in the Resource Adequacy and Integrated Resource Planning rulemakings. LOLE studies are done to test the California Independent System Operator's (CAISO) system reliability and to determine how much capacity is needed to meet the reliability standard.

  In addition to testing the sufficiency of resources needed for reliability, the LOLE study also establishes a planning reserve margin (PRM). A PRM is the percentage that measures the amount of capacity in a system compared to the peak demand to ensure that expected demand will be met in the planning horizon.

- SB 1221: Two total positions. 1.0 PURA V to perform analysis of proposed program designs, budgets, incentives, cost effectiveness and rate impacts (gas and electric) and 1.0 Senior Utilities Engineer to cover technical, operational and safety aspects, including assessing impacts of proposed pilots on the nearby gas and electrical transmission systems. In addition, safety aspects include risk-spend analysis (evaluating the amount of safety increase per dollar spent), consideration of how any new overhead electrical infrastructure in or close to high threat fire districts are appropriately scoped for hardening, and that the existing gas system is safely removed from service.

Staff Recommendation. Hold Open.

Issue 9: Support for Administrative Law Judge Division

Governor's Proposal. The budget includes $340,000 ongoing for three new support staff positions and position authority for two existing Senior Legal Typist positions to support the Administrative Law Judge (ALJ) Division's timely management and issuance of documents in proceedings and to enhance agenda support functions, records filling and maintenance, as well as support the Intervenor Compensation unit.

Background. In recent years, the number of ALJ positions have increased from 45 in 2019-20 to 62 in 2024-25 due to the additional workload associated with enacted legislation. CPUC reports there is an increase in priority proceedings that tend to be complex and necessitate numerous intervenor compensation requests, imposing additional clerical demands to fulfill the CPUC's intervenor compensation responsibilities. As a result, clerical staff have increasingly billed more overtime, from 203.5 hours in 2019-20 to 1,325.5 hours in 2023-24.

This strain on clerical staff have consequently led to frequent delays in rulings and decisions. As a result, the CPUC requests additional three Legal Secretary positions as well as three Senior Legal Typist positions to address this additional workload and to improve the timeliness and effectiveness of key programs.

Staff Recommendation. Hold open.

Issue 10: Support for CPUC Administrative Functions

Governor's Proposal. The budget includes $575,000 ongoing for four positions, 0.5 position authority to enhance and strengthen the core administrative functions and provide customer service supporting the entire CPUC, and $150,000 ongoing for licensing/data storage from various special funds.

Background. CPUC has added 438 positions and grown by over $235 million in baseline budget since 2017-18. This growth and expansion have led to an increase in FI$Cal system reporting and management, travel, invoicing, and other administrative duties. This growth and expansion have also led to an increase in recruitment, hiring, benefits processing, worker's compensation and other compliance requirements. The CPUC has also seen increased requests for new IT systems of increased complexity to support large, shared data models and geographic data. However, the CPUC support workforce has not grown commiserate with the overall total workforce. For example, CPUC's total workforce has grown by nearly 63 positions or 4.5 percent in recent years, whereas the support workforce has grown by nearly 7 positions or 0.5 percent in the same time period. As such, the CPUC requests 2.5 positions in the Administrative Services Division, two positions in Human Resources Division, and ongoing funding for cloud storage resources in the Information Technology Services Division.

Staff Recommendation. Hold open.

Issue 11: Deaf and Disabled Telecommunications Program Trailer Bill Language

Governor's Proposal. The budget includes trailer bill language that would extend the surcharge for the Deaf and Disabled Telecommunications Program (DDTP) until December 31, 2034 and authorize the CPUC to make recommendations to the Legislature regarding the appropriations for the DDTP.

Background. The DDTP was established to provide telecommunications devices for the deaf or severely hearing-impaired population. Since its creation, the Legislature has modified and expanded the program to provide additional types of specialized telecommunications devices for individuals with hearing and other physical impairments that limit a person's ability to use traditional telecommunications devices. The DDTP is funded through a surcharge on consumers' intrastate telecommunications services. Most recently, AB 497 (Santiago), Chapter 287, Statutes of 2019 extended the sunset date to January 1, 2025. Given the continual need for the DDTP program, the Administration proposes to extend the sunset date.

Staff Recommendation. Hold open.

ITEMS FOR DISCUSSION

3355 Office of Energy Infrastructure Safety

Issue 12: Department Overview

Background. The primary mission of the Office of Energy Infrastructure Safety (Energy Safety) is to create a safer, sustainable California with utility infrastructure that is managed to reduce excavation and wildfire risk and is adaptable to an evolving climate. Established pursuant to AB 111 (Committee on Budget), Chapter 81, Statutes of 2019, the Department:

- Evaluates electrical corporation wildfire mitigation plans and annual updates, assesses electrical corporation compliance with approved plans, and makes enforcement recommendations to the California Public Utilities Commission.

- Issues safety certifications to electrical corporations demonstrating proactive investments in wildfire safety, including agreeing to implement findings from safety culture assessments, having executive compensation structures tied to wildfire performance metrics, and reporting progress in implementing wildfire mitigation plans.

- Supports the Wildfire Safety Advisory Board, which provides recommendations and advice to the Department on wildfire safety, mitigation performance metrics, and wildfire mitigation plan requirements in addition to reviewing and providing advisory opinions on publicly-owned electrical utility wildfire mitigation plans.

- On behalf of the Underground Safety Board, coordinates the state's safe excavation outreach and education efforts, develops safe excavation standards, investigates accidents, and works with partner state agencies to enforce the "Call Before You Dig" law.

- Evaluates large electrical corporations' 10-year distribution undergrounding plans and assesses large electrical corporation compliance with those plans.

The Governor's budget includes $44.7 million for Energy Safety in 2025-26. The majority of the department's budget is from the Public Utilities Commission Reimbursement Account. The proposed budget would support 199 positions.

Operations and Vacancy Reductions. Budget Act of 2024 included two control sections aimed at improving government efficiencies across state government. Control Section 4.05 authorizes the Department of Finance to reduce state operations expenditures up to 7.95 percent in fiscal year 2024-25 and ongoing, and requires Finance to notify the Joint Legislative Budget Committee how the reduction in state operations expenditures was achieved. Control Section 4.12 authorizes Finance to adjust items of appropriation to achieve savings associated with vacant positions in 2024-25 and propose the elimination of vacant positions to achieve ongoing savings beginning in 2025-26.

Department of Finance provided a letter pursuant to Sections 4.05 and 4.12 on January 10, 2025. This letter provided a summary of statewide reductions, including those at the Energy Safety. According to the letter, Energy Safety has the following reductions:

- 2024-25
  - Vacant Position Funding Reductions (CS 4.12): $828,000 (Other Funds)
  - State Operations Reductions (CS 4.05): $3,462,000 (Other Funds)
- 2025-26
  - Vacancy Position Reductions (CS 4.12): $828,000 (Other Funds)
  - State Operations Reductions (CS 4.05): $3,462,000 (Other Funds)
  - Positions: 5

Staff Comments. Energy Safety plays a critical role in providing oversight of utilities' wildfire mitigation plans. However, wildfire mitigation is a growing driver of increasing electric utility bills—as the Legislature considers how to address energy affordability, it may want to consider how Energy Safety balances wildfire risk reduction with cost. Specifically, how does the department evaluate the cost effectiveness of various wildfire mitigation strategies? In other words, how is the department ensuring utilities are maximizing risk reduction for ratepayer costs? The Legislature may also want to consider how Energy Safety ensuring the wildfire risk reduction work done by utilities is in coordination with neighboring entities, to improve cost efficacy and limit redundancy. The CPUC (jointly with Energy Safety) included this last point as one potential solution to address wildfire mitigation costs, as part of their response to the Executive Order N-5-24 on energy affordability.

In addition, the Administration has provided very limited information regarding the operations and vacancy reductions. Although government efficiency is a worthwhile goal, there needs to be greater clarity and transparency regarding how the Administration came to these savings. Currently, it is unclear which programs have been affected, whether savings are due to greater efficiencies or service level reductions, and if legislation implementation will be impacted as a result. Prior to any budget action, the Legislature may want to ensure these basic questions regarding the reductions and their effects are answered to its satisfaction.

Staff Recommendation. Hold open.

Issue 13: Enforcement of the Dig Safe Law

Background. Energy Safety has one budget change proposal this year—specifically, $1.3 million ongoing from the Safe Energy Infrastructure and Excavation Fund (SEIEF) for seven positions at the Underground Safety Directorate, which supports the Underground Safety Board.

Government Code 4216 requires any excavators to "call before you dig". This is also called the one-call law or the California State Excavation Damage Prevention Law. Typically, anyone who digs have to call 811, or the "call before you dig" line, to notify of a planned excavation. The one-call center then finds the registered utility operators in the area and relays the notification to them. And finally, the utility operators respond to the notification by locating and marking any buried facilities they have in the area, and then letting the excavator know what they did. This process is aimed to prevent damage of buried facilities, such as gas and petroleum, communications, electric, water, and sewer lines.

SB 661 (Hill), Chapter 809, Statutes of 2016 created the Board to coordinate education and outreach activities that encourage safe excavation practices; develop standards; investigate possible violation of the one-call law; and enforce the one-call law. Currently, the Directorate have a budget of $7.1 million in 2024-25 and 24 positions, all of which are filled.

In recent years, the federal Pipeline and Hazardous Materials Safety Administration (PHMSA), who has jurisdiction to evaluate the Board's enforcement of the California State Excavation Damage Prevention Law, have identified several areas that needs improvement, particularly in investigating non-compliant actors and implementing penalties and sanctions for violations. For example, the PMHSA found the Board issued only two civil penalties despite nearly 5,000 federally reported excavation damage notifications.

To improve enforcement capacity, the Office of Energy Infrastructure Safety requests seven positions to create a new Excavation Risk and Compliance Investigation Unit to manage the reviews and investigations for highly complex damage notifications. Specifically, the department proposes one Staff Services Manager II (Supervisory) and five Staff Services Manager I (Specialist) positions to staff a new Excavation Risk and Compliance Investigation Unit to address non-compliance with the Dig Safe Act through investigations, targeted audits, and enforcement actions. In addition, the department proposes one Attorney III position to provide legal support and review of investigations.

The budget proposes to fund this effort from SEIEF, which is funded by fees collected by regional notification centers from "each member of a regional notification center as defined in Government Code Section 216 subdivision (q) who receives 500 or more locate request transmission in the calculation year". A member is considered either an "excavator" or "operator" of maintain underground facilities. There are 944 fee paying members, including investor owned utilities, such as Pacific Gas & Electric, Southern California Gas Company, and Southern California Edison, as well as telecom companies, like AT&T, Comcast, and Frontier. Currently, the fee levels are set to collect $5 million total per year. However, the fee would need to be increased by $1.3 million (or 27 percent) to fully cover the costs associated with this BCP. In addition to approval in the budget, the Board must hold a public hearing to determine whether the fees related to this proposal will be increased.

Staff Recommendation. Hold open.

3360 ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

Issue 14: Department Overview

Background. The Energy Resources Conservation and Development Commission (CEC) is responsible for ensuring a reliable supply of energy to meet state needs while protecting public health, safety, and the environment. Activities include the following: making public policy recommendations regarding energy; collecting targeted energy data and ensuring data is managed responsibly; developing and implementing research, development, demonstration, and deployment policies and programs that promote strategic energy investments; ensuring energy facilities approved by the Energy Commission are designed, constructed, operated, amended, and decommissioned in a manner that protects the environment and public health and safety, and in compliance with all applicable laws, ordinances, regulations, and standards; adopting building efficiency standards, and adopting and enforcing appliance efficiency standards; promoting development, deployment, and integration of zero-emission and near zero-emission transportation infrastructure and technology; and supporting climate change goals through integrated resource planning, renewable energy development, and system integration.

The Governor's budget includes $2 billion for CEC in 2025-26. The department budget comes from a variety of special funds, including Energy Resources Programs Account, Greenhouse Gas Reduction Fund, Federal Trust Fund, and bond funds. The proposed budget would support 789 positions.

Energy Affordability. Executive Order N-5-24 directed the CEC "to examine all electric ratepayer-funded programs it oversees or administers and to identify any programs, and any other regulations that may be unduly adding to rates, for which the electricity system benefits may not be justified by the costs they impose on electric ratepayers, or whose funding might more appropriately come from a source other than ratepayers." In response, the CEC reviewed energy efficiency programs, the California Schools Healthy Air, Plumbing, and Efficiency (CalSHAPE) Program, and Solar Equipment Lists. The CEC reported:

- **Energy Efficiency:** California's efficiency programs are highly cost-effective to ratepayers and have long been key to achieving affordable bills and meeting the state's energy and environmental goals. The Statewide Codes & Standards Program is funded by electric and gas ratepayers at $56.7 million per year as of 2024, whereas efficiency standards for buildings and appliances are saving billions annually, have saved Californians over $200 billion since inception in the late 1970s, and are set to reach $300 billion in total cumulative economic value to the state by 2030. The CEC recommends retaining the ratepayer supported programs that directly contribute to these foundational efforts, in particular the California Public Utilities Commission (CPUC)-overseen and IOU-managed Statewide Codes & Standards Program. However, the Legislature should consider if the costs of this foundational program should be borne more broadly by electric and gas ratepayers across all of California, given the statewide customer benefits these programs provide.

- **California Schools Healthy Air, Plumbing, and Efficiency (CalSHAPE) Program:** The CalSHAPE program was authorized in 2020 as a COVID-19 urgency measure to re-open schools and improve indoor air quality. Since program implementation, other non-ratepayer funding sources have become available, including the $10 billion Proposition 2 of 2024 and local bond measures. Given the availability of non-ratepayer funding, the Governor and Legislature may consider refunding $196.1 million of unencumbered CalSHAPE funds to electric and gas IOU ratepayers before December 31, 2026.

- **Solar Equipment Lists:** The CEC's Solar Equipment Lists (SELs) provide a standardized, streamlined and cost-effective process for equipment identification that is relied upon by equipment manufacturers, IOUs, publicly-owned utilities (POU), providers of permitting platforms, local governments, certain CPUC and CEC programs, the National Renewable Energy Laboratory (NREL) and other entities across the country. In Spring 2023, the CEC released a public request for information (RFI) to better assess the use cases and benefits of its SELs. California electric utilities' responses to the RFI indicated that by leveraging SELs for interconnection application review, the utilities achieve tremendous cost savings, due to reduced review times and labor hours, exceeding the cost to administer the SELs program by several factors. Information from the SELs is utilized in software platforms that assist local governments in streamlining the permitting processes for distributed energy resources (DER). Without information from the SELs, challenges to interconnection and permitting of DERs would increase, potentially slowing down deployment significantly and adversely impacting the growth of the DER industry. However, the IOUs maintain their own SELs list as required by CPUC's Rule 21. Therefore, the CEC recommends identifying an alternate funding source.

Operations and Vacancy Reductions. Budget Act of 2024 included two control sections aimed at improving government efficiencies across state government. Control Section 4.05 authorizes the Department of Finance to reduce state operations expenditures up to 7.95 percent in fiscal year 2024-25 and ongoing, and requires Finance to notify the Joint Legislative Budget Committee how the reduction in state operations expenditures was achieved. Control Section 4.12 authorizes Finance to adjust items of appropriation to achieve savings associated with vacant positions in 2024-25 and propose the elimination of vacant positions to achieve ongoing savings beginning in 2025-26.

Department of Finance provided a letter pursuant to Sections 4.05 and 4.12 on January 10, 2025. This letter provided a summary of statewide reductions, including those at the CEC. According to the letter, CEC has the following reductions:

- 2024-25
  - Vacant Position Funding Reductions (CS 4.12): $4,348,000 (Other Funds)
  - State Operations Reductions (CS 4.05): $12,042,000 (Other Funds)
- 2025-26
  - Vacancy Position Reductions (CS 4.12): $4,348,000 (Other Funds)
  - State Operations Reductions (CS 4.05): $12,042,000 (Other Funds)
  - Positions: 30

Staff Comments. As the Legislature considers varying strategies to address energy affordability, it may want to consider the recommendations made by the CEC in the response to the recent executive order. In particular, the Legislature may want to explore the alternative funding sources that the department suggests, and consider how the state may balance between clean energy goals and energy efficiency standards with energy cost burdens—and how that cost is distributed across different types of ratepayers, socioeconomic class, locations, and more.

In addition, the Administration has provided very limited information regarding the operations and vacancy reductions. Although government efficiency is a worthwhile goal, there needs to be greater clarity and transparency regarding how the Administration came to these savings. Currently, it is unclear which programs have been affected, whether savings are due to greater efficiencies or service level reductions, and if legislation implementation will be impacted as a result. Prior to any budget action, the Legislature may want to ensure these basic questions regarding the reductions and their effects are answered to its satisfaction.

Staff Recommendation. Hold open.

Issue 15: Proposition 4 Climate Bond Expenditure Plan – Clean Air & Energy

Governor's Proposal. The budget includes $275 million in 2025-26, $229 million in 2026-27, and $24 million in the outyears for Clean Air and Energy programs from Proposition 4 bond funds. Specifically, the Administration proposes the following:

Chapter 9. Clear Air & Energy

($ in Millions)

Department	Program	2025-26	2026-27	Out-Years	Pending Allocation
California Energy Commission	Demand Side Grid Support Program	$47	$0.5	$5	$0
	Development of Offshore Wind Generation	$228	$228	$15	$0
To Be Determined	Public Financing of Clean Energy Transmission Projects	$0	$0	$4	$323
	Total	**$275**	**$229**	**$24**	**$323**

Background. Proposition 4 is a $10 billion climate bond measure that was approved by voters in November 2024. Of that amount, $850 million is intended for clean energy projects. Specifically, $325 million is for the public financing of clean energy transmission projects; $50 million for grants or loans to support the Long Duration Energy Storage Program, zero-emissions distributed energy backup assets, virtual power plants, and demand side grid support; and $475 million for the development of offshore wind generation.

The Administration proposes $2.7 billion in climate bond funds in 2025-26. Of that amount, $275 million is proposed for energy programs. Specifically, $47 million for the Demand Side Grid Support program and $228 million for the Development of Offshore Wind Generation.

Demand Side Grid Support. The CEC administers the Demand Side Grid Support (DSGS) program, which offers incentives to electric customers to provide load reduction and backup generation to support the state's electrical grid during extreme events. The Administration proposes to use $50 million in Proposition 4 bond funds to backfill previously committed $50 million Greenhouse Gas Reduction Fund (GGRF) for the Clean Energy Reliability Investment Plan (CERIP).

DSGS has received funding from the General Fund and GGRF previously, but anticipates all available funding will be exhausted by next year.

Source	Amount Authorized ($M)	Remaining ($M)*
AB 205 (2022) General Fund	$33.5	$0
AB 102 (2023) CERIP General Fund	$19	~$18**
SB 108 (2024) GGRF	$75	$75

*These amounts include estimates of CEC admin costs to date, as well as third-party admin costs encumbered through May 2029. They do NOT include incentives payout for the 2024 program season, which are preliminarily estimated to be up to $26 million.

**The Governor's January 2025-26 Budget proposal included a reversion of the $18 million remaining from the AB 102 appropriation that would reduce the remaining balance for this funding source to zero.

The DSGS Program provides multiple pathways to participation to capture a broad range of clean energy technologies and use cases / business models. It currently has three incentive options available for aggregators and customers to participate in. Participants can select different incentive options for each eligible load reduction resource or device type. The three incentive options include: (1) Emergency Dispatch; (3) Market-Integrated Demand Response; and (3) Market-Aware Storage Virtual Power Plant.

The table below provides additional details on the three incentive options currently available in the DSGS program:

	Option #1 Emergency Dispatch	**Option #2** Market-Integrated Demand Response	**Option #3** Market-Aware Storage VPP
Eligible Resources	Any load reduction resource *(including backup generators)*	Market-integrated demand response	Storage (behind-the-meter batteries and V2X)
Event Trigger	Energy Emergency Alert (EEA) *(Backup generators only dispatch at an EEA 2 with a Governor's EO)*	CAISO market bidding & scheduling	CAISO day-ahead energy market locational marginal price (LMP) ≥ $200 per MWh
Incentive Structure	Customer incentive: $2/kWh energy payment for incremental load reduction during an event and $0.25/kWh standby payment for backup generators that provide a standby commitment but are not triggered based on EEA level or no Governor EO Administration costs: DSGS providers select to receive either (1) 10% of incentives paid or (2) actual incremental administration costs (up to $1 million per year)	Capacity payment based on the demand response resources' demonstrated capacity incremental to resource adequacy commitments. Incentive rates vary by month and by nominated duration. The capacity payment is made to the DSGS provider and incentives are paid to the customer based on the agreed terms between the DSGS provider and customer.	Capacity payment based on the storage VPP's demonstrated capacity in the month. Incentive rates vary by month and by nominated duration. The capacity payment is made to the DSGS provider and incentives are paid to the customer based on the agreed terms between the DSGS provider and customer.
Enrolled Providers	8	5	14
Enrolled Participants	33	230,220	35,492
Capacity Enrolled (Estimates by DSGS Providers)	144 MW	132 MW	240 MW
Summer 2024 Program Events	July 24: EEA Watch	Varies by provider	26 event hours over 16 days (July – Oct)

Development of Offshore Wind Generation. These funds will be used to support the development of offshore wind generation, through the construction, expansion, and improvement as well as upgrades of public port infrastructure for manufacturing, assembly, and staging and integration of components. The CEC is currently implementing the AB 209 waterfront facilities and ports infrastructure grant program and will have important learnings from this process. Implementing Prop 4 after this will benefit from those learnings. Furthermore, recipients under AB 209 are expected to complete planning, environmental, and design tasks that will help prepare their projects to implement Prop 4 funding. The CEC anticipates that the earliest awards could be made by the end of 2026, with 2025-26 funding encumbered by June 2027 and expended by April 2030. The CEC anticipates awarding 2026-27 funding by December 2027 and expending by April 2030.

Public Financing of Clean Energy Transmission Projects. AB 3264 (Petrie-Norris and Rivas), Chapter 762, Statutes of 2024 directs the California Public Utilities Commission, in consultation with the CEC, the California Infrastructure and Economic Development Bank, and California Independent System Operator, to prepare a study identifying findings and proposals to reduce the cost to ratepayers of expanding the state's electrical transmission grid as necessary to achieve the state's goals. This study, required by July 1, 2025, will inform the use of funds allocated for the public financing of clean energy transmission projects.

LAO Comments.

Offshore Wind Program Still Under Development, Raising Questions About Pressing Need for Funding. The Governor is requesting that essentially all of the funding Proposition 4 contains for offshore wind activities be appropriated in 2025-26 and 2026-27. However, this program is new and the Administration still is in the early stages of setting it up. Specifically, CEC currently is in the process of launching a grant program—the Offshore Wind Waterfront Facility Improvement Grant Program (OWWFIGP) authorized by AB 209 (Committee on Budget), Chapter 251, Statutes of 2022 and funded with $45 million General Fund in the energy package adopted in the 2022-23 budget. The deadline for applications for OWWFIGP, which supports planning and design activities for offshore wind-related port improvements, was December 2024 and awards have not yet been announced. CEC anticipates this process and program will inform the expenditure of the offshore wind funding provided by Proposition 4.

CEC indicates that it expects to undertake a public process to solicit input on program design and priority setting for the Proposition 4 offshore wind funding prior to publishing draft grant guidelines for the program, activities which it has not yet commenced. As the process of implementing OWWFIGP and setting up the new Proposition 4 offshore wind program will take time, CEC reports that the earliest it anticipates Proposition 4 awards could be made is December 2026 (for the 2025-26 proposed funding) and December 2027 (for the 2026-27 proposed funding). This time line raises questions about the necessity of committing all the funding for offshore wind through a 2025-26 appropriation and multiyear spending plan now. Moreover, recent actions have created some uncertainty around the role the federal government will play in wind development off California's coast. For example, a January 20, 2025 presidential executive order directed a review of legal bases for removing existing offshore wind leases. In light of these considerations, waiting until a future year to both provide initial amounts from Proposition 4 and set a plan for future appropriations could have a few advantages. Specifically, it could allow the Legislature the benefit of additional time to (1) learn from the implementation of OWWFIGP, (2) gather additional information on the Administration's developing plans for the Proposition 4 offshore wind funds, and (3) get more information on the potential implications of recent federal actions and their potential impacts on the state's offshore wind plans.

Legislature May Want to Consider if DSGS Proposal Is Consistent With Its Intent. As described above, the Governor's proposal includes both fund shifts and a specific allocation related to CERIP and the DSGS program. These proposals raise two key questions for the Legislature. The first is whether this dedication of CERIP funds to DSGS is consistent with its priorities, or whether it wants to use that planned funding for a different clean energy-related activity. Second, the Legislature faces the considerations we discussed in the initial section of this report about the trade-offs associated with the proposed fund shifts—specifically, that $50 million of Proposition 4 would not be available to expand upon previously planned clean energy activities but the approach would free up General Fund and GGRF to be used for other purposes.

Legislature Could Use Coming Year to Refine Its Own Priorities for Transmission Funding. The Governor's implementation plan does not yet include a time line for appropriating the $325 million Proposition 4 dedicates to public financing of electricity transmission infrastructure. The administration indicates that such a plan will be forthcoming sometime after the release of a report on electricity transmission that is required to be completed by July 2025 pursuant to AB 3264 (Petrie-Norris and Rivas), Chapter 762, Statutes of 2024. Chapter 762 requires this report to provide findings and proposals to reduce the cost to ratepayers of expanding the state's electrical transmission grid as necessary to achieve the state's climate goals.

In general, we find that the Governor's approach of waiting to allocate funding for electricity transmission until decisions can be informed by the forthcoming study makes sense. The Legislature could use this additional time to further develop and refine its own priorities for the use of these Proposition 4 funds, such as related to wildfire mitigation, offsetting ratepayer costs, and/or supporting the state's environmental goals. Additionally, the Legislature could consider how it would like Proposition 4 funding to complement other available funding for transmission improvements, such as an August 2024 federal Grid Resilience and Innovation Partnerships 2 grant award of roughly $600 million (which is anticipated to be matched by about $900 million, mostly from utility ratepayers). To the extent the Legislature develops a clear idea of its priorities for Proposition 4 transmission funding, it could communicate them to the Administration—either informally or formally through mechanisms such as budget bill language—for inclusion in the Administration's future proposal(s).

Staff Recommendation. Hold open.

8660 PUBLIC UTILITIES COMMISSION

Issue 16: Department Overview

Background. The California Public Utilities Commission (PUC) regulates privately-owned electric, natural gas, telecommunications, water, railroad, rail transit, and passenger transportation companies, in addition to authorizing cable and video franchises. The PUC empowers California in the areas of telecommunications and utilities through assuring services are reliable, clean, and safe; providing for critical services and infrastructure; designing rates that are fair and reasonable; and protecting the interests of consumers and ratepayers.

The Governor's Budget includes $1.9 billion for CPUC in 2025-26. The department budget comes from a variety of special funds, including the Gas Consumption Surcharge Fund, Universal Lifeline Telephone Service Trust Administrative Committee Fund, and the Public Utilities Commission Utilities Reimbursement Account. The proposed budget would support 1,739 positions.

Energy Affordability. Executive Order N-5-24 directed the CPUC to:

- Examine the benefits and costs to electric ratepayers of programs it oversees and rules and orders it has promulgated pursuant to statutory mandates that may be unduly adding to electric rates, or whose funding might more appropriately come from a source other than ratepayers. Report to Governor Newsom by January 1, 2025, the results of its analysis and its recommendations for modifying or repealing any statute that would reduce costs to electric ratepayers without compromising public health and safety, electric grid reliability, or the achievement of the State's 2045 clean electricity goal and the State's 2045 economy wide carbon neutrality goal.

- Take immediate action under existing authorities to modify or sunset any underperforming or underutilized programs or orders whose costs exceed the value and benefits to electric ratepayers. The commission is requested to return any unused funds collected from ratepayers for underperforming programs and utility investments in the form of a bill credit, if it identifies such funds.

- Consult with California Air Resources Board on options to maximize the effectiveness of California's Climate Credit-which returned an average of $71 to electric ratepayers on their utility bills this fall. Options to improve the credit, particularly for low-income Californians, should be reported by January 1, 2025.

- Consult with the Office of Energy Infrastructure Safety on adjustments to utility wildfire safety oversight processes, procedures, and practices that would yield administrative efficiencies and focus utility investments and activities on cost-effective wildfire mitigation measures that reduce wildfire ignition risk while managing costs to electric ratepayers. Proposals for legislative or regulatory changes should be reported to me by January 1, 2025.

- Pursue, and direct the regulated utilities to pursue, all federal funding opportunities that can help reduce and avoid electric service costs that would otherwise flow into electric ratepayer bills.

In response, the CPUC provided several potential strategies to address energy affordability. For example, the department suggested shifting several significant cost drivers—such as solar subsidies, low-income subsidies, and other ratepayer programs without any cost-effectiveness benefits—from ratepayers to a stable non-ratepayer source of funding. In addition, the department reported the state could use existing General Rate Case processes to review utility spending, limit any future programs to be funded from ratepayers, and direct all programs that benefits all electric customers should also be paid by all electric customers, including those of public owned utilities. The commission also explored how the Climate Credit could be more effective, and suggested targeting the credit to specific groups, such as those enrolled in low-income subsidy programs and those who do not benefit from solar subsidies. And finally, the commission reported integrating wildfire mitigation plans into utility general rate cases could support a more holistic review and tracking of utilities costs, to ensure cost effectiveness is a key factor in utilities' wildfire mitigation strategies.

Operations and Vacancy Reductions. Budget Act of 2024 included two control sections aimed at improving government efficiencies across state government. Control Section 4.05 authorizes the Department of Finance to reduce state operations expenditures up to 7.95 percent in fiscal year 2024-25 and ongoing, and requires Finance to notify the Joint Legislative Budget Committee how the reduction in state operations expenditures was achieved. Control Section 4.12 authorizes Finance to adjust items of appropriation to achieve savings associated with vacant positions in 2024-25 and propose the elimination of vacant positions to achieve ongoing savings beginning in 2025-26.

Department of Finance provided a letter pursuant to Sections 4.05 and 4.12 on January 10, 2025. This letter provided a summary of statewide reductions, including those at the CPUC. According to the letter, CPUC has the following reductions:

- 2024-25
  - Vacant Position Funding Reductions (CS 4.12): $10,000,000 (Other Funds)
  - State Operations Reductions (CS 4.05): $4,697,000 (Other Funds)
- 2025-26
  - Vacancy Position Reductions (CS 4.12): $10,000,000 (Other Funds)
  - State Operations Reductions (CS 4.05): $4,697,000 (Other Funds)
  - Positions: 56

Staff Comments. As the Legislature considers varying strategies to address energy affordability, it may want to consider the recommendations made by the CPUC in the response to the recent executive order. In particular, the Legislature may want to explore what types of non-ratepayer fund sources that could absorb these costs, and consider how the state may balance between clean energy goals with energy cost burdens—and how that cost is distributed across different types of ratepayers, socioeconomic class, locations, and more.

In addition, the Administration has provided very limited information regarding the operations and vacancy reductions. Although government efficiency is a worthwhile goal, there needs to be greater clarity and transparency regarding how the Administration came to these savings. Currently, it is unclear which programs have been affected, whether savings are due to greater efficiencies or service level reductions, and if legislation implementation will be impacted as a result. Prior to any budget action, the Legislature may want to ensure these basic questions regarding the reductions and their effects are answered to its satisfaction.

Staff Recommendation. Hold open.

Issue 17: Data Sharing with the Western Energy Coordinating Council and Others Trailer Bill Language

Governor's Proposal. The budget includes trailer bill language that would allow CPUC to share information, pursuant to an agreement to treat the shared information as confidential, with the Western Energy Coordinating Council (WECC), the North American Electric Reliability Corporation (NERC), and the Northwest Power and Conservation Council (NPCC). In addition, the bill would allow for a disclosure made through the sharing of information between the Independent System Operator, WECC, NERC, NPCC, and a state agency does not constitute a waiver of an exemption.

Staff Comments. According to the department, this trailer bill language is needed because the CPUC needs confidential data (such as procurement decisions, market pricing, or unit level operational data) from other entities for its energy reliability, energy planning, and modeling. Currently, the other entities are requiring CPUC to sign a nondisclosure agreement prior to receiving data. As such, the department requests this statutory change to receive this data. However, the current language reads that the CPUC may share information with these entities as well, not just receive data—which according to the department, is not the intent. The Legislature may want to clarify this intent and amend the language accordingly if the Legislature chooses to approve this trailer bill language.

Staff Recommendation. Hold Open.

3360 ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
8660 PUBLIC UTILITIES COMMISSION

Issue 18: Implementation Support for SB 846 of 2022

Governor's Proposal. The Governor's budget includes $1.1 million ongoing for five positions from PUCURA for the CPUC and $319,000 ongoing for two positions from the Cost of Implementation Account, Air Pollution Control Fund (COIA) for the CEC for the ongoing workload related to SB 846 (Dodd), Chapter 239, Statues of 2022.

Background. SB 846 extended the operations of the Diablo Canyon Power Plant (DCPP), beyond the CPUC's initial approval of PG&E's proposal to retire the power plant in 2025. As part of this agreement, the 2022 Budget Act included a one-time $5 million allocation for the CPUC and CEC to implement the workload associated with the extension. Of the $5 million, $2.8 million was transferred to CEC and $2.2 million remained with CPUC. The budget authority is set to expire on June 30, 2025.

Pursuant to SB 846, the CPUC re-opened the 2018 DCPP decision, established balancing and memorandum accounts to track DCPP spending, worked with Department of Water Resources (DWR) to review and true-up spending attributable to the $1.4 billion loan authorized under SB 846, ensured continued funding for the Diablo Canyon Independent Safety Committee (DCISC), ensured that reviews of DCPP seismic assessments by the Independent Peer Review Panel (IPRP) took place, approved a contingent 5-year extension of DCPP, established the rules and guidelines for the extended operations forecast proceeding and DCPP non-bypassable charge, and worked with the CEC to issue reports on statewide reliability with respect to DCPP.

However, ongoing workload remains at CPUC and CEC. Specifically, the CPUC requests that these positions be made permanent in order to monitor utility and ratepayer costs and expense from continued operation of DCPP, plan and implement strategies to replace the capacity and energy produced by DCPP to ensure GHG reduction and grid reliability priorities are protected, and ensure the efficient and productive use of the transmission and distribution infrastructure that will remain after DCPP retires.

CEC requests two new positions to work on the ongoing legislative reports; expanding models and data collection to the entire state; develop and maintain a reliability dashboard; and collaborate with other state departments and entities. As such, the two departments are requesting ongoing funding to implement SB 846; ensure safe operation of DCPP and proper decommissioning at the end of the extension period; address cost recovery associated with the extended operations; and resolve proceedings more expeditiously.

Staff Recommendation. Hold open.