



CALIFORNIA FOUNDATION
ON THE ENVIRONMENT
AND THE ECONOMY

AGENDA

CFEE Energy Summit

*Do We Need a Jolt to the System?
How Can We Supercharge Our Energy Transition?*

FEBRUARY 9-10, 2023

Carneros Hotel, Napa

As California mobilizes to chase down a coveted carbon neutral future, it seems that business-as-usual planning, permitting, and posturing stands firmly in the way. Further challenged by a price tag that seems to grow by the day, and our energy transition is at real risk of falling well short of our stated ambitions and evolving needs.

Our 2023 CFEE Energy Summit will examine the enormity of the challenge before us, identify obstacles delaying and deterring our best laid plans, and explore the most promising policy opportunities to put California on a decisive, practical, and affordable path to decarbonization.

Hybrid Conference Etiquette and Guidelines

Name & Organization: When you login to Zoom, please input your full name and organization by clicking the three dots in the upper right hand corner. Our guests appreciate knowing who you are. We also ask that you activate your video feed to help simulate the sense of attentiveness and respect that permeates our traditional in-person gathering.

Questions & Comments: This is a uniquely interactive forum, and we encourage and expect robust engagement from those around the table and online. We ask our on-site attendees to place your nameplate on its vertical end when you are ready to jump into the discussion. For those joining remotely, you may 1) type your questions into the chat window or 2) use the "raise your hand" function on Zoom to indicate you would like to ask your question directly. Please limit your comments to two minutes.

Chatham House Rule - Cyber Edition: Those of you familiar with CFEE conferences are aware of our time-honored "Chatham House Rule." This means specific comments are not to be attributed to any one person with the goal of promoting a more candid exchange. At this time, video conferencing is an inherently less private forum and confidentiality is not guaranteed; however, we ask that you help us to uphold our longstanding and respected tradition. To that end, this conference will not be recorded, and we ask you not to record the discussions in any fashion or to share specific, attributable remarks. We appreciate you respecting and supporting the Chatham House Rule.

THURSDAY, FEBRUARY 9**Napa Hall**

11:30 – 12:45pm	Arrival – Check-In and Lunch – Carneros Courtyard
12:45 – 1:00pm	Welcome – Conference Overview and Roundtable Introductions

Preview of conference topics, speakers, and goals

Jay Hansen, President & CEO, CFEE

1:00 – 2:20pm	<u>Session 1</u> Black Box No More – The Best Energy 101 You’ve Ever Had
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Complex, acronym-laden, and rapidly evolving, California’s energy system is a veritable maze of mystery to outsiders (as well as many insiders!). Our opening session is broken down into two parts that will definitively crack open the black box of California energy.

Part I will make sense of the key organizations, infrastructure, and programs that make up our system. **Part II** will examine the state of California energy operations and assess where we are on track to meet the mounting list of historic goals.

1:00 – 1:50pm

Part I. A Soaring Overview of California’s Energy System

- Who are the key players providing electricity in California? Who is regulating?
- How does electricity get from the source to the people? Are we an electricity “island,” only relying on power plants and infrastructure within our state?
- What is the Integrated Resource Plan (IRP) and Resource Adequacy (RA)? How do these programs guide reliability, procurement, and planning efforts? How do they overlap?
- What about transportation fuels? From where are our fuels sourced – how much comes from California versus other states and countries?
- What does it take for a fuel to get from source to vehicles, homes, and businesses?
- What is the purpose of market-based programs like cap & trade and the Low Carbon Fuels Standard (LCFS)? How do they function? Have they been effective?

David Hochschild, Chair, California Energy Commission

Richard Corey, Partner, AJW, and Former Executive Officer, California Air Resources Board

1:50– 2:20pm

Part II. Are We On Track to Meet Our Energy/Climate Goals? What Must Happen in the Coming Days and Months to Take Us There?

- What is the mix of renewables in our energy system? Are we on track to have 60 percent renewable electricity by 2030?
- As our energy system evolves, how are energy planners addressing reliability responsibilities? Are we ready for additional major heat waves that are certain to come?
- How are we doing on the reduction of greenhouse gas emissions? What sectors will be particularly challenged to decrease emissions?

Leuwam Tesfai, Deputy Executive Director For Energy And Climate Policy, California Public Utilities Commission

Nidhi Kalra, Senior Information Scientist, RAND Corporation

2:20 – 2:30pm	Break
2:30 – 4:00pm	<p><u>Session 2</u> The Good, The Bad, and The Ugly – Project Development in California</p>

Despite our best intentions to spur the development of hundreds of clean energy projects, the deployment of these vital resources is often bogged down by planning and permitting processes that many regard as sluggish and fragmented. Absent intervention, California’s ability to achieve carbon neutrality while keeping the lights on will be undermined by our inability to construct new energy infrastructure in a timely manner.

- What is California doing right when it comes to the planning and permitting process? Are there differences between traditional energy projects and new technologies?
- How can we better help the market respond to California policy goals? How have other countries enabled efficient project development without shirking regulatory oversight?
- What new financing tools can be leveraged to pay for these projects? What will it take for the market to leverage new funding mechanisms?
- How do we improve coordination between the agencies responsible for planning and permitting?
- What is the disconnect between IRP and RA? How does this affect load serving entities from procuring needed resources in a timely fashion?
- What is the consequence of a delayed, disjointed process? As things stand today, are we at risk of falling short of renewable or reliability targets?
- What market dynamics are further complicating matters?
- Why is transmission planning particularly challenging right now? If there is general agreement that additional transmission infrastructure is needed, why have projects languished in limbo?
- Is California at risk of losing out on federal funding opportunities due to permitting challenges?

Elliot Mainzer, President and CEO, California Independent System Operator

Ted Bardacke, CEO, Clean Power Alliance

Anthony Pedroni, National Vice President Of Business Development, NextEra Energy

Michael Brown, CEO, Ocean Winds North America

4:00 – 4:10pm	Break
4:10 – 5:30pm	<p><u>Session 3</u> Showing Their Cards...Energy Leaders Preview What's Ahead</p>

With a new legislative session and a second term of the Newsom Administration underway, we can expect a new batch of policies to be crafted, considered, and implemented in the coming months and years. Our final panel on Day One will give the floor to several energy leaders to learn about their perspectives on California’s energy opportunities as well as their priorities in the days ahead.

- What are your primary energy-related concerns?
- What are the best opportunities to support the implementation of existing energy/climate goals?
- How can we rein in rising costs for paying for the energy transition?
- Do you envision greater engagement with other states and countries?

Steve Bradford, Chair, Energy, Utilities and Communications Committee, California State Senate

Eduardo Garcia, Chair, Utilities and Energy Committee, California State Assembly

Scott Wilk, Energy, Utilities and Communications Committee, California State Senate

Karen Douglas, Commissioner, California Public Utilities Commission

6:00pm	Reception & Dinner – Carneros Courtyard
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Our Reception begins at 6pm in the Carneros Courtyard, directly outside from Napa Hall. Dinner will follow at 7pm. We recommend bringing a light sweater.

FRIDAY, FEBRUARY 10**Napa Hall**

7:30 – 9:00am	Breakfast – Farm Dining Room
9:00 – 10:20am	<u>Session 4</u> At What Cost? Reassessing the Affordability of the Energy Transition

As California pushes the envelope on ambitious energy goals, the costs of paying for the transition are not getting any cheaper. Yet at the same time, the need to decarbonize remains urgent as ever with climate impacts regularly afflicting our communities. How do we continue making progress while equitably sharing the costs of the energy transition?

- How are recently passed laws already affecting the pocketbooks of consumers, workers, and the state budget?
- How do we finance our carbon reductions without burdening middle and low income households? Should we more seriously explore electricity rate reform?
- How are current supply chain issues exacerbating our affordability challenge? What can California do to support a more resilient supply chain?
- How much will the federal Inflation Reduction Act and the Infrastructure Investment & Jobs Act contribute to our decarbonization efforts?
- What level of state public funding must be committed to support this effort?
- The Governor has pushed the legislature to introduce a “windfall” tax on oil companies – what does it mean for day-to-day household expenses? Will this alleviate current energy prices and mitigate future spikes? Where does the money go?

Debra Gore-Mann, President & CEO, The Greenlining Institute

Severin Borenstein, Professor and Researcher, Energy Institute at Haas and Board Member, CAISO Board of Governors

Dan Skopec, Senior VP, State Gov’t Affairs & Chief Regulatory Officer, SDG&E and SoCalGas

Michael Mische, Professor, Management and Organization, USC Marshall School of Business

10:20 – 10:30am	Break
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10:30 – 12:00pm

Session 5**Hello From The Future! Dispatches from 2045 and What It Took to Get There**

For our final panel of the conference, we have asked several time travelers from 2045 to reveal what California's energy system looks like in their carbon neutral future. Each speaker is from an alternate universe, so, of course, the energy mix – and what it took to get there – is different for each scenario. So grab your lottery tickets and tune into this exclusive glimpse into what may soon come to pass.

- What are the most likely energy mixes in 2045?
- Do we still have any GHG-emitting power plants in 2045? Are there any internal combustion vehicles still on the road?
- How are we addressing the carbon emissions from the mining and manufacturing operations for renewable resources (eg. lithium-ion batteries, concrete, steel, etc.)?
- Is carbon capture and sequestration part of California's carbon neutrality pathway? What did it take to support its deployment?
- Beyond Diablo Canyon, is there further appetite for more baseload, carbon free, though sometimes unpopular, nuclear energy? In scenarios including more nuclear power, how did the legislature and regulatory agencies support its expansion?
- What nascent technologies moved from promising opportunities to successful commercialization? How was it achieved?
- How did California buy down and share the costs of the energy transition?
- What investments in our workforce were needed to ensure we had an adequate supply of workers to build, operate, and maintain our energy infrastructure?
- In recognition that eliminating California GHG emissions is a small piece of the global climate challenge, how did we influence and coordinate with other states and countries to drive down carbon emissions?

Liane Randolph, Chair, California Air Resources Board

Alice Reynolds, President, California Public Utilities Commission

Michael Wara, Director of the Climate and Energy Policy Program, Stanford Woods Institute for the Environment

Merrian Borgeson, California Policy Director, Climate and Clean Energy Program, Natural Resources Defense Council

12:00pm

Closing Remarks and Adjournment

Jay Hansen, President & CEO, CFEE