



Californians for Balanced Energy Solutions

Board of Directors Meeting
Thursday, February 28, 2019



WHO WE ARE



Californians for Balanced Energy Solutions is a coalition of natural and renewable gas users. Our goal is to educate Californians about the importance of natural and renewable gas for improving the environment and providing for a strong economy.

We support balanced energy policies that fight climate change while protecting energy choice, reliability, and affordability.



PURPOSE



Purpose is to Educate opinion leaders & the public:

- Demonstrate wide support for affordable natural gas and renewable gas
- Highlight gas energy importance for California's households and businesses
- Communicate the role of both natural gas and renewable gas in protecting the environment
- Outline pitfalls and unintended consequences of relying solely on electricity as the only energy resource
- Emphasize need for balanced energy policies that maintain affordability, protect the environment, and preserve the consumers right to choose their energy usage for households and businesses



STRUCTURE



- Non-Profit Organization that furthers a social welfare objective / **501c4**
 - Not the same as a charitable organization (501c3)
 - Significant difference between c3 and c4 is Advocacy*
 - 501c4 may engage in unlimited advocacy provided that all efforts support the purpose of the organization
 - Contributions to 501c4 are not deductible as philanthropic
 - Contributions to 501c4 MAY be deductible as business expense



*Please see tax advisor for guidance

- Board of Directors
 - Statewide presence / Geographic diversity
 - Industrial, commercial and residential interests
 - 31 Members (see board packet for listing)

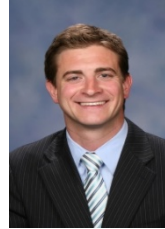


STAFF



- **Executive Director – Jon Switalski (See bio)**

- Part-time ramping up to full-time
- Legislative background
- Energy Background



- **Marathon Communications** (See insert - <http://www.marathon-com.com/>)

- 35+ years in Public Affairs
- Communications strategy experts
- Jim McDermott/Jorge Flores



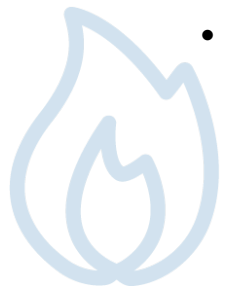
- **Imprenta Communications** (See insert – <http://www.icgworldwide.com/>)

- 20 years in Public Affairs
- Communications outreach / Social media experts
- Joe Zago/Mandy Xu



- **Kaufman Legal Group** (See insert - <http://kaufmanlegalgroup.com/>)

- Campaign Finance Compliance
- Election Law
- Non-Profit Organization Law
- Joe Guardarrama



BOARD



Officers

- Chair, Matt Rahn, Director, Environmental Leadership Institute/CSU San Marcos
- Vice Chair, Paul Granillo, CEO, Inland Empire Economic Partnership
- Treasurer, Gretchen Gutierrez, CEO, Desert Valleys Builders Association

Board Members

- Gerald “Jerry” Acosta, Sr. Nat’l Rep / Region V Utility Workers Union of America (UWUA)
- Michael Boccadoro, Executive Director, Agriculture Energy Consumers Association
- Robin Downs, President, Utility Workers Union of America (UWUA), Local 483
- Johannes Escudero, CEO/Executive Director, Coalition for Renewable Natural Gas
- Kirk Franks, CFO, MCA Clay Roof Tile
- Mitchell Frieder, Chef Instructor, Los Angeles Hospitality Training Academy
- Jeli Gavric, Legislative Advocate, California Association of Realtors

- Brett Guge, Executive Vice President, California Steel Industries
- John Hakel, Executive Director, Southern California Partnership for Jobs
- Matthew Hargrove, Sr. VP of Governmental Affairs, California Business Properties Association
- Hyepin Im, CEO, Faith and Community Empowerment
- Brad Jensen, Director-Public Policy, San Gabriel Valley Economic Partnership
- Bill La Marr, Executive Director, California Small Business Alliance
- Thomas Lawson, CEO, California Natural Gas Vehicle Coalition
- Ron Loveridge, Director, UC Riverside - Center for Sustainable Suburban Dev.
- Karen Norene Mills, Sr. Atty for Energy Policy, California Farm Bureau Federation
- George Minter, Regional Vice President, Southern California Gas Company
- Andy Molina, Executive Director, Southeast Churches Service Center
- Rob Neenan, CEO California League

of Food Producers

- Steve Olson, Director of Sustainability, Spreckels Sugar Company
- Jeff Orlandini, President, Pacific Die Casting
- Gary Passmore, Executive Director, Congress of California Seniors
- Brian Pulen, Sustainability Manager, Pechanga Resort and Casino
- Lilly Rocha, President, Latino Food Industry Association
- Leah Silverthorn, Policy Advocate, California Chamber of Commerce
- James Simonelli, Executive Director, California Metals Coalition
- Scott Wetch - California State Pipe Trades Council
- Hon. Steve Worthley (Retired) - Tulare County Board of Supervisors



WHY WE ARE HERE |

Natural Gas Under Attack



- **CPUC Moratorium Attempt**

December, 2017

- “...order Southern California Gas Company (SoCalGas) to implement an emergency moratorium on new commercial and industrial customer connections in areas of Los Angeles County...”
- Avoided after significant input from customers



- **AB3232 – Initial language proposed April 3, 2018**

- Establish the goal that new residential and nonresidential buildings built on or after January 1, 2030, should be **zero-greenhouse-gas-emission** buildings.
- Establish a strategy to achieve a reduction in the emissions of greenhouse gases by the state’s **residential and nonresidential building stock of 50 percent** below the 1990 levels by January 1, 2030.



WHY WE ARE HERE |

Natural Gas Under Attack



- Integrated Energy Policy Report / California Energy Commission
 - Electrify all buildings
 - Close Aliso Canyon in 10 years
 - “...a new **prescriptive pathway** that makes it easier for builders to develop all-electric buildings that comply with the building code.”
 - “...support the future development of **more stringent building codes** by developing market conditions that make the transition to code more feasible...”
- Commissioner Picker to CA Assembly Utilities/Energy Committee
 - “To get to our GHG emission reduction goals (2030/2050) we can’t do it all with clean electricity. **We have to reduce the use of gas except in the most critical areas.**”



WHY WE ARE HERE |

Natural Gas Under Attack



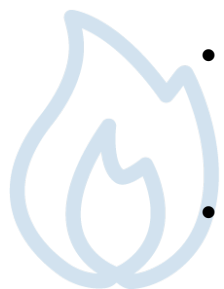
- **Sierra Club Quotes in Regulatory Proceedings:**
 - “Gas is not a reliable, safe, or climate-friendly fuel source”
 - “Burning gas in buildings is incompatible with California’s long-term climate goals”
 - “Burning gas in buildings creates significant health, safety, and energy reliability problems”
 - “There is broad consensus that gas combustion in buildings must be phased out rapidly in order to meet the state’s climate change goals and satisfy its greenhouse gas reduction laws”
- LA Mayor Eric Garcetti - “And now is the time to start the beginning of the end of natural gas.”



STATUS OF C4BES



- Website live
 - Push information out
 - Webinars, emails, advocacy alerts
 - Collect information from polling
 - Advocacy tools (e.g. petitions)
- Members being recruited
 - SoCalGas push
 - Marathon Communications push
 - Social media push
 - C4BES Board of Directors push
- Media Roll-out plan developed
- Social media / digital plan developed



IMMEDIATE OPPORTUNITY



- California Public Utilities (CPUC) – Wants to electrify all CA buildings
 - Order Instituting Rulemaking (OIR) states the following
 - Title 24 building codes and Title 20 appliance standards, to support further building decarbonization
- Need Gas User voices to weigh in
- Party to the proceeding is important
- Public does not understand potential impact

Preliminary Scoping Memo Procedural Schedule	Date
New OIR Issued	Mar 9
Opening Comments (no more than 25 pages)	Mar 11
Reply Comments (no more than 15 pages)	Mar 26
Prehearing Conference (PHC)	Q1 2019
Scoping Ruling	Q2 2019
Ruling on proposed approach to implement SB 1477	Q2 2019
Comments/Reply and Party alternative proposals to implement SB 1477	Q3 2019
Proposed Decision addressing SB 1477	Q4 2019
Resolve relevant issues	Within 3 years

