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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair  
2025 - 2026 Regular Session

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### **AB 740 (Harabedian) - Virtual power plants: load shifting: integrated energy policy report**

**Version:** August 18, 2025

**Urgency:** No

**Hearing Date:** August 29, 2025

**Policy Vote:** E., U. & C. 16 - 0

**Mandate:** No

**Consultant:** Ashley Ames

**Bill Summary:** This bill would require the California Energy Commission (CEC), on or before November 1, 2026, to adopt a virtual power plant (VPP) deployment plan.

### **\*\*\*\*\* ANALYSIS ADDENDUM – SUSPENSE FILE \*\*\*\*\***

**The following information is revised to reflect amendments  
adopted by the committee on August 29, 2025**

#### **Fiscal Impact:**

- The CEC estimates one-time costs of \$191,309 and ongoing costs of \$114,976 annually (Energy Resources Program Account [ERPA]) for one temporary and one permanent position to execute the required analysis within less than a year. The permanent position would continue in future fiscal years. The CEC notes an ongoing structural deficit within the ERPA fund, its main operational funding source.

**Committee Amendments:** These amendments would make the CEC requirements of the bill subject to available funding.

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