

AMENDED IN SENATE APRIL 12, 2021

SENATE BILL

No. 99

Introduced by Senator Dodd

December 28, 2020

An act to add Division 16.7 (commencing with Section 26450) to the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 99, as amended, Dodd. Community Energy Resilience Act of 2021.

Existing law establishes within the Natural Resources Agency the State Energy Resources Conservation and Development Commission. Existing law assigns the commission various duties, including applying for and accepting grants, contributions, and appropriations, and awarding grants consistent with the goals and objectives of a program or activity the commission is authorized to implement or administer.

This bill, the Community Energy Resilience Act of 2021, would require the commission to develop and implement a grant program for local governments to develop community energy resilience ~~plans~~ *plans and expedite permit review of distributed energy resources. The bill would authorize a community choice aggregator or other regional energy collaborative to apply for funding and prepare a community energy resilience plan on behalf of one or more of the local governments it serves upon request of that local government.* The bill would set forth guiding principles for plan development, including equitable access to reliable energy, ~~as provided, and integration with other existing local planning documents.~~ *provided. The bill would require plans to be consistent with the city, county, or city and county general plan and other local government planning documents.* The bill would require a

plan to, among other things, ensure that a reliable electricity supply is maintained at critical facilities and identify areas most likely to experience a loss of electrical service. *The bill would require a public utility to share information identifying critical facilities and areas most likely to experience a loss of electricity with the local government, community choice aggregator, or regional energy collaborative that is preparing a community energy resilience plan. The bill would authorize grant funding awarded to be expended to complete environmental clearance of community energy resilience projects identified in the plan.*

The bill would require the commission to maintain a publicly available and searchable database of all local ~~governments~~ *governments, community choice aggregators, or regional energy collaboratives* receiving grant funding pursuant to the program, including information on specific plan projects. The bill would require a local government, *community choice aggregator, or regional energy collaborative*, as a condition of receiving grant funding, to submit its plan and a report of project expenditures to the commission within 6 months of completing the plan. The bill would require the commission to annually report specified information about the grant program to the Legislature and post the report on its internet website.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) This act shall be known, and may be cited,
- 2 as the Community Energy Resilience Act of 2021.
- 3 (b) The Legislature finds and declares all of the following:
- 4 (1) ~~California local governments need to develop~~ *Development*
- 5 ~~and implement~~ *implementation of* community energy resilience
- 6 ~~plans to~~ *will help* ensure continuous electricity service during
- 7 outages, including unplanned outages and intentional
- 8 deenergizations of the electrical grid, which in recent years have
- 9 imposed enormous costs on California communities.
- 10 (2) Developing reliable electrical systems for critical facilities
- 11 is a paramount public safety priority to protect the health and
- 12 well-being of California residents and businesses.
- 13 (3) Local governments and community-based organizations
- 14 typically lack the financial resources or expertise needed for

1 community energy resilience planning ~~based on~~ *in order to*
2 *increase the utilization of* distributed clean energy resources.

3 (4) In the absence of community energy resilience plans, local
4 governments, investor-owned utilities, businesses, and the public
5 are spending enormous sums purchasing fossil fuel-powered
6 backup generation, expenditures that run counter to California's
7 environmental ~~goals~~. *goals and can be avoided with available*
8 *clean energy technologies.*

9 (5) Local governments have the greatest degree of local political
10 accountability and the ability to identify, working in collaboration
11 with community-based organizations, which facilities are most
12 important to local ~~residents~~. *residents and necessary to maintain*
13 *public health and safety, and to plan for can most effectively*
14 *integrate the permitting of* distributed energy resources capable
15 of providing electricity during outages. *Local governments that*
16 *have formed a community choice aggregator or other regional*
17 *energy collaborative are well positioned to work together through*
18 *that entity to develop an energy resilience plan covering the larger*
19 *geographic area served by the community choice aggregator or*
20 *other regional energy collaborative.*

21 (6) *With proper engineering and planning, local governments*
22 *will be able to speed deployment of resilient clean energy systems*
23 *and take advantage of state, federal, and other funding sources.*

24 (c) It is the intent of the Legislature to do all of the following:

25 (1) Increase employment in California through deployment of
26 community energy resilience improvements based on clean energy.

27 (2) Prioritize development of clean energy resilience in lower
28 income communities that suffer the most from air pollution and
29 power outages.

30 (3) Direct the State Energy Resources Conservation and
31 Development Commission to develop necessary ~~guidelines and~~
32 procedures for implementation of a new program to provide
33 technical guidance and financial assistance for local governments
34 to develop *and implement* community energy resilience plans,
35 *including specific resilience projects that can be implemented* upon
36 receiving an appropriation from the Legislature to fund this
37 program.

38 SEC. 2. Division 16.7 (commencing with Section 26450) is
39 added to the Public Resources Code, to read:

DIVISION 16.7. COMMUNITY ENERGY RESILIENCE
PLANNING

26450. For the purposes of this division, the following terms have the following meanings:

(a) "Commission" means the State Energy Resources Conservation and Development Commission, commonly known as the California Energy Commission.

(b) "Community choice aggregator" has the same meaning as defined in Section 331.1 of the Public Utilities Code.

(c) "Community energy resilience plan" means a planning document prepared by a local ~~government or government,~~ community choice ~~aggregator aggregator,~~ or regional energy collaborative pursuant to this division that sets forth a strategy and identifies specific projects for ~~maintaining a reliable supply of electricity during both~~ reducing the adverse impacts associated with electrical power interruptions resulting from scheduled and unintended outages. Unless the context requires otherwise, "plan" means a community energy resilience plan.

(d) "Critical facility" means the types of facilities described in Public Utilities Commission Decision 19-05-042, Decision Adopting De-Energization Guidelines, or any subsequent amendments to that decision by the Public Utilities Commission, and other facilities identified by a local government.

~~(d)~~

(e) "Local government" means a city, county, city and county, ~~or community choice aggregator,~~ or California Native American tribe, as defined in Section 21073.

~~(e)~~

(f) "Public utility" means an electrical corporation, as defined in Section 218 of the Public Utilities Code, or a local publicly owned electric utility, as defined in Section 224.3 of the Public Utilities Code.

26451. (a) The commission shall develop and implement a grant program pursuant to this division for local governments to develop community energy resilience ~~plans.~~ *plans and expedite permit review of distributed energy resources. A community choice aggregator or other regional energy collaborative may apply for funding and prepare a community energy resilience plan on behalf*

1 *of one or more of the local governments it serves upon request of*
2 *that local government.*

3 (b) Before dispersing grant funds pursuant to this division, the
4 commission shall do ~~both~~ *all* of the following:

5 (1) Develop and adopt ~~project~~ solicitation and evaluation
6 ~~guidelines~~ *procedures* for applicants to submit a *community energy*
7 *resilience plan* funding proposal ~~to develop~~ *to do both of the*
8 *following*:

9 (A) *Develop* a community energy resilience plan and for overall
10 plan structure and content, including development of a formula
11 for prioritizing funds for critical facilities in low-income or
12 disadvantaged communities that are most likely to experience
13 future electrical grid deenergization events, followed in priority
14 by other critical facilities statewide.

15 (B) *Develop* a process for the expedited permit review of
16 *distributed energy resources*.

17 (2) Conduct two public meetings to consider public comment.

18 (c) The project solicitation and evaluation ~~guidelines~~ *procedures*
19 shall prioritize proposals for funding that would support ~~all~~ *both*
20 of the following:

21 (1) Equitable collaboration between public utilities, local
22 governments, community-based organizations, and state agencies
23 to yield plans that not only help achieve local energy resilience
24 objectives, but also state renewable energy goals.

25 (2) Integration of available mobile storage resources that may
26 become available through transportation electrification.

27 ~~(3) Integration of community energy resilience plans with other~~
28 ~~existing local government planning documents, including general~~
29 ~~plans and climate action plans, with an assumption that, upon~~
30 ~~completion, a community energy resilience plan would be~~
31 ~~incorporated by the local government into the existing general~~
32 ~~plan.~~

33 (d) *A community energy resiliency plan shall be consistent with*
34 *the city, county, or city and county general plan and other local*
35 *government planning documents. The plan may include provisions*
36 *to facilitate the expedited local permitting of community energy*
37 *resilience projects identified in the plan.*

38 ~~(e)~~

39 (e) The commission shall fund technical assistance providers
40 to assist in plan development, including all of the following:

1 (1) Identifying and coordinating with appropriate local
2 government staff and outside consultants capable of drafting the
3 plan. A local government may hire a resilience manager to manage
4 the plan development process and the implementation of any
5 specific projects identified in the plan.

6 (2) Convening *and facilitating* one or more community
7 workshops enlisting local stakeholders, including, but not limited
8 to, labor representatives, representatives from community-based
9 organizations, community members, *representatives from related*
10 *technology vendors*, local government staff in departments relating
11 to emergency services, planning, and public works, disability rights
12 advocates, and representatives from special districts, load-serving
13 entities, school districts, environmental justice communities,
14 communities of color, and other marginalized groups, to ensure
15 that a diversity of perspectives and input is incorporated into the
16 plan.

17 (3) Soliciting *and utilizing* input from public utility operational
18 and technical subject matter experts, including relevant data to
19 enable local governments to design their plans to make efficient
20 use of existing distribution infrastructure and support grid
21 operation.

22 (4) Providing guidance and support to each local government
23 receiving plan funds for the local government to designate a diverse
24 plan steering committee to ensure robust and meaningful public
25 participation.

26 (e)

27 (f) A plan for which a ~~local government~~ *government, community*
28 *choice aggregator, or regional energy collaborative* receives grant
29 funding shall do all of the following:

30 (1) Identify critical facilities, including facilities that can serve
31 as community resilience ~~hubs~~: *hubs to accommodate and provide*
32 *basic services to people who have lost power to their homes.*

33 (2) Identify areas most likely to experience a loss of electrical
34 service based on public utility determinations of remote or
35 hazardous areas likely to be subject to a planned deenergization
36 of the electrical grid.

37 ~~(3) Include a preliminary feasibility analysis of expected costs~~
38 ~~and benefits for anticipated projects within the local jurisdiction.~~
39 A proposed plan shall also include an analysis of multiple project

1 options for each location, including distribution segmentation and
2 microgrids.

3 (3) *Identify electrical distribution system improvements that*
4 *can be undertaken by a public utility and that will reduce the risk*
5 *of deenergization for communities and critical facilities.*

6 (4) *Identify projects that can be combined to share engineering*
7 *costs and achieve scalability of projects across like facilities to*
8 *create the most value for a community.*

9 (5) *Identify locations and facilities where the construction of*
10 *microgrids could meet local resilience needs.*

11 (6) *Identify critical facilities that are in greatest need of backup*
12 *energy generation and potential backup energy systems that may*
13 *meet the needs of those facilities.*

14 (7) *Identify potential funding sources for implementation of*
15 *projects included in the plan.*

16 (g) *Grant funding awarded to a local government, community*
17 *choice aggregator, or regional energy collaborative pursuant to*
18 *this division may be expended to complete environmental clearance*
19 *of community energy resilience projects identified in the plan.*

20 (f)

21 (h) *Grant funding awarded to a ~~local government~~ local*
22 *government, community choice aggregator, or regional energy*
23 *collaborative pursuant to this division does not affect the entity's*
24 *eligibility to receive other incentives available from federal, state,*
25 *or other local governments, public utilities, or any other source,*
26 *or to leverage the grant funding awarded pursuant to this division*
27 *with any other incentive.*

28 (i) *A public utility shall share information identifying critical*
29 *facilities and areas most likely to experience a loss of electricity*
30 *with a local government, community choice aggregator, or regional*
31 *energy collaborative that is preparing a community energy*
32 *resilience plan.*

33 26452. (a) The commission shall maintain a publicly available
34 and searchable database of all ~~local governments~~ *local*
35 *governments, community choice aggregators, or regional energy*
36 *collaboratives* receiving grant funding pursuant to this division,
37 including information on specific plan projects. The database shall
38 include relevant metrics to be determined by the commission.

39 (b) As a condition of receiving grant funding, within six months
40 of completing its plan, a ~~local government~~ *government, community*

1 *choice aggregator, or regional energy collaborative* shall submit
2 the plan and a report of project expenditures to the commission.

3 (c) (1) The commission shall prepare an annual summary of
4 statewide program expenditures and hire an independent,
5 third-party evaluator to quantify and evaluate the effects of the
6 grant program.

7 (2) Pursuant to Section 9795 of the Government Code, the
8 commission shall annually report the information it receives to the
9 Legislature and post the report on its internet website.