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

LEGISLATIVE COUNSEL’S DIGEST


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. 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. 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 the commission to maintain a publicly available and searchable database of all local governments receiving grant funding pursuant to the program, including information on specific plan projects. The bill would require a local government, 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.


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

SECTION 1. (a) This act shall be known, and may be cited, as the Community Energy Resilience Act of 2021.

(b) The Legislature finds and declares all of the following:

1. California local governments need to develop and implement community energy resilience plans to ensure continuous electricity service during outages, including unplanned outages and intentional deenergizations of the electrical grid, which in recent years have imposed enormous costs on California communities.
2. Developing reliable electrical systems for critical facilities is a paramount public safety priority to protect the health and well-being of California residents and businesses.
3. Local governments and community-based organizations typically lack the financial resources or expertise needed for community energy resilience planning based on distributed clean energy resources.
4. In the absence of community energy resilience plans, local governments, investor-owned utilities, businesses, and the public are spending enormous sums purchasing fossil fuel-powered backup generation, expenditures that run counter to California’s environmental goals.
5. Local governments have the greatest degree of local political accountability and the ability to identify, working in collaboration with community-based organizations, which facilities are most important to local residents, and to plan for distributed energy resources capable of providing electricity during outages.

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

1. Increase employment in California through deployment of community energy resilience improvements based on clean energy.
2. Prioritize development of clean energy resilience in lower income communities that suffer the most from air pollution and power outages.
(3) Direct the State Energy Resources Conservation and Development Commission to develop necessary guidelines and procedures for implementation of a new program to provide technical guidance and financial assistance for local governments to develop community energy resilience plans, upon receiving an appropriation from the Legislature to fund this program.

SEC. 2. Division 16.7 (commencing with Section 26450) is 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 community choice aggregator pursuant to this division that sets forth a strategy for maintaining a reliable supply of electricity during both scheduled and unintended outages. Unless the context requires otherwise, “plan” means a community energy resilience plan.

(d) “Local government” means a city, county, city and county, or community choice aggregator.

(e) “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.

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

(1) Develop and adopt project solicitation and evaluation guidelines for applicants to submit a funding proposal to develop a community energy resilience plan and for overall plan structure and content, including development of a formula for prioritizing...
funds for critical facilities in low-income or disadvantaged communities that are most likely to experience future electrical grid deenergization events, followed in priority by other critical facilities statewide.

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

(c) The project solicitation and evaluation guidelines shall prioritize proposals for funding that would support all of the following:

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

2. Integration of available mobile storage resources that may become available through transportation electrification.

3. Integration of community energy resilience plans with other existing local government planning documents, including general plans and climate action plans, with an assumption that, upon completion, a community energy resilience plan would be incorporated by the local government into the existing general plan.

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

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

2. Convening one or more community workshops enlisting local stakeholders, including, but not limited to, labor representatives, representatives from community-based organizations, community members, local government staff in departments relating to emergency services, planning, and public works, disability rights advocates, and representatives from special districts, load-serving entities, school districts, environmental justice communities, communities of color, and other marginalized groups, to ensure that a diversity of perspectives and input is incorporated into the plan.

3. Soliciting input from public utility operational and technical subject matter experts, including relevant data to enable local
governments to design their plans to make efficient use of existing
distribution infrastructure and support grid operation.

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

(e) A plan for which a local government receives grant funding
shall do all of the following:

(1) Identify critical facilities, including facilities that can serve
as community resilience hubs.

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

(3) Include a preliminary feasibility analysis of expected costs
and benefits for anticipated projects within the local jurisdiction.
A proposed plan shall also include an analysis of multiple project
options for each location, including distribution segmentation and
microgrids.

(f) Grant funding awarded to a local government pursuant to
this division does not affect the entity’s eligibility to receive other
incentives available from federal, state, or other local governments,
public utilities, or any other source, or to leverage the grant funding
awarded pursuant to this division with any other incentive.

26452. (a) The commission shall maintain a publicly available
and searchable database of all local governments receiving grant
funding pursuant to this division, including information on specific
plan projects. The database shall include relevant metrics to be
determined by the commission.

(b) As a condition of receiving grant funding, within six months
of completing its plan, a local government shall submit the plan
and a report of project expenditures to the commission.

(c) (1) The commission shall prepare an annual summary of
statewide program expenditures and hire an independent,
third-party evaluator to quantify and evaluate the effects of the
grant program.
(2) Pursuant to Section 9795 of the Government Code, the commission shall annually report the information it receives to the Legislature and post the report on its internet website.