



ASSEMBLYWOMAN

**Autumn Burke**

DISTRICT 62

## FACT SHEET

### AB 1325: Energy Resilience & Equity Act

#### **SUMMARY**

AB 1325 amends the Public Utilities Code to codify and expand funding for the newly proposed CPUC Microgrid Incentive Program created by CPUC Decision 21-01-018 in to enhance resilience for California's vulnerable communities as part of the CPUC microgrid proceeding, pursuant to SB 1339, 2018 Chapter 4.5.

#### **BACKGROUND**

Unplanned power blackouts and planned power shutoffs by utilities in recent years have imposed additional costs on California ratepayers and are particularly difficult for California's most vulnerable communities. In the face of power outages, heat storms, and other threats that negatively impact the reliability and resilience of electrical service, vulnerable and lower-income communities must be prioritized in the clean energy transition. California policy should provide support for the critical needs of these communities by supporting the development of microgrids as part of the state's climate resilience efforts.

Prior to 2019 power shut off events, California already had 80,000 MW of fossil-fuel back-up generation, a figure which has rapidly expanded. As noted in a recent Vote Solar report<sup>1</sup>, clean distributed generation is more cost-effective than diesel back-up generators when factoring in lifecycle cost, and can provide revenue and load-shifting benefits on a daily basis, unlike backup generators, which only provide value during grid outages.

Clean energy microgrids at critical facilities in vulnerable communities can help mitigate the impact of both planned and unplanned outages in these communities and can do so cost-effectively.

#### **PROBLEM**

In January of 2021, the CPUC approved creation of a new one-time \$200M ratepayer-funded microgrid incentive program. The proposed program should be expanded and modified to meet the needs of vulnerable communities.

#### **SOLUTION**

AB 1325 is focused on expanding resilient clean energy within vulnerable communities.

The bill will:

- Expand funding for the clean energy microgrid incentive program;
- Disburse the new funding in successive phases and also address shortcomings in how the CPUC has proposed to implement the proposed new program;
- Allow up-front costs incurred by communities to be compensated under the program, including consulting and pre-development, plus equipment, installation and interconnection fees;
- Require a third-party administrator to run the program;
- Allow the option for a single grid interconnection application per microgrid.

The Energy Resilience and Equity Act will increase resilience in communities often hardest hit by climate change, without jeopardizing the health of community members and our state's larger climate goals.

#### **CONTACT**

Harrison Bowlby

[Harrison.Bowlby@asm.ca.gov](mailto:Harrison.Bowlby@asm.ca.gov)

(916) 319-2062

<sup>1</sup> "Resilient Clean Energy for California: Protecting Vulnerable communities, Critical Facilities and the California Economy with Solar + Storage," <https://votesolar.org/report-resilient-clean-energy-for-california/>