# SB 833 – Dodd The Community Energy Resilience Act

### Summary

SB 833 calls for the creation of a new technical assistance and grant program administered by the California Energy Commission to help local governments develop clean energy resilience plans, working in collaboration with utilities.

#### Background

In recent years, power outages cost the California economy billions and are expected to continue. In response, homeowners, businesses and utilities have been rapidly investing in new fossil fuel generators, primarily diesel, expenditures which run counter to California's air quality, health, and climate goals.

There is a better way to enhance energy resilience: local governments can partner with utilities to develop comprehensive plans for strategically building clean distributed energy resources (DERs), leveraging accelerating cost reductions of clean energy generation and storage. Expedited development of DERs through energy resilience planning, in collaboration with utilities, will create thousands of good-paying jobs supplied by a well-trained workforce, and will yield optimized placement of DERs to maximize benefits to the existing grid.

Installation of DERs typically requires local permitting approval, including the siting of clean energy generation, storage, and EV charging infrastructure. Local governments, particularly in lower income communities, currently lack the staff capacity and funding needed for energy resilience planning. Absent state policy leadership, only the wealthiest individuals, businesses and communities will achieve clean

energy resilience, leaving poor communities most exposed to diesel pollution in the dark.

## Related Existing State Efforts

The California Office of Emergency Services has provided funding to local governments to prepare for power outages. However, this effort has largely gone on to fund fossil fuel back-up generation, rather than clean energy-based resilience planning. While this may have made sense to address the then-novel and immediate threat of planned outages, investing in clean DER planning will not only drive better health and climate outcomes but will also result in operational cost savings in the years to come. Unlike polluting diesel back-up generators, clean DERs can provide daily grid services (e.g. shifting daytime excess solar generation to serve evening peak demand) as well as back-up power during unanticipated grid outages such as August 2020 blackouts.

SB 1339, signed into law in 2018, called upon the California Public Utilities Commission (CPUC) to initiate a proceeding to help commercialize microgrids. A CPUC Decision in January 2021 called for development of a new incentive program to accelerate development of microgrids to support vulnerable populations, but it left primary authority in the hands of investor-owned utilities and provided no planning support for local governments, which command greater local authority and are better able to effectively prioritize critical facilities.

The California Energy Commission (CEC) has been funding development of clean energy microgrids in low-income communities, including the <u>Blue Lake Rancheria</u> project, which is credited with helping to save lives of medically-dependent people during the 2019 power shutoffs.

### This Bill

SB 833 will empower local governments to develop strategic community energy resilience plans that will maximize the benefits of clean DERs. The bill will see the CEC to develop and implement a technical assistance and grant program to support the creation of clean community energy resilience plans led by local governments, building upon and integrating previous related CEC and other state programs. The bill complements a CPUC Decision issued in June of 2020 which required investor-owned utilities to share information with and engage local governments in energy resilience planning, but which did not allocate resources to local governments to enable completion of energy resilience planning.

Local governments receiving planning grants would partner with utilities to identify areas most likely to experience a loss of electrical service and develop plans to help ensure that a reliable electricity supply is maintained at identified critical facilities, while also providing grid benefits under normal operating conditions. The bill leverages the fact that over a million California homes and businesses already benefit from solar PV generation, including 2,000 schools, and only need to add storage to enhance community resilience. The bill also complements the Governor's Zero Emissions Vehicle Executive Order. With proper planning, an expansion of electric vehicles could enhance grid resilience with mobile storage used as a grid asset.

SB 833 aligns local government energy resilience needs with state equity and decarbonization

goals, addressing current market forces that are currently only enhancing energy resilience for the wealthy. Most importantly, the bill provides resources to empower local governments to strategically determine how and where to site local energy resilience infrastructure, rather than having crucial planning decisions imposed upon them by a distant utility disconnected from local priorities.

## Support

The Climate Center (Sponsor)

#### Contact

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