SB 99 – Dodd The Community Energy Resilience Act

Summary

SB 99 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, prioritizing enhanced resilience for low-income communities.

Background

Power outages during 2020 and 2019 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 environmental 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 well-paying jobs supplied by a well-trained workforce, and will yield DERs located 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 or in the dark.

Related Existing State Efforts

The California Office of Emergency Services has been funding local governments to help prepare and respond to power shutoffs, but that has not led to clean energy-based resilience planning and has instead typically resulted in state funding of fossil fuel back-up generation, which has lower upfront installation costs but higher lifetime operational and environmental costs. 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) and can also provide 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 Blue Lake Rancheria project,

which is credited with helping to save lives of medically-dependent people during the 2019 power shutoffs.

This Bill

SB 99 expands CEC-supported microgrid development statewide. It requires the CEC to develop and implement a technical assistance and grant program to support development of clean community energy resilience plans led by local governments, building upon integrating previous related CEC and other state The bill complements a CPUC programs. 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.

The bill prioritizes planning support for critical facilities serving low-income communities. 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 99 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 empowers local governments to 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

Alliance of Nurses for Health Environments California League of Conservation Voters

Vote Solar

Environment California

Microgrid Resources Council

California Energy Storage Alliance

Coalition for Clean Air

California Solar and Storage Association

Center for Sustainable Energy

Central California Environmental Justice

Network

California Community Choice Association

Clean Coalition

Sierra Club

Ygrene Energy Fund

Local Government Commission

Local Government Sustainable Energy

Coalition

Mi Familia Vota

SLO Climate Coalition

Union of Concerned Scientists

Little Manila Rising

350 Bay Area Action

Schneider Electric

Community Energy Labs

Physicians for Social Responsibility- San

Francisco

Energy Coalition

Bioenergy Association of California

Recolte Energy

SmartBlock Communities
ZEV 2030
TerraVerde Energy
California Alliance for Community Energy
National Parks Conservation Association
Rising Sun Center for Opportunity
Community Environmental Council
Grid Alternatives
Joint Venture Silicon Valley
California State Association of Counties
Rural County Representatives of California
MCE Clean Energy
Valley Clean Energy
Redwood Coast Energy Authority

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