

Introduced by Senators Stern and HertzbergFebruary 17, 2021

An act to amend Sections 8385, 8386, 8386.3, and 8370 of, and to add Section 8373 to, the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

SB 533, as introduced, Stern. Electrical corporations: wildfire mitigation plans: deenergization events: microgrids.

Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities, including electrical corporations. Existing law requires an electrical corporation to construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by those electrical lines and equipment. Existing law requires each electrical corporation to annually prepare and submit a wildfire mitigation plan to the PUC for review and approval, as specified. Following approval, the PUC is required to oversee an electrical corporation's compliance with the plans.

This bill would require an electrical corporation to ensure its electrical transmission and distribution system achieves the highest level of safety, reliability, and resiliency by modernizing, upgrading, including by installing one or more microgrids, replacing, hardening, or undergrounding, any portion of its transmission and distribution wires or poles that experiences a specified number of recurring deenergization events, as defined. The bill would require that these measures be completed within 12 months of reaching the specified number of recurring deenergization events. The bill would require that an electrical corporation's wildfire mitigation plan include a description of measures implemented pursuant to this requirement and the number of

transmission and distribution wires and poles affected. The bill would make conforming changes.

Existing law requires the PUC, in consultation with the State Energy Resources Conservation and Development Commission and the Independent System Operator (ISO), to take specified actions by December 1, 2020, to facilitate the commercialization of microgrids for distribution customers of large electrical corporations, including developing microgrid service standards necessary to meet state and local permitting requirements and developing methods to reduce barriers for microgrid deployment without shifting costs between ratepayers.

This bill would require the PUC, in consultation with the Office of Emergency Services, to create a database of critical facilities and critical infrastructure, and related critical circuits, that are located in tier 2 or tier 3 high fire-threat districts served by electrical corporations, and identify with respect to each whether it serves low-income households or low-income communities, as defined. The bill would require an electrical corporation, upon request, to collaborate with local governments or community choice aggregators within its service area to identify critical circuits and microgrid projects. The bill would authorize electrical corporations, electric service providers, community choice aggregators, and local publicly owned electric utilities to use capacity resulting from a microgrid project to satisfy specified resource adequacy requirements. The bill would require electrical corporations to provide local governments, tribal governments, and community choice aggregators with electrical distribution equipment data, transmission and distribution circuit data, grid hardening plans, and other information requested by those entities to ensure that they are able to plan and develop microgrid projects collaboratively with the electrical corporations. The bill would authorize the electrical corporations to require the use of a commission-approved nondisclosure agreement before providing the requested information.

Existing law requires the PUC, in consultation with the ISO, to establish resource adequacy requirements for electrical corporations, community choice aggregators, and electric service providers.

This bill would require the PUC and the ISO to develop a methodology, as provided, to account for the resource adequacy value of distributed storage no later than July 31, 2022.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the

interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

Under existing law, a violation of any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because violation of an order or decision of the commission implementing the bill’s requirements would be a crime, the bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

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

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The state has an urgent need to accelerate development and
4 procurement of resources that do not emit greenhouse gases when
5 generating electricity to bolster electrical grid reliability and
6 resiliency and to support economic development and job growth
7 in a manner that aligns with the state’s clean energy objectives.

8 (b) California is a global leader in solar and battery storage
9 deployment, and these resources are increasingly and urgently
10 needed to boost electrical grid reliability and support the state’s
11 transition to clean energy in a cost-effective manner. However,
12 additional resources are needed to provide a clean, reliable, and
13 resilient electrical grid.

14 (c) Deenergization of electrical infrastructure should be a last
15 resort strategy for wildfire prevention by electrical corporations.
16 Losing electrical service for any extended period of time results
17 in hardship and losses for an impacted community. An electrical
18 corporation should take all necessary steps to ensure that any
19 electrical outage causes minimal disruption to its customers.

20 (d) Cities, counties, and special districts affected by
21 deenergization events have essential government services shut
22 down during these outages, affecting public health and safety.

1 (e) Critical facilities and critical infrastructure are vital public
 2 resources that serve essential functions. Critical facilities may
 3 include law enforcement and emergency response facilities,
 4 schools, hospitals, prisons, and major roads, but can also include
 5 facilities serving essential needs of a community, including
 6 facilities that provide wastewater treatment or health assistance,
 7 pharmacies, grocery stores, gas stations, local nonprofit
 8 organizations, and emergency shelters. Uninterrupted electrical
 9 service to these facilities is essential in order to maintain public
 10 health and safety.

11 (f) Medically vulnerable electricity customers face unique threats
 12 to health and safety during outages. The longer an electrical shutoff
 13 lasts, the more dangerous the consequences can become.

14 (g) An electrical corporation has a responsibility to provide safe
 15 and reliable electrical service to its customers and can achieve this
 16 through ensuring their infrastructure is modernized and upgraded
 17 through hardening and undergrounding portions of its transmission
 18 and distribution system, using microgrids, and the accelerated
 19 procurement of generating resources that emit no greenhouse gases
 20 when generating electricity to bolster grid reliability and resiliency.

21 SEC. 2. Section 8385 of the Public Utilities Code is amended
 22 to read:

23 8385. (a) For purposes of this chapter, the following shall
 24 apply:

25 (1) “Compliance period” means a period of approximately one
 26 year.

27 (2) “*Deenergization event*” means the proactive interruption
 28 of electrical service for the purpose of mitigating or avoiding the
 29 risk of causing a wildfire.

30 ~~(2)~~

31 (3) “Electrical cooperative” has the same meaning as defined
 32 in Section 2776.

33 (b) The commission shall supervise an electrical corporation’s
 34 compliance with the requirements of this chapter pursuant to the
 35 Public Utilities Act (Part 1 (commencing with Section 201) of
 36 Division 1). Nothing in this chapter affects the commission’s
 37 authority or jurisdiction over an electrical cooperative or local
 38 publicly owned electrical corporation. *electric utility*.

39 SEC. 3. Section 8386 of the Public Utilities Code is amended
 40 to read:

1 8386. (a) Each electrical corporation shall construct, maintain,
2 and operate its electrical lines and equipment in a manner that will
3 minimize the risk of catastrophic wildfire posed by those electrical
4 lines and equipment.

5 (b) *Each electrical corporation shall ensure its electrical*
6 *transmission and distribution system achieves the highest level of*
7 *safety, reliability, and resiliency by modernizing, upgrading,*
8 *including by installing one or more microgrids, replacing,*
9 *hardening, or undergrounding any portion of its transmission and*
10 *distribution wires or poles that experiences recurring*
11 *deenergization events, within 12 months after reaching one of the*
12 *following:*

13 (1) *Five or more deenergization events occurring on or after*
14 *January 1, 2019.*

15 (2) *Four or more deenergization events occurring on or after*
16 *January 1, 2021.*

17 (3) *Three or more deenergization events occurring on or after*
18 *January 1, 2022.*

19 (4) *Two or more deenergization events occurring on or after*
20 *January 1, 2023.*

21 ~~(b)~~

22 (c) Each electrical corporation shall annually prepare and submit
23 a wildfire mitigation plan to the Wildfire Safety Division for review
24 and approval. In calendar year 2020, and thereafter, the plan shall
25 cover at least a three-year period. The division shall establish a
26 schedule for the submission of subsequent comprehensive wildfire
27 mitigation plans, which may allow for the staggering of compliance
28 periods for each electrical corporation. In its discretion, the division
29 may allow the annual submissions to be updates to the last
30 approved comprehensive wildfire mitigation plan; provided, that
31 each electrical corporation shall submit a comprehensive wildfire
32 mitigation plan at least once every three years.

33 ~~(e)~~

34 (d) The wildfire mitigation plan shall include all of the
35 following:

36 (1) An accounting of the responsibilities of persons responsible
37 for executing the plan.

38 (2) The objectives of the plan.

39 (3) A description of the preventive strategies and programs to
40 be adopted by the electrical corporation to minimize the risk of its

1 electrical lines and equipment causing catastrophic wildfires,
2 including consideration of dynamic climate change risks.

3 (4) A description of the metrics the electrical corporation plans
4 to use to evaluate the plan's performance and the assumptions that
5 underlie the use of those metrics.

6 (5) A discussion of how the application of previously identified
7 metrics to previous plan performances has informed the plan.

8 (6) Protocols for disabling reclosers and deenergizing portions
9 of the electrical distribution system that consider the associated
10 impacts on public safety. As part of these protocols, each electrical
11 corporation shall include protocols related to mitigating the public
12 safety impacts of disabling reclosers and deenergizing portions of
13 the electrical distribution system that consider the impacts on all
14 of the following:

15 (A) Critical first responders.

16 (B) Health and communication infrastructure.

17 (C) Customers who receive medical baseline allowances
18 pursuant to subdivision (c) of Section 739. The electrical
19 corporation may deploy backup electrical resources or provide
20 financial assistance for backup electrical resources to a customer
21 receiving a medical baseline allowance for a customer who meets
22 all of the following requirements:

23 (i) The customer relies on life-support equipment that operates
24 on electricity to sustain life.

25 (ii) The customer demonstrates financial need, including through
26 enrollment in the California Alternate Rates for Energy program
27 created pursuant to Section 739.1.

28 (iii) The customer is not eligible for backup electrical resources
29 provided through medical services, medical insurance, or
30 community resources.

31 (D) Subparagraph (C) shall not be construed as preventing an
32 electrical corporation from deploying backup electrical resources
33 or providing financial assistance for backup electrical resources
34 under any other authority.

35 (7) Appropriate and feasible procedures for notifying a customer
36 who may be impacted by the deenergizing of electrical lines,
37 including procedures for those customers receiving medical
38 baseline allowances as described in paragraph (6). The procedures
39 shall direct notification to all public safety offices, critical first
40 responders, health care facilities, and operators of

1 telecommunications infrastructure with premises within the
2 footprint of potential deenergization for a given event.

3 (8) Plans for vegetation management.

4 (9) Plans for inspections of the electrical corporation's electrical
5 infrastructure.

6 (10) Protocols for the deenergization of the electrical
7 corporation's transmission infrastructure, for instances when the
8 deenergization may impact customers who, or entities that, are
9 dependent upon the infrastructure.

10 (11) A list that identifies, describes, and prioritizes all wildfire
11 risks, and drivers for those risks, throughout the electrical
12 corporation's service territory, including all relevant wildfire risk
13 and risk mitigation information that is part of the commission's
14 Safety Model Assessment Proceeding (A.15-05-002, et al.) and
15 the Risk Assessment Mitigation Phase filings. The list shall include,
16 but not be limited to, both of the following:

17 (A) Risks and risk drivers associated with design, construction,
18 operations, and maintenance of the electrical corporation's
19 equipment and facilities.

20 (B) Particular risks and risk drivers associated with topographic
21 and climatological risk factors throughout the different parts of
22 the electrical corporation's service territory.

23 (12) A description of how the plan accounts for the wildfire risk
24 identified in the electrical corporation's Risk Assessment
25 Mitigation Phase filing.

26 (13) A description of the actions the electrical corporation will
27 take to ensure its system will achieve the highest level of safety,
28 reliability, and resiliency, and to ensure that its system is prepared
29 for a major event, including hardening and modernizing its
30 infrastructure with improved engineering, system design, standards,
31 equipment, and facilities, such as undergrounding, insulating of
32 distribution wires, and replacing poles.

33 (14) A description of where and how the electrical corporation
34 considered undergrounding electrical distribution lines within those
35 areas of its service territory identified to have the highest wildfire
36 risk in a commission fire threat map.

37 (15) A showing that the electrical corporation has an adequately
38 sized and trained workforce to promptly restore service after a
39 major event, taking into account employees of other utilities

1 pursuant to mutual aid agreements and employees of entities that
2 have entered into contracts with the electrical corporation.

3 (16) Identification of any geographic area in the electrical
4 corporation’s service territory that is a higher wildfire threat than
5 is currently identified in a commission fire threat map, and where
6 the commission should consider expanding the high fire threat
7 district based on new information or changes in the environment.

8 (17) A methodology for identifying and presenting
9 enterprisewide safety risk and wildfire-related risk that is consistent
10 with the methodology used by other electrical corporations unless
11 the commission determines otherwise.

12 (18) A description of how the plan is consistent with the
13 electrical corporation’s disaster and emergency preparedness plan
14 prepared pursuant to Section 768.6, including both of the following:

15 (A) Plans to prepare for, and to restore service after, a wildfire,
16 including workforce mobilization and prepositioning equipment
17 and employees.

18 (B) Plans for community outreach and public awareness before,
19 during, and after a wildfire, including language notification in
20 English, Spanish, and the top three primary languages used in the
21 state other than English or Spanish, as determined by the
22 commission based on the United States Census data.

23 (19) A statement of how the electrical corporation will restore
24 service after a wildfire.

25 (20) Protocols for compliance with requirements adopted by
26 the commission regarding activities to support customers during
27 and after a wildfire, outage reporting, support for low-income
28 customers, billing adjustments, deposit waivers, extended payment
29 plans, suspension of disconnection and nonpayment fees, repair
30 processing and timing, access to electrical corporation
31 representatives, and emergency communications.

32 (21) A description of the processes and procedures the electrical
33 corporation will use to do all of the following:

34 (A) Monitor and audit the implementation of the plan.

35 (B) Identify any deficiencies in the plan or the plan’s
36 implementation and correct those deficiencies.

37 (C) Monitor and audit the effectiveness of electrical line and
38 equipment inspections, including inspections performed by
39 contractors, carried out under the plan and other applicable statutes
40 and commission rules.

1 (22) *A description of measures implemented pursuant to*
2 *subdivision (b) and the number of transmission and distribution*
3 *wires and poles affected.*

4 ~~(22)~~

5 (23) Any other information that the Wildfire Safety Division
6 may require.

7 ~~(d)~~

8 (e) The Wildfire Safety Division shall post all wildfire mitigation
9 plans and annual updates on the commission’s internet website for
10 no less than two months before the division’s decision regarding
11 approval of the plan. The division shall accept comments on each
12 plan from the public, other local and state agencies, and interested
13 parties, and verify that the plan complies with all applicable rules,
14 regulations, and standards, as appropriate.

15 SEC. 4. Section 8386.3 of the Public Utilities Code is amended
16 to read:

17 8386.3. (a) The Wildfire Safety Division shall approve or deny
18 each wildfire mitigation plan and update submitted by an electrical
19 corporation within three months of its submission, unless the
20 division makes a written determination, which shall include reasons
21 supporting the determination, that the three-month deadline cannot
22 be met. Each electrical corporation’s approved plan shall remain
23 in effect until the division approves the electrical corporation’s
24 subsequent plan. The division shall consult with the Department
25 of Forestry and Fire Protection on the review of each wildfire
26 mitigation plan and update. In rendering its decision, the division
27 shall consider comments submitted pursuant to subdivision~~(d)~~ (e)
28 of Section 8386. Before approval, the division may require
29 modifications of the plan. After approval by the division, the
30 commission shall ratify the action of the division.

31 (b) The Wildfire Safety Division’s approval of a plan is not a
32 defense to any enforcement action for a violation of a commission
33 decision, order, or rule.

34 (c) Following approval of a wildfire mitigation plan, the Wildfire
35 Safety Division shall oversee compliance with the plan consistent
36 with all of the following:

37 (1) Three months after the end of an electrical corporation’s
38 initial compliance period, as established by the Wildfire Safety
39 Division pursuant to subdivision~~(b)~~ (c) of Section 8386, and
40 annually thereafter, each electrical corporation shall file with the

1 division a report addressing its compliance with the plan during
2 the prior calendar year.

3 (2) (A) Before March 1, 2021, and before each March 1
4 thereafter, the Wildfire Safety Division, in consultation with the
5 Department of Forestry and Fire Protection, shall make available
6 a list of qualified independent evaluators with experience in
7 assessing the safe operation of electrical infrastructure.

8 (B) (i) Each electrical corporation shall engage an independent
9 evaluator listed pursuant to subparagraph (A) to review and assess
10 the electrical corporation's compliance with its plan. The engaged
11 independent evaluator shall consult with, and operate under the
12 direction of, the Wildfire Safety Division of the commission. The
13 independent evaluator shall issue a report on July 1 of each year
14 in which a report required by paragraph (1) is filed. As a part of
15 the independent evaluator's report, the independent evaluator shall
16 determine whether the electrical corporation failed to fund any
17 activities included in its plan.

18 (ii) The Wildfire Safety Division shall consider the independent
19 evaluator's findings, but the independent evaluator's findings are
20 not binding on the division, except as otherwise specified.

21 (iii) The independent evaluator's findings shall be used by the
22 Wildfire Safety Division to carry out its obligations under Article
23 1 (commencing with Section 451) of Chapter 3 of Part 1 of
24 Division 1.

25 (iv) The independent evaluator's findings do not apply to events
26 that occurred before the initial plan is approved for the electrical
27 corporation.

28 (3) The commission shall authorize the electrical corporation
29 to recover in rates the costs of the independent evaluator.

30 (4) The Wildfire Safety Division shall complete its compliance
31 review within 18 months after the submission of the electrical
32 corporation's compliance report.

33 (5) (A) An electrical corporation shall notify the Wildfire Safety
34 Division, within one month after it completes a substantial portion
35 of the vegetation management requirements in its wildfire
36 mitigation plan, of the completion. Upon receiving the notice from
37 the electrical corporation, the division shall, consistent with its
38 authority pursuant to paragraph (1) of subdivision (a) of Section
39 326, promptly audit the work performed by, or on behalf of, the
40 electrical corporation. The audit shall specify any failure of the

1 electrical corporation to fully comply with the vegetation
2 management requirements in the wildfire mitigation plan. The
3 division shall provide the audit to the electrical corporation. The
4 electrical corporation shall have a reasonable time, as determined
5 by the division, to correct and eliminate any deficiency specified
6 in the audit.

7 (B) The Wildfire Safety Division may engage its own
8 independent evaluator, who shall be a certified arborist and shall
9 have any other qualifications determined appropriate by the
10 division, to conduct the audit specified in subparagraph (A). The
11 independent evaluator shall consult with, and operate under the
12 direction of, the division.

13 (C) Within one year of the expiration of the time period for an
14 electrical corporation to correct and eliminate any deficiency
15 identified in the audit, the independent evaluator shall issue a report
16 to the electrical corporation, the Wildfire Safety Division, and the
17 Safety and Enforcement Division of the commission specifically
18 describing any failure of the electrical corporation to substantially
19 comply with the substantial portion of the vegetation management
20 requirements in the electrical corporation's wildfire mitigation
21 plan. The report shall be made publicly available. The Wildfire
22 Safety Division shall include the report in its compliance review
23 prepared pursuant to paragraph (4).

24 (6) Each electrical corporation shall reimburse the Wildfire
25 Safety Division for its costs to implement this section with respect
26 to that electrical corporation.

27 (d) An electrical corporation shall not divert revenues authorized
28 to implement the plan to any activities or investments outside of
29 the plan. An electrical corporation shall notify the commission by
30 advice letter of the date when it projects that it will have spent, or
31 incurred obligations to spend, its entire annual revenue requirement
32 for vegetation management in its wildfire mitigation plan not less
33 than 30 days before that date.

34 (e) The commission shall not allow a large electrical corporation
35 to include in its equity rate base its share, as determined pursuant
36 to the Wildfire Fund allocation metric specified in Section 3280,
37 of the first five billion dollars (\$5,000,000,000) expended in
38 aggregate by large electrical corporations on fire risk mitigation
39 capital expenditures included in the electrical corporations'
40 approved wildfire mitigation plans. An electrical corporation's

1 share of the fire risk mitigation capital expenditures and the debt
2 financing costs of these fire risk mitigation capital expenditures
3 may be financed through a financing order pursuant to Section
4 850.1 subject to the requirements of that financing order.

5 (f) This section does not impose any liability on the Wildfire
6 Safety Division regarding the performance of its duties.

7 SEC. 5. Section 8370 of the Public Utilities Code is amended
8 to read:

9 8370. For purposes of this chapter, the following definitions
10 shall apply:

11 (a) *“Access and functional needs population” has the same*
12 *meaning as defined in Section 8593.3 of the Government Code.*

13 (b) *“Critical circuit” means an electrical circuit that supplies*
14 *electricity to one or more critical facilities or to critical*
15 *infrastructure, as reported to the commission by each electrical*
16 *corporation.*

17 (c) *“Critical customer” means a customer of an electrical*
18 *corporation receiving a medical baseline allowance pursuant to*
19 *Section 739 who resides within a high fire-threat district or*
20 *vulnerable transmission area, or a customer of a local publicly*
21 *owned electric utility enrolled in a life support discount program*
22 *who resides within a high fire-threat district or vulnerable*
23 *transmission area.*

24 (d) *“Critical facilities and critical infrastructure” means*
25 *facilities and infrastructure that are essential to health and public*
26 *safety that require assistance and advance planning to ensure their*
27 *resiliency during a deenergization event, as reported to the*
28 *commission by the Office of Emergency Services based on*
29 *consultations with local governments, including, but not limited*
30 *to, facilities and infrastructure within the United States Department*
31 *of Homeland Security’s critical infrastructure sectors.*

32 (a)

33 (e) *“Customer” means a customer of a local publicly owned*
34 *electric utility or of a large electrical corporation. A person or*
35 *entity is a customer of a large electrical corporation if the customer*
36 *is physically located within the service territory of the large*
37 *electrical corporation and receives bundled service, distribution*
38 *service, or transmission service from the large electrical*
39 *corporation.*

40 (b)

1 (f) “Deenergization event” has the same meaning as defined in
2 Section 8385.

3 (g) “Distributed energy resource” means an electric generation
4 or storage technology that complies with the emissions standards
5 adopted by the State Air Resources Board pursuant to the
6 distributed generation certification program requirements of Section
7 94203 of Title 17 of the California Code of Regulations, or any
8 successor regulation.

9 (h) “High fire-threat district” means a geographic area
10 identified by the commission as a Tier II or Tier III fire-threat
11 area, where there is an elevated or extreme risk for fires caused
12 by electrical infrastructure igniting and spreading rapidly.

13 (e)

14 (i) “Large electrical corporation” means an electrical corporation
15 with more than 100,000 service connections in California.

16 (j) “Local government” means a city, county, or city and county.

17 (k) “Low-income communities” means census tracts with median
18 household incomes at or below 80 percent of the statewide median
19 income or with median household incomes at or below the
20 threshold designated as low income by the Department of Housing
21 and Community Development’s list of state income limits adopted
22 pursuant to Section 50093 of the Health and Safety Code.

23 (l) “Low-income households” means households with incomes
24 at or below 80 percent of the statewide median income or with
25 household incomes at or below the threshold designated as low
26 income by the Department of Housing and Community
27 Development’s list of state income limits adopted pursuant to
28 Section 50093 of the Health and Safety Code.

29 (d)

30 (m) “Microgrid” means an interconnected system of loads and
31 energy resources, including, but not limited to, distributed energy
32 resources, energy storage, demand response tools, or other
33 management, forecasting, and analytical tools, appropriately sized
34 to meet customer needs, within a clearly defined electrical
35 boundary that can act as a single, controllable entity, and can
36 connect to, disconnect from, or run in parallel with, larger portions
37 of the electrical grid, or can be managed and isolated to withstand
38 larger disturbances and maintain electrical supply to connected
39 critical infrastructure.

1 (n) “Project” means a microgrid project that meets the
2 resiliency needs of a local government, joint powers authority, or
3 special district and may include microgrid projects that meet the
4 resiliency needs for critical facilities and critical infrastructure,
5 critical customers, or customers from an access and functional
6 needs population that can operate disconnected from the
7 distribution system for a predetermined period of time.

8 (o) “Resiliency” means the ability to mitigate and recover from
9 an electrical service disruption using generation resources that
10 maintain all or essential electrical service to customers, including
11 critical facilities and critical infrastructure. Electrical service
12 disruptions include, but are not limited to, emergencies, natural
13 disasters, planned or unplanned electricity outages, or other events
14 that may cause disruptions to important public services.

15 SEC. 6. Section 8373 is added to the Public Utilities Code, to
16 read:

17 8373. (a) (1) The commission, in consultation with the Office
18 of Emergency Services, shall create a database of critical facilities
19 and critical infrastructure, and related critical circuits, that are
20 located in a high fire-threat district served by an electrical
21 corporation, and identify with respect to each whether it serves
22 low-income households or low-income communities. The
23 commission and the Office of Emergency Services may prioritize
24 which critical facilities, critical infrastructure, and related critical
25 circuits, or any combination of those items, to include within the
26 database.

27 (2) An electrical corporation shall collaborate upon request with
28 local governments or community choice aggregators within its
29 service area to identify critical circuits and microgrid projects.

30 (3) (A) An electrical corporation shall provide local
31 governments, tribal governments, and community choice
32 aggregators with electrical distribution equipment data,
33 transmission and distribution circuit data, grid hardening plans,
34 and other information requested by local governments, tribal
35 governments, and community choice aggregators to ensure the
36 local governments, tribal governments, and community choice
37 aggregators are able to plan and develop microgrid projects
38 collaboratively with the electrical corporation.

39 (B) The electrical corporation shall respond to the data request
40 no later than 30 days after receipt.

1 (C) The electrical corporation may require use of a
2 commission-approved nondisclosure agreement before providing
3 the requested information. The nondisclosure agreement shall be
4 developed by the commission by March 1, 2022.

5 (b) (1) An electrical corporation, electric service provider, or
6 community choice aggregator may use capacity resulting from a
7 microgrid project to comply with the resource adequacy
8 requirements established pursuant to Section 380 and a local
9 publicly owned electric utility may use that capacity to meet its
10 resource adequacy requirements pursuant to Section 9620.

11 (2) (A) The commission and the Independent System Operator
12 shall develop a methodology to account for the resource adequacy
13 value of distributed storage no later than July 31, 2022.

14 (B) In determining the resource adequacy value of distributed
15 storage, the commission shall incorporate the full electrical output
16 of the resource, including all electricity delivered to the grid.

17 (C) The methodology developed pursuant to subparagraph (A)
18 shall account for customer-sited energy storage resources and
19 customer-sited hybrid resources.

20 (D) For purposes of this paragraph, “hybrid resource” means
21 an energy storage system, as defined in Section 2838.2, that is
22 paired with a colocated distributed energy resource and where the
23 energy storage system obtains charging energy from that colocated
24 distributed energy resource.

25 SEC. 7. The Legislature finds and declares that Section 6 of
26 this act, which adds Section 8373 to the Public Utilities Code,
27 imposes a limitation on the public’s right of access to the meetings
28 of public bodies or the writings of public officials and agencies
29 within the meaning of Section 3 of Article I of the California
30 Constitution. Pursuant to that constitutional provision, the
31 Legislature makes the following findings to demonstrate the interest
32 protected by this limitation and the need for protecting that interest:

33 To ensure the safety of the electrical distribution and transmission
34 grid, the interest in the public disclosure of electrical equipment
35 data, transmission and distribution circuit data, and grid hardening
36 plans of electrical corporations is outweighed by the interest in
37 maintaining the confidentiality of this information.

38 SEC. 8. No reimbursement is required by this act pursuant to
39 Section 6 of Article XIII B of the California Constitution because
40 the only costs that may be incurred by a local agency or school

1 district will be incurred because this act creates a new crime or
2 infraction, eliminates a crime or infraction, or changes the penalty
3 for a crime or infraction, within the meaning of Section 17556 of
4 the Government Code, or changes the definition of a crime within
5 the meaning of Section 6 of Article XIII B of the California
6 Constitution.

O