File No. <u>230489</u>____

Committee Item No. _____ Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

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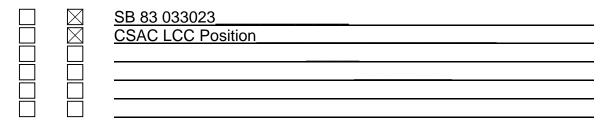
Committee: _____ Board of Supervisors Meeting

Date: ______ Date: ______ May 2, 2023_____

Cmte Board

		Motion
	$\overline{\boxtimes}$	Resolution
\square		Ordinance
\square	\square	Legislative Digest
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		Youth Commission Report
	\square	Introduction Form
		Department/Agency Cover Letter and/or Report
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\square	\square	Application
		Public Correspondence

OTHER



Prepared by:	Arthur Khoo	Date:	_April 27, 2023
Prepared by:		Date:	

[Supporting California State Senate Bill No. 83 (Wiener) - Public Utilities: Electrical Distribution Grid: Interconnection]
Resolution urging the California State Senate to pass Senate Bill No. 83, introduced by
Senator Scott Wiener, which will impose set timelines for investor-owned utilities, such
as Pacific Gas and Electric Company, to complete electrical interconnection work after
receiving the necessary permits for essential development projects, including
affordable housing; and requiring that they pay financial compensation to the project
applicant if they fail to meet that timeline.
WHEREAS, San Francisco is in the midst of a housing affordability and homelessness
crisis; and
WHEREAS, San Francisco's state-certified Housing Element plan calls for the
production of over 82,000 homes, including over 46,000 affordable housing units, over the
next eight years; and
WHEREAS, All new housing must connect to the electrical grid, a process known as
interconnection, before it can be occupied; and
WHEREAS, San Francisco's affordable housing projects rely on Pacific Gas and
Electric Company's (PG&E) electrical distribution grid and infrastructure for interconnection,
before these units can be occupied by San Francisco's low-income residents; and
WHEREAS, San Francisco has historically experienced significant delays to the
energization of essential projects such as affordable housing units attempting to interconnect
to PG&E's electrical distribution grid; and
WHEREAS, PG&E has delayed City projects by imposing unnecessary requirements
and costs, as well as lacking set timelines for key portions of the interconnection process
which have contributed to significant delays and costs; and

WHEREAS, Since 2018, the San Francisco Public Utilities Commission (SFPUC) has
 reported 136 projects delayed by PG&E; and

- WHEREAS, The Mayor's Office of Housing and Community Development (MOHCD)
 reports that 11 affordable housing projects have been significantly impacted by PG&E
 interconnection delays, creating cost overruns of \$41 million to the City and County of San
 Francisco and San Francisco tax payers; and
- 7 WHEREAS, San Francisco is facing a projected \$780 million budget deficit over the
 8 next two years; and

9 WHEREAS, Senate Bill 83 will help mitigate harmful and unnecessary interconnection 10 delays by investor-owned utility corporations, including PG&E, by imposing strict timelines to 11 complete interconnection work after receiving the necessary permits, and requiring that they 12 pay financial compensation to the project applicant if they fail to meet that timeline; and 13 WHEREAS, Senate Bill 83 will provide a much-needed enforcement mechanism by the 14 State to hold investor-owned utilities accountable for delaying interconnection to affordable 15 housing projects in San Francisco; and 16 WHEREAS, The State Legislation Committee of San Francisco voted to support 17 Senate Bill 83 during its meeting on April 12, 2023; now, therefore, be it 18 RESOLVED, That the San Francisco Board of Supervisors urges the California State 19 Legislature to pass Senate Bill 83, sponsored by Senator Scott Wiener; and, be it 20 FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby directs 21 the Clerk of the Board to send a copy of this Resolution to the Bill's primary sponsor, Senator 22 Scott Wiener, additional members of San Francisco's State Legislative Delegation, and 23 California Governor Gavin Newsom. 24

AMENDED IN SENATE MARCH 30, 2023

AMENDED IN SENATE MARCH 9, 2023

SENATE BILL

No. 83

Introduced by Senator Wiener (*Coauthor: Assembly Member Wood*)

January 13, 2023

An act to add Chapter 8.3 (commencing with Section 2845) to Part 2 of Division 1 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 83, as amended, Wiener. Public utilities: electrical distribution grid: interconnection.

Existing law authorizes the Public Utilities Commission to establish an expedited distribution grid interconnection dispute resolution process with the goal of resolving disputes over interconnection applications within the jurisdiction of the commission in no more than 60 days from the time the dispute is formally brought to the commission.

This bill would require an electrical corporation to interconnect a development project with the electrical corporation's electrical distribution grid within 8 weeks of receiving a notification from a development project applicant that a green tag, as defined, has been received by the development project applicant. the development project is interconnection ready, as defined. The bill would specify that this 8-week period does not apply if an issue specific to the development project or the project site arises that would prevent the electrical corporation from safely completing the interconnection within the 8-week time period and would require the electrical corporation to work with the development project applicant to establish an alternative time period. The bill would require each electrical corporation to

annually report to the commission the number of applications for interconnection with the electrical corporation's distribution grid and the time period in which the electrical corporation interconnects the development project with its electrical distribution grid after the electrical corporation was notified that a green tag was received by the development project applicant. was interconnection ready. The bill would require the commission to require an electrical corporation to compensate a development project applicant for failing to meet the 8-week time period described above. above or the alternative time period, as specified. The bill would require the commission to arbitrate any dispute related to the claim for compensation.

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

Because a violation of an order or decision of the commission implementing the above-described requirement would be a crime, this bill would impose a state-mandated local program.

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. Chapter 8.3 (commencing with Section 2845) is
2	added to Part 2 of Division 1 of the Public Utilities Code, to read:
3	
4	Chapter 8.3. Electrical Distribution Grid
5	
6	Article 1. General Provisions
7	
8	2845. For purposes of this chapter, the following definitions
9	apply:
10	(a) "Development project" means a project for the construction
11	of a new structure or the modification of an existing structure.
12	(b) "Green tag" means a confirmation by a governmental agency
10	

- 13 that all work and approvals necessary to facilitate the
- 14 interconnection of a development project to the electrical

1 distribution grid have been completed and received by a 2 development project applicant. 3 (e) 4 (b) "Interconnect" means to physically connect a development 5 project to the electrical distribution grid of an electrical corporation, 6 including providing all work necessary to make the interconnection 7 effective. 8 (c) "Interconnection ready" means the phase in a development 9 project in which all critical dependencies, including all necessary 10 inspections, certifications, and permits needed for an interconnection, have been completed and the project site is 11 12 accessible to an electrical corporation's construction resources. 13 14 Article 2. Interconnection 15 16 2846. (a) Within eight weeks of receiving a notification from 17 a development project applicant that a green tag is received, the 18 development project is interconnection ready, an electrical 19 corporation shall interconnect the development project with the 20 electrical corporation's electrical distribution grid. 21 (b) If, after a development project is interconnection ready, an 22 issue specific to the project or project site arises that would prevent 23 the electrical corporation from safely completing the interconnection as required by subdivision (a), the electrical 24 25 corporation is exempt from the requirements of subdivision (a) 26 and shall work with the development project applicant to establish 27 an alternative time period. 28 29 Article 3. Reporting and Enforcement 30 31 2847. Each electrical corporation shall annually report to the 32 commission the number of applications for interconnection with the electrical corporation's electrical distribution grid received in 33 34 the previous 12 months and the time period in which the electrical 35 corporation interconnects the development project with the 36 electrical distribution grid after receiving the notification specified 37 in Section 2846. 38 2847.5. The commission shall require an An electrical

2647.5. The commission shall require an An electrical corporation-to shall compensate a development project applicant for failing to most the requirement of Section 2846, of sub-division

40 for failing to meet the requirement of Section 2846. of subdivision

1 (a) of Section 2846 or the alternative time period agreed to under

2 subdivision (b) of Section 2846 at a rate of twenty-five cents (\$0.25)

3 per square foot of the area covered by the development project

4 per day of delay if the development project applicant files a claim

5 for compensation with the electrical corporation. Compensation

6 paid pursuant to this section shall not be recovered from ratepayers.

7 The electrical corporation may dispute the claim for compensation

8 with the commission and the commission shall arbitrate the dispute.

9 SEC. 2. No reimbursement is required by this act pursuant to

10 Section 6 of Article XIIIB of the California Constitution because

11 the only costs that may be incurred by a local agency or school 12 district will be incurred because this act creates a new crime or

13 infraction, eliminates a crime or infraction, or changes the penalty

for a crime or infraction, within the meaning of Section 17556 of

15 the Government Code, or changes the definition of a crime within

16 the meaning of Section 6 of Article XIII B of the California

17 Constitution.

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Lew, Lisa (BOS)

From:	BOS Legislation, (BOS)	
То:	Herrera, Ana (BOS); BOS Legislation,	(BOS)
Subject:	RE: Resolution Supporting SB 83	

From: Herrera, Ana (BOS) <ana.herrera@sfgov.org>
Sent: Tuesday, April 25, 2023 5:18 PM
To: BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Subject: Re: Resolution Supporting SB 83

Hi Jocelyn,

I can confirm that they have not taken a position on this bill. Thank you.

Ana Herrera

Legislative Aide

Office of Supervisor Hillary Ronen

ana.herrera@sfgov.org

https://sfbos.org/supervisor-ronen-district-9

From: BOS Legislation, (BOS) <<u>bos.legislation@sfgov.org</u>>

Sent: Tuesday, April 25, 2023 5:11 PM

To: Herrera, Ana (BOS) <<u>ana.herrera@sfgov.org</u>>; BOS Legislation, (BOS) <<u>bos.legislation@sfgov.org</u>> Cc: Ronen, Hillary <<u>hillary.ronen@sfgov.org</u>>; Groth, Kelly (BOS) <<u>kelly.groth@sfgov.org</u>>; Chung, Lauren (BOS) <<u>lauren.l.chung@sfgov.org</u>>; Buckley, Jeff (BOS) <<u>jeff.buckley@sfgov.org</u>>; Angulo, Sunny (BOS) <<u>sunny.angulo@sfgov.org</u>>; Gee, Natalie (BOS) <<u>natalie.gee@sfgov.org</u>>; Smeallie, Kyle (BOS) <<u>kyle.smeallie@sfgov.org</u>>; Low, Jen (BOS) <<u>jen.low@sfgov.org</u>>; Bell, Tita (BOS) <<u>Tita.Bell@sfgov.org</u>>; Donovan, Dominica (BOS) <<u>dominica.donovan@sfgov.org</u>>; Green, Ross (BOS) <<u>ross.green@sfgov.org</u>>; Thongsavat, Adam (BOS) <<u>adam.thongsavat@sfgov.org</u>>; Tam, Madison (BOS) <<u>madison.r.tam@sfgov.org</u>>; Dahl, Bryan (BOS) <<u>bryan.dahl@sfgov.org</u>>

Subject: RE: Resolution Supporting SB 83

Thank you Ana for the legislation submission. Per Board Rule 2.8.2, please confirm that organizations such as the <u>California State Association of Counties</u>, <u>League of California Cities</u>, or the National League of Cities have <u>not</u> taken a position on these bills. If they have, please provide a copy of their statement for completeness of the file.

Jocelyn Wong

Legislative Clerk San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco, CA 94102 T: 415.554.7702 | F: 415.554.5163

jocelyn.wong@sfgov.org | www.sfbos.org

(VIRTUAL APPOINTMENTS) To schedule a "virtual" meeting with me (on Microsoft Teams), please ask and I can answer your questions in real time.

Due to the current COVID-19 health emergency and the Shelter in Place Order, the Office of the Clerk of the Board is working remotely while providing complete access to the legislative process and our services

Click <u>here</u> to complete a Board of Supervisors Customer Service Satisfaction form

The Legislative Research Center provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors' website or in other public documents that members of the public may inspect or copy.

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one): \square 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment) \square 2. Request for next printed agenda (For Adoption Without Committee Reference) (Routine, non-controversial and/or commendatory matters only) \square 3. Request for Hearing on a subject matter at Committee Request for Letter beginning with "Supervisor 4. inquires..." 5. City Attorney Request Call File No. \square 6. from Committee. Budget and Legislative Analyst Request (attached written Motion) 7. Substitute Legislation File No. \square 8. Reactivate File No. 9. \square Topic submitted for Mayoral Appearance before the Board on 10. The proposed legislation should be forwarded to the following (please check all appropriate boxes): □ Small Business Commission □ Ethics Commission □ Youth Commission □ Planning Commission □ Building Inspection Commission □ Human Resources Department General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53): \Box Yes \square No (Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.) Sponsor(s): Subject: Long Title or text listed: