File No.	_230489	Committee Item No.		
		Board Item No.	43	

## **COMMITTEE/BOARD OF SUPERVISORS**

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Committee: Board of Su	pervisors Meeting	Date:	May 2, 2023	
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OTHER				
	SB 83 033023 CSAC LCC Position			
Prepared by Prepared by	: Arthur Khoo	Date:	_April 27, 2023	

1	[Supporting California State Senate Bill No. 83 (Wiener) - Public Utilities: Electrical Distribution Grid: Interconnection]
2	·
3	Resolution urging the California State Senate to pass Senate Bill No. 83, introduced by
4	Senator Scott Wiener, which will impose set timelines for investor-owned utilities, such
5	as Pacific Gas and Electric Company, to complete electrical interconnection work after
6	receiving the necessary permits for essential development projects, including
7	affordable housing; and requiring that they pay financial compensation to the project
8	applicant if they fail to meet that timeline.
9	
10	WHEREAS, San Francisco is in the midst of a housing affordability and homelessness
11	crisis; and
12	WHEREAS, San Francisco's state-certified Housing Element plan calls for the
13	production of over 82,000 homes, including over 46,000 affordable housing units, over the
14	next eight years; and
15	WHEREAS, All new housing must connect to the electrical grid, a process known as
16	interconnection, before it can be occupied; and
17	WHEREAS, San Francisco's affordable housing projects rely on Pacific Gas and
18	Electric Company's (PG&E) electrical distribution grid and infrastructure for interconnection,
19	before these units can be occupied by San Francisco's low-income residents; and
20	WHEREAS, San Francisco has historically experienced significant delays to the
21	energization of essential projects such as affordable housing units attempting to interconnect
22	to PG&E's electrical distribution grid; and
23	WHEREAS, PG&E has delayed City projects by imposing unnecessary requirements
24	and costs, as well as lacking set timelines for key portions of the interconnection process
25	which have contributed to significant delays and costs; and

1	WHEREAS, Since 2018, the San Francisco Public Utilities Commission (SFPUC) has
2	reported 136 projects delayed by PG&E and
3	WHEREAS, The Mayor's Office of Housing and Community Development (MOHCD)
4	reports that 11 affordable housing projects have been significantly impacted by PG&E
5	interconnection delays, creating cost overruns of \$41 million to the City and County of San
6	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	
25	

### 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

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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 of a new structure or the modification of an existing structure. 11 12 (b) "Green tag" means a confirmation by a governmental agency that all work and approvals necessary to facilitate the 13 interconnection of a development project to the electrical \_3\_ SB 83

distribution grid have been completed and received by a development project applicant.

<del>(e)</del>

- (b) "Interconnect" means to physically connect a development project to the electrical distribution grid of an electrical corporation, including providing all work necessary to make the interconnection effective.
- (c) "Interconnection ready" means the phase in a development project in which all critical dependencies, including all necessary inspections, certifications, and permits needed for an interconnection, have been completed and the project site is accessible to an electrical corporation's construction resources.

#### Article 2. Interconnection

- 2846. (a) Within eight weeks of receiving a notification from a development project applicant that a green tag is received, the development project is interconnection ready, an electrical corporation shall interconnect the development project with the electrical corporation's electrical distribution grid.
- (b) If, after a development project is interconnection ready, an issue specific to the project or project site arises that would prevent the electrical corporation from safely completing the interconnection as required by subdivision (a), the electrical corporation is exempt from the requirements of subdivision (a) and shall work with the development project applicant to establish an alternative time period.

#### Article 3. Reporting and Enforcement

2847. Each electrical corporation shall annually report to the commission the number of applications for interconnection with the electrical corporation's electrical distribution grid received in the previous 12 months and the time period in which the electrical corporation interconnects the development project with the electrical distribution grid after receiving the notification specified in Section 2846.

2847.5. The commission shall require an An electrical corporation-to shall compensate a development project applicant for failing to meet the requirement of Section 2846. of subdivision

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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 for compensation with the electrical corporation. Compensation 5 paid pursuant to this section shall not be recovered from ratepayers. 6 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 the only costs that may be incurred by a local agency or school 11 district will be incurred because this act creates a new crime or 12 13 infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of 14 15 the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California 16 17 Constitution.

#### Lew, Lisa (BOS)

From: BOS Legislation, (BOS)

**To:** 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) <br/> <br/> dos.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) < bos.legislation@sfgov.org>

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

To: Herrera, Ana (BOS) <ana.herrera@sfgov.org>; BOS Legislation, (BOS) <br/> <br/> dos.legislation@sfgov.org>

**Cc:** Ronen, Hillary < hillary.ronen@sfgov.org>; Groth, Kelly (BOS) < kelly.groth@sfgov.org>; Chung, Lauren (BOS)

<a href="mailto:slauren.l.chung@sfgov.org">sfgov.org</a>; Buckley, Jeff (BOS) <a href="mailto:slauren.l.chung@sfgov.org">jeff.buckley@sfgov.org</a>; Angulo, Sunny (BOS)

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<adam.thongsavat@sfgov.org>; Tam, Madison (BOS) <madison.r.tam@sfgov.org>; Dahl, Bryan (BOS)

<bryan.dahl@sfgov.org>

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



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# **Introduction Form**

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

I haral	by cubr	nit the following item for introduction (select only one):		
	•			
	1.	For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)		
	2.	Request for next printed agenda (For Adoption Without Committee Reference) (Routine, non-controversial and/or commendatory matters only)		
	3.	Request for Hearing on a subject matter at Committee		
	4.	Request for Letter beginning with "Supervisor inquires"		
	5.	City Attorney Request		
	6.	Call File No. from Committee.		
	7.	Budget and Legislative Analyst Request (attached written Motion)		
	8.	Substitute Legislation File No.		
	9.	Reactivate File No.		
	10.	Topic submitted for Mayoral Appearance before the Board on		
The pi	roposed	legislation should be forwarded to the following (please check all appropriate boxes):		
•	-	nall Business Commission    Youth Commission    Ethics Commission		
	□ Pla	anning Commission   Building Inspection Commission   Human Resources Department		
Gener	al Plan	Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):		
	□ Ye	es 🗆 No		
(Note:	For Im	perative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)		
Spons	or(s):			
Subjec	et:			
Long'	Title or	text listed:		
		Signature of Sponsoring Supervisor:		