AMENDED IN SENATE APRIL 19, 2021

AMENDED IN SENATE APRIL 12, 2021

AMENDED IN SENATE APRIL 5, 2021

AMENDED IN SENATE MARCH 18, 2021

## SENATE BILL

No. 617

## **Introduced by Senator Wiener**

(Principal coauthor: Assembly Member Chiu)
(Coauthors: Senators-Becker and Becker, Newman, and Stern)
(Coauthor: Assembly Member Robert Rivas)

February 18, 2021

An act to add Section 65850.52 to the Government Code, relating to solar energy.

## LEGISLATIVE COUNSEL'S DIGEST

SB 617, as amended, Wiener. Residential solar energy systems: permitting.

Existing law requires a city or county to administratively approve applications to install solar energy systems through the issuance of a building permit or similar nondiscretionary permit. Existing law requires every city, county, or city and county, to develop a streamlined permitting process for the installation of small residential rooftop solar energy systems, as that term is defined. Existing law prescribes and limits permit fees that a city or county may charge for a residential and commercial solar energy system.

Existing law grants the Public Utilities Commission (PUC) regulatory authority over public utilities, including electrical corporations, as defined. Decisions of the PUC adopted the California Solar Initiative, which is administered by electrical corporations and subject to the

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PUC's supervision. Existing law requires the PUC and the State Energy Resources Conservation and Development Commission (Energy Commission) to undertake certain steps in implementing the California Solar Initiative. A violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Existing law specifies that the financial components of the California Solar Initiative include, among other programs, programs for the installation of solar energy systems on new construction, which collectively are known as the New Solar Homes Partnership Program. Existing law requires the program, which is administered by the Energy Commission, to be funded by charges in the amount of \$400,000,000 collected from customers of the state's 3 largest electrical corporations. If specified moneys are exhausted, existing law authorizes the PUC to require each of those electrical corporations to continue the program pursuant to guidelines established by the Energy Commission for the program until the \$400,000,000 monetary limit is reached. If the PUC requires the continuation of the program, existing law requires any funding made available to be encumbered no later than June 1, 2018, and disbursed no later than December 31, 2021. Existing law makes the provisions of the program inoperative on June 1, 2018.

This bill would require every city and county to implement an online, automated permitting platform that verifies code compliance and instantaneously issues permits for a residential photovoltaic solar energy system that is no larger than 38.4 kilowatts alternating current nameplate rating and an energy storage system paired with a residential photovoltaie solar energy system that is no larger than 38.4 kilowatts alternating current nameplate rating, as specified. The bill would require a city or county to amend a certain ordinance to authorize a residential solar energy system and an energy storage system to use the online, automated permitting platform. The bill would require a city, county, or fire department, district, or authority to provide the option of remote inspections by real-time or recorded video or photo for a residential photovoltaic solar energy system and battery storage systems paired with a residential photovoltaic solar energy system permitted under these provisions. The bill would require that the remote inspections be offered at no greater cost, and be available with no greater delay, than in-person inspections. The bill would authorize these entities to require only one of these inspections, except as specified. The bill would prescribe a compliance schedule for satisfying these requirements,

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which would exempt a county with a population of less than 150,000 and all cities within a county with a population of less than 150,000. The bill would require a city with a population of 10,001 to 50,000, inclusive, 50,000 or less that is not otherwise exempt, exempt to satisfy these requirements by September 30, 2023, while cities and counties with populations greater than 50,000, 50,000 that are not otherwise exempt, exempt would be required to satisfy the requirements by September 30, 2022. The bill would require a city, county, or a fire department, district, or authority to report to the Energy Commission when it is in compliance with specified requirements, in addition to other information. By increasing the duties of local officials, this bill would impose a state-mandated local program. The bill would prohibit the provision of specified funding sources to cities and counties not in compliance with certain provisions relating to solar energy systems and fees charged for their installation or if they are not in compliance with provisions of the bill.

The bill would authorize the Energy Commission to provide technical assistance and grant funding to cities and counties in order to support the above-described requirements. The bill would require the commission to develop grant guidelines and other requirements, as specified, by May 1, 2022, and make applications available no later than June 1, 2022. The bill would require the PUC to require the Pacific Gas and Electric Company, the Southern California Edison Company, and the San Diego Gas and Electric Company to repurpose \$20,000,000 supporting the New Solar Homes Partnership Program, as specified, to providing technical assistance and grant funding and to pay the Energy Commission's program administrative costs. costs, as specified. Because this requirement would expand the definition of a crime, this bill would impose a state-mandated local program. The bill would require the Energy Commission to set guidelines for cities and counties to report to the commission on the number of permits issued for-residential photovoltaie solar energy systems and an energy storage system paired with a solar energy system and the relevant characteristics of those systems.

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 with regard to certain mandates no reimbursement is required by this act for a specified reason.

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With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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. Section 65850.52 is added to the Government 2 Code, to read:
  - 65850.52. (a) For purposes of this section:
  - (1) "Energy Commission" means the State Energy Resources Conservation and Development Commission.
  - (2) "Energy storage system" means commercially available technology, located behind a customer's utility meter, that is capable of absorbing electricity generated from a colocated electricity generator or from the electric grid, storing it for a period of time, and thereafter discharging it to meet the energy or power needs of the host customer or for export.
  - (3) "Photovoltaic solar "Solar energy system" means any of the following: configuration of solar energy devices that collects and distributes solar energy for the purpose of generating electricity and that has a single interconnection with the electric utility transmission or distribution network.
  - (A) A solar collector or other solar energy device the primary purpose of which is to provide for the collection, storage, and distribution of solar energy for electricity generation.
    - (B) Any of the following structural design features:
  - (i) Solar racking, solar mounting, solar trackers, solar carports, solar shade structures, solar awnings, solar canopies, and solar patio covers, regardless of whether the feature is on the ground or on a structure.
  - (ii) A design feature the primary purpose of which is to provide for the collection, storage, and distribution of solar energy for electricity generation.
- 28 (iii) A photovoltaic device or technology that is integrated into 29 a building, including, but not limited to, photovoltaic windows, 30 siding, and roofing shingles or tiles.

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(4) "Residential photovoltaic solar energy system" is a photovoltaic solar energy system that is installed on a single family dwelling.

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- (4) "SolarAPP" means the most recent version of a web-based portal, developed by the National Renewable Energy Laboratory, United States Department of Energy, that automates plan review, produces code-compliant approvals, and issues permits for residential photovoltaie solar energy systems and energy storage systems paired with residential photovoltaie solar energy systems.
- (b) Pursuant to the compliance schedule in subdivision (d), a city, county, or city and county, in consultation with the local fire department, district, or authority shall implement an online, automated permitting platform, such as SolarAPP SolarAPP, that verifies code compliance and issues permits in real time to a licensed contractor for a-residential photovoltaic solar energy system that is no larger than 38.4 kilowatts alternating current nameplate rating and an energy storage system paired with a residential photovoltaic solar energy system that is no larger than 38.4 kilowatts alternating current nameplate rating, and is consistent with the system parameters and configurations, including an inspection checklist, of SolarAPP. Consistent with the same compliance schedule, a city, county, or city and county shall amend its ordinance adopted pursuant to subdivision (g) of Section 65850.5 to authorize a residential solar energy system and an energy storage system to use the online, automated permitting platform.
- (c) (1) Pursuant to the compliance schedule in subdivision (d), a city, county, city and county, or fire department, district, or authority shall provide an option for remote inspections by real-time or recorded video or photo for a residential photovoltaic solar energy system and battery storage systems paired with a residential photovoltaic solar energy permitted in accordance with subdivision (b). These inspections may be scheduled electronically via email, the online, automated permitting platform pursuant to subdivision (b), or other electronic means. Remote inspections shall be offered at no greater cost, and shall be available with no greater delay, than in-person inspections.
- (2) For a residential photovoltaic solar energy system and battery storage systems paired with a residential photovoltaic solar energy

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system permitted in accordance with subdivision (b), only one inspection shall be required, which shall be done in a timely manner 2 3 and may include a consolidated inspection, provided that a separate 4 fire safety inspection may be performed in a city, county, or city 5 and county that does not have an agreement with a local fire 6 department, district, or authority to conduct a fire safety inspection on behalf of the fire department, district, or authority. An additional in-person inspection may be required if a residential photovoltaic 8 solar energy system fails inspection or if an inspector cannot verify 10 compliance by remote means.

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- (c) (1) A county with a population of less than 150,000, and all cities within a county with a population of less than 150,000, are exempt from subdivisions (b) and (c). subdivision (b).
- (2) A city with a population of 10,001 to 50,000, inclusive, 50,000 or less that is not exempt pursuant to paragraph (1) shall satisfy the requirements of subdivisions (b) and (c) subdivision (b) no later than September 30, 2023.
- (3) A city, county, or city and county with a population of greater than 50,000 that is not exempt pursuant to paragraph (1) shall satisfy the requirements of subdivisions (b) and (c) subdivision (b) no later than September 30, 2022.

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- (d) The Energy Commission may provide technical assistance and grant funding to city, county, or city and county, in order to support the implementation of online, automated permitting for a residential photovoltaie solar energy system and an energy storage system paired with a residential photovoltaic solar energy system, the implementation of remote inspections for a residential photovoltaic solar energy system and an energy storage system paired with a residential photovoltaic solar energy system, and solar energy system and for compliance with the requirements of subdivisions (b) and (c) subdivision (b) in a timely manner.
- (1) The Energy Commission shall develop grant guidelines and other requirements in a public process by May 1, 2022, and make applications available no later than June 1, 2022.
- (2) The Energy Commission shall prioritize processing grant applications from local jurisdictions serving low-income communities, disadvantaged communities as defined by the California Communities Environmental Health Screening Tool,

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also known as CalEnviroScreen 3.0, or those containing high fire-threat districts as defined in subdivision (h) of Section 3280 of the Public Utilities Code.

(3) The Public Utilities Commission shall require Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas and Electric Company to repurpose twenty million dollars (\$20,000,000) of funds supporting the New Solar Homes Partnership Program, pursuant to paragraph (3) of subdivision (e) of Section 2851 of the Public Utilities Code, for providing *the* technical assistance and grant funding *described in this subdivision* and to provide for the Energy Commission's costs to administer the program. Notwithstanding subparagraph (B) of paragraph (3) of subdivision (e) of Section 2851 of the Public Utilities Code, these funds may be disbursed after December 31, 2021.

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(e) A city, county, city and county, or a fire department, district, or authority shall report to the Energy Commission when it is in compliance with subdivisions (b) and (c). subdivision (b).

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(f) The Energy Commission shall set guidelines for cities and counties to report to the commission on the number of permits issued for residential photovoltaic solar energy systems and an energy storage system paired with a solar energy system and the relevant characteristics of those systems. A city, county, or city and county shall report annually to the Energy Commission pursuant to those guidelines within a year of implementing the automated solar permitting system pursuant to subdivision (b).

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- (g) (1) A city, county, or city and county that is not in compliance with Section 65850.5 or 66015 is not eligible to receive the funding available pursuant to subdivision (e). A city, county, or city and county shall self-certify its compliance with Section 65850.5 or 66015 when applying for funds from a state-sponsored or state-administered grant or loan program.
- (2) A city, county, or city and county that is not in compliance with subdivisions (b) and (c) subdivision (b) is not eligible to receive funds from a state-sponsored or state-administered solar or energy storage grant or loan program, other than the funding available in subdivision (e). A city, county, or city and county shall certify its compliance with the requirements of subdivisions (b)

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1 and (e) subdivision (b) when applying for funds from a 2 state-sponsored or state-administered grant or loan program.

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(h) Nothing in this section shall be construed to limit or otherwise affect the generator interconnection requirements and approval process for a local publicly owned electric utility, as defined in Section 224.3 of the Public Utilities Code.

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- (i) Nothing in this section shall be construed to increase or otherwise affect the liability of a local agency pertaining to a solar energy system or an energy storage system paired with a solar energy system installed pursuant to this section.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.
- However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.