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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair  
2019 - 2020 Regular Session

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### SB 862 (Dodd) - Planned power outage: public safety

**Version:** May 20, 2020

**Urgency:** No

**Hearing Date:** June 9, 2020

**Policy Vote:** E., U., & C. 12 - 0

**Mandate:** Yes

**Consultant:** Ashley Ames

**Bill Summary:** This bill would (1) add planned deenergization events within the conditions that constitute a state of emergency; (2) recast and add new requirements of electrical corporations regarding protocols for these events; and (3) expand wildfire mitigation plan protocols for deenergization to address the needs of Access & Functional Needs (AFN) individuals.

#### **Fiscal Impact:**

- Unknown but significant ongoing costs to the state as an energy utility ratepayer, likely in the tens or hundreds of thousands of dollars annually (General Fund and special funds) due to potential increases in electricity rates as a result of this bill.
- Unknown but significant cost pressure for the state to reimburse local governments for certain expenses incurred during states of emergency related to Public Safety Power Shutoff (PSPS) events.

#### **Background:**

*Public safety power shutoffs (PSPS).* Generally, electric utilities attempt to maintain power and ensure continued reliability of the flow of power. However, as recent catastrophic fires have demonstrated, the risk of fire caused by electric utility infrastructure can pose a great risk, perhaps greater than the risks of turning off the power to certain circuits. As a safety consideration, electric utilities have the ability and authority to deenergize electric lines in order to prevent harm or threats of harm.

Deenergizing electric lines can result in the loss of power to households, businesses, traffic signals, communication systems, critical facilities, water treatment facilities, emergency services and others. Therefore, efforts to deenergize electric lines must consider the potential harm of the energized lines causing a wildfire against the safety hazards associated with eliminating electricity to the areas that are served by the line(s).

*Problems during recent PSPS events.* At the end of September 2019, under high-speed Diablo wind conditions, PG&E sent PSPS notifications to a widespread region of its service territory and ultimately shut down power in roughly two events to 76,000 customers in the North Bay and Sierra Foothill areas. This was the first back-to-back power shutoff event for PG&E in the same geographic area. These power shutoffs set the stage for continued PSPS activity throughout the month of October, as there were additional multiple proactive power shutoff events throughout the month within the service territories of each of the three large electric IOUs. In some cases, especially in the PG&E territory, these events bled into each other. As a result, customers experienced extended days with loss of power, as the utility did not have enough time to

complete inspections of the deenergized electric lines before the initiation of the next PSPS event. In total, over two million California residents endured the loss of power in communities located in about 40 of the state's 58 counties. These incidents became even more challenging as wildfires in both northern California and southern California also meant some evacuations needed to be executed with a lack of reliable communication services. Additionally, customer efforts to understand what infrastructure and which locations lost power were hampered as electric IOU websites were down – including those of PG&E and SCE – due to the increased traffic to each of the utilities' websites.

*Community Resource Centers.* Community Resource Centers are temporary facilities that provide basic resources, such as restroom facilities, charging for electronic devices, water and snacks, WiFi where available, and information about the ongoing deenergization event to residents who have lost power. Community Resource Centers are generally open during daylight hours and staffed by utility employees. During the deenergization events of 2019, there were complaints that Community Resource Centers were only open for limited hours, were not located conveniently to the impacted populations they were intended to serve, and, in some cases, had limited backup power.

**Proposed Law:** This bill would:

- 1) Add a planned deenergization event, as defined, within the definition of “sudden and severe energy shortage” conditions that constitute a state of emergency and a local emergency.
- 2) Require an electrical corporation, as part of its public safety mitigation protocols, to include protocols that deal specifically with access and functional need individuals, as defined, including those individuals who are enrolled in the California Alternative Rates for Energy (CARE) program, as specified.
- 3) Require an electrical corporation to coordinate with local governments in its service territory to identify sites within those jurisdictions where community resource centers can be established and operated during a deenergization event and the level of services that will be available at those centers, as those terms are defined.
- 4) Recast those provisions to authorize the electrical corporation to deploy backup resources to a customer, including an individual with an access of functional need, as defined.

**Related Legislation:**

SB 801 (Glazer, 2020) establishes new requirements on electrical corporations regarding deployment of backup electrical resources to customers receiving medical baseline allowance, if the customer meets specified conditions, and require an electrical corporation to develop its program to provide backup electrical resources in consultation with community disability rights groups or other local disability rights advocates. The bill is scheduled to be heard in this committee on May 14, 2020.

SB 378 (Weiner, 2019) requires numerous provisions related to an electrical IOU decision to proactively shut off power, including requiring reimbursements of specified costs, specified penalties for shutting off power, and other reporting. The bill is currently awaiting to be referred to policy committee in the Assembly.

SB 167 (Dodd, Chapter 403, Statutes of 2019) required electrical corporations to include impacts on customers enrolled in specified programs as part of the protocols for deenergizing portions of their electric distribution system within their wildfire mitigation plans.

SB 532 (Dodd, Chapter 557, Statutes of 2018) added “cyberattacks” to the list of conditions that are named in the Emergency Services Act that may be cited to support the proclamation of a state of emergency or local emergency.

SB 901 (Dodd, Chapter 626, Statutes of 2018) addressed numerous issues concerning wildfire prevention, response and recovery, including funding for mutual aid, fuel reduction and forestry policies, wildfire mitigation plans by electric utilities, and cost recovery by electric corporations of wildfire-related damages.

#### **Staff Comments:**

*The state as a ratepayer.* The State of California is an electrical customer, purchasing roughly one percent of the state’s electricity. As such, the state incurs costs or savings when electricity rates rise or fall. This bill would likely result in additional costs to the state as a ratepayer due to increased electricity rates.

*Costs of Community Resource Centers.* This bill would require an IOU to coordinate with local governments to site community resource centers and ensure that they are operable 24 hours a day with backup generation for the duration of a deenergization event if a local emergency official deems that necessary. The cost to utilities to operate community resource centers is highly variable, and depends on several factors including the cost to prepare the site, the cost to secure standby generation, and activation specific costs.

SDG&E estimates that based on the number of PSPS days activated at its CRC sites in 2019 and its average costs associated with operating each of its sites, its costs would be in the hundreds of thousands of dollars annually. Staff assumes that the costs for all IOUs to operate community resource centers as proposed in this bill would likely be in the millions or low tens of millions of dollars annually. This would result in increased costs to the state as an electrical ratepayer of tens or hundreds of thousands of dollars annually.

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