SENATE COMMITTEE ON GOVERNANCE AND FINANCE

Senator Anna M. Caballero, Chair 2021 - 2022 Regular

Bill No:AB 2625Hearing Date: 6/15/22Author:TingTax Levy: NoVersion:5/5/22Fiscal: No

Consultant: Favorini-Csorba

SUBDIVISION MAP ACT: EXEMPTION: ELECTRICAL ENERGY STORAGE SYSTEM

Exempts from the Subdivision Map Act leases and easements in conjunction with the financing, erection, and sale or lease of an electrical energy storage system.

Background

Subdivision Map Act. The Subdivision Map Act governs how local officials regulate the division of real property into smaller parcels for sale, lease, or financing. Cities and counties adopt local subdivision ordinances to carry out the Map Act and local requirements. City councils and county boards of supervisors use the Map Act to control a subdivision's design and improvements. Local subdivision approvals must be consistent with city and county general plans.

Under the Subdivision Map Act, cities and counties can attach scores of conditions. The Map Act allows local officials to require, as a condition of approving a proposed subdivision, the dedication of property within a subdivision for streets, alleys, drainage, utility easements, and other public easements and improvements. Once subdividers comply with those conditions, local officials must issue final maps. For smaller subdivisions that create four or fewer parcels, local officials usually use parcel maps, but they can require tentative parcel maps followed by final parcel maps. The Map Act also constrains the dedications and improvements that local cities and counties can require as a condition of a subdivision of four or fewer lots to only the dedication of rights-of-way, easements, and the construction of reasonable offsite and onsite improvements for the parcels being created.

Over a dozen types of land divisions are exempt from the Map Act, including leases and easements for wind-powered electrical generation devices, provided that the project is subject to local discretionary approval. The Map Act also exempts leases and easements for solar electrical generation and certain biogas projects, provided that the project is subject to local discretionary approval or a local ordinance regulating design and improvement (AB 1510, Plescia, 2008).

Growth in battery energy storage. California is increasingly relying on new and emerging energy storage technologies to support electric service reliability and help achieve the state's ambitious GHG reduction goals. Energy storage technology offers opportunities for balancing intermittent increasing volume of renewable energy (such as solar and wind energy), allowing for the storage of energy during times when production is high but demand is lower and discharging during times when production from renewable resources is more limited or not

available. In particular, lithium-ion stationary energy storage development in California is accelerating rapidly. In 2019, 250 megawatts (MW) of utility-scale lithium-ion battery systems operated and participated in the state's wholesale power markets. In 2021, the total installed capacity increased to 2,647 MW. 4,316 MW is planned for operation by the end of 2022. The California Public Utilities Commission anticipates growth in total battery storage installed from about 2.6 gigawatts (GW) today to almost 15 GW in 2032. Most of this is likely to be lithium-ion batteries.

Because requiring approval of maps can cause unnecessarily delays, renewable energy advocates want the Legislature to create an exemption for energy storage projects similar to those for wind and solar generation.

Proposed Law

Assembly Bill 2625 exempts from the Map Act the leasing of, or the granting of an easement to, a parcel of land, or any portion or portions thereof, in conjunction with the financing, erection, and sale or lease of an electrical energy storage system on the land, if the project is subject to discretionary action by the advisory agency or legislative body. The bill defines energy storage system using an existing definition in the Public Utilities Code.

State Revenue Impact

No estimate.

Comments

Purpose of the bill. According to the author, "The Subdivision Map Act (SMA) regulates and controls the design of land divisions by a city or county. Current law exempts certain renewable energy devices, including wind, solar and biogas projects, from the requirements of the SMA. Despite the existing exemptions for these renewable resources, stand-alone energy storage projects are still subject to SMA requirements. AB 2625 would expand this exemption to include land uses for stand-alone energy storage devices, allowing these projects to come online in a timelier manner. In doing so, this bill aligns energy storage development projects with the existing SMA exemptions for renewable resources and ensures the state can achieve our energy reliability needs."

Assembly Actions

Assembly Local Government Committee: 8-0 Assembly Floor: 75-0

Support and Opposition (6/13/22)

Support:

Aypa Bay Wa R.e Solar Projects LLC California Energy Storage Alliance California Wind Energy Association Ess Tech INC.

Esvolta

Fluence

Independent Energy Producers Association

Qcells

Recurrent Energy, LLC

Rejoule

Rev Renewables

Strata Clean Energy

Viridity Energy Solutions

Opposition: None submitted.