### SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

#### **UNFINISHED BUSINESS**

Bill No: SB 52

Author: Dodd (D), et al.

Amended: 8/26/21

Vote: 21

SENATE GOVERNMENTAL ORG. COMMITTEE: 13-0, 3/9/21

AYES: Dodd, Nielsen, Allen, Archuleta, Borgeas, Bradford, Glazer, Hueso, Jones,

Melendez, Portantino, Rubio, Wilk NO VOTE RECORDED: Becker

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 36-0, 4/29/21

AYES: Allen, Archuleta, Atkins, Bates, Becker, Borgeas, Bradford, Caballero, Cortese, Dahle, Dodd, Durazo, Eggman, Glazer, Gonzalez, Grove, Hueso, Hurtado, Jones, Kamlager, Laird, Leyva, McGuire, Min, Newman, Nielsen, Ochoa Bogh, Pan, Portantino, Roth, Rubio, Skinner, Umberg, Wieckowski, Wiener, Wilk

NO VOTE RECORDED: Hertzberg, Limón, Melendez, Stern

ASSEMBLY FLOOR: 75-0, 8/30/21 - See last page for vote

**SUBJECT:** State of emergency: local emergency: sudden and severe energy

shortage: planned power outage

**SOURCE:** Author

**DIGEST:** This bill defines a "deenergization event" as a planned power outage, as specified, and includes a deenergization event in the list of conditions constituting a local emergency, with prescribed limitations.

Assembly Amendments include chaptering out language to avoid a conflict with AB 1403 (Levine), and technical changes.

### **ANALYSIS:**

## Existing law:

- 1) Establishes the California Office of Emergency Services (OES) within the office of the Governor and makes OES responsible for the state's emergency and disaster response services for natural, technological, or manmade disasters and emergencies.
- 2) Authorizes the Governor to proclaim a state of emergency and local officials and local governments to proclaim a local emergency, when specified conditions of disaster or extreme peril to the safety of persons and property exist, and authorizes the Governor or the appropriate local government to exercise certain powers in response to that emergency.
- 3) Defines "state of emergency" and "local emergency" to mean a duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property within the state or territorial limits of a local government caused by, among other things, a sudden and severe energy shortage.
- 4) Defines "sudden and severe energy shortage" to mean a rapid, unforeseen shortage of energy, resulting from, but not limited to, events such as an embargo, sabotage, or natural disasters, and which has statewide, regional, or local impact.

### This bill:

- 1) Defines "deenergization event" to mean a planned power outage, undertaken by an electrical corporation, as defined, to reduce the risk of wildfires caused by utility equipment, as specified. A deenergization event begins when an electrical corporation provides notice to any state agency or political subdivision of the potential need to initiate a planned deenergization of the electrical grid, and ends when the electrical corporation restores electrical services to all deenergized customers, or when as the electrical corporation cancels the deenergization event for some or all of its affected customers, and rescinds the notice of the potential need to initiate the deenergization event. A deenergization event does not include any planned outages in connection with regular utility work.
- 2) Adds a deenergization event to the list of conditions constituting a local emergency.

- 3) Specifies that a local emergency proclaimed as a result of a deenergization event does not trigger the electric utility obligations set forth by the California Public Utilities Commission (CPUC) Decision 19-07-015 or its successor decisions as related to deenergization events.
- 4) Specifies that a local emergency proclaimed as a results of a deenergization event does not alter the electric utilities' CPUC-approved cost-recovery mechanisms for their own costs associated with deenergization events.
- 5) Includes chaptering out language to avoid a conflict with AB 1403 (Levine).

#### **Comments**

Purpose of the bill. According to the author's office, "in an era of climate change and enhanced wildfire prevention, public safety power shutoffs (PSPS) have become an all too frequent event. A PSPS has very significant impacts on various activities and populations in an effected region/county, including sustaining the needs of medically vulnerable residents, and continued and uninterrupted operations of critical public services (water, wastewater, traffic control, police and fire protection, etc.). In order for public services to continue, and in order to ensure vulnerable populations are protected, counties open emergency operation centers to coordinate and oversee the maintenance of public safety health and welfare. Activation of county emergency operation centers is expensive and a drain on county funds."

Further, the author's office states that, "currently, the Emergency Services Act recognizes a loss of electrical power as an emergency, but limits that definition of a loss of power to a sudden, unplanned event. Given the fact that a loss of power pursuant to a PSPS is planned, it is necessary to broaden the definition of a loss of power in the Emergency Services Act. In this manner, counties will be able to seek reimbursement for the costs incurred by running the emergency operation centers."

California Emergency Services Act. The California Emergency Services Act (ESA) was enacted in 1970, and established OES within the Governor's Office. Under the ESA, OES is charged with coordinating statewide emergency preparedness; post emergency recovery and mitigation efforts; and the development, review, approval, and integration of emergency plans.

The ESA gives the Governor authority to proclaim a state of emergency in an area affected or likely to be affected when: (1) conditions of disaster or extreme peril exist; (2) the Governor is requested to do so upon request from a designated local

government official; or (3) the Governor finds that local authority is inadequate to cope with the emergency. Local governments may also issue local emergency proclamations, which is a prerequisite for requesting the Governor's Proclamation of a State of Emergency.

Specifically, the ESA defines a "local emergency" as the duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property within the territorial limits of a county, city and county, or city, caused by conditions such as air pollution, fire, flood, storm, epidemic, riot, drought, cyberterrorism, sudden and severe energy shortage, plant or animal infestation or disease, the Governor's warning of an earthquake or volcanic prediction, or an earthquake, or other conditions, other than conditions resulting from a labor controversy, which are likely to be beyond the control of the services, personnel, equipment, and facilities of that political subdivision and require the combined forces of other political subdivisions to combat, or with respect to regulated energy utilities, a sudden and severe energy shortage that requires extraordinary measures beyond the authority vested in the CPUC.

California wildfire and electric utility infrastructure. Electrical equipment, including downed power lines, arcing, and conductor contact with trees and grass, can act as an ignition source. Risks for wildfires also increased in recent years with the extended drought and bark beetle infestation that has increased tree mortalities and, as a result, increased the fuel, and risk for wildfires. In recent years, California has experienced a number of catastrophic wildfires, including several that ignited by electrical utility infrastructure, including the 2007 Witch Fire in San Diego County, the 2015 Butte Fire, several of the 2017 fires that ravaged the state, and the brutally deadly Camp Fire in 2018. The current top six largest California wildfires have all occurred within the last two and a half years and their causes remain under investigation.

Deenergizing electric lines. 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, commonly referred to as PSPS. However, 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 served by the line(s).

Recent history with PSPS. Although there is some history with PSPSs, their use as a tool to prevent sparking fires is a more recent development that has expanded and grown in-use due to California's recent experience with catastrophic wildfires ignited by utility infrastructure. The practice began by San Diego Gas & Electric (SDG&E) after several electric utility infrastructure ignited catastrophic fires in 2007. Proactive power shutoffs were one of the many measures SDG&E implemented to reduce the risk of fire ignited by its infrastructure.

PSPS in September and October 2019. At the end of September 2019, under high-speed Diablo wind conditions, Pacific Gas & Electric (PG&E) sent PSPS notifications to a widespread region of its service territory and ultimately shutdown power 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 investor owned utilities (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.

Declaring an emergency. This bill specifies that a PSPS by an IOU would be considered a qualifying condition to declare a local emergency. The deenergization events in the fall of 2019 proved to be an extraordinary burden on local and state governments who were forced to scramble with their own resources to respond to the events. By allowing proactive power shutoffs to be an eligible condition to declare a local emergency, local governments could benefit by allowing them to recoup costs that they might bear during these events. These costs could be substantial. However, there is hope that the events of last fall will not be repeated. Nonetheless, local governments are valid in their concerns that local and state government resources could be impacted, once again, in future events.

*CPUC Decision 19-07-015*. In 2019, the CPUC adopted an emergency disaster relief program for electric, natural gas, water, and sewer utility customers under the CPUC's jurisdiction. The emergency disaster relief program is designed to ensure

that California utility customers who experience a housing or financial crisis due to a disaster, keep vital utility services and receive financial support in the wake of a disaster. The emergency disaster relief program is implemented upon a Governor of California's state of emergency declaration or a Presidential State of Emergency declaration, when a disaster has either resulted in the loss or disruption of the delivery or receipt of utility service and/or resulted in the degradation of the quality of utility service. The mandated customer protections remain in effect from the date of the Governor's state of emergency declaration or a Presidential state of emergency declaration, and conclude no sooner than 12 months from the date of the original emergency declaration, or as appropriately determined by OES.

# Related/Prior Legislation

AB 1403 (Levine, 2021) includes a "deenergization event," as defined as a planned power outage, within those conditions constituting a state of emergency and local emergency. (Pending on the Senate Floor)

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

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

**SUPPORT:** (Verified 8/31/21)

California Association of Public Authorities for IHSS

California Fire Chiefs Association

California Foundation for Independent Living

City of Cupertino

City of Thousand Oaks

City of Tustin

Disability Rights California

East Bay Community Energy

El Dorado Irrigation District

Elsinore Valley Municipal Water District

Fire Districts Association of California

League of California Cities

Napa County Board of Supervisors

Rural County Representatives of California

San Diego Gas & Electric

Solano County Water Agency

State Council on Developmental Disabilities

**OPPOSITION:** (Verified 8/31/21)

None received

ARGUMENTS IN SUPPORT: The Napa County Board of Supervisors writes in support of this bill stating that, "[w]hile the intent of a PSPS is to limit the threat of wildfires during specific weather conditions, these events trigger many activities required by local agencies to protect public health and safety for the duration of the event. These activities are coordinated through and by local Emergency Operation Centers (EOCs). Often, the local EOC is activated as soon as a utility company issues a notice of possible PSPS, and remains active until power is restored and/or the notice is rescinded. EOCs are expensive to operate. Current law allows local agencies to recover some costs if the emergency is covered by the ESA. However, it is unclear whether an EOC activation caused by a PSPS announcement is covered by the ESA. SB 52 will make that clear."

ASSEMBLY FLOOR: 75-0, 8/30/21

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bloom, Boerner Horvath, Bryan, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Davies, Flora, Fong, Frazier, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Maienschein, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon

NO VOTE RECORDED: Bigelow, Lorena Gonzalez, Mathis, Nguyen

Prepared by: Brian Duke / G.O. / (916) 651-1530 8/31/21 16:39:08

\*\*\*\* END \*\*\*\*