

**Introduced by Senators Wiener and Nielsen  
(Coauthor: Senator Stone)**

(Coauthors: Assembly Members Bloom, Friedman, Gallagher, and  
Robert Rivas)

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An act to add Sections 913.14, 2817, and 2829.5 to the Public Utilities Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

SB 288, as introduced, Wiener. Electricity: self-generation and storage.

Existing law requires electrical corporations and local publicly owned electric utilities, among others, to develop, and make available to eligible customer-generators, standard contracts or tariffs for net energy metering if the total generation capacity used by eligible customer-generators exceeds 5% of those utilities' aggregate customer peak demand. Existing law requires the Public Utilities Commission (PUC) to develop a standard contract or tariff which may include net energy metering, for eligible customer-generators with a renewable electrical generation facility that are customers of a large electrical corporation, as defined, to be offered to eligible customer-generators beginning January 1, 2017, or prior to that date if ordered to do so by the PUC because the customer-generator has reached the 5% limit.

This bill would, by January 1, 2021, require the PUC and the governing board of each local publicly owned electric utility to, among other things, create one or more tariffs that offer fair compensation for customer-sited energy storage systems that export electricity to the electrical grid and to consider one or more tariffs for customer-sited energy storage and renewable energy systems to support grid reliability

and community resiliency in the event of emergencies or grid outages. The bill would require the PUC to collaborate with the Independent System Operator to modify existing tariffs to remove barriers to the participation of customer-sited energy resources in programs intended to provide energy, capacity, and ancillary services for the bulk power system. The bill would require the PUC and the governing board of each local publicly owned electric utility to ensure that customers with onsite renewable energy or energy storage systems can take certain related actions and are not subject to discriminatory fees or charges. By imposing additional duties on local publicly owned electric utilities, this bill would impose a state-mandated local program.

This bill would require the PUC and State Energy Resources Conservation and Development Commission (Energy Commission) to establish for the electrical corporations and local publicly owned electric utilities, respectively, a streamlined and standardized process for reviewing by those utilities' interconnection requests for customers seeking to install solar energy and energy storage devices on the customer side of the meter to minimize uncertainty and the time and cost of the review, as specified.

This bill would require the PUC and the Energy Commission, by June 1, 2020, and June 1 of each year thereafter, to submit a report to the Legislature on information regarding the interconnection of renewable energy and energy storage systems by the electrical corporations and the local publicly owned electric utilities, respectively, for purposes of evaluating the performance of those utilities in reviewing interconnection requests.

Under existing law, a violation of any rule, order, decision, or direction of the commission is a crime.

Because a violation of an order by the commission implementing the above requirements 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 specified reasons.

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. The Legislature finds and declares all of the  
2 following:

3 (a) All California residents, businesses, nonprofits, and  
4 government entities have the fundamental right to generate and  
5 store renewable energy and to reduce and shape their use of  
6 electricity obtained from the electrical grid, whether their facilities  
7 are off-grid or interconnected to the grid.

8 (b) These fundamental rights to self-generation and storage  
9 extend to all California consumers regardless of income level,  
10 geography, or property type.

11 (c) Residential customers have a right to consumer protections  
12 that ensure adequate transparency in sales and contracts for  
13 renewable energy and storage installations and services.

14 (d) Customer-sited solar and energy storage systems will play  
15 an essential role in helping the state to meet its greenhouse gases  
16 emissions and other environmental goals.

17 (e) Customer-sited solar and energy storage systems are valuable  
18 assets for managing the electrical grid efficiently and improving  
19 the reliability and resiliency of the grid.

20 (f) Removing barriers to the installation of customer-sited energy  
21 resources will help reduce costs and facilitate the deployment of  
22 these resources.

23 (g) The time required for utility review and approval of  
24 interconnection applications and the lack of transparency in  
25 interconnection costs has impeded customer adoption of solar and  
26 energy storage systems.

27 (h) Developing market mechanisms for energy and other services  
28 supplied by customer-sited energy resources can facilitate the  
29 adoption and deployment of renewable energy and energy storage  
30 technologies that will provide greater local reliability and resiliency  
31 benefits throughout the year, including during emergency  
32 conditions.

33 SEC. 2. Section 913.14 is added to the Public Utilities Code,  
34 to read:

35 913.14. (a) (1) On or before June 1, 2020, and on or before  
36 June 1 of each year thereafter, the commission shall submit an  
37 annual report evaluating electrical corporations' performance of  
38 interconnection review to the Legislature containing data of

1 electrical corporations, compiled by year of initial interconnection  
2 request and segregated by market segment and technology type,  
3 for customer-sited electrical resources, including energy storage  
4 systems proposed for interconnection with the electrical grid and  
5 other information that the commission may require.

6 (2) On or before June 1, 2020, and on or before June 1 of each  
7 year thereafter, the Energy Commission shall submit a report  
8 evaluating local publicly owned electric utilities' performance of  
9 interconnection review to the Legislature containing data of local  
10 publicly owned electric utilities, compiled by year of initial  
11 interconnection request and segregated by market segment and  
12 technology type, for customer-sited electrical resources, including  
13 energy storage systems proposed for interconnection with the  
14 electrical grid and other information that the Energy Commission  
15 may require.

16 (b) The reports required pursuant to this section shall include  
17 all of the following information:

18 (1) The amount of time that the electrical corporations or local  
19 publicly owned electric utilities have taken to complete each step  
20 in the review of interconnection requests.

21 (2) The number of interconnection requests initially received  
22 and the number of interconnection requests deemed complete.

23 (3) The amount of fees charged for processing the  
24 interconnection requests and the basis for those fees.

25 (4) A summary of challenges in reducing the amount of time  
26 for interconnection review and improvements to the interconnection  
27 review process that occurred in the previous year.

28 (c) The reports required pursuant to this section shall be  
29 submitted in compliance with Section 9795 of the Government  
30 Code.

31 SEC. 3. Section 2817 is added to the Public Utilities Code, to  
32 read:

33 2817. (a) (1) The commission shall establish a streamlined  
34 and standardized process for electrical corporations' review of  
35 interconnection requests for customers seeking to install solar  
36 energy and energy storage devices on the customer side of the  
37 point of interconnection to minimize uncertainty and the amount  
38 of time and cost of the review while maintaining electric system  
39 safety and reliability.

1 (2) The Energy Commission shall establish a streamlined and  
2 standardized process for local publicly owned electric utilities’  
3 review of interconnection requests for customers seeking to install  
4 solar energy and energy storage devices on the customer side of  
5 the point of interconnection to minimize uncertainty and the  
6 amount of time and cost of the review while maintaining electric  
7 system safety and reliability.

8 (b) In establishing the streamlined and standardized  
9 interconnection review processes pursuant to subdivision (a), the  
10 commission and the Energy Commission shall ensure that those  
11 processes reflect, at a minimum, all of the following principles:

12 (1) Minimization of the interconnection fees and timelines for  
13 processing and reviewing interconnection applications.

14 (2) Provision of certainty and transparency in interconnection  
15 review timelines, fees, distribution upgrade costs, project status,  
16 engineering analysis, and billing.

17 (3) Maintenance of a clear, efficient, and accessible process for  
18 resolving disputes.

19 (4) Recognition that equipment or systems certified to national  
20 standards will perform as certified.

21 (5) Keeping interconnection rules updated to adapt to changing  
22 circumstances and technological advances.

23 SEC. 4. Section 2829.5 is added to the Public Utilities Code,  
24 to read:

25 2829.5. (a) By January 1, 2021, the commission shall do all  
26 of the following:

27 (1) Create one or more tariffs that offer fair compensation for  
28 customer-sited energy storage systems that export electricity to  
29 the electrical grid.

30 (2) Consider one or more tariffs for customer-sited energy  
31 storage and renewable energy systems to support grid reliability  
32 and community resiliency in the event of emergencies or grid  
33 outages.

34 (3) Modify existing tariffs, interconnection rules, and programs  
35 to remove barriers to the participation of customer-sited energy  
36 resources intended to provide energy, capacity, and ancillary  
37 services. These barriers include, but are not limited to, prohibitions  
38 on exports for energy storage systems in commission  
39 interconnection rules and the lack of clear and consistent guidelines

1 on quantifying the incremental capacity of customer-sited energy  
2 resources.

3 (4) Collaborate with the Independent System Operator to modify  
4 existing tariffs to remove barriers to the participation of  
5 customer-sited energy resources in programs intended to provide  
6 energy, capacity, and ancillary services for the bulk power system.  
7 These barriers include, but are not limited to, prohibiting or  
8 disallowing any credit for discharges to the electric grid from solar  
9 energy and energy storage systems during demand response events.

10 (b) By January 1, 2021, the governing board of each local  
11 publicly owned electric utility shall perform those actions specified  
12 in paragraphs (1) to (3), inclusive, of subdivision (a).

13 (c) The commission and the governing board of each local  
14 publicly owned electric utility shall ensure all of the following:

15 (1) Customers with onsite renewable energy or energy storage  
16 systems can generate and store renewable energy for onsite  
17 consumption.

18 (2) Customers with onsite renewable energy or energy storage  
19 systems can interconnect to the electric grid in a timely and  
20 cost-effective manner if the system is in accordance with  
21 requirements established by the commission or the local publicly  
22 owned electric utility, as applicable, to ensure reliable grid  
23 operation and the safety of utility workers, and if the systems meet  
24 all applicable state and local safety and electrical code  
25 requirements.

26 (3) Customers with onsite renewable energy or energy storage  
27 systems are not subject to discriminatory fees or charges levied as  
28 a result of installing and using onsite renewable energy or energy  
29 storage systems.

30 SEC. 5. No reimbursement is required by this act pursuant to  
31 Section 6 of Article XIII B of the California Constitution because  
32 a local agency or school district has the authority to levy service  
33 charges, fees, or assessments sufficient to pay for the program or  
34 level of service mandated by this act or because costs that may be  
35 incurred by a local agency or school district will be incurred  
36 because this act creates a new crime or infraction, eliminates a  
37 crime or infraction, or changes the penalty for a crime or infraction,  
38 within the meaning of Section 17556 of the Government Code, or

- 1 changes the definition of a crime within the meaning of Section 6
- 2 of Article XIII B of the California Constitution.

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