

Date of Hearing: July 12, 2023

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Eduardo Garcia, Chair

SB 420 (Becker) – As Amended June 30, 2023

SENATE VOTE: 40-0

SUBJECT: Electricity: electrical transmission facility projects

SUMMARY: Removes the requirement on new electrical transmission facility projects less than 138 kilovolts (kV) proposed by the state’s six largest investor-owned utilities (IOUs)¹ from a determination of need from the California Public Utilities Commission (CPUC) before construction. These new projects must either be located on previously disturbed land, located in an urbanized area, or be part of a project that has undergone a California Environmental Quality Act (CEQA) review. Excludes from eligibility projects that are located in wetlands, any unremediated hazardous waste site, or critical habit, as specified

EXISTING LAW:

- 1) Vests the CPUC with regulatory authority over public utilities, including electrical corporations. (California Constitution, Article XII)
- 2) Requires the CPUC to certify the public convenience and necessity require a transmission line over 200 kilovolts (kV) before an investor-owned utility (IOU) may begin construction (Certificate of Public Convenience and Necessity, or CPCN). The CPCN process includes CEQA review of the proposed project. The CPCN confers eminent domain authority for construction of the project. A CPCN is not required for the extension, expansion, upgrade, or other modification of an existing electrical transmission facility, including transmission lines and substations. (Public Utilities Code § 1001)
- 3) IOU electrical power line projects between 50-200 kV require a discretionary permit to construct (PTC) from the CPUC, but may be exempt from CEQA pursuant to CPUC orders and existing provisions of CEQA. IOU electrical distribution line projects under 50 kV do not require a CPCN or PTC from the CPUC, nor discretionary approval from local governments, and therefore are not subject to CEQA. (General Order (GO) 131-D)
- 4) Requires the CPUC, by January 1, 2024, to update GO 131-D to authorize IOUs to use the PTC process or claim an exemption under GO 131-D Section III(B) to seek approval to construct an extension, expansion, upgrade, or other modification to its existing electrical transmission facilities, including electric transmission lines and substations within existing transmission easements, rights of way, or franchise agreements,

¹ Pacific Gas and Electric, Southern California Edison, San Diego Gas and Electric, PacifiCorp, Bear Valley Electric Service, and Liberty Utilities.

irrespective of whether the electrical transmission facility is above 200 kV. (Public Utilities Code § 564)

- 5) Requires, under the Public Utilities Act, the CPUC to identify a diverse and balanced portfolio of resources needed to ensure a reliable electricity supply that provides optimal integration of renewable energy in a cost-effective manner. (Public Utilities Code § 454.51)
- 6) Requires, pursuant to CEQA, lead agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR) for this action, unless the project is exempt from CEQA. CEQA includes several statutory exemptions, as well as categorical exemptions in the CEQA guidelines. (Public Resources Code §§ 21000, et seq.)
- 7) Defines “project” as an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, including an activity that involves the issuance of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies. (Public Resources Code § 21065)
- 8) For such projects subject to state agency review, requires the lead state agency to establish time limits that do not exceed one year for completing and certifying EIRs and 180 days for completing and adopting negative declarations. Requires these time limits to be measured from the date on which an application is received and accepted as complete by the state agency. (Public Resources Code § 21000.2)
- 9) Requires the CEQA Guidelines to include a list of classes of projects that have been determined by the Secretary of the Natural Resources Agency to not have a significant effect on the environment and that shall be exempt from CEQA. (Public Resources Code § 21084) The list of "categorical exemptions" includes:
 - a. Repair and maintenance of existing public or private facilities, involving negligible or no expansion of use, including existing facilities of both investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services. (Guidelines 15301)
 - b. Replacement or reconstruction of existing facilities on the same site with the same purpose and capacity, including existing utility systems and/or facilities involving negligible or no expansion of capacity. (Guidelines 15302)
 - c. New construction or conversion of small structures, including electrical, gas, and other utility extensions of reasonable length to serve such construction. (Guidelines 15303)

10) Establishes the Jobs and Economic Improvement Through Environmental Leadership Act of 2011, later extended by SB 7 (Atkins, Chapter 19, Statutes of 2021). The Act establishes CEQA administrative and judicial review procedures for an "environmental leadership development project" (ELDP). Under SB 7, the Governor has until January 1, 2024, to certify a project and the Act will be repealed by its own provisions on January 1, 2026. (Public Resources Code § 21178 et seq.)

FISCAL EFFECT: Unknown. This bill has been amended to remove all provisions reviewed by the Senate Committee on Appropriations. It is keyed fiscal and will be referred to the Assembly Committee on Appropriations for its review.

BACKGROUND: [for a comprehensive background, please review the background document prepared by this committee for our June 14th, 2023, hearing *Building Transmission for a Clean Energy Transition*.]

Transmission Needs and Urgent Actions – California has ambitious clean energy goals: 100% renewable and zero-carbon energy-producing resources by December 31, 2045. For state agencies that mandate is accelerated by a decade, to December 31, 2035.² The state has had some success in this effort, though, arguably, the greatest challenges (and costs) lie ahead. Meeting these targets requires rapid actions to shift every sector of California’s economy away from fossil fuels which coincides with the need to decarbonize our electrical grid. In March 2021, the California Energy Commission (CEC), the CPUC, and CARB released the SB 100 report, to determine how best to implement the 100% Clean Energy Policy, and found that in order to meet our goals, California will need to roughly triple its current electricity power capacity.³ The report has also found 6 gigawatts (GW) of new solar, wind, and battery storage resources were needed annually, roughly triple the build rate for solar and wind and an eightfold increase for battery storage.⁴

In early 2022, the California Independent System Operator (CAISO) published a study outside their normal transmission planning cycle to explore the longer-term grid requirements and options for meeting the State’s 100% Clean Energy Policy reliably and cost-effectively.⁵ The CAISO embarked on this study to evaluate what transmission needs would be necessary to meet new resource development as required under SB 100 and the increase in demand from electrification of transportation and other industries. The CAISO noted the projected “transmission needs will range from high-voltage lines that traverse significant distances to access out-of-state resources, as well as major generation pockets, including offshore wind and geothermal resources located inside the state. Given the lead times needed for these facilities primarily due to right-of-way acquisition and environmental permitting requirements, the CAISO

² Public Utilities Code § 454.53

³ Pg. 10, CEC, CPUC, & CARB; “Achieving 100% Clean Electricity in California,” *2021 SB 100 Joint Agency Report Summary: An Initial Assessment*, March 2021.

⁴ Pg. 11, *Ibid*.

⁵ CAISO *20-Year Transmission Outlook*, January 31, 2022; <http://www.caiso.com/InitiativeDocuments/Draft20-YearTransmissionOutlook.pdf>

has found that the longer-term blueprint is essential to chart the transmission planning horizon beyond the conventional 10-year timeframe,”⁶ as used in the annual transmission plans. The CAISO collaborated with the CEC and CPUC on the analysis. The resulting plan estimated over \$30 billion in cost would be needed to meet our 2045 clean energy goals; \$10.7 billion for upgrades to existing infrastructure, \$8.1 billion for offshore wind integration, and \$11.6 billion for out-of-state wind integration.⁷ The CAISO noted the *20-Year Outlook* would provide a baseline to guide long-term planning, but cautioned that resource planning and procurement will likely differ over the years relative to the assumptions made in the report.

The CAISO’s most recent transmission planning process (TPP) was released in May 2023, and reflects a more coordinated and strategic approach in studying and recommending new infrastructure as stipulated in a recent joint-entity Memorandum of Understanding between the CAISO, CPUC, and CEC.⁸ The 2022-20233 TPP is centered on state projections that call for more than 40 GW of new resources in the next decade and a study projections of 70 GW by 2032.⁹ This evaluation reflects the potential of increased electrification occurring notably in the building and transportation sectors.¹⁰ To meet this target requires 45 new transmission projects for a total infrastructure investment of about \$7.3 billion with a vast majority of them being located in California.¹¹ Almost half of the identified projects were selected to achieve a state policy objective; a departure from past TPPs.¹²

The Transmission Permitting Process – Usually, utilities proposing the construction of new transmissions facilities are required to obtain approval from the CPUC for construction of certain specified infrastructure, pursuant to Public Utilities Code §1001. The CPUC reviews permit applications under two concurrent processes:

- 1) An environmental review of applicable projects pursuant to CEQA and CPUC environmental rules. However, some projects may trigger a federal National Environmental Policy Act (NEPA; the federal equivalent of CEQA) review if

⁶ Pg. 1, *Ibid.*

⁷ Pg. 3, *Ibid.*

⁸ ²⁸California ISO; “Memorandum of Understanding between the California Public Utilities Commission (CPUC), the California Energy Commission (CEC) and the California Independent System Operator (ISO) regarding Transmission and Resource Planning and Implementation,”

<http://www.caiso.com/planning/Pages/TransmissionPlanning/Default.aspx>, December 2022

⁹ Via CAISO 2022-2023 Transmission Plan. In planning for the new resources required to meet system-wide resource needs, CPUC portfolios also took into account the announced retirements of approximately 3700 MW of gas-fired generation to comply with state requirements for thermal generation relying on coastal water for once-through cooling, and the planned retirement of the Diablo Canyon Power Plant. The ISO is not relying on the gas fired generation or Diablo Canyon Power Plant to meet any local capacity or grid support purposes beyond the planned retirement dates. However, the ISO must continue to ensure that they are reliably interconnected and can continue to operate through any potential extension period, so the resources are modeled in the ISO’s studies for those purposes only.

¹⁰ Pg. 2, CAISO; “2022-2023 Transmission Plan,” May 2023.

¹¹ Pg. 3, *Ibid.*

¹² Pg. 19, *Ibid.*

they cross federal land or use federal funds.

- 2) The review of project needs and costs according to Public Utilities Code §1001 and General Order (GO) 131-D, also known as a Certificate of Public Convenience and Necessity (CPCN), or—depending on project size—a Permit to Construct (PTC).

CEQA provides a process for evaluating the environmental effects of applicable projects undertaken or approved by public agencies. There are three general buckets of CEQA-eligible projects:

- Exempted from CEQA – projects that either have a categorical exemption (projects that belong to a category that have been found by the Secretary of Natural Resources to not have a significant effect on the environment are exempt from CEQA) or a statutory exemption (projects that belong to a class that have been granted exemptions by the Legislature).
- Subject to a Negative Declaration (ND) or Mitigated Negative Declaration (MND) – a process granted to certain projects that allow a statement describing the reasons a proposed, non-exempt project will not have a significant effect on the environment (ND) or a statement describing how a project’s plans have been modified to avoid potentially significant effects on the environment that were identified in an initial review (MND).
- Subject to an EIR – a detailed statement describing and analyzing the significant environmental effects of a project and discussing ways to mitigate or avoid the effects. Of the projects for which an EIR was prepared, many may also be subject to NEPA. For projects that are subject to both CEQA and NEPA, the lead agency may file a joint document that covers both.

If a project is not exempt from CEQA, an initial study is prepared to determine whether the project may have a significant effect on the environment. If the initial study shows that there would not be a significant effect on the environment, the lead agency must prepare an ND or MND. If the initial study shows that the project may have a significant effect on the environment, the lead agency must prepare an EIR.

CEQA requires state and local lead agencies to establish time limits of one year for completing and certifying EIRs and 180 days for completing and adopting negative declarations. These limits are measured from the date on which an application is received and accepted as complete by the lead agency. Agencies may provide for a reasonable extension in the event that compelling circumstances justify additional time and the project applicant consents.

Parallel to the CEQA review, the CPUC reviews the utility’s application for a CPCN or a PTC, depending on the size of the project. The CPUC’s decision on the CPCN or PTC cannot be issued until the environmental review is complete. Most of the CPCN/PTC process is outlined in General Order (GO) 131-D.

CPUC’s GO 131-D – GO 131-D establishes the criteria to be followed to trigger the need for a permit to build or renovate electrical facilities, including transmission lines and substations, and also sets out public notice requirements for proposed transmission projects.¹³ The level of analysis performed by the CPUC pursuant to GO 131-D varies with the scale (measured in voltage) of the transmission project.

- 1) Projects below 50 kV are considered distribution projects, rather than transmission projects, and in general, do not require CPUC approval.
- 2) Projects between 50 kV and 200 kV require a PTC, which consists primarily of an environmental review pursuant to CEQA. The CPUC process generally does not require a detailed analysis of the need for or economics of these projects.
- 3) Projects over 200 kV require a CPCN and are consistently subject to complete CEQA review, including an EIR. The CPCN process analyzes the need for the project and the economics of the project, in addition to, the environmental impacts of the project covered under a concurrent CEQA review.

Only larger, high-voltage projects over 200 kV, which also require a CPCN, are consistently subject to complete CEQA review, including an EIR. According to CPUC data shown in Table 1 below, from 2012 to 2023, of a total 664 projects that required CPUC review: 608 projects were exempt from CEQA, 29 projects were approved via ND/MND, and 27 required an EIR. This represents that over 90% of IOU projects over the last decade were exempt from CEQA, not even counting the thousands of projects < 50 kV that do not require any review from the CPUC. Of the projects that had to go through a full EIR, over half of them were subject to NEPA; meaning, even if a specific project received a statutory exemption from CEQA, a federal NEPA review would still be required. These data showcase that efforts to offer CEQA streamlining impact only a small fraction of the needed transmission projects developed in California every year.

Table 1: CPUC CEQA Report¹⁴

Years	Categorical Exemption ¹⁵	Statutory Exemption	ND/MND	EIR	Joint EIR/NEPA	Total
2012-2023	602	6	29	27	14	664

¹³ Subject to Public Utilities Code § 451,701,702,761, 762,768,770, and 1001.

¹⁴ From a data request to the CPUC by this committee on March 29, 2023

¹⁵ According to the CPUC, this column represents categories for projects where the applicant utility filed at the CPUC via Advice Letter to note they were taking an exemption to a CEQA document requirement process. There are a variety of exemptions claimed, including categorical exemptions. The CPUC does not track the type of exemptions claimed per Advice Letter.

COMMENTS:

- 1) *Author’s Statement.* According to the author, “To meet California's target of 100% clean electricity by 2045, California will need to build out an unprecedented amount of new transmission and distribution capacity to connect the grid to zero emission energy generation. Unfortunately, these lines aren’t being built quickly enough to meet California’s goals. Prior to the adoption of a 1994 Public Utilities Commission decision, the construction of small-voltage transmission projects below 200 kilovolts did not require utilities to obtain a discretionary permit from the Public Utilities Commission. Today, this discretionary permit exemption is only applied to lines under 50 kilovolts. These permits are applied inconsistently to low-voltage, low-impact transmission lines and result in substantial delays, lawsuits, and project cost increases. SB 420 aims to reduce the time of transmission build-out by reverting this threshold, while still maintaining all other environmental protections provided by the state.”

- 2) *The Changing Rules to Streamline Transmission.* Infrastructure, particularly clean energy infrastructure, has been the topic *du jour* for the last several years. Much attention and legislative focus has been given to streamline or accelerate clean energy projects, such that it may be difficult to track what all has been done or what remains to do given the various policies that have been enacted. These various efforts involve either administrative acceleration (time agencies must take to act on a project application) or judicial streamlining (time to resolve litigation, normally CEQA litigation; as well as CEQA record streamlining) or both. As shown in Table 2, various transmission project types and aspects of their development have received streamlining in recent years, or are subject to further changes if this bill and other proposed legislation are adopted.

Table 2: Recent Policy Actions to Streamline Transmission Development

	Eligible Transmission Projects	Expedited Administrative Timeline	Lead CEQA Agency	CEQA Judicial Streamlining	Needs Assessment (CPCN or PTC)	Additional Project Requirements	Sunset
AB 205 ¹⁶	Transmission needed to connect specified eligible energy resources to the larger	No later than 270 days after application deemed complete	“Opt-in” Developer choice: CEC or locals (as applicable) Preserves authority of SLC, CCC,	270 days to resolve litigation, to the extent feasible. (initial filing in superior courts)	Generally no. But yes, at CPUC if an investor-owned utility (IOU)	Yes, the procedures and requirements applicable to ELDPs including mitigation of GHG emissions and	Application deadline: June 30, 2029

¹⁶ Budget Committee, Chapter 61, Statutes of 2022; Public Resources Code §§ 25545, et seq

	<p>grid.</p> <p>Not dependent on voltage.</p> <p>All: electrical corporations (IOU or 3rd party developer) and publicly owned utility (POU) projects.</p>		<p>SFBCDC, SWRCB, local water boards or air districts, or DTSC, as applicable.</p>	<p>Concurrent preparation of documents.</p> <p>Applicants pay the costs of expedited administrative and judicial review.</p>	<p>project.</p>	<p>specified labor standards.¹⁷</p>	
<p>SB 529 ¹⁸</p>	<p>Modifications to existing transmission facilities (including lines and substations)</p> <p>Not dependent on voltage.</p> <p>Only electrical corporation projects.</p>	<p>None.</p>	<p>CPUC</p>	<p>Unchanged – Challenges to CPUC CEQA are taken directly to the Courts of Appeal or the California Supreme Court,¹⁹ and receive judicial calendar preference.²⁰</p>	<p>Only PTC</p> <p><i>[Prior to passage of SB 529, projects on existing infrastructure above 200kV had to go through a CPCN]</i></p>	<p>None.</p>	<p>None.</p>
<p>SB 149 ²¹</p>	<p>Transmission that facilitates delivery of electricity from renewable energy resources, zero-carbon resources, or energy storage projects, and are:</p> <p>1) identified</p>	<p>None.</p>	<p>Unchanged – Generally for these transmission projects, the CPUC.</p> <p>Or for POU projects, the POU or local government.</p>	<p>270 days to resolve litigation, to the extent feasible. (initial filing in superior courts)</p> <p>Concurrent preparation of documents.</p> <p>Excludes certain</p>	<p>Unchanged – CPCN, PTC, or none, depending on project voltage for electrical corporation projects.</p> <p>POU projects subject to their own local</p>	<p>Yes, CAISO-identified projects cannot result in any net additional GHG emissions, including employee transportation. [POU projects are excluded from this requirement.]</p> <p>Must avoid or</p>	<p>Project certification by Governor: January 1, 2032.</p>

¹⁷ Public Resources Code §§21178-21189.3

¹⁸ Hertzberg, Chapter 357, Statutes of 2022; Public Utilities Code §1001

¹⁹ Public Utilities Code § 1756

²⁰ Public Utilities Code § 1767

²¹ Caballero, 2023

	<p>by CAISO in its annual plan; or</p> <p>2) a POU project, as specified.</p> <p>Not dependent on voltage.</p>			<p>documents from record.</p> <p>Applicants pay the costs of expedited administrative and judicial review.</p> <p>For CPUC-jurisdictional projects: challenges will still go directly to the Courts of Appeal or the California Supreme Court,²² and receive judicial calendar preference.²³</p>	<p>procedures.</p>	<p>minimize significant environmental impacts in any disadvantaged community</p>	
<p><i>Pending Legislation:</i></p>							
<p>SB 619²⁴</p>	<p>Transmission to “support the state’s efforts to achieve” SB 100 goals.</p> <p><i>As proposed to be amended – all transmission projects.</i></p> <p>Not dependent on voltage.</p> <p>All: electrical corporations (IOU or 3rd party developer)</p>	<p>If developer chooses CEC as lead: No later than 270 days after application deemed complete</p>	<p><i>“Opt-in” Developer choice: CEC or CPUC (as applicable)</i></p>	<p>If developer chooses CEC as lead:</p> <p>CPUC judicial preference is removed, but projects will be eligible for all AB 205 protections as noted above.</p>	<p>Unchanged – CPCN or PTC depending on voltage.</p> <p>CPUC would still conduct a needs assessment even if CEC is lead agency for CEQA.</p>	<p>Yes, the procedures and requirements applicable to ELDPs including mitigation of GHG emissions and specified labor standards.²⁵</p> <p><i>As proposed to be amended – must also avoid or minimize significant environmental impacts in any disadvantaged community.</i></p>	<p>Application deadline: December 31, 2039.</p> <p><i>As proposed to be amended – January 1, 2032.</i></p>

²² Public Utilities Code § 1756

²³ Public Utilities Code § 1767

²⁴ Padilla, 2023

²⁵ Public Resources Code §§21178-21189.3

	and publicly owned utility (POU) projects.						
This bill	<p>New construction <138kV</p> <p>Specific to only 6 IOUs</p> <p>Located on: previously disturbed land, an urbanized area, or part of a project that has undergone CEQA.</p> <p>Excludes certain protected locations, as specified.</p>	None.	<p>Not CPUC.</p> <p>Potential for CEQA review to then revert to other agencies, depending on project.</p> <p>[Bill does not explicitly exclude CEQA review, just excludes CPUC CEQA review.]</p>	<p>Unchanged – Challenges to CPUC CEQA are taken directly to the Courts of Appeal or the California Supreme Court,²⁶ and receive judicial calendar preference.²⁷</p>	<p>Unchanged – This bill explicitly removes the requirement for a needs assessment; however current CPUC practice does not usually subject these projects to a needs assessment.</p>	None.	None.

The impact of this recent legislation is that for most transmission projects the administrative review, lead CEQA agency, and requirement for a needs assessment remain unchanged (except for transmission work on existing transmission facilities where higher voltage projects would not be subject to a needs assessment, depending on CPUC implementation of SB 529.) The impact of this bill, should it be adopted, would be to completely remove CPUC review of new transmission projects below 138kV, as specified, proposed by the six largest IOUs in the state. The removal of CPUC review would be for both the CEQA analysis and the PTC. (Projects below 138kV are not subject to a CPCN currently; only a PTC.) However, since PTCs primarily consist of the environmental review and not a needs assessment, the impact of this bill would be to remove the CPUC’s CEQA review for these projects. Importantly, this bill’s exclusions are specific to CPUC review; it does not remove other state agency or local government authority over CEQA review for these projects.

3) *Does the Proposed Solution Solve the Problem?* This bill proposes a rewrite of Public Utilities Code § 1001, which as noted above, guides CPUC review and approval of utility

²⁶ Public Utilities Code § 1756

²⁷ Public Utilities Code § 1767

infrastructure projects, with specific detail on electrical transmission facilities. This bill proposes to remove construction of new facilities rated at or below 138kV from any CPUC environmental permitting approval. The inclusion of new facilities is limited to projects either located on previously disturbed land, located in an urbanized area, or part of a project that has undergone CEQA. The bill additionally excludes new construction projects that are located in wetlands, any unremediated hazardous waste site, or critical habit, as specified.

The author and sponsors of this measure view the removal of the CPUC review for these projects as providing a streamlined process to getting these projects constructed in the state. As noted above, the buildout of transmission infrastructure needed over the next 20 years to meet statewide clean energy goals is immense. Any delay to project development is viewed by the bill's sponsors as potentially impacting clean energy development and sidelining state climate goals.

However, it is unclear whether the proposed solution put forward by this bill—the removal of CPUC approval for these project types—will have the intended impact sought. Currently, transmission projects operating between 50-200 kV, which is the operational range for new construction projects under this measure, only require a PTC through the CPUC. The PTC process generally does not require a detailed analysis of the need for nor the economics of these projects; only an environmental review is conducted. Yet the bill does not explicitly remove the requirement that these projects undergo CEQA. Rather, the bill specifies that the CPUC will not conduct the needs assessment or CEQA, but does not expressly forbid other agencies from requiring a discretionary permit nor limit ministerial approvals at other agencies. As a result, other agencies may need to conduct a CEQA review and take the mantle as lead CEQA agency; these agencies would likely include the California Department of Fish and Wildlife, regional water quality control boards or air quality districts, the Coastal Commission or State Lands Commission, among other entities. Which agency would be the lead CEQA agency would be determined on a project-by-project basis. Moreover, as shown in Table 1, over half of the projects needing a full EIR by the CPUC also needed a NEPA. This bill would not impact those projects, as federal environmental review would still be required.

As a result, in seeking to streamline project permitting this measure may have the unintended consequence of scattering transmission project CEQA review across various agencies and local governments, who would not necessarily benefit from the expertise nor frequency of having transmission environmental reviews all occur under one agency. Further, CEQA review conducted by the CPUC is subject to streamlined judicial review where any challenges to CPUC CEQA documents are taken directly to the Courts of Appeal or the California Supreme Court,²⁸ and receive judicial calendar preference.²⁹

²⁸ Public Utilities Code § 1756

²⁹ Public Utilities Code § 1767

Challenges to CEQA review for other agencies do not receive such treatment, except for statutory exceptions for ELDPs,³⁰ thus creating potential for additional delays in the construction of transmission.

4) *Related Legislation.*

AB 914 (Friedman) establishes a two-year time limit, from the date the application is accepted as complete, for a lead state agency to complete the CEQA review and approve or deny an application for an electrical infrastructure project. Status: *pending* hearing in the Senate Committee on Energy, Utilities, and Communication after passage in the Senate Committee on Environmental Quality on July 5, 2023 on a 7-0-0 vote.

AB 1358 (Muratsuchi) directs the joint agencies—the CEC, the CPUC, and CARB—to include in the periodic report they produce with California balancing authorities on achieving the state’s clean and renewable energy goals a statewide transmission plan to facilitate the timely attainment of those goals. Status: Held in the Assembly Committee on Appropriations.

SB 149 (Caballero) revises procedures regarding CEQA administrative record and expedited administrative and judicial review procedures (i.e., requiring the courts to resolve CEQA litigation within 270 days, to the extent feasible) for environmental leadership development projects (ELDPs) for specified projects. Relevant to this bill, includes transmission projects, as defined, in the list of infrastructure projects eligible for new expedited (270 days, if feasible) judicial review procedures subject to being certified by the governor, approved by the lead agency on or before January 1, 2033, and meeting specified environmental and labor requirements. Status: In engrossing and enrolling.

SB 319 (McGuire) codifies a December 2022 memorandum of understanding between the CPUC, CEC, and CAISO regarding transmission and resource planning and implementation. Status: *set for hearing* in this committee on July 12, 2023.

SB 619 (Padilla) adds “electrical transmission projects” to the opt-in permitting process at the California Energy Commission (CEC) established by AB 205 (Budget Committee, Chapter 61, Statutes of 2022), which includes authorizing transmission permitting pursuant to the California Environmental Quality Act (CEQA) to go through the CEC rather than at the California Public Utilities Commission (CPUC) Status: *set for hearing* in this committee on July 12, 2023.

³⁰ Which, if SB 619 (Padilla, 2023) were to pass, all of the projects under this bill would receive judicial streamlining.

5) *Prior Legislation.*

AB 205 (Committee on Budget) allowed certain energy projects, including electric transmission lines between certain non-fossil fuel energy generation facilities, to become certified leadership projects under the Jobs and Economic Improvement Through Environmental Leadership Act of 2021 through a certification process through the CEC. With this certification, actions or proceedings related to the certification of an environmental impact report need to be resolved within 270 days to the extent feasible. Status: Chapter 61, Statutes of 2022

SB 529 (Hertzberg) exempted an extension, expansion, upgrade, or other modification of an existing transmission line or substations from the requirement of a CPCN and directs the CPUC to revise its general orders, by January 1, 2024, to instead use its PTC process for these approvals. Status: Chapter 357, Statutes of 2022.

SB 887 (Becker) directed, among other provisions, the CPUC, on or before January 15, 2023, to request CAISO to identify the highest priority anticipated transmission facilities that are needed to deliver renewable energy resources or zero-carbon resources. Status: Chapter 358, Statutes of 2022.

SB 7 (Atkins) extended the Jobs and Economic Improvement Through Environmental Leadership Act, specifically providing the Governor until January 1, 2024, to certify a project and the Act will be repealed by its own provisions on January 1, 2026. Status: Chapter 19, Statutes of 2021.

AB 900 (Buchanan) established the Jobs and Economic Improvement Through Environmental Leadership Act of 2011. Status: Chapter 354, Statutes of 2011.

6) *Double Referral.* This bill was heard in the Assembly Committee on Natural Resources on July 10, 2023, where it passed out on an 11-0 vote.

REGISTERED SUPPORT / OPPOSITION:

Support

350 Bay Area Action
350 Humboldt: Grass Roots Climate Action
350 Sacramento
Advanced Energy United
American Clean Power Association
American Council of Engineering Companies
Bay Area Council
Boma California
California Building Industry Association
California Building Industry Association (CBIA)
California Business Properties Association

California Business Roundtable
California Chamber of Commerce
California Construction & Industrial Materials Association
California Electric Transportation Coalition
California Environmental Voters (formerly Clcv)
California Grain & Feed Association
California Grain and Feed Association
California Manufacturers & Technology Association
California Municipal Utilities Association
California Retailers Association
California State Association of Electrical Workers
California Warehouse Association
California Wind Energy Association
Carlsbad Chamber of Commerce
Chico Chamber of Commerce
Clean Air Task Force
Clean Power Campaign
Climate Action California
Climate Reality Project - Silicon Valley Chapter
Coalition of California Utility Employees
Edison International and Affiliates, Including Southern California Edison
Elders Climate Action, Norcal and Social Chapters
Environmental Defense Fund
Family Business Association of California
Garden Grove Chamber of Commerce
Greater Bakersfield Chamber of Commerce
Greater Coachella Valley Chamber of Commerce
Greater Conejo Chamber of Commerce
Greater Conejo Valley Chamber of Commerce
Greater Escondido Chamber of Commerce
Greater High Desert Chamber of Commerce
Habor Association of Industry & Commerce
Harbor Association of Industry & Commerce
Independent Energy Producers Association
Indivisible San Jose
LA Verne Chamber of Commerce
Large Scale Solar Association
Livermore Valley Chamber of Commerce
Long Beach Area Chamber of Commerce
Move Faster
Murrieta Wildomar Chamber of Commerce
Naiop California
Oceanside Chamber of Commerce
Pacific Gas and Electric Company
Redding Chamber of Commerce
Redondo Beach Chamber of Commerce
Sacramento Municipal Utility District
San Pedro Chamber of Commerce
Silicon Valley Leadership Group

Silicon Valley Youth Climate Action
Solar Energy Industry Association
South Bay Association of Chambers of Commerce
Southern California Leadership Council
Southern California Public Power Authority (SCPPA)
The Chamber Newport Beach
The Climate Center
Torrance Area Chamber of Commerce
Torrance Chamber of Commerce
Vista Chamber of Commerce
Walnut Creek Chamber of Commerce
Waste Management
Western Growers Association

Other

Sempra Energy and Its Affiliates: San Diego Gas & Electric Company and Southern California Gas Company

Opposition

None on file.

Analysis Prepared by: Laura Shybut / U. & E. / (916) 319-2083