

# 2024 Legislative Update

## California's New Energy-Related Laws

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#### AB-107 Budget Act of 2024

- » Balances total budget of \$297.9 billion and resolved \$46.8 billion deficit. \$9 billion in General Fund (GF) cuts to climate programs with \$5.2 billion in fund shifts to Greenhouse Gas Reduction Fund (GGRF).
- » Extreme Heat and Community Resilience
  - o \$15 million GF restored and \$25.1 million shift to GGRF for Extreme Heat and Community Resilience
  - o \$75 million reduction in GF for Regional Climate Resilience
  - o \$9.8 million reduction in GF for Regional Climate Collaboratives
  - o \$15 million reduction in GF for Climate Adaptation and Resilience Planning Grants

#### AB-460 State Water Resources Control Board: water rights and usage: civil penalties

- » Requires the State Water Resources Control Board to adjust for inflation, by January 1 of each year, beginning in 2026, the amounts of civil and administrative liabilities or penalties imposed by the board or in water right actions brought at the request of the board, as specified.
- » Increases one of the specified civil penalties to \$2,500 for each day in which a violation of a cease and desist order occurs. This bill also increases the amount of civil liability violations to \$1000 for each day the violation occurs, not to exceed \$10,00 for each day and \$2,500 per acre-foot of water.

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## AB-1533 Electricity

- » Clarifies that, for purposes of the requirement for the CEC to timely incorporate firm zero-carbon resources into its biannual integrated energy policy report, "firm zero-carbon resources" are those electrical resources described above that deliver zero-carbon electricity.
- » Requires the Department of Water Resources to issue that report in consultation with the CEC and requires its written report to the Joint Legislative Budget Committee to also detail certain actions undertaken by the CEC, as specified.

» Requires the CPUC, in a proceeding evaluating the issuance of a certificate of public convenience and necessity for a proposed transmission project, to establish a rebuttable presumption with regard to need for the proposed transmission project in favor of an Independent System Operator governing board-approved need evaluation if specified requirements are satisfied.

#### AB-1819 Enhanced infrastructure financing districts: public capital facilities: wildfires

» Authorizes an enhanced infrastructure financing district that is at least partially in high or very high fire hazard severity zones designated by the State Fire Marshal, as specified, to finance heavy equipment to be used for vegetation clearance and firebreaks, fortification of utilities against wildfires, and equipment used for fire watch, prevention, and fighting.

## AB-1866 Oil and gas: idle wells

- » Eliminates the schedule of fees for idle wells, including all fees for deposit into the fund, and would instead require, on or May 1 each year, the operator of any idle well, as defined, to file a plan with the supervisor to provide for the management and elimination of all idle wells.
- » Requires operators to restore the surface of the wellpad to as near a natural state as practicable if there are no remaining unplugged wells on the wellpad, or to a condition suitable for alternative use if approved by the division.
- » Makes an operator who fails to comply with the plan subject to an additional civil penalty equivalent to the average cost to plug a well, multiplied by the number of wells that the operator failed to plug, as specified.
- » Revises the provision requiring operators to eliminate a specified percentage of long-term idle wells by making it applicable to all idle wells and by increasing the minimum percentages of idle wells that operators would be required to eliminate each year from 4% to 10%, from 5% to 15%, and from 6% to 20%, respectively.

## AB-1889 General plan: wildlife connectivity element

- » Requires a general plan to include a wildlife connectivity element, or related goals, policies, and objectives integrated in other elements, that considers the effect of development within the jurisdiction on fish, wildlife, and habitat connectivity, as specified.
- » Requires the wildlife connectivity element to, among other things, identify and analyze connectivity areas, permeability, and natural landscape areas within the jurisdiction, incorporate and analyze specified guidelines and standards, incorporate and analyze relevant information from specified sources, and incorporate and analyze relevant best available science.
- » Requires a city or county subject to these provisions to adopt or review the wildlife connectivity element, or related goals, policies, and objectives integrated in other elements, upon the adoption or next revision of one or more elements on or after January 1, 2028.

#### AB-1921 Energy: renewable electrical generation facilities: linear generators

» Would expand the definition of "renewable electrical generation facility" under the California Renewables Portfolio Standard Program to include a facility that uses linear generators, as defined, using renewable fuels and meets those other specified requirements.

#### AB-1963 Pesticides: paraquat dichloride

» Requires the Department of Pesticide Regulation, on or before January 1, 2029, to complete a reevaluation of paraquat dichloride, as provided, and make the determination to retain, cancel, or suspend its registration or to place new appropriate restrictions on the use of pesticide products containing the active ingredient paraquat dichloride.

#### AB-2086 Department of Transportation funding: report and public dashboard

- » Requires the California Transportation Commission, on or before January 1, 2026, to adopt guidelines for the department to use to determine whether the use of the funding made available to the department is advancing the Core Four priorities of safety, equity, climate action, and economic prosperity established by the Transportation Agency.
- » In developing the guidelines, would require the commission to conduct a public engagement process, hold a public comment period, and allow the interagency equity advisory committee established by these 3 agencies an opportunity to review, provide recommendations on, and evaluate potential changes to, the proposed guidelines.
- » Requires the Department of Transportation, before January 1, 2026, to submit a report to the Legislature on how it advanced the Core Four priorities with the funding that was made available to it in the preceding 5 fiscal years.
- » On or before January 1, 2027, the bill would require the department to create a public online dashboard, or enhance an existing public online dashboard, to display annual project investments using the guidelines adopted by the commission, and require the displayed annual project investments to be broken down by geography, the district of the department, and program area.

## AB-2109 Electricity: surcharge exemption: industrial process heat recovery

- » Specifies that the enhancement or increased efficiency of equipment occurring in the normal course of business includes industrial process heat recovery technology that meets prescribed requirements.
- » Prohibits non-bypassable or departing load surcharges from applying to a reduction in kilowatt-hours of electricity that an electrical corporation customer consumes from the electrical grid in a metered interval due to industrial process heat recovery technology that meets prescribed requirements.

#### AB-2196 Beaver Restoration

» Requires the Department of Fish and Wildlife to, through consultation with beaver restoration program partners, as defined, develop a program to promote beaver restoration across California, as provided.

## AB-2292 Electrical transmission facilities: certificates of public convenience & necessity

» Repeals the provision requiring the CPUC to consider cost-effective alternatives to transmission facilities, as specified, in an application for a certificate of public convenience and necessity for an electric transmission facility.

#### AB-2427 Electric vehicle charging stations: permitting: curbside charging

- » Requires the Zero-Emission Vehicle Market Development Office within GO-Biz to develop a model permitting checklist, model zoning ordinances, and best practices for permit costs and permit review timelines to help local governments permit curbside charging stations as part of the office's development of the Electric Vehicle Charging Station Permitting Guidebook or any subsequent updates.
- » Requires local agencies to, among other things, develop a model permitting checklist that includes all applicable requirements to permit the installation of electric vehicle charging stations in the public right-of-way, as defined.
- » Requires local agencies with populations of 250,000 or more to comply with these provisions by January 1, 2027, and local agencies with populations of fewer than 250,000 residents to comply with these provisions by January 1, 2029.
- » Requires the CEC to additionally assess curbside charging needs by income level, population density, multifamily housing density, renter density, and geographical area to support equitable overnight charging access and the state's 2035 electric vehicle adoption goal.

### AB-2440 30x30 goal: partnering state agencies: Department of Parks and Recreation

- » Requires the Natural Resources Agency to prioritize promoting and supporting partnering state agencies and departments, including, but not limited to, the Department of Parks and Recreation, in the acquisition and responsible stewardship of state land.
- » Requires the portion of the report concerning state funding expended in furtherance of the 30x30 goal to include information on the amount of funding expended by each partnering state agency and department for land and water conservation, science and research, public outreach and engagement, and managing, monitoring, and restoring conserved lands and water.
- » Requires the report to include information on state funding invested in equitable outdoor access.

## AB-2462 Public Utilities Commission: written reports: energy

- » Requires the CPUC's annual written report on the costs of programs and activities to also identify how the current rate trends affect households across their full portfolio of all energy uses, as provided, and how the adoption of electricity across more end-uses may reduce the total cost of energy for households over time.
- » Requires the separate report to contain recommendations that may take longer than 12 months to implement, but could lead to substantial reductions in monthly electric bills, and would expand the above-described goals to additionally include goals for encouraging beneficial electrification.

## AB-2501 Water quality control plans: donations and grants

Authorizes the State Water Resources Control Board, on behalf of itself or a regional board, to accept moneys from donations, grants, or contributions, or through contractual agreements, from public agencies, foundations, or other not-for-profit entities for the purpose of planning, permitting, or providing technical support for projects of public benefit, as defined, within the state board's or regional board's jurisdiction.

- » Requires all funds received to be deposited, and separately accounted for, in the State Water Pollution Cleanup and Abatement Account, for expenditure in accordance with the terms of the donation, grant, contribution, or contractual agreement.
- » Requires the state board to provide notice, as specified, before accepting those moneys.

## AB-2552 Pesticides: first-generation anticoagulant rodenticides

- » Expands the definition of a wildlife habitat area to include an open-space land, as defined.
- » Prohibits the use of chlorophacinone or warfarin in the state and would require chlorophacinone and warfarin to be considered restricted materials, unless that prohibition is suspended by the director, as specified.
- » Makes a person who sells or uses a first-generation anticoagulant rodenticide or second-generation anticoagulant rodenticide in violation of the above-described provisions liable for a civil penalty not to exceed \$25,000 per day for each violation, in addition to any other penalty established by law.

#### AB-2661 Electricity: Westlands Water District

- » Requires the Westlands Water District to ensure reliable electricity supply for water management and agricultural activities by incorporating renewable energy sources.
- » Mandates partnerships with utilities report the amount of income from electricity facilities and establish a community benefit agreement plan to improve energy infrastructure and transition to sustainable energy systems.

#### AB-2666 Public utilities: rate of return

- » Requires the CPUC, following the approval of each general rate case, to review which costs, if any, differed from the general rate case forecasts for each electrical corporation or gas corporation, and to adjust the authorized revenue requirement in the subsequent general rate case, as appropriate, based on the actual past costs the corporation records.
- » Requires the cCPUC to establish guidelines for electrical corporations and gas corporations to calculate and report annually their actual rates of return.
- » Adopts processes to adequately track those corporations' actual rates of return relative to their forecasted rates of return and to require those corporations to identify the cost categories where projected costs differed from actual costs

# AB-2672 California Alternate Rates for Energy program: public housing authority owned or administered Homekey housing facilities

» Revises existing law establishing the California Alternate Rate for Energy Program to include public housing authority owned or administered Homekey housing facilities that meet the requirements outlined by the existing law.

» The bill requires the CPUC to authorize electrical corporations and gas corporations to offer discounts to those facilities and to establish a feasible process for certifying that the assistance is used for the direct benefit of the residents of those facilities.

#### AB-2484 Safety element: extreme heat

- » Requires local governments to update safety element upon the next update of one or more elements in general plans to address extreme heat risks on or after January 1, 2028.
- » Mandates identification of new information relating extreme heat, flood and fire hazards and climate adaptation and resilience strategies applicable to the city or county that was not available during the previous revision of the safety element.

#### AB-2697 Vehicles: electric vehicle charging stations: Network charging

» States the intent of the Legislature to enact legislation relating to electric vehicle charging infrastructure to require major EV charging network providers to accept payments for charging multiple other EV providers.

#### AB-2716 Idle Wells

» Makes non-substantive changes to the provision requiring the operator of any idle oil and gas well to either (1) no later than May 1 of each year, for each idle well that was an idle well at any time in the last calendar year, file with the State Oil and Gas Supervisor an annual fee according to a specified schedule of fees based on the length of time a well has been idle, or (2) file a plan with the supervisor to provide for the management and elimination of all long-term idle wells.

## AB-2779 Electricity: renewable energy resources

» Requires the Independent System Operator, upon approval of each transmission plan, to report to the Public Utilities Commission and to the relevant policy committees of each house of the Legislature any new use of any grid enhancing technology that is deemed reasonable by the Independent System Operator in that plan and the cost and efficiency savings of the deployment of that grid enhancing technology.

## AB-3233 Oil and gas: operations: restrictions: local authority

- » Authorizes local governments to impose restrictions on oil and gas operations, including setbacks and buffer zones, to protect public health and the environment.
- » Requires operators to comply with enhanced environmental monitoring requirements.
- » Mandates an annual report on local restrictions and their effectiveness.

# AB-3264 Energy: cost framework: residential rates: demand-side management programs report: electrical transmission grid study

» Would direct the California Public Utilities Commission (CPUC), in consultation with the California Energy Commission (CEC), the California Infrastructure and Economic Development Bank (I-Bank), and the Independent System Operator (ISO), to report by July 1, 2025 to the Governor and Legislature on ways to reduce electricity costs to ratepayers, among other things.

# SB-59 Battery electric vehicles & electric vehicle supply equipment: bidirectional capability

» Requires the CEC, in consultation with CARB and the CPUC, to require any weight class of battery electric vehicle to be bidirectional capable, as defined, if it determines there is a sufficiently compelling beneficial bidirectional-capable use case to the battery electric vehicle operator and electrical grid. The bill requires the CEC, in its analysis, to consider vehicle readiness and duty cycles required of vehicles operated by essential service providers. The bill would define various terms for this purpose and authorize the state board and CEC to each periodically update the definitions of specified terms to ensure that the definitions align with current technologies in bidirectional charging and account for ongoing innovation.

# SB-219 Greenhouse gases: climate corporate accountability: climate-related financial risk

- » Delays the requirement that the state board adopt regulations until July 1, 2025, and would require that the regulations adopted by the state board require, among other things, a reporting entity to make the annual disclosure to either the emissions reporting organization or the state board, and that the reporting entity publicly disclose its scope 3 emissions on a schedule specified by the state board.
- » Authorized reports to be consolidated at the parent company level and would delete the requirement that the annual fee be paid upon filing the disclosure. The bill would authorize, rather than require, the state board to contract with an emissions reporting organization to develop a reporting program to receive and make certain required disclosures publicly available.

# SB-312 California Environmental Quality Act: university housing development projects: exemption

- » Requires a public university to obtain LEED Platinum certification for each building within a university housing development project no later than 18 months from the issuance of the building's certificate of occupancy or its usage and would authorize a public university to obtain 2 extensions for this LEED certification compliance requirement in 6-month increments, as provided..
- » Prohibits a public university that has exempted a university housing development project from being eligible to exempt a subsequent university housing development project until the public university has obtained LEED Platinum certification for each building within the prior exempted university housing development project.

# SB-768 California Environmental Quality Act: Department of Housing and Community Development: vehicle miles traveled: study

» Requires the Department of Housing and Community Development (HCD), in consultation with the California Environmental Protection Agency (CalEPA), to conduct a study on the effectiveness of using vehicle miles traveled (VMT) as a metric under CEQA by January 1, 2028. The bill would require the study to include, among other things, an analysis of the differences in the availability and feasibility of mitigation measures to housing projects for vehicle miles traveled in rural, suburban, urban, and low vehicle miles traveled areas. The bill would repeal those provisions on January 1, 2029.

#### SB-778 Excavations: subsurface installations

- » Among other changes, revises requirements for notifying operators of subsurface installations within a proposed area of excavation, would specify conditions under which an excavator is required to contact the regional notification to request a return trip, trip ticket, and would revise requirements for an excavator to use vacuum equipment.
- » Authorizes an operator, under certain circumstances, to choose not to locate and field mark an area to be excavated. require an operator to contact the excavator by electronic positive response if the area delineated by the excavator does not match the ticket description.
- » Revises the requirements related to subsurface installation operator responses that an excavator must receive before beginning excavation, and the emergency and notification procedures when an excavator discovers or causes damage to a subsurface installation.
- » Revises the meaning of "inaccurate field mark" for purposes of exempting from liability an excavator who damages a subsurface installation due to an inaccurate field mark.

# SB-867 Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024

» Enacts the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024, which, was approved by voters, and authorize the issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law to finance projects for drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy programs.

## SB-896 Artificial Intelligence Accountability Act

- » Requires the Government Operations Agency, the Department of Technology, and the Office of Data and Innovation to produce a State of California Benefits and Risk of Generative Artificial Intelligence Report that includes certain items, including an examination of the most significant, potentially beneficial uses for deployment of generative artificial intelligence tools by the state, and would require those entities to update the report, as prescribed.
- » Requires, as often as is deemed appropriate by the Director of Emergency Services, the California Cybersecurity Integration Center, and the State Threat Assessment Center, those entities to perform a joint risk analysis of potential threats posed by the use of generative artificial intelligence to California's

- critical energy infrastructure, including those that could lead to mass casualty events and environmental emergencies.
- » Requires a state agency or department that utilizes generative artificial intelligence to directly communicate with a person, either through an online interface or telephonically, to clearly and in a conspicuous manner identify to that person that the person's interaction with the state agency or department is being communicated through artificial intelligence.
- » Requires an automated decision-making system, as defined, utilized by a state agency or department to be evaluated for risk potential before adoption, as specified.

# SB-951 California Coastal Act of 1976: coastal zone: City and County of San Francisco

- » Applies specific rezoning standards for any necessary local coastal program updates for jurisdictions located within the coastal zone.
- » Requires the inland boundary of the coastal zone in the City and County of San Francisco to be amended to conform with the inland boundary on a specified map, as provided.
- » Authorizes an appeal for a development approved by a coastal county that is not designated as a permitted use under the zoning ordinance or zoning district map, as specified.

# SB-1006 Electricity: transmission capacity: reconductoring and grid enhancing technologies

- » Requires CPUC to ensure that the state is on track to deliver specified transmission capacities by certain dates.
- » Requires CPUC to annually submit a report to the Legislature that describes the progress made towards achieving those transmission capacity goals, identifies challenges to achieving those goals, and makes recommendations on legislation necessary to overcome those challenges.
- » Requires the CPUC, on or before January 1, 2026, and every two years after to conduct a study on the cost savings and efficiencies that may result from using reconductoring and other grid enhancing technologies to improve grid reliability.
- » Requires the CPUC to post the results of the study on its internet website and to submit to the Legislature a report on the results of the study.

#### SB-1136 California Global Warming Solutions Act of 2006: report

» Requires CARB's annual informational report on the reported emissions of greenhouse gases, criteria pollutants, and toxic air contaminants from all sectors to instead cover topics related to CARB's scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions, as directed by the Joint Legislative Committee on Climate Change Policies.

# SB-1177 Public utilities: women, minority, disabled veteran, and LGBT business enterprises

- » Requires every electrical corporation, gas corporation, water corporation, wireless telecommunications service provider, electric service provider, and telephone corporation with annual gross California revenues exceeding \$25,000,000, as a part of their annual report on their plans for increasing procurement from women, minority, disabled veteran, and LGBT business enterprises, to include a list of all of their contractors and subcontractors for the prior reporting year and the values of each contract and subcontract entered into, and would require contractors and subcontractors of the above-described utilities with annual gross California revenues exceeding \$15,000,000 to submit annual reports on expenditures and whether the work was performed in California.
- » Specifies that certification of a business enterprise pursuant to General Order 156 as a women, minority, disabled veteran, and LGBT business enterprise does not expire if that business enterprise is acquired by a business enterprise that does not qualify for certification under General Order 156.
- » Requires the above-described utilities with annual gross California revenues exceeding \$25,000,000, and their CPUC-regulated subsidiaries and affiliates, to submit annually a diversity, equity, and inclusion employment plan, as defined, that includes short- and long-term goals and timetables to promote the employment of women, minorities, disabled veterans, and LGBT individuals at all levels of employment within their organizations, and would require those entities to file an annual report regarding the implementation of the programs to promote the employment of those individuals.

#### SB-1190 Mobilehomes: solar energy systems

» Invalidates any covenant, restriction, or condition contained in any rental agreement or other instrument affecting the tenancy of a homeowner or resident in a mobilehome that effectively prohibits or restricts the installation or use of a solar energy system. The makes it unlawful for the management or the ownership to prohibit or restrict a homeowner or resident from installing or using a solar energy system on the home or the site, lot, or space on which the mobilehome is located or to take other specified actions in connection with the installation or use of a solar energy system, except as specified.

# SB-1221 Gas corporations: ceasing service: priority neighborhood decarbonization zones

- » Requires each gas corporation, on or before July 1, 2025, and annually thereafter, to submit to the commission a map containing certain information, including the location of all potential gas distribution line replacement projects identified in its distribution integrity management plan and other foreseeable gas distribution pipeline replacements.
- » Requires the CPUC, on or before January 1, 2026, to designate priority neighborhood decarbonization zones considering, among other things, the concentration of gas distribution line replacement projects identified in the maps.
- » Requires the establishment of voluntary programs (up to 30 pilot projects) to facilitate decarbonization of priority neighborhoods on or before July 1, 2026 and prohibits additional establishments on or after January 1, 2030.

# SB-1321 Employment Training Panel: employment training program: projects and proposals

» Streamlines the approval process for employment training programs and projects.

- » Requires alignment of training initiatives with California's economic priorities, including renewable energy and technology sectors.
- » Mandates annual reporting on program outcomes and recommendations for improvement.

# SB-1420 Hydrogen production facilities: certification and environmental review

» Streamlines the environmental review process for hydrogen-producing facilities.