SB 1221 Mapping Requirements & Goals

November 8, 2024

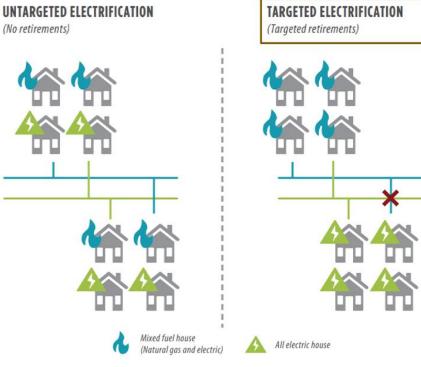


Background

- Senate Bill (SB) 1221 was co-sponsored by Earthjustice, BDC, and NRDC
- Structured Section 661 ("the mapping section") on PG&E's successful system mapping tool
- Intended to increase transparency into gas utilities' planned distribution investments and to identify opportunities for nonpipeline alternatives (NPAs).

Background

Zonal electrification enables gas utilities to redirect money that would have been spent on pipeline replacement projects to neighborhood electrification instead.



Source: Energy + Environmental Economics





NRDC Goals for Mapping Section



Implementation Recommendations

Section 661 Timeline

- California's investor-owned gas utilities must submit a gas system map to the Commission by July 1, 2025, and each year thereafter.
- On or after **January 1, 2030**, the Commission can decide whether to continue the requirement

Section 661 Requirements

- Gas utility maps must include:
 - All foreseeable gas distribution pipeline replacement projects
 - City, county, and census tract boundaries within utility territory
 - Locations of DACs, tribes, and "priority neighborhood decarbonization zones"
 - Any other information required by the CPUC

Section 661 Requirements

Priority neighborhood decarbonization zones* will be determined by the CPUC following a stakeholder process that must consider:

- Presence of disadvantaged or low-income communities in areas that disproportionately lack cooling or heating
- Presence of environmental and social justice (ESJ) communities
- Availability of supportive local government or community partners
- Concentration of gas distribution line replacement projects

Goals for Section 661

- 1. Increase transparency into planned gas distribution investments.
- 2. Identify opportunities for equity-focused, cost-effective, and technically feasible NPAs.
- Lead to streamlined implementation of zonal decarbonization projects at scale, following the PG&E model.

Section 661 Implementation

- 1. The maps should be **accessible** to stakeholders, decisionmakers, community organizations, and local governments
 - E.g., PG&E's map is viewable under NDA

Section 661 Implementation

- 2. The maps should empower users to identify which projects are best-suited to NPAs, providing information such as:
 - Number and type of customers served by each pipeline project
 - Additional **equity factors**, such as renter prevalence
 - Preliminary "hydraulic feasibility" assessment
 - Pipeline **risk factor** (to understand project lead time)
 - Available **electric capacity** in the project area

Section 661 Implementation

- Can streamline with the Building Decarbonization Proceeding and the Long-Term Gas Planning Rulemaking.
- Should facilitate widespread implementation of targeted electrification projects, like PG&E's completed projects, that obtain the consent of 100% of impacted households.
 - SB 1221 explicitly allows these projects to continue moving forward, while also allowing up to 30 pilots that obtain 67% consent.

Thank You!

- Questions?
- Contact information:
 - Kiki Velez, Equitable Gas Transition Lead, <u>kvelez@nrdc.org</u>
- Resources:
 - SB 1221 Bill Text
 - NRDC Blog on SB 1221
 - <u>E3/NRDC Targeted Electrification Potential Study</u>