# SB 1221 Mapping Requirements & Goals

November 8, 2024

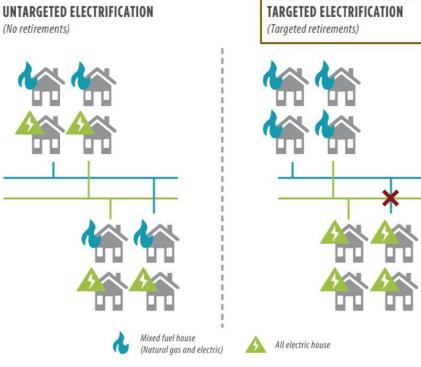


# Background

- 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>