



LOCAL GOVERNMENT  
**SUSTAINABLE**  
ENERGY COALITION

# 2023 Legislative Update

California's New Energy-Related Laws

Visit [leginfo.legislature.ca.gov](https://leginfo.legislature.ca.gov) for full additional information.

---

## **AB-3 Offshore wind energy: reports.**

- » Requires the California Energy Commission (CEC), in consultation with the State Lands Commission (SLC), other specified state entities, and the California Coastal Commission (CCC), to develop a 2nd-phase plan and strategy for seaport readiness that builds upon the recommendations and alternatives in the strategic plan for offshore wind energy developments.
  - Requires CEC to submit a report on its recommendations for a seaport readiness strategy to the Governor and the Legislature on or before December 31, 2026.
- » Requires CEC, in consultation with the California Workforce Development Board (WDB), to conduct a study on the feasibility of achieving 50% and 65% in-state assembly and manufacturing of offshore wind energy projects and specified federal domestic content thresholds for offshore wind energy projects.
  - Requires CEC to submit a report on the study to the Governor and the Legislature on or before December 31, 2027.

---

## **AB-43 Greenhouse gas emissions: building materials: embodied carbon trading system.**

- » Eliminates the interim target of 20% net reduction in greenhouse gas emissions of building materials, as determined from a baseline calculated using a certain 2026 report.
- » Requires the baseline described above to be established based on either an industry average of environmental product declarations reported for the 2026 calendar year or on the most relevant, up-to-date information available, as determined by the State Air Resources Board (CARB).
- » Deletes the requirement that CARB form a technical advisory committee, and instead require CARB to consult experts to advise on methods to reduce the carbon intensity of building materials.
- » Authorizes CARB to establish an embodied carbon trading system and integrate the system into the framework for measuring the average carbon intensity of the materials used in the construction of new buildings on or before December 31, 2026, and to implement the system on and after January 1, 2029.

---

## **AB-50 Public utilities: timely service: customer energization.**

- » Requires the Public Utilities Commission (CPUC) to determine the criteria for timely service for electric customers to be energized, including categories of timely electric service through energization.
- » Requires each electrical corporation that energized less than 35% of customers with completed applications exceeding 12 months in duration by January 31, 2023, to submit a report to CPUC on or before December 1, 2024, demonstrating that the electrical corporation has energized 80% of customers with applications deemed complete as of January 31, 2023.
- » To improve the accuracy of projected demand and facilitate achievement of the goal of timely electric service through energization, requires each electrical corporation to evaluate and update, as necessary, its existing distribution planning processes.

### **AB-579 Schoolbuses: zero-emission vehicles.**

---

- » Commencing January 1, 2035, requires 100% of all newly purchased or contracted schoolbuses of a school district, county office of education, or charter school to be zero-emission vehicles, where feasible.
- » Authorizes local educational agencies, to request a one-time extension for a term not to exceed 5 years if a local educational agency determines that the purchase or contracting of a zero-emission schoolbus is not feasible due to both terrain and route constraints, provided that certain conditions are met.
- » Commencing January 1, 2040, authorizes frontier local educational agencies to apply for annual extensions, through January 1, 2045, to that requirement, if the frontier local educational agency determines that the purchase or contracting of a zero-emission schoolbus is not feasible due to both terrain and route constraints, provided that certain conditions are met.
- » Extends the term limit to 15 years for a continuing contract and to 20 years for a schoolbus lease or rental contract containing a purchase or cancel option.

### **AB-585 Climate change: infrastructure and clean energy projects: assessments.**

---

- » Requests the California Council on Science and Technology (CCST), every 3 years, to assess infrastructure project types, scale, and pace necessary to achieve the state's energy, climate change, and air quality goals.
- » Requires Governor's Office of Business and Economic Development (GO-Biz), in consultation with CEC, CPUC, and CARB, to prepare an assessment of the barriers, challenges, and impediments limiting the deployment and development of clean energy projects.
- » Requires GO-Biz to submit this assessment to the Legislature on or before January 1, 2026.
- » Requires the assessment to be considered and incorporated into the work carried out by the Infrastructure Strike Team convened by the Governor.

### **AB-1061 Electricity Supply Strategic Reliability Reserve Program.**

---

- » Expressly requires facilities constructed by the Department of Water Resources (DWR) or under a contract with DWR for purposes of the Distributed Electricity Backup Assets Program or the Demand Side Grid Support Program to comply with the regulations adopted by CARB.

### **AB-1132 Solar energy systems: permit fees.**

---

- » Extends the repeal date of provisions defining a "solar energy system" and prescribing permitting fees that a city or county may charge for a residential and commercial solar energy system from January 1, 2025 to January 1, 2034.

### **AB-1159 California Global Warming Solutions Act of 2006: natural and working lands: market-based compliance mechanisms.**

---

- » Requires CARB to ensure that all greenhouse gas emissions reductions and removals used for any market-based compliance mechanism are in addition to any reductions and removals that would otherwise occur.

### **AB-1172 Integrated energy policy report: fusion energy.**

---

- » Requires CEC, as part of the 2027 edition of the integrated energy policy report (IEPR), to include an assessment of the potential for fusion energy to contribute to California's power supply.

### **AB-1373 Energy.**

---

- » Requires CEC, in consultation with CPUC, to assess barriers to electricity interconnection and energization and provide recommendations for acceleration, as appropriate, as part of the 2025 edition of the IEPR.
- » Requires 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 (CAISO) governing board-approved need evaluation if specified requirements are satisfied.
- » Authorizes CPUC, at the request of DWR, to order an electrical corporation to transmit or provide for the transmission of, and distribute all electricity made available by the department, and, as an agent of the department, to provide billing, collection, and other services on terms and conditions that reasonably compensate the electrical corporation for its services and adequately secure payment to DWR.
- » Provides that, upon appropriation by the Legislature, the sum of no less than \$6,000,000 from the General Fund is available in the 2024–25 fiscal year to support comprehensive, regional baseline environmental monitoring and research into the impacts of prospective offshore wind energy development in and around regions in which offshore wind energy areas have been leased by the Bureau of Ocean Energy Management of the United States Department of the Interior, pending future legislation.

### **AB-1594 Medium- and heavy-duty zero-emission vehicles: public agency utilities.**

---

- » Requires any state regulation that seeks to require or compel the procurement of medium- and heavy-duty zero-emission vehicles to authorize public agency utilities to purchase replacements for traditional utility-specialized vehicles that are at the end of life when needed to maintain reliable service and respond to major foreseeable events, including severe weather, wildfires, natural disasters, and physical attacks.

### **SB-38 Battery energy storage facilities: emergency response and emergency action plans.**

---

- » Requires each battery energy storage facility subject to certain requirements to have an emergency response and emergency action plan that covers the premises of the battery energy storage facility, and to submit the plan to the county and, if applicable, the city where the facility is located.
- » Requires the owner or operator of the facility, in developing the plan, to coordinate with local emergency management agencies, unified program agencies, and local first response agencies.

### **SB-48 Building Energy Savings Act.**

---

- » Specifies that requirements of existing law do not require the owner of a building with less than 50,000 square feet of gross floor space to collect or deliver energy usage information to CEC.
- » Requires CEC, in consultation with CARB, CPUC, and the Department of Housing and Community Development, on or before July 1, 2026, to develop a strategy for using energy usage data to track and manage the energy usage and emissions of greenhouse gases of covered buildings in order to achieve related state goals, targets, and standards. Requires CEC to submit the strategy and recommendations to the Legislature on or before August 1, 2026.

### **SB-49 Renewable energy: Department of Transportation: evaluation.**

---

- » Requires the Department of Transportation (DOT), in coordination with CEC and CPUC, to evaluate the issues and policies impeding the development of land within department-owned rights-of-way for renewable energy generation, energy storage, and electrical transmission and distribution facilities.

### **SB-253 Climate Corporate Data Accountability Act.**

---

- » Requires CARB, on or before January 1, 2025, to develop and adopt regulations requiring specified partnerships, corporations, limited liability companies, and other business entities with total annual revenues in excess of \$1,000,000,000 and that do business in California, defined as “reporting entities,” to publicly disclose to the emissions reporting organization and obtain an assurance engagement on, starting in 2026 on a date to be determined by CARB, and annually thereafter, their scope 1 and scope 2 greenhouse gas emissions and, starting in 2027, annually thereafter, their scope 3 greenhouse gas emissions from the reporting entity’s prior fiscal year.
- » Requires a reporting entity to obtain an assurance engagement, performed by an independent third-party assurance provider, of the entity’s public disclosure.
- » Requires CARB to contract with an emissions reporting organization to develop a reporting program to receive and make publicly available the required disclosures.
- » Requires CARB, on or before July 1, 2027, to contract with the University of California, the California State University, a national laboratory, or another equivalent academic institution to prepare a report on the public disclosures made by reporting entities to the emissions reporting organization.

### **SB-261 Greenhouse gases: climate-related financial risk.**

---

- » Requires, on or before January 1, 2026, and biennially thereafter, a covered entity to prepare and make publicly available a climate-related financial risk report disclosing the entity’s climate-related financial risk and measures adopted to reduce and adapt to climate-related financial risk.
- » Requires CARB to contract with a climate reporting organization to biennially prepare a public report that contains specified information, including a review of the disclosure of climate-related financial risk contained in a subset of publicly available climate-related financial risk reports and an analysis of the systemic and sectorwide climate-related financial risks facing the state.
- » Requires CARB to adopt regulations that authorize it to seek administrative penalties from entities failing to make the report publicly available on its website or publishing an inadequate or insufficient report.

### **SB-286 Offshore wind energy projects.**

---

- » Requires CCC to process a consolidated coastal development permit for any new development that requires a coastal development permit and that is associated with, appurtenant to, or necessary for the construction and operation of offshore wind energy projects, and transmission facilities needed for those projects, located in the coastal zone, provided that public participation is not substantially impaired by the review of the consolidated coastal development permit.
- » Establishes the California Offshore Wind Energy Fisheries Working Group, composed of specified representatives, and requires CCC, in coordination with the Department of Fish and Wildlife, to convene the working group on or before January 1, 2025, for the purpose of developing a statewide strategy for ensuring that offshore wind energy projects avoid and minimize impacts to ocean fisheries to the maximum extent possible, avoid, minimize, and mitigate impacts to fishing and fisheries in a manner that prioritizes fishery productivity, viability, and long-term resilience, and fairly and reasonably compensate persons engaged in the commercial and recreational fishing industries and tribal fisheries for economic impacts to ocean fisheries resulting from offshore wind energy projects.
- » Requires the working group to develop a framework for reasonable compensatory mitigation for unavoidable impacts associated with offshore wind energy projects, including a payment structure to compensate commercial, tribal, and recreational fisheries and impacted commercial fish processors.

### **SB-306 Climate change: Equitable Building Decarbonization Program: Extreme Heat Action Plan.**

---

- » Requires CEC, on or before September 1, 2024, and annually thereafter until the moneys appropriated by the Budget Act of 2022 for purposes of the Equitable Building Decarbonization Program have been expended, to submit a report to the relevant policy committees of the Legislature that includes information about the progress of the direct install program.
- » Requires the Office of Planning and Research and the Natural Resources Agency, on or before July 1, 2026, and every 3 years thereafter to update the Extreme Heat Action Plan to promote comprehensive, coordinated, and effective state and local government action on extreme heat.

### **SB-319 Electricity: transmission planning and permitting.**

---

- » Requires CEC and CPUC, in coordination with CAISO, every 5 years, to review the memorandum of understanding of December 23, 2022 related to resource and transmission planning, transmission development and permitting, procurement, and interconnections and a related workplan to ensure the memorandum and workplan reflect the coordination that is needed to help meet the state's energy goals.
- » Requires CEC, CPUC, and CAISO, on or before July 1, 2025, to jointly develop an electrical transmission infrastructure development guidebook that describes the state's electrical transmission infrastructure planning and permitting processes conducted by CEC, CPUC, and CAISO, and to provide an opportunity for stakeholder input and public comment on the guidebook.
- » Requires CPUC, in consultation with California balancing authorities, on or before December 1, 2024, and biennially thereafter, to submit a report to the Legislature that includes specified information related to electrical transmission projects.

### **SB-355 Multifamily Affordable Housing Solar Roofs Program.**

---

- » Expands and extends requirements to December 31, 2032 for CPUC, as part of the Multifamily Affordable Housing Solar Roofs Program, to award monetary incentives for qualifying solar energy systems that are installed on multifamily residential buildings providing deed-restricted low-income residential housing and that meet one or more specified requirements, to include properties in which at least 66% of the households have incomes at or below 80% of the area median income, properties owned by a tribe, and rental housing properties owned by public housing agencies or authorities.

### **SB-410 Powering Up Californians Act.**

---

- » Requires CPUC to establish, on or before September 30, 2024, reasonable average and maximum target energization time periods and a procedure for customers to report energization delays to CPUC. Requires CPUC to require the electrical corporation to take remedial action necessary to achieve CPUC's targets.
- » Requires an electrical corporation to consider, in its annual distribution planning process, known load and projections of load provided by CEC.
- » Until January 1, 2027, if requested by the electrical corporation, requires CPUC to authorize within 180 days of the request, the use of a ratemaking mechanisms that authorizes the electrical corporation to track costs for energization projects placed in service after January 1, 2024 that exceed the costs included in the electrical corporation's annual authorized revenue requirement for energization.
- » Until January 1, 2027, requires an electrical corporation to include in its request for a ratemaking mechanism, a detailed summary of energization costs authorized in its current general rate case or any other proceeding.

- » Until July 1, 2028, requires an electrical corporation that requests the use of a ratemaking mechanism to agree to retain an independent third-party auditor to review the electrical corporation’s business practices and procedures for energizing new customers and how the electrical corporation is planning for demand growth, prohibit the electrical corporation from recovering the costs of the third-party auditor from ratepayers, and requires the third-party auditor to report to the PUC on a biannual basis.

### **SB-416 State agencies: building and renovation projects: LEED certification.**

---

- » Requires new building and major renovation projects larger than 10,000 gross square feet undertaken by state agencies, and for which the project schematic design documents are initiated by the state agency on or after January 1, 2024, to obtain the Leadership in Energy and Environmental Design or “LEED” Gold or higher certification.
- » Requires the state agency to obtain LEED Silver certification if the state agency concerned makes a finding that achieving LEED Gold conflicts with critical operational or security requirements, is demonstrably cost ineffective, or conflicts with California Building Code requirements.

### **SB-605 Wave and tidal energy.**

---

- » Requires CEC, as part of a specified 2024 energy policy review, in consultation with other appropriate state agencies, to evaluate the feasibility, costs, and benefits of using wave energy and tidal energy.
- » Requires CEC, in coordination and consultation with CCC, the Department of Fish and Wildlife, the Ocean Protection Council, and SLC, to work with other state and local agencies and stakeholders to identify suitable sea space for offshore wave energy and tidal energy projects in state and federal waters.
- » Requires CEC to submit a written report to the Governor and the Legislature on or before January 1, 2025, that includes a summary of evaluation findings that may inform legislative and executive actions.

### **SB-837 Energy: building energy standards: sealed and unvented attics.**

---

- » Requires CEC, beginning with the review of those regulations that is pending as of January 1, 2024, to consider revising the definition of “conditioned space, indirectly” to include sealed and unvented attics.

---

Visit [bit.ly/ARCCA-2023-Update](https://bit.ly/ARCCA-2023-Update) for a companion resource by the Alliance of Regional Collaboratives for Climate Adaptation (ARCCA) and the California Resilience Partnership (CRP) that highlights new key laws related to climate change adaptation and resilience.