

# AGENDA ITEM

DATE: February 25, 2025

**TO:** Board of Supervisors

#### **SUBJECT**

SUPPORTING SAFER PRACTICES WHEN SITING BATTERY ENERGY STORAGE SYSTEM PROJECTS (DISTRICTS: ALL)

#### **OVERVIEW**

Under current state law, eligible privately initiated battery energy storage system (BESS) projects may be approved through the California Energy Commission's "opt-in" certification program. Going through this state process is in lieu of obtaining any local permits that may be required. Although not commonly used, it may become more lucrative as local jurisdictions begin implementing stricter rules for BESS projects. If a project were to utilize this program for a project located within the County of San Diego (County), it would unfortunately be exempted from our zoning and other regulations. As a result, we would lose control over decisions regarding how BESS projects are designed and located, and the opportunity for meaningful community input would be significantly reduced or eliminated.

On July 17, 2024 (8), the Board of Supervisors (Board) directed County staff to develop specific land use classifications and development standards for new BESS projects in the unincorporated areas. That effort is presently underway, and staff anticipates returning to the Board in mid to late 2026 with an ordinance for Board consideration and adoption.

Since the July 2024 Board direction, legislation was introduced at the state level that would mandate certain development standards for new BESS projects. Assembly Bill 303 (AB 303) was introduced on January 23, 2025, and, if approved - *as introduced* - would result in the following:

- 1. Remove eligibility from privately initiated BESS projects for approval through the California Energy Commission opt-in certification program.
- 2. Direct the California Energy Commission to deny all pending applications for new BESS projects under the opt-it certification program.
- 3. Prohibit local jurisdictions from approving new BESS projects capable of storing 200 megawatthours (MWh) or more of energy, if they are within 3,200 feet of a sensitive receptor (e.g., housing, schools, daycares, hospitals, businesses open to the public, etc.), or

Legistar v1.0

# **SUBJECT:** SUPPORTING SAFER PRACTICES WHEN SITING BATTERY ENERGY STORAGE SYSTEM PROJECTS (ALL DISTRICTS)

located on an environmentally sensitive site (e.g., coastal zone, prime farmland, wetlands, very high fire zones, etc.).

The language in AB 303 largely aligns with efforts the County is already taking to ensure communities remain safe from the hazards associated with BESS facilities. We should make it abundantly clear to residents living in the unincorporated areas, along with lawmakers in Sacramento, that we continue to stand firmly for local land use control and community safety. It's in this spirit that today's action recommends that the County adopt a position of support for AB 303, as introduced on January 23, 2025.

# RECOMMENDATION(S) SUPERVISOR JIM DESMOND

1. Direct the Chief Administrative Officer (CAO) to express the County's support for Assembly Bill 303 (AB 303), *as introduced on January 23*, 2025, consistent with Board Policy M-2.

## **EQUITY IMPACT STATEMENT**

Battery energy storage system (BESS) projects may pose significant health, safety and environmental risks to surrounding communities, especially when located within or near existing residential neighborhoods. These risks range from acute noise nuisances to fire and thermal runaway hazards. To protect and buffer residential areas from these risks and to ensure historically disadvantaged communities don't bear the brunt of new BESS projects moving forward, the Board of Supervisors (Board) must continue to prioritize and demonstrate our commitment to public safety.

### SUSTAINABILITY IMPACT STATEMENT

There are many benefits that BESS projects have that contribute to the County's sustainability goals, such as strengthening grid reliability and increasing energy efficiency. However, there are also several potential adverse consequences, including fire and thermal runaway risks, managing the limited life cycle and degradation of batteries over time, and extraction of rare earth minerals that can have devastating environmental and societal consequences. The key here is striking a balance between the pros and cons of these facilities. Adopting rules for how we process and locate BESS projects in the unincorporated areas is a necessary first step, and support for Assembly Bill 303 (AB 303) largely aligns with the efforts already underway at the County to do just that.

### FISCAL IMPACT

There is no fiscal impact associated with today's recommendation to support AB 303. There will be no change in net General Fund cost and no additional staff years, at this time.

### **BUSINESS IMPACT STATEMENT**

N/A

#### ADVISORY BOARD STATEMENT

N/A

Legistar v1.0 2

**SUBJECT:** SUPPORTING SAFER PRACTICES WHEN SITING BATTERY ENERGY STORAGE SYSTEM PROJECTS (ALL DISTRICTS)

#### **BACKGROUND**

Over the past few years, we have seen a growing increase in both proposed and approved/constructed BESS projects in the unincorporated areas. Since 2018 the County has approved three of them. Some of these have been in commercial or industrial areas like East Otay Mesa in District 1, while others have been located near residential areas such as in Fallbrook and Valley Center in District 5. Beyond those that have already been approved, there are ten active applications currently under review with PDS in various stages of the process.

These projects often generate strong public interest and opposition, particularly when located near existing neighborhoods or other sensitive receptor likes schools, businesses and hospitals. Altogether, this is based on an understanding of the associated public health and safety risks associated with BESS technology, such as fire, thermal runaway and release of toxic gases.

When the County receives permit applications for new BESS projects, there are currently no specific definitions nor development standards in place to guide the review process. We instead process them according to the requirements for the nearest compatible land use classifications in our Zoning Ordinance, which includes things like cellular facilities, electrical substations, large wind turbines, water treatment plants and power plants.

To address the current lack of local regulations for BESS projects, on July 17, 2024 (8) the Board of Supervisors (Board) directed County staff to develop specific land use classifications and development standards for new BESS projects in the unincorporated areas. That effort is presently underway, and staff anticipates returning to the Board in mid to late 2026 with an ordinance for Board consideration and adoption.

### LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed action support the *Equity: Health*; and *Community: Engagement, Safety, and Quality of Life* Strategic Initiatives in the County of San Diego's 2024-2029 Strategic Plan.

Respectfully submitted,

JIM DESMOND

Supervisor, Fifth District

**ATTACHMENT(S)** 

Click here to enter text.

Legistar v1.0 3