General Plan Amendments

PPF-4.6.10 Public Utility-Scale Energy Storage Systems and Other Climate Resiliency Projects. Support improvements that increase the resiliency of the county's electrical energy system by allowing public utility-scale energy storage systems, including Battery Energy Storage Systems (BESSs), and other emerging technologies, in appropriate locations throughout the county outside of the coastal zone.

PPF-4.6L Amend the County Code to create a new Combining District to allow public utility-scale energy storage systems and other climate resiliency technologies to be located adjacent to existing electrical transmission substations outside the coastal zone. Proposed energy storage systems must meet required findings in the Combining District regulations, incorporate state-of-the art technology and safety measures, and may be located on designated agricultural land when an agricultural viability study is prepared to determine the lack of economic viability of farming on the land. Systems shall be sited outside of Prime Farmland, as established by the State Department of Conservation where possible. Where agricultural protection policies within the General Plan or County Code conflict with the siting of an energy storage system within the Combining District, impacts to agricultural resource soils shall be offset through the establishment of an agricultural conservation easement, as provided by County Code.

County Code Amendments

Add note to use charts 13.10.312, 13.10.322, 13.10.332, 13.10.342, 13.10.352, 13.10.362, 13.10.372: For public utility-scale energy storage systems, see specific regulations in SCCC 13.10.405 through 13.10.409 for the Energy Storage Combining District.

13.10.700-P "P" definitions.

"Public/quasi-public community facility" means a publicly or privately operated facility that provides essential community services to benefit the public, such as medical services, governmental services, housing/supportive services, library services, educational services, or utilities. For public utility-scale energy storage systems, see specific regulations in SCCC 13.10.405 through 13.10.409 for the Energy Storage Combining District.

13.10.400 Combining districts.

The following combining designations may be applied to basic zone districts in order to impose particular limitations or exercise some type of planning control. A combining district shall be denoted by the use of a dash and the letter(s) listed below under "Designation," following the basic zoning designation:

Table 13.10.400-1: Combining Districts

sccc	Designation	Summary of Limitations Imposed
13.10.405 through	ES (Energy	Denotes parcels designated as
13.10.409	Storage)	appropriate for the development of public
		<u>utility-scale energy storage systems due</u>
		to proximity to existing electrical
	5.6	transmission substations.
13.10.416 through 13.10.418	D (Designated	Denotes parcels designated in the
	Park Site)	General Plan and Local Coastal Program
		Land Use Plan in whole or part as
12 10 421 through 12 10 422	GH (Geologic	proposed park sites. Denotes the presence of a particular
13.10.421 through 13.10.423	Hazards)	physical hazard on the property; use and
	Tiazaius)	development is subject to the Geologic
	•	Hazard Ordinance (Chapter 16.10 SCCC)
		regulations.
13.10.424 through 13.10.429	PRH (Permanent	Denotes parcels with structures originally
	Room Housing	in use as Type A visitor accommodations,
	Combining	nursing homes, residential care facilities,
	District)	or other transient accommodations or
		care facilities, which may be used as
		permanent multifamily rental housing in
		multifamily structures or dwelling groups,
		with specific use and development
10.10.101.1	11/4	standards. ¹
13.10.431 through 13.10.433	H (Assisted	General Plan and Local Coastal Program
	Housing)	Land Use Plan policies regarding
12 10 424 through 12 10 426	SDE (Sagagana	affordable housing priority sites apply.
13.10.434 through 13.10.436	SBE (Seascape Beach Estates)	Denotes parcels in the Seascape Beach Estates neighborhood with special
	(Combining Zone	residential development standards
	District)	intended to maintain characteristics of
	Diotrioty	the existing built environment and ensure
		protection of the public viewshed.
13.10.437 through 13.10.439,	AIA (Airport	Denotes parcels within two miles of the
13.12	Influence Area	boundary of the Watsonville Municipal
	Combining	Airport; use and development is subject to
	District)	the Airport Combining Zone District
		Ordinance (Chapter <u>13.12</u> SCCC)
		regulations.
13.10.441 through 13.10.443	I (Statement of	Board of Supervisors has agreed not to
	Intention)	rezone the property in the foreseeable
10 10 1111	DD /Dl c	future.
13.10.444 through 13.10.448	PP (Pleasure Point	Denotes parcels subject to special
	Community	residential design standards and
	Design)	guidelines specific to the Pleasure Point

		neighborhood, to be applied in addition to the residential site standards found in SCCC 13.10.323(B).
13.10.451 through 13.10.453	L (Historic Landmark)	Property/structure has been designated a historic landmark and is subject to the regulations of the Historic Resources Ordinance (Chapter 16.42 SCCC).
13.10.456 through 13.10.458	MH (Mobile Home Park)	Denoted property upon which a mobile home park has been established pursuant to an approved development permit or legally established prior to the requirement for a development permit; mobile home park development, operation, rental, sale and conversion are subject to all provisions of Federal, State and County regulations.
13.10.461 through 13.10.463	O (Open Space Easement)	Owner has executed an open space easement contract with the County to maintain the land in its natural state for a period of 10 years. The 10-year period is renewed every year.
13.10.471 through 13.10.473	P (Agricultural Preserve and Farmland Security)	Owner has executed an agricultural preserve contract with the County to maintain the land in agricultural and open space use for a period of 10 years. The 10-year period is renewed every year.
13.10.475 through 13.10.477	R (Regional Housing Need)	Special use and development standards for development of housing at density of 20 units per acre with any RM-2 zoned parcel, or in C-1, C-2, or PA commercial zones, or public facility zones ² .
13.10.481 through 13.10.483	SP (Salamander Protection)	The regulations of the Sensitive Habitat Protection Ordinance (SCCC <u>16.32</u>) apply and require special site development standards to protect the endangered species.
13.10.491 through 13.10.493	W (Watsonville Utility Prohibition)	Prevention of urban services to undeveloped/rural areas west of the City of Watsonville to protect farmlands and environmentally sensitive areas in the Coastal Zone west of Watsonville.
13.10.494 through 13.10.497	Min (Ministerial Combining District)	Proposed rental or for-sale multi-family housing developments in the -Min combining district shall be processed on a ministerial basis (i.e., a "by-right" or "non-discretionary" development review process), if at least 20% of the total units

in the multi-family development are restricted lower-income units available for rent or for sale to lower-income households (at or below 80% of Area Median Income). Ministerial projects are exempt from CEQA review pursuant to the Public Resources Code and CEQA Guidelines. Qualifying development applications in this district are subject to and shall be processed consistent with **Government Code Subsections** 65583.2(c), (h) and (i), or their successor Subsections, and with Programs H-1B and H-1C of the 2023-2031 Housing Element of the General Plan, as further set forth in SCCC 13.10.494 - .497.

- 1 PRH Zoning Map Amendments in the Coastal Zone are Local Coastal Plan Amendments. Coastal Zone properties are subject to Local Coastal Program policies related to conversion of priority uses.
- 2 Property that is proposed for rezoning into the Regional Housing Need R Combining District shall include a proposed PUD, and an LCPA if located within the Coastal Zone pursuant to SCCC 18.30.184(C) and (D).

13.10.405 Purposes of the "ES" Energy Storage Combining Zone District.

The Energy Storage ("ES") Combining District is established to support the use and expansion of renewable energy resources, energy efficiency, and electrification in the county. The Energy Storage Combining District denotes those parcels that have been designated as appropriate to accommodate public utility-scale energy storage systems, including Battery Energy Storage System (BESS) facilities, or similar energy storage facilities, capable of storing 200 megawatt hours of electricity or more, and which provide community benefits, such as supporting the county's electrical needs, climate resiliency, grid stabilty, peak shaving, backup power, frequency regulation, and energy reliability.

13.10.406 Designation of the "ES" Energy Storage Combining District.

The "ES" Combining District shall apply to parcels that contain a minimum of 10 acres within the unincorporated county and that are adjacent to existing electrical substations. "Adjacent," for the purposes of siting shall be considered as an entire parcel sharing a boundary with an existing electrical substation, a parcel that is located directly across a public street or private access from an existing electrical substation, and any entire adjoining parcel that is under the same ownership as the parcel adjacent to the existing substation.

13.10.407 Definitions. For the purpose of the "ES" Energy Storage Combining District, the following definitions apply:

- (A) "Energy storage system" shall meet the definition contained in California Public Utilities Code (PUC) Section 2835, as amended.
- (B) "Public utility-scale" means that the facility is capable of storing 200 megawatt hours of electricity or more and supports, is connected to, or modifies a "public utility" as defined in PUC Section 216, as amended.

13.10.408 Use and development standards in the "ES" Energy Storage Combining District.

- (A) Energy storage systems on properties with the "ES" Combining District shall be subject to the following development standards in lieu of any development standards in the underlying zoning district:
 - (1) The minimum parcel size shall be 10 acres.
 - (2) The total development area, including all internal access and improvements, shall be located within a maximum 20-acre site area outside of the Coastal Zone.
 - (3) Setbacks.
 - (a) Energy storage systemss and all associated structures shall be set back a minimum of 100 feet from all roadways and property lines, except that no setback shall be required from the transmission substation boundary. Perimeter fencing and drainage shall have no required setback.
 - (b) All structures containing batteries shall be set back 1,000 feet from any parcel containing an existing hospital, school, commercial day care center, or residential care facility for the elderly.
 - (4) All structures, except for power poles and wires, shall not exceed 25 feet in height.
- (B) Environmentally sensitive resources shall be protected as required by SCCC Title 16. Any impacts to environmentally sensitive resources that cannot be protected shall be offset as required by SCCC Title 16, except as noted below.
 - (1) Agricultural Resources.
 - (a) Energy storage systems and all associated improvements, except perimeter fencing and drainage, shall be located a minimum of 100 feet from adjacent properties designated in General Plan maps as agricultural resource soil types, unless a lesser distance is determined to better accomplish the objectives of the agricultural buffering standards in SCCC Chapter 16.50, as approved by the Agricultural Policy Advisory Commission.

- (b) Energy storage systems proposed on Commercial Agricultural (CA)-zoned parcels in the "ES" Combining District shall offset impacts to agricultural resource soils identified in an agricultural viability study.
 - (1) Where an energy storage system occupies a portion of a site with Types 1-3 agricultural resource soils, the remainder of the site shall be permanently protected under an agricultural conservation easement, regardless of a proposed land division.
 - (2) Where the agricultural easement on the remainder of the parcel does not equal the gross area of the facility, additional 1-3 resource land within the unincorporated county shall be identified and placed into a permanent agricultural conservation easement, such that the full impact is offset.
- (C) All energy storage systems shall be subject to the requirements of SCCC Title 7, Chapter 7.100, including but not limited to SCCC Section 7.100.060 and SCCC Section 7.100.110.

(D) Safety standards.

- (1) All energy storage systems shall meet or exceed all state standards for energy facilities, including applicable sections of the Public Utilities Code, the Public Resources Code, the California Building Standards Code, Public Utilities Commission general orders, and any regulations issued by the State Fire Marshal.
- (2) Energy storage systems shall be located in non-combustible, dedicated-use buildings or containers, or in outdoor installations.
- (3) Energy storage systems shall not utilize nickel manganese cobalt (NMC) chemistry.
- (4) Energy storage systems shall be equipped with a battery management system that features continuous monitoring and audio and visual alarm systems for smoke, heat, and hydrogen.
- (5) Fire protection standards. All energy storage systems shall meet, at minimum, the National Fire Protection Association (NFPA) Standard 1, Fire Code; NFPA 68 and 69, Explosion Protection; NFPA 70, National Electric Code; NFPA 72, Fire Alarm and Signaling Code; NFPA 800, Battery Safety Code; NFPA 855, Installation of Stationary Energy Storage Systems; as well as the California Fire Code and SCCC 7.92 (Fire Code).
- (6) Air quality monitoring.

- (a) All energy storage system facilities shall include a PM2.5 sensor network around the perimeter of the facility.
- (b) A meteorological station shall be installed at or close to the facility.
- (7) Testing. Prior to operation, energy storage systems shall undergo required UL9540 and UL9540A testing, UL 1973 testing, UL 1741 testing, large-scale fire testing, and incorporate NFPA 72 fire alarms.
- (8) Training. Prior to operation, the fire district shall inspect the energy storage system, and staff from affected fire agencies and other responding agencies shall receive an initial response training, as well as annual table-top and on-site trainings.

(F) Aesthetic Impacts.

- (1) Landscaping and fencing. Except as modified by the fire code or fire district requirements, a 20-foot buffer of mature landscaping shall be provided along the perimeter of the energy storage system and associated improvements. Fencing and landscaping shall be installed to screen the development from public view. Landscaping shall include at least 50 percent native or drought tolerant species and shall include 15-gallon sized shade trees which would provide coverage to at least 20 percent of the landscape area within 15 years. Landscaping shall be located 30 feet from any structures containing batteries and 10 feet from any roadways. Landscaping shall not obstruct the line of site at access roads and any gates.
- (2) Undergrounding. Where feasible, transmission lines and other associated lines connecting the energy storage system to the transmission substation shall be undergrounded.

13.10.409 Application and approval of energy storage projects in the "ES" Energy Storage Combining District.

(A) Applicants for proposed energy storage systems shall submit a Conditional Use Permit application and Conditional Site Development application for approval by the County of Santa Cruz Board of Supervisors, following a recommendation by the Santa Cruz County Planning Commission. Projects on CA land shall require a recommendation from the Agricultural Policy Advisory Commission to the Board of Supervisors. Public hearings, noticing, and community meetings shall be conducted according to the requirements for conditional use permits in SCCC Chapter 18.10.

- (B) Applications for development of proposed energy storage systems shall be accompanied by the following:
 - (1) Site plan, showing battery locations, setbacks from property lines, water source locations, and proper enclosure spacing based on burn test results;
 - (2) Landscape plan, meeting standards contained in SCCC 13.10.408(F)(1) and SCCC 13.11.
 - (3) Visual simulation of the fully constructed facility from any public viewpoint within 500 feet of the structures, and from each direction on any adjacent right-of-way;
 - (4) If located on agricultural resource type land, an agricultural viability study confirming that the project minimizes the loss of highest quality resource type land;
 - (5) Agreement with the substation operator authorizing the storage of energy;
 - (6) Statement(s) from the local fire district responsible for fire suppression at the site confirming that the applicant met with and conferred with the district at least 30 days prior to submittal, discussed the energy storage system design, sought input on mitigating potential fire and life safety concerns, and sought input on the content of emergency action plans required by Section 761.3 of the Public Utilities Code, as amended. For applications submitted before the effective date of this ordinance, the applicant shall submit the statement(s) within 30 days of ordinance adoption.
 - (7) Alternatives analysis. Memorandum describing:
 - (a) Alternative sites considered and reason(s) for eliminating these options.
 - (b) Alternative battery and chemistry analysis and reason(s) for the choice of battery and chemistry.
 - (8) Technical reports.
 - (a) Report addressing noise and electromagnetic field exposure;
 - (b) Report addressing the community benefit, including climate resiliency, electrical grid stability, and direct benefits to Santa Cruz County residents;
 - (c) Geologic and geotechnical report, per SCCC Chapter 16.10;
 - (d) Report(s) addressing any environmental resources, as defined by SCCC Title 16, that are potentially on site or impacted;
 - (e) A smoke drift/plume study to determine the potential travel pathways and communities potentially impacted in the event of a fire, given the type of batteries,

- scope of event, and atmospheric conditions, including a community risk assessment showing flammable and toxic extents for worst-case release scenarios;
- (f) Report(s) analyzing baseline air quality, surface water, groundwater, and soils within one mile of the energy storage system or within the distance analyzed in the smoke drift/plume study, whichever is greater. The report(s) shall address concentrations of relevant chemicals of concern as determined by the County Environmental Health Services Division and/or the California Department of Toxic Substances Control (e.g., nickel, manganese, cobalt, and polychlorinated biphenyls [PCBs], etc.). Soil samples must be analyzed on a dry-weight basis (analyzed for percent solid or moisture) and wet-weight basis, and compared to risk thresholds adopted under state law;
- (g) A hazardous materials management plan and material safety data sheets meeting the requirements of SCCC Chapter 7.100.
- (h) Fire risk analysis and failure modes and effects analysis; and.
- (9) Emergency response and emergency action plan meeting the requirements of PUC 761.3(g), as amended, including applicable optional requirements of that section, and addressing all phases of the project, including construction, commissioning, operations, emergency response protocols, and decommissioning. The plan shall be coordinated with the County's Emergency Operational Area Coordinator (Office of Response, Recovery & Resilience) and responsible fire district(s), and take into account the County's Emergency Operations Plan and delineating communications during and after an emergency event. The plan shall be updated annually and submitted to the Office of Response, Recovery & Resilience and responsible fire districts.
- (10) Annual inspection, testing, and monitoring plan.
- (11) Augmentation plan that prioritizes replacement of battery packs with non-flammable, non-explosive technology as it becomes available.
- (11) Decommissioning plan, which shall be updated prior to closure to meet standards and requirements in place at the time of closure.
- (12) Financial assurances, including liability insurance that includes thermal runaway events and other incidents, pollution insurance, environmental insurance, decommissioning bonds, and agreement indemnifying the County in the event of an

- incident. Insurance shall address all phases of the construction and development process.
- (C) Application review. Given the technical nature of energy storage systems, the County reserves the right to, at the applicant's expense, engage third-party reviewers of any application materials.
- (D) Findings. In addition to applicable findings in SCCC Chapter 18.10, approval of applications shall be based on the following findings:
 - (1) That the community benefit of the proposed facility includes climate resiliency enhancing the County's ability to adapt to future climate change;
 - (2) That any conversion of commercial agricultural land/soils is off-set by the community benefits offered by the facility;
 - (3) That public safety and environmental resource protection is addressed to the extent provided by state and local law;
 - (4) The proposed project meets the criteria for the siting of energy facilities in General Plan Policy PPF-4.6.5, except that the "full protection" of agricultural uses shall not apply to the conversion of agricultural lands necessary to site the facility but shall apply to remaining agricultural lands; and
 - (5) Impacts to agricultural lands are proposed to be offset by the establishment of an agricultural conservation easement, as required by SCCC Section 13.10.408(B).
 - (6) Documented costs to respond to a thermal runaway incident, including costs incurred by emergency management and fire district responders and post-incident environmental testing, recovery, and clean up, shall be reimbursed to the County and or fire district/department.
- (E) The Community Development and Infrastructure Department shall issue any required building or ministerial permits only upon approval of Conditional Use and Site Development Permits by the Board of Supervisors.
- (F) Final inspection and occupancy shall be contingent upon submittal of operator's liability insurance that includes thermal runaway events and other incidents, pollution insurance, environmental insurance, decommissioning bonds, and agreement indemnifying the County in the event of an incident. Insurance shall address all phases of the development, and shall be maintained for the life of the project by the operator once the facility is operational.