

CALIFORNIA ENERGY COMMISSION

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**STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION**

)	Docket No. 15-IEPR-01
)	
In the Matter of:)	Resolution No. 16-0210-7
)	
THE 2015 INTEGRATED ENERGY)	Adoption of the 2015
POLICY REPORT (2015 IEPR))	Integrated Energy Policy Report
_____)	

WHEREAS, Senate Bill 1389 (Bowen, Chapter 568, Statutes of 2002) requires the Energy Commission to "conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices" and to "use these assessments and forecasts to develop energy policies that conserve resources, protect the environment, ensure energy reliability, enhance the state's economy, and protect public health and safety" (Public Resources Code § 25301(a)); and

WHEREAS, the Integrated Energy Policy Report (IEPR) contains these assessments and associated policy recommendations and is adopted every two years; and

WHEREAS, on February 27, 2015, Commissioner Andrew McAllister, Lead Commissioner for the 2015 IEPR, released a Scoping Order which identified the following topics to be included in the 2015 IEPR: all topics required by law to be included in the report; progress of efforts to increase the efficiency of California's existing buildings; identification of issues and potential solutions for reaching Governor Brown's goal of renewables for 50 percent of California's electricity use by 2030; forecasts of statewide and regional electricity demand; continuation of the analysis of Southern California electricity reliability due to loss of San Onofre Nuclear Generation Station and retirements of once-through cooling power plants; the Strategic Transmission Investment Plan, including a discussion of deliverability and western regional planning activities; continuation of the analysis begun in the 2014 IEPR Update on using landscape-scale analysis for energy planning; identification of "strategies to maximize the benefits obtained from natural gas as an energy source" in California; forecasts of statewide and regional natural gas end-use demand and assessments of natural gas price and market trends over the next 10 years; forecasts of statewide transportation fuel demand; trends in crude oil prices; evaluation of research,

development, demonstration, and deployment activities funded under the Alternative and Renewable Fuel and Vehicle Technology Program; the state of the science on scenarios to deeply reduce greenhouse gas emissions from California's energy system; development of a research agenda to identify climate adaptation measures for California's energy system; progress in implementing recommendations made in the *2013 IEPR* for San Onofre Nuclear Generating Station and Diablo Canyon Power Plant, including spent fuel storage; continuation of the analysis the Energy Commission initiated in the *2014 IEPR Update* on the changing trends in California's sources of crude oil; and

WHEREAS, the Lead Commissioner conducted 30 public workshops between November 4, 2014 and December 17, 2015 in order to solicit input from stakeholders on these topics, released the *Draft Lead Commissioner 2015 IEPR* for public review and comment on October 12, 2015, held a workshop on the draft report on October 20, 2015; and

WHEREAS, after considering all comments received at and in writing after the October 20, 2015 workshop, the Lead Commissioner released the *Final 2015 IEPR* on January 27, 2016; and

WHEREAS, the *Final 2015 IEPR* contains a demand forecast with three baseline cases and five additional achievable energy efficiency scenarios, and the single or managed forecast is a combination of these two forecast components: a baseline case and an additional achievable energy efficiency scenario. The Energy Commission, California Public Utilities Commission (CPUC), and California Independent System Operator (ISO) leaderships agree that the same additional achievable energy efficiency case should, in principle, be applied to all of the analyses, but that the ability to characterize and assign the locational attributes of the demand forecast, procurement authorizations, and transmission additions is still evolving. The leadership from the Energy Commission, in consultation with the CPUC and the California ISO, selected the mid demand case for the combined investor-owned utility service areas that comprise the California ISO balancing areas, including variants for different weather conditions used in system versus local capacity and reliability studies. This selected baseline will be combined into a single forecast set with the mid-mid additional achievable energy efficiency scenario for system-wide and flexibility studies, and the mid-low additional achievable energy efficiency scenario for local studies in the 2016-2017 procurement and transmission planning cycles; and

WHEREAS, California Energy Commission has considered the application of the California Environmental Quality Act (CEQA) to the adoption of the *Final 2015 IEPR*, concluded that its adoption is not a "project" under CEQA, but that in the event that adoption were determined to be a project, that it would nonetheless be exempt from CEQA requirements pursuant to the "common sense" exemption (CEQA Guidelines, § 15061, subd. (b)(3)); and

WHEREAS, the California Energy Commission accepts and approves the *Final 2015 IEPR* with the changes identified at its February 10, 2016 Business Meeting; and

WHEREAS, judicial review of this Resolution is governed by Public Resources Code, section 25901;

THEREFORE BE IT RESOLVED, the California Energy Commission hereby adopts the *Final 2015 IEPR* and directs Commission staff prepare the *Final 2015 IEPR* incorporating the changes adopted today along with any non-substantive changes such as typographical corrections, and forward the *Final 2015 IEPR* to the Governor for his review pursuant to Public Resources Code section 25307, and to make the document available to the public and the Legislature.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the California Energy Commission held on February 10, 2016.

AYE:

NAY:

ABSENT:

ABSTAIN:

Tiffani Winter
Secretariat
California Energy Commission

Dated: February 10, 2016