

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

Docket No. 20-IEPR-01

In the Matter of:

*THE 2020 INTEGRATED ENERGY
POLICY REPORT UPDATE (2020 IEPR)*

*Adoption of the 2020 Integrated
Energy Policy Report Update*

WHEREAS, the Warren-Alquist Act requires the Energy Commission in even-numbered years 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 and evaluate energy policies and programs that conserve resources, protect the environment, ensure energy reliability, enhance the state's economy, and protect public health and safety" (Public Resources Code § 25301, subd. (a)); and to update these assessments and forecasts in odd-numbered years (Public Resources Code § 25302, subd. (c)); and

WHEREAS, on February 24, 2020, the Lead Commissioner issued a Scoping Order for the *2020 Integrated Energy Policy Report Update* stating that the *2020 Integrated Energy Policy Report Update* would consist of three volumes consisting of (1) a report on transportation trends, challenges, and opportunities; (2) an update to the demand forecast; and (3) an assessment of microgrids; and

WHEREAS, 12 public workshops were held between May 2020 and December 2020 to solicit input from stakeholders on these topics, including nine public workshop on transportation and two on the demand forecast; and

WHEREAS, on January 6, 2021, the Lead Commissioner published the draft *2020 IEPR Update, Volume I: Blue Skies, Clean Transportation* for public review and comment, and, after considering all comments received, published the proposed final version on February 25, 2021 along with a Notice of Intent to Adopt at this regularly scheduled Business Meeting; and

WHEREAS, on February 4, 2021, the draft *2020 IEPR Update, Volume III: California Energy Demand Forecast Update* was published for review and comment and, after

considering all comments received, the proposed final was published on February 25, 2021 along with a Notice of Intent to Adopt at this regularly scheduled Business Meeting; and

WHEREAS, the draft 2020 IEPR Update, Volume II on microgrids will be published and adopted at a later date; and

WHEREAS, the Energy Commission has considered the application of the California Environmental Quality Act (CEQA) to the adoption of the *2020 Integrated Energy Policy Report Update, Volumes I and III*, and concluded that the adoption of these reports is not a “project” under CEQA, but in the event that adoption was 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)).

THEREFORE BE IT RESOLVED, the California Energy Commission hereby accepts, approves, and adopts the Final *2020 Integrated Energy Policy Report Update, Volume I Blue Skies, Clean Transportation and Volume III: California Energy Demand Forecast Update* incorporating any changes presented and adopted today along with any non-substantive changes such as typographical corrections, and directs Energy Commission staff to make the document accessible to state, local, and federal entities, the public, and the Legislature.

CERTIFICATION

The undersigned Secretariat to the Energy Commission does hereby certify that the foregoing is a full, true, and correct copy of an order duly and regularly adopted at a meeting of the California Energy Commission held on March 17, 2021.

AYE:

NAY:

ABSENT:

ABSTAIN:

Patricia Carlos
Secretariat
California Energy Commission

Dated: March 17, 2021

Errata

Item 13: 2020 IEPR Update, Volume I and Volume III (20-IEPR-01)

For Consideration at the March 17, 2021 California Energy Commission Business Meeting

Proposed Changes to *Final 2020 Integrated Energy Policy Report Update, Volume I: Blue Skies, Clean Transportation*

Page numbers refer to the report posted on February 25, 2021, that does not show changes in underline-strikeout (docket number 20-IEPR-01, TN# 236905). Added text is shown in underline; ~~deleted text shown in strikeout~~.

Page 2, last paragraph

~~Tragically,~~ According to a November 2020 study by Harvard researchers, Californians exposed to the most air pollution are more than twice as likely to die from COVID-19 as those living in communities with clean air.

Page 5, second paragraph

Done right, this type of scenario can be the basis of additional economic growth of up to \$134 billion per year, as estimated in an economic forecast by NEXT 10.

Page 5, third paragraph

~~One estimate of the jobs in~~ A 2021 CALSTART survey of the electric vehicle and equipment supply chain in California showed is at least 70,000 direct jobs-workers. The same study identified more than 360 unique companies involved in the ZEV supply chain in California.

Page 5, last paragraph

The light-duty plug-in electric vehicle (PEV) market has surpassed expectations of analysts from even just a few years prior. ~~In several major economies China and Europe, market penetration of PEV sales has nearly doubled in the last two years between 2017 and 2019.~~

Page 9, second paragraph

The medium-duty, heavy-duty, and off-road sectors should be priority focus areas, given the urgent need to reduce harmful emissions for these vehicles and the advantages that FCEVs may offer over battery-electric in ~~these certain~~ applications.

Page 10, first paragraph

Of course, when the power is out, neither conventional combustion vehicles nor ZEVs can be refueled unless there is a backup source of energy to pump fuel or charge a battery. So, while ZEVs are a source of energy resiliency, they eventually need resilient refueling infrastructure. Fortunately, batteries and onsite renewable generation tied to charging infrastructure offer this resiliency potential. These technologies can also

~~provide critical services to communities in the event of power outages as well as general beneficial energy services when the grid is functioning. Of course, PEVs and FCEVs are not an unlimited supply of energy, and each must eventually be refueled, especially if used to help power a resident's home. While a PSPS can reduce the ability for any vehicle to refuel, including power losses at gasoline stations, charging infrastructure can include battery systems and on-site renewable generation to provide resilient energy and charging services in the event of a power loss. These technologies provide several opportunities (backup, charging, grid services) for those that use them. The resiliency they offer beyond typical gasoline stations should be considered in the charging infrastructure build-out.~~

Page 10, second paragraph

~~Although ZEVs represent a revolutionary opportunity to transform transportation, it will take 15–25 years to transition most fleets, and some transportation modes may be more difficult to electrify. During this ZEV ramp up, low-carbon liquid fuels and other low-emission fuels can be blended with or substitute for petroleum. reduce GHG emissions and health-related air pollution, lower refueling costs, and support the efficient use of the electricity grid, some transportation modes may be difficult to electrify.~~

Page 10, third paragraph

~~In the shorter term, renewable gas may also have a place in reducing pollution, such as smog-forming nitrogen oxides, until the state achieves a full transition to ZEVs.~~

Proposed Changes to *Final 2020 Integrated Energy Policy Report Update, Volume III: California Energy Demand Forecast Update*

Page numbers refer to the report posted on February 25, 2021, that does not show changes in underline-strikeout (docket number 20-IEPR-01, TN# 236903). Added text is shown in underline; ~~deleted text shown in strikeout~~.

Page 4

Furthermore, the forecast also includes an exploratory a 1-in-30 peak ~~forecast analysis~~ (a very low probability weather scenario similar to what was experienced in August 2020) for situational awareness and to help support future planning improvements.¹

New footnote: Staff analysis found that 1-in-30 temperature conditions could lead to an additional 1.1 percent increase in peak load beyond what would be expected for 1-in-20 temperature event.

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The joint agencies' respective staff ~~lead staff of the Joint Agencies~~ and the California ISO leadership ~~guiding the processes listed below~~ have agreed that specific elements of this forecast set will be used for planning and procurement in the California ISO's TPP and the CPUC's IRP, resource adequacy, and other planning processes as outlined below.

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The following list describes the current agreement among the ~~lead staff of the Joint Agencies~~ agencies' respective staff and California ISO leadership:

Backup Material for Item #13: 2020 IEPR Update, Volume I and Volume III (20-IEPR-01).

Below are links to volumes I and III of the *2020 Integrated Energy Policy Report Update*:

- [*Proposed Final 2020 Integrated Energy Policy Report Update, Volume I: Blue Skies, Clean Transportation*](#)
- [*Proposed Final 2020 Integrated Energy Policy Report Update Volume I: Blue Skies, Clean Transportation*](#) – TRACK CHANGES, showing edits to January 6, 2021 draft
- [*Proposed Final 2020 Integrated Energy Policy Report Update, Volume III: California Energy Demand Forecast Update*](#)
- [*Proposed Final 2020 Integrated Energy Policy Report Update, Volume III: California Energy Demand Forecast Update*](#) – TRACK CHANGES, showing edits to March 4, 2021 draft

The files are available at <https://www.energy.ca.gov/data-reports/reports/integrated-energy-policy-report/2020-integrated-energy-policy-report-update>.