

March 09, 2022, California Energy Commission Business Meeting

Item 5. 2021 INTEGRATED ENERGY POLICY REPORT.

Notice of Availability and Consideration for Adoption, 2021 Integrated Energy Policy Report, Volume III: Decarbonizing the State's Gas System

<HTTPS://EFILING.ENERGY.CA.GOV/GETDOCUMENT.ASPX?TN=241622>

Final 2021 Integrated Energy Policy Report (Final 2021 IEPR) Volume III – Decarbonizing the State's Gas Systems

- Final 2021 IEPR Volume III Decarbonizing the State's Gas Systems - (Clean Version) <HTTPS://EFILING.ENERGY.CA.GOV/GETDOCUMENT.ASPX?TN=241961>
- Final 2021 IEPR Volume III Decarbonizing the State's Gas Systems - (Track Changes Version) <HTTPS://EFILING.ENERGY.CA.GOV/GETDOCUMENT.ASPX?TN=241960>

Proposed Changes to
Final 2021 Integrated Energy Policy Report, Volume III:
Decarbonizing the State's Gas System

For Consideration at the March 9, 2022
California Energy Commission Business Meeting

Page numbers refer to the report posted on February 24, 2022 (docket number 21-IEPR-01, TN# 241961). Added text is shown in underline; ~~deleted text shown in strikeout~~.

Chapter 4, page 61:

Renewable Gas Potential and Economics

California consumed slightly more than 2 billion cubic feet (Bcf) of renewable gas in 2020. Estimates of renewable gas production potential available for use in California vary widely from a low of 52,000 million cubic feet (MMcf) to a high of about 311,000 MMcf; as it stands, renewable gas could not fully replace fossil gas even if developed at highest potential. Figure 25 compares renewable gas potential based on the availability of feedstocks in California from a variety of studies.¹

¹ This includes studies conducted by the California Biomass Collaborative, the UC Davis Institute of Transportation Studies, the American Gas Foundation, the United States Department of Energy, and ICF.

Resolution No: 22-0309-05

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

Docket No. 21-IEPR-01

In the Matter of:

*THE 2021 INTEGRATED ENERGY
POLICY REPORT (2021 IEPR)*

[PROPOSED]

*Adoption of the 2021 Integrated
Energy Policy Report, Volume III*

WHEREAS, the Warren-Alquist Act requires the California Energy Commission (CEC) in odd-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 even-numbered years (Public Resources Code § 25302, subd. (c)); and

WHEREAS, on March 16, 2021, the Lead Commissioner issued a Scoping Order for the *2021 Integrated Energy Policy Report* stating that the *2021 Integrated Energy Policy Report* would address the following four major topics as well as an analysis of the benefits of transitioning to a clean transportation system: (1) energy reliability over the next five years; (2) natural gas outlook and assessments; (3) building decarbonization and energy efficiency; and (4) energy demand. To this end, the CEC has produced the 2021 IEPR as four volumes and an appendix consisting of: (1) a report on actions needed to reduce the greenhouse gases (GHGs) related to buildings in which Californians live and work, with an emphasis on energy efficiency, and reducing GHGs from the industrial and agricultural sectors; (2) a report on actions needed to increase the reliability and resiliency of California's energy system; (3) an assessment of the evolving role of gas in California's energy system, both the importance in near-term reliability and the need for the system to evolve as California works to achieve carbon neutrality by 2045; (4) an assessment of California's energy demand outlook, including a forecast to 2035 and long-term energy demand scenarios to 2050; and (5) an evaluation of the benefits of California's Clean Transportation Program.

WHEREAS, 21 public workshops were held between January 2021 and December 16, 2021, to solicit input from stakeholders on these topics; and

WHEREAS, the Warren-Alquist Act requires the CEC to consult with various entities in preparing the IEPR including the California Public Utilities Commission (CPUC), CPUC Public Advocates Office, California Air Resources Board, California Independent System Operator (California ISO), Department of Water Resources, Department of Transportation, and Department of Motor Vehicles, and any federal, state, and local agencies it deems necessary (Public Resources Code §25302(d)), and the CEC has so consulted with these entities during preparation of the 2021 IEPR; and

WHEREAS, on January 12, 2022, the Lead Commissioner published the *Draft 2021 IEPR, Volume III, Decarbonizing the State's Gas System* for public review and comment, and, after considering all comments received, published the proposed final version on February 22, 2022, along with a Notice of Intent to Adopt at this regularly scheduled Business Meeting; and

WHEREAS, the CEC has considered the application of the California Environmental Quality Act (CEQA) to the adoption of the *2021 Integrated Energy Policy Report, Volume III*, and concluded that the adoption of this report 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)).

THEREFORE BE IT RESOLVED, the CEC hereby accepts, approves, and adopts the Final *2021 Integrated Energy Policy Report, Volume III*, incorporating any changes presented and adopted today along with any non-substantive changes such as typographical corrections, and directs CEC staff to make the document accessible to state, local, and federal entities, the public, and the Legislature.

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CERTIFICATION

The undersigned Secretariat to the CEC 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 CEC held on March 09, 2022.

AYE:

NAY:

ABSENT:

ABSTAIN:

Liza Lopez
Secretariat
California Energy Commission

Dated: March 09, 2022