

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

IN THE MATTER OF:

*The 2021 Integrated Energy Policy Report
(2021 IEPR)*

Docket No. 21-IEPR-03

Adoption of Demand Scenarios

WHEREAS, Public Resources Code section 25301(a) requires the California Energy Commission (CEC) 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"; and

WHEREAS, the Integrated Energy Policy Report contains these assessments and associated policy recommendations and is adopted every two years, with an Integrated Energy Policy Report Update being adopted each interim year; and

WHEREAS, Public Resources Code section 25303(c) requires the CEC to make reasonable adjustments to its energy demand forecasts, in consultation with the California Public Utilities Commission; and

WHEREAS, the *2021 IEPR* included an assessment of California's energy demand outlook and a "single forecast set" to be used for planning purposes in CEC, California Public Utilities Commission, and California Independent System Operator proceedings, and acknowledged that to account for unforeseen uncertainties, variations of energy demand outputs that diverge from the single forecast set may be used under specific circumstances with consensus from the CEC, the California Public Utilities Commission, and the California Independent System Operator; and

WHEREAS, the CEC consulted with appropriate state and federal agencies, including, but not limited to, the California Public Utilities Commission, the California Air Resources Board, and the California Independent System Operator, to develop the demand scenarios; and

WHEREAS, the CEC held workshops on December 2, 2021, and April 7, 2022, and a Demand Analysis Working Group Meeting was held on September 15, 2021, to discuss the demand scenarios; and

WHEREAS, on May 20, 2022, staff docketed the Notice of Availability for the Demand Scenarios, which identifies the documents that make up the scenario results, including statewide annual energy consumption and greenhouse gas emissions through 2050 for the reference, policy compliance, and mitigation scenarios; and hourly electricity demand through 2035 for the interagency high electrification scenario and additional transportation electrification scenario for each of the major planning areas and for the California Independent System Operator's territory as a whole; and

WHEREAS, the demand scenarios provide projections which reflect potential impacts of electrification and decarbonization strategies; and

WHEREAS, the interagency high electrification scenario and the additional transportation electrification scenario reflect impacts of policies and programs that are highly likely to be implemented, these may serve as a key input into planning and procurement efforts including transmission system planning, integrated resource planning, and distribution system planning; and

WHEREAS, leadership at the CEC, the California Public Utilities Commission, and the California Independent System Operator have agreed to deviate from the "single forecast set" in the *2021 IEPR* to allow the use of the high electrification scenario or the additional transportation electrification scenario for the forecast used in the 2022-2023 Transmission Planning and for the forecast used in the Integrated Resource Plan to develop the 2023-2024 Transmission Planning Process portfolio; and

WHEREAS, the CEC has considered all comments received on the demand scenarios, including the high electrification scenario and the additional transportation electrification scenario;

THEREFORE BE IT RESOLVED, the CEC hereby adopts the Demand Scenarios along with any changes identified at its May 24, 2022 Business Meeting, directs CEC staff to make the demand scenarios available to the public, and approves use of the Demand Scenarios, including the interagency high electrification scenario and the additional transportation electrification scenario, for the 2022-2023 Transmission Planning Process and the Integrated Resource Plan to develop the 2023-2024 Transmission Planning Process portfolio.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly approved at a meeting of the CEC held on May 24, 2022.

AYE:

NAY:

ABSENT:

ABSTAIN:

Liza Lopez
Secretariat