



**California Energy Commission
December 13, 2023, Business Meeting
Backup Materials for Agenda Item No 5:
Renewables Portfolio Standard 2017-2020 Verification Results Reports**

The following backup materials for the above-referenced agenda item are available as described below:

1. Proposed Resolution, attached below.
2. The 28 *Renewables Portfolio Standard 2017-2020 Verification Results for Local Publicly Owned Electric Utilities, Staff Draft Reports*, at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-rps-01>.
3. CEQA Memo, attached below.

For the complete record, please visit: Docket Number 21-RPS-01, at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-rps-01>

To stay informed about this project and receive documents as they are filed, please subscribe to the “General Renewable Energy Info and CEC Renewable Energy Programs” subscription list, which can be accessed here:

<https://www.energy.ca.gov/subscriptions> The subscription service sends out email notifications and direct links when documents are filed in the proceeding docket.

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION ADOPTING RENEWABLES PORTFOLIO STANDARD 2017-2020
VERIFICATION RESULTS REPORTS FOR 28 LOCAL PUBLICLY OWNED
ELECTRIC UTILITIES FOR COMPLIANCE PERIOD 3

WHEREAS, Public Utilities Code Section 399.25(b) requires the California Energy Commission to design and implement an accounting system to verify compliance with California's Renewables Portfolio Standard (RPS) by retail sellers and local publicly owned electric utilities (POUs), to ensure that electricity generated by an eligible renewable energy resource is counted only once for the purpose of meeting the renewables portfolio standard of this state or any other state, and for verifying retail product claims in this state or any other state; and

WHEREAS, the California Energy Commission, in collaboration with the California Public Utilities Commission, has adopted regulations and guidelines addressing its responsibilities under Public Utilities Code Section 399.25(b) as well as other provisions of the law governing California's RPS, the *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities* (RPS POU Regulations) and the *Renewables Portfolio Standard Eligibility Guidebook, Ninth Edition (Revised)* (RPS Eligibility Guidebook), respectively; and

WHEREAS, in furtherance of Public Utilities Code Section 399.25(b) the California Energy Commission prepares Renewables Portfolio Standard Verification Results Reports on its findings on the amount of eligible renewable energy procured each compliance period by POUs subject to California's RPS; and

WHEREAS, the Renewables Portfolio Standard Verification Results Reports apply the statutory requirements as specified in Public Utilities Code Section 399.11, et seq., the RPS POU Regulations, RPS Eligibility Guidebook, and the Energy Commission staff *Renewables Portfolio Standard Verification Methodology Report, Third Edition*, in determining the amount of renewable energy procurement that qualifies toward each POU's California RPS procurement requirements; and

WHEREAS, California Energy Commission staff have prepared a Compliance Period 3 (2017-2020) verification report for each of the 28 POUs identified in Attachment A hereto, entitled the *California Energy Commission Staff Draft Report Renewables Portfolio Standard Verification Results*; and

WHEREAS, the scope of each of the *California Energy Commission Staff Draft Report Renewables Portfolio Standard Verification Results* includes RPS procurement verification findings for each of the POUs identified in Attachment A hereto; and

WHEREAS, the *California Energy Commission Staff Draft Report Renewables Portfolio Standard Verification Results* for each POU address the following items with respect to each 28 POUs identified in Attachment A hereto:

- The POU's procurement target and portfolio balance requirements and limitations.
- The amount of eligible renewable energy credits retired, and the amount applied to meet the compliance period requirements, both shown by Portfolio Content Category classification and Long-Term Procurement Requirement classification, as applicable.
- Deficits in meeting RPS procurement requirements for the compliance period.
- Optional compliance measures being applied by the POU for the compliance period.
- A calculation of excess procurement accumulated in this compliance period.
- A summary of the POU's excess procurement and historic carryover, if any, including any prior balance, the amount accumulated and used in the current compliance period, and remaining balance.

WHEREAS, the CEC has considered the application of the California Environmental Quality Act (CEQA) to the adoption of the *California Energy Commission Staff Draft Report Renewables Portfolio Standard Verification Results*, 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, that the California Energy Commission hereby adopts the 28 *California Energy Commission Staff Draft Report Renewables Portfolio Standard Verification Results* for the POUs identified in Attachment A hereto and authorizes the Executive Director, or his designee, to finalize the reports as Energy Commission adopted reports, including making any necessary minor typographical edits, and distribute and post on the Energy Commission website as necessary.

FURTHER BE IT RESOLVED, that documents and other materials that constitute the proceeding record can be found at the CEC, 715 P Street, Sacramento, California, 95814 in the custody of the Docket Unit and online in [Docket Number 21-RPS-01](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-RPS-01), <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-RPS-01>; and

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 adopted at a meeting of the CEC held on December 13, 2023.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Kristine Banaag
Secretariat

ATTACHMENT A

City of Biggs	Imperial irrigation District
City of Palo Alto	Kirkwood Meadows Public Utility District
Power and Water Resources Pooling Authority	Lodi Electric Utility
Sacramento Municipal Utility District	City of Lompoc
Stockton Port District	City of Shasta Lake
Truckee Donner Public Utility District	City of Healdsburg
Merced Irrigation District	City of Redding
City of Moreno Valley	City of Riverside
Port of Oakland	Alameda Municipal Power
City of Ukiah	Anaheim Public Utilities
City of Vernon	Azusa Light and Power
City of Victorville	City of Cerritos
City of Colton	City of Banning
Eastside Power Authority	City of Needles

Memorandum

To: Docket 21-RPS-01

From: Josey Crosby, Attorney
California Energy Commission
715 P Street
Sacramento, California 95814

Date: November 30, 2023

Subject: Basis for Finding that the *California Energy Commission Staff Draft Report Renewables Portfolio Standard Verification Results* is not a project and is exempt from the California Environmental Quality Act (CEQA) under the Common-Sense Exemption

I. CEQA

The California Environmental Quality Act (Public Resources Code, sections 21000 *et seq.*; see also CEQA Guidelines, California Code of Regulations, Title 14, sections 15000 *et seq.*) requires that state agencies consider the environmental impact of their discretionary decisions. CEQA allows for certain projects to be exempted from its requirements. Of relevance here, and discussed further below, is the common-sense exemption (California Code of Regulations, Title 14, section 15061(b)(3)).

II. Background and Proposed Action

The California Energy Commission (CEC) administers the state's landmark Renewables Portfolio Standard (RPS), ensures the state's utilities disclose electricity sources to consumers, supports renewable energy development, and tracks the state's progress toward its renewable energy goals. The CEC verifies the eligibility of renewable energy procured by load serving entities, which include retail sellers and publicly owned utilities (POUs) that are obligated to participate in California's RPS. The CEC is also responsible for certifying RPS-eligible renewable energy resources, designing and implementing an accounting system to track and report renewable energy procurement for all program participants, and overseeing compliance and enforcement of POUs. The CEC participated in the development of the Western Renewable Energy Generation Information System (WREGIS), an independently administered renewable energy tracking system to verify renewable energy procurement for all program participants. The California Public Utilities Commission is responsible for compliance and enforcement for retail sellers.

As part of the verification process, Public Resources Code section 399.25(b) requires the CEC to prepare Renewables Portfolio Standard Verification Results Reports finding whether the procurement claim amounts listed are consistent with RPS certification and procurement requirements specified in the *Renewables Portfolio Standard Eligibility Guidebook, Ninth Edition (Revised)* (*RPS Guidebook*) and the *Enforcement Procedures for the Renewables*

Portfolio Standard for Local Publicly Owned Electric Utilities (RPS POU Regulations) and are eligible for the RPS program as indicated. These results reports are issued for each POU and adopted by the CEC at a regularly scheduled business meeting.

California Energy Commission staff have prepared a Compliance Period 3 (2017-2020) verification report for each of 28 POUs, entitled the *California Energy Commission Staff Draft Report Renewables Portfolio Standard Verification Results*, which include the verification findings for each of these 28 POUs.

The CEC is considering adopting the 28 verification reports at the December 13, 2023, CEC business meeting.

III. The proposed verification reports are not a project.

CEQA only applies to an action “that has a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.” (California Code of Regulations, Title 14, section 15061(a).)

The CEC prepares Renewables Portfolio Standard Verification Results Reports on its findings on the amount of eligible renewable energy procured each compliance period by POUs subject to California’s RPS. The adoption of these findings does not impose any new requirements on POUs and are determined through a process based on the requirements specified in the *RPS Guidebook* and *RPS POU Regulations*. Therefore, the proposed verification reports have no potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Accordingly, verification reports do not meet the definition of a project under CEQA and therefore CEC is not obligated to meet the CEQA requirements that apply to projects.

IV. Even if the verification reports were considered a project, they are exempt from CEQA under the Common-Sense Exemption.

The verification reports are exempt from CEQA under the Common-Sense Exemption. CEQA only applies to projects that have the potential to cause a significant effect on the environment. (California Code of Regulations, Title 14, section 15061(b)(3).) A “significant effect on the environment” is defined as a substantial, or a potentially substantial, adverse change in the environment, and does not include an economic change by itself. (Public Resources Code, section 21068; California Code of Regulations, Title 14, section 15382.)

As detailed above, the purpose of the verification reports is to simply approve findings on whether the procurement claim amounts listed are consistent with RPS certification and procurement requirements and are eligible for the RPS program as indicated, and it can be seen with reasonable certainty that the verification reports will not have a significant effect on the environment.

V. Conclusion

As shown above, it can be seen with reasonable certainty that the verification reports are not a project as they have no potential for resulting in either a direct physical change in the environment nor a reasonably foreseeable indirect physical change in the environment. If the

verification reports were to be a project, they would not have a significant effect on the environment and, therefore, they are exempt pursuant to the Common-Sense Exemption under California Code of Regulations, Title 14, section 15061(b)(3).