



**California Energy Commission
02.14.2024 Business Meeting
Backup Materials for Agenda Item No. 8**

**Final 2023 Integrated Energy Policy Report
(2023 IEPR) (Docket 23-IEPR-01)**

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

1. Proposed Resolution, attached below.
2. Memorandum re Proposed California Environmental Quality Act Compliance for the 2023 IEPR, attached below.
3. *Final 2023 Integrated Energy Policy Report*
 - Final 2023 Integrated Energy Policy Report Clean Version available below or at 2023 Integrated Energy Policy Report, <https://www.energy.ca.gov/data-reports/reports/integrated-energy-policy-report/2023-integrated-energy-policy-report>
 - [Proposed 2023 Integrated Energy Policy Report](https://efiling.energy.ca.gov/GetDocument.aspx?tn=254255&DocumentContentId=89629),
<https://efiling.energy.ca.gov/GetDocument.aspx?tn=254255&DocumentContentId=89629>

For the complete record, please visit:

- [Docket Number 23-IEPR-01](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-01),
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-01>
- [Docket Number 23-IEPR-02](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-02),
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-02>
- [Docket Number 23-IEPR-03](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-03),
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-03>
- [Docket Number 23-IEPR-04](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-04),
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-04>
- [Docket Number 23-IEPR-05](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-05),
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-05>
- [Docket Number 23-IEPR-06](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-06),
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-06>
- [Docket Number 23-IEPR-07](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-07),
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=23-IEPR-07>

To stay informed about this project and receive documents as they are filed, please subscribe to the proceeding subscription, which can be accessed here: [2023 Integrated](#)

[Energy Policy Report](https://www.energy.ca.gov/data-reports/reports/integrated-energy-policy-report/2023-integrated-energy-policy-report), <https://www.energy.ca.gov/data-reports/reports/integrated-energy-policy-report/2023-integrated-energy-policy-report>. Those on the subscription list receive email notifications and direct links when documents are filed in the proceeding docket.

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STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

ADOPTION OF THE
FINAL 2023 INTEGRATED ENERGY POLICY REPORT

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 29, 2023, the Lead Commissioner issued a Scoping Order for the 2023 Integrated Energy Policy Report proceeding stating that the *2023 Integrated Energy Policy Report (2023 IEPR)* would address the following: Accelerating the Connection of Clean Energy Technologies With the Electric Grid; Updating the California Energy Demand Forecast; Analyzing the potential growth of hydrogen; and providing updates, including gas decarbonization, estimation of benefits from the transition to clean transportation systems, strategies and options for the use of gas, and implementation of energy efficiency measures; and

WHEREAS, the CEC held eleven workshops and one webinar, between January through December 2023 on the topics identified in the scoping order, to solicit input from stakeholders on these topics; and

WHEREAS, the CEC has considered the application of the California Environmental Quality Act (CEQA) to the adoption of the *Final 2023 Integrated Energy Policy Report*, and concluded that the adoption of this report is not a "project" under CEQA, because no commitment to any specific project is made in this *2023 IEPR*, and approving it will not cause a direct or reasonably foreseeable indirect change in the environment. However, in the event that the adoption of the *2023 IEPR* were determined to be a project, the CEC has determined that it would nonetheless be exempt from CEQA requirements pursuant to the "common sense" exemption (CEQA Guidelines, § 15061, subd. (b)(3)) for the same reason, and it can be seen with certainty that there is no possibility that the adoption of the *2023 IEPR* may have a significant effect on the environment.

THEREFORE BE IT RESOLVED, the CEC hereby accepts, approves, and adopts the *Final 2023 Integrated Energy Policy Report*, 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.

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 February 14, 2024.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated: February 14, 2024

Kristine Banaag
Secretariat

Memorandum

To: Chair Hochschild
Vice Chair Gunda
Commissioner Monahan
Commissioner Gallardo
Commissioner McAllister

Date: January 30, 2024

From: Reneé Webster-Hawkins
Senior Attorney, Hearing & Advisory Unit
Chief Counsel's Office

Subject: Proposed California Environmental Quality Act Compliance for the *2023 Integrated Energy Policy Report (2023 IEPR)*

At the February 14, 2024 Energy Commission (CEC) business meeting, staff from the CEC plans to propose the *2023 Integrated Energy Policy Report (2023 IEPR)* for the CEC's consideration and adoption. For purposes of complying with the California Environmental Quality Act (CEQA) Public Resources Code § 21000 et seq.), I recommend the CEC find that adopting this *2023 IEPR* is not a "project" for purposes of CEQA.

Under CEQA, a "project" means "an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment..." (Pub. Resources Code § 21065.) The *2023 IEPR* is not a project because it is a report that includes findings and recommendations based on staff assessments of existing data and information. Any agency approvals or commitments of specific activities based on these findings and recommendations will be made, if at all, through future discretionary decision making processes by the respective lead or responsible agencies. Because no commitment to any specific project is made in this *2023 IEPR*, approving it will not cause a direct or reasonably foreseeable indirect change in the environment.

However, if a challenge was made to this determination and a court should find that adopting the *2023 IEPR* is indeed a project within the meaning of CEQA, I recommend that the CEC make an alternative finding now and adopt staff's determination that if the *2023 IEPR* is a project under CEQA, it is nevertheless exempt from CEQA requirements pursuant to the "common sense" exemption (CEQA Guidelines, § 15061, subd. (b)(3)). The common sense exemption applies "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." *Ibid.* Statute requires the biennial IEPR report to be prepared based on data collected by the CEC and include assessments of major energy trends, forecasts, and other issues facing the state's electricity, natural gas, and transportation fuel sectors. The report provides policy recommendations to conserve resources; protect the environment; ensure reliable, secure, and diverse energy supplies; enhance the state's economy; and protect public health and safety, but makes no approvals or funding commitments for activities that may have a significant effect on the environment. Therefore, adopting the *2023 IEPR* qualifies for the common sense exemption and is not subject to CEQA.