



**California Energy Commission
April 10, 2024, Business Meeting
Backup Materials for Agenda Item No XX:
Federal and Administrative Updates Rulemaking**

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

1. Proposed Resolution, attached below.
2. Notice of Proposed Action, available at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=253263&DocumentContentId=88466>.
3. Proposed 45-Day Express Terms, available at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=253264&DocumentContentId=88467>.
4. Initial Statement of Reasons, available at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=253262&DocumentContentId=88465>.
5. Notice of Availability: 15-Day Public Comment Period, available at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=254931&DocumentContentId=90613>.
6. Proposed 15-Day Express Terms, available at <https://efiling.energy.ca.gov/GetDocument.aspx?tn=254932&DocumentContentId=90612>.
7. CEQA Notice of Exemption Memo, attached below.

For the complete rulemaking record, please visit:

<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-AAER-04>.

To stay informed about this rulemaking and receive documents as they are filed, please subscribe to the proceeding list serve, which can be accessed here:

<https://www.energy.ca.gov/proceeding/federal-and-administrative-updates-title-20-appliance-efficiency-regulations>. The list serve 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 TITLE: FEDERAL AND ADMINISTRATIVE UPDATES RULEMAKING

WHEREAS, on November 20, 2023, the State Energy Resources Conservation and Development Commission (“California Energy Commission” or CEC) mailed and posted on the CEC’s website a Notice of Proposed Action (NOPA) formally notifying the public of the CEC’s intent to adopt proposed regulations for the Federal and Administrative Updates Rulemaking, the Express Terms of the proposed regulations, an Initial Statement of Reasons (ISOR) describing the rationale for the proposal, and the fiscal and economic impact analysis; and

WHEREAS, on November 24, 2023, the NOPA was published in the California Regulatory Notice Register, delivered to the Secretary of the California Natural Resources Agency; and

WHEREAS, each of the above-referenced documents and notices was provided to every person on the CEC’s Rulemaking and Appliances subscription lists, and to every person who had requested notice of such matters, and was posted to the CEC’s website; and

WHEREAS, on January 8, 2024, the 45-day written comment period established by the NOPA closed; and

WHEREAS, on January 9, 2024, the CEC held a public hearing, as noticed in the updated NOPA, to receive comments on the proposed regulation amendments; and

WHEREAS, on March 8, 2024, the CEC posted the Notice of Availability of proposed amended regulations along with an additional 15-day public comment period; and

WHEREAS, on March 25, 2024, the written comment period established by the Notice of Availability closed.

WHEREAS, the date listed in Table W-2 within section 1605.1(w) of the proposed language erroneously stated June, not January 10, 2022, and that the CEC adopts the March 8, 2024, text as recommended by staff with this correction.

THEREFORE, THE CALIFORNIA ENERGY COMMISSION FINDS:

With regard to the California Environmental Quality Act (CEQA):

- The CEC has considered the application of CEQA to the proposed regulations and concluded that the proposed regulations are exempt from CEQA requirements under the common sense exemption (California Code Regulations (CCR), title 14, section 15061(b)(3)) because it can be seen with certainty that there is no possibility that the proposed amendments will have a significant effect on the environment; and

With regard to the Warren-Alquist Act

- The proposed regulations will, by harmonizing with federal requirements, updating certification, enforcement, and administrative provisions, and making non-substantive clarifying updates, reduce the wasteful, uneconomic, inefficient, and unnecessary consumption of energy for appliances that require a significant amount of energy or water on a statewide basis (Pub. Res. Code § 25402); and
- The proposed regulations are feasible and attainable (Pub. Res. Code § 25402(c)(1)(A)); and
- The proposed regulations do not result in any added total costs to the consumer over the designed life of the appliances concerned (Pub. Res. Code §§ 25402(c)(1)(A) and (C)); and

With regard to the Administrative Procedure Act:

- The proposed regulations will not result in the creation of new businesses or elimination of existing businesses, will not result in the expansion of businesses currently doing business in California, and will not result in a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states; and
- The proposed regulations will impose no direct costs or savings, or direct or indirect requirements or mandates, on state agencies, local agencies, or school districts, including but not limited to costs that are required to be reimbursed under Part 7 (commencing with section 17500) of Division 4 of the Government Code, when savings accruing over the lifetime of the appliance is considered; and
- The proposed regulations will not result in the creation or elimination of jobs within California; and
- The proposed regulations will result in no costs or savings in federal funding to the State of California; and
- The proposed regulations will result in no nondiscretionary costs or savings to local agencies or school districts; and

- The proposed regulations will have no impact on housing costs; and
- The proposed regulations will result in no cost impacts to representative private persons or businesses in reasonable compliance with the regulations; and
- The proposed regulations will not adversely impact the health and welfare of California residents, worker safety, or the state’s environment; and
- The proposed regulations have no alternatives that would be more effective in carrying out the purposes of the statutes for which it is proposed, that would be as effective and less burdensome to affected private persons in carrying out those purposes, or that would be more cost-effective to affected private persons and equally effective in implementing those purposes; and
- The proposed regulations will not have a significant adverse economic impact on small business and no alternatives were proposed that would lessen any adverse economic impact on small business; and
- The proposed regulations will not require completion of any new report; and
- None of the comments received during the 15-day comment period or at the public adoption hearing justified any changes to the 15-day Express Terms of the proposed regulations as published on March 8, 2024.

THEREFORE, BE IT RESOLVED, that, on the basis of the entire record before it, the CEC finds that the proposed regulations are exempt from CEQA under the common sense exemption ((CCR, title 14, section 15061(b)(3)) because it can be seen with certainty that there is no possibility that the proposed regulations will have a significant effect on the environment; and

FURTHER BE IT RESOLVED, after considering all comments received and the staff’s responses, and based on the entire record of this proceeding, the CEC hereby adopts the 15-day Express Terms of the proposed regulations that were published on March 8, 2024, with the correction to Table W-2 noted above.

The CEC takes this action under the authority of sections 25213 and 25218(e) of the Public Resources Code, which authorizes the CEC to adopt rules or regulations, as reasonable and necessary, to implement Public Resources Code sections 25402 and 25402.11; and

FURTHER BE IT RESOLVED, that documents and other materials that constitute the rulemaking record can be found at the CEC, 715 P Street, Sacramento, California, 95814 in the custody of the Docket Unit and online at [Docket Number 22-AAER-04](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-AAER-04), <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-AAER-04>; and

FURTHER BE IT RESOLVED, the CEC delegates the authority and directs staff and the Executive Director or their designee to take, on behalf of the CEC, all actions

reasonably necessary to have the proposed regulations go into effect, including but not limited to making any appropriate non-substantive changes to the regulations; preparing all appropriate documents, such as the Final Statement of Reasons; compiling and submitting the rulemaking file to the Office of Administrative Law (OAL); making any changes to the rulemaking file required by OAL; and preparing and filing the Notice of Exemption with the State Clearinghouse.

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 April 10, 2024.

AYE:

NAY:

ABSENT:

ABSTAIN:

Dated:

Kristine Banaag
Secretariat

Memorandum

To: Docket 22-AAER-04

From: **Carlos Baez, Energy
Commission Specialist II
Appliances Branch**
California Energy Commission
715 P Street
Sacramento, California 95814

Date: April 10, 2024

Subject: Federal and Administrative Updates Rulemaking

Basis for Finding the Federal and Administrative Updates Rulemaking is Exempt under the California Environmental Quality Act.

I. Introduction

The California Environmental Quality Act (CEQA) (Public Resources Code section 21000 et seq.; see also CEQA Guidelines, California Code Regulations, title 14, section 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 (Cal. Code Regs., tit. 14, § 15061(b)(3)).

II. The California Energy Commission’s Appliance Efficiency Standards Program

Public Resources Code sections 25213, 25218(e), and 25402(c) authorize the California Energy Commission (CEC) to adopt rules and regulations to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy, including the energy associated with the use of water, by prescribing efficiency standards and other cost-effective measures for appliances whose use requires a significant amount of energy or water statewide. One of the ways the CEC satisfies this requirement is through the Appliance Efficiency Regulations (Cal. Code Regs., tit. 20, §§ 1601-1609), which contain definitions, test procedures, efficiency standards, and marking and certification requirements for state- and federally regulated appliances.

III. Common Sense Exemption.

The proposed regulations are exempt from CEQA under the common sense exemption. CEQA only applies to projects that have the potential for causing a significant effect on the environment. (Cal. Code Regs., tit. 14, § 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. (Pub. Resources Code, § 21068; Cal. Code Regs., tit. 14, § 15382.) The effect of this rulemaking is to make necessary federal and administrative updates to the regulations which comprise of changes that reflect existing federal law, formatting and other errata type changes, and streamlining of agency process.

This rulemaking will have no impact on the environment because the proposed changes reflect clarification, removal of obsolete language and updates to process and procedure and otherwise will not impact the environment or the appliance market or require any changes to the production or design of regulated appliances outside of what is currently required under state and federal law. Regulated parties and the general public will benefit from this rulemaking since the proposed changes help to clarify and streamline the CEC's Appliance Efficiency Regulations.

Therefore, under the common sense exemption, it can be seen with certainty that there is no possibility that the amended federal and administrative regulatory language or the CEC's approval of the language will have a significant effect on the environment. (Cal. Code Regs., tit. 14, § 15061(b)(3).) For these reasons, the adoption of the amended regulations would be exempt from CEQA under the common sense exemption.

V. Conclusion.

As shown above, the proposed update is a regulatory action that would have no significant effect on the environment. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and, therefore, this project is exempt pursuant to the common sense exemption under section 15061(b)(3) of the CEQA Guidelines.