



Item 5: Staff Report on Approaches to Integrate Non-energy Impacts (NEIs) in Resource Supply Modeling (Docket No. 24-OIIP-03)

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Jacqueline G. Jones, Zero Carbon Electricity Lead
Energy Assessments Division, CEC



Overview

- In electricity system resource planning, choices are made primarily based on a least cost resource portfolio
- Non-energy impacts (NEI) are the societal benefits and costs associated with energy production and delivery that are not included in the cost
- For example:



Air Quality & Public Health

- Non-energy Impacts Order Instituting and Informational Proceeding (NEIOIP) initiated 3/13/2024



Benefits to Californians

Incorporating NEIs can:

- Provide a more holistic understanding of the impacts and benefits of investments, policies and planning
- Inform policy, programs, and investments on important aspects of implementing clean electricity beyond traditional modeling



NEI OIIP Timeline



★ Staff Informational Report at Business Meeting (Mar 2026)



OIIP NEI CATEGORIES

Sample Metrics



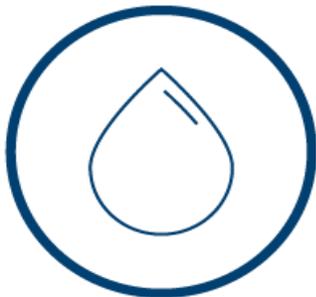
Air Quality
Mortality/MWh



Affordability
% Energy Cost Burden



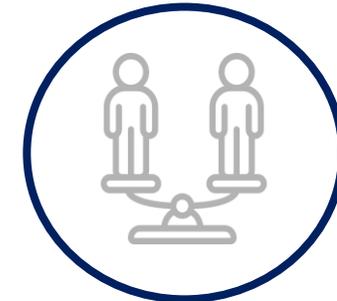
Workforce
Construction Jobs



Water Supply
Total Water Withdrawal



Resilience
Households w/ Back up power



Equity
% Cost Burden Below Poverty Threshold



Approaches for NEI Integration

Proposed Modeling Approaches
Post-hoc
Supply Cost Adder
Constraints
Distributional Sensitivities
Demand Side Technology Integration



Seeking Public Feedback

Approaches For Incorporating NEIs

We invite the public to submit written comments on our proposed approaches to the NEI OIIP Docket (24-OIIP-03)

Instructions will be included in the report

