SEEC Statewide Energy Webinar

Commissioners

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California Energy Commission

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California Energy Commission

The California Energy Commission is the state's primary energy policy and planning agency. Created by the Legislature in 1974 and has eight basic responsibilities as it sets state energy policy:

Forecasting: Forecasts future energy needs and maintains historical energy data

Permitting: Permits thermal power plants 50 MW or larger

R&D: Administers research and development programs, advancing science and technology in energy related fields

Energy Efficiency: Promotes energy efficiency by setting the state's appliance and building standards (Title 20 & 24)

Renewable Energy: Supports the development of renewables through certification of facilities and verification of generation

<u>Contingency Planning</u>: Plans for and directs the State's response to energy emergencies

<u>Transportation</u>: Supports deployment of alternative and renewable fuel sources

<u>IEPR</u>: Publishes the Integrated Energy Policy Report – the State's energy policy document

California's 2030 Energy Goals

- Governor Brown's inaugural address, January 2015
 By 2030:
 - 50% of CA's electricity from renewable sources
 - Cut petroleum use by vehicles in half
 - Double EE savings in buildings; cleaner heating fuels
- Ensure CA trajectory for emissions reduction goals
 - 1990 levels by 2020
 - 40% below 1990 levels by 2030
 - 80% below 1990 levels by 2050
- Fast-forward to 2015 Legislative outcomes...



2015 Legislative Year

SB 350 (de Leon)- California Clean Energy & Pollution Reduction Act of 2015

- Requires all electric investor and publically owned utilities to procure eligible renewable energy resources:
 - 40% by Dec 31, 2024
 - 45% by Dec 31, 2027
 - 50% by Dec 31, 2030
- POUs with annual demand of more than 700 GWh (16 of 46) by Jan 2019 must adopt an Integrated Resource Plan to be updated every 5 years that meets the GHG targets established by CARB.

SB 350 – Energy Efficiency

- On or before Nov 1, 2017, CEC in collaboration with CPUC and publicly owned utilities, shall establish EE savings and demand reduction targets to achieve a cumulative doubling of statewide energy efficiency savings in electricity and natural gas final end uses of retail customers
- EE potential studies not restricted by previous levels of success in achieving utility EE program savings
- Measuring progress shall take into consideration the overall reduction in normalized metered electricity and natural gas consumption
 - Better supports performance-driven outcomes

SB 350

- Publicly owned electric utilities reported EE savings must include a comparison to established EE savings and demand reduction targets
- Governing board of a publicly owned electric utility with annual load > 700 MWh shall adopt an Integrated Resource Plan by Jan 1, 2019
 - Submitted to CEC for review
 - Covers ~16 of 46 POUs

SB 350

- In 2017 CPUC to develop process for load serving entities to file and update IRPs
 - CCA governing boards approve IRPs and submit to CPUC for certification
- All IRPs are intended to ensure planning trajectory for meeting GHG emissions reduction targets, 50% RPS, other statutory requirements

AB 802

- Revises statutory requirements for building energy performance benchmarking
 - Supersedes prior (time-of-sale) benchmarking program (AB 1103)
 - Whole building energy usage data to be provided to building owner when
 - 3 or more meters and no residential accounts (tenant consent required if 1 or 2 accounts)
 - 5 or more meters if there are residential accounts
 - Benchmarking requirement for buildings >50,000 sqft
 - Adds a public disclosure component
 - CEC to adopt regulations for implementation on 1/1/17;
 Order Instituting Rulemaking now open

AB 802

- 2. Sets expectations for improving granularity of CEC's demand forecast
 - CEC has clear authority to require submittal of individual customer historic usage and billing data
 - Requires adjustment of forecast to account for findings of market conditions and existing baselines
- Requires PUC, by Sept 1, 2016, to authorize IOUs to provide "to-code" incentives to increase support for EE in existing buildings
 - PUC to count all energy savings achieved
 - PUC can adjust EE goals to reflect the estimated change in expected savings
 - ✓ IOUs can recover reasonable costs