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Description:	Adopting Amendments to the Definition of Related Facility and Adding a Definition of Appurtenant Facility
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State of California **California Natural Resources Agency**

M e m o r a n d u m

To: Docket 25-RULE-01 **Date:** May 12, 2026

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California Energy Commission

Subject: Adopting Amendments to the Definition of Related Facility and Adding a Definition of Appurtenant Facility

At the May 26, 2026, California Energy Commission (CEC) Business Meeting, CEC staff will recommend the CEC adopt a proposed resolution amending the definition of "related facility" and adding the definition of "appurtenant facility" found in the California Code of Regulations (CCR), Title 20, Article 2. The amendments will provide clarity regarding the scope of the CEC's certification of powerplant components, especially for post certification changes and the limitations of the CEC's scope of certification for power generation supporting data centers.

I. Adoption of the Regulations is Not a Project.

For purposes of complying with the California Environmental Quality Act ("CEQA," Pub. Resources Code, § 21000 et seq.), staff recommends the CEC find that the adoption of the proposed modifications to the term "related facility" and addition of the definition of "appurtenant facility" is not a project under CEQA. The proposed definitional changes refine terminology and criteria when determining if equipment proposed at a CEC jurisdictional powerplant is also jurisdictional.

California Code of Regulations, title 14, section 15060 states, in part, that a lead agency must first determine whether an activity is subject to CEQA and that an activity is not subject to CEQA if the activity is not a project as defined in section 15378. CEQA Guidelines section 15378 states that an activity is a project if it has the potential for resulting in either direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

In this rulemaking related to the modification of terminology regarding jurisdictional components, the proposed changes are technical only. The proposed definitional changes do not result in any direct physical change in the environment or implicate a reasonably foreseeable indirect physical change in the environment but would address recurring issues in the implementation of outdated regulations, align with available technologies and current practices, and provide jurisdictional clarity. Therefore, the action of adopting these changes to the regulatory definitions of "appurtenant facility" and "related facility" are not subject to CEQA.

II. Even if Adoption of the Regulations Were a Project, the Common Sense Exemption Would Apply.

Adoption of the regulations would also be exempt from CEQA under the common sense exemption. (Cal. Code Regs., tit. 14, § 15061(b)(3).) CEQA only applies to projects that

have the potential for causing a significant effect on the environment. 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 or beneficial changes to the environment. (Pub. Resources Code, § 21068; Cal. Code Regs., tit. 14, § 15382.) Because the proposed actions concern the adoption of amendments to the definition of "related facility" and adding the definition of "appurtenant facility" and the changes do not provide for any physical changes to the environment, it can be seen with certainty that there is no possibility that the adoption of the proposed regulations may have a significant effect on the environment.

III. Conclusion.

As shown, adoption of the definitional amendments proposed are not a project under CEQA and thus CEQA does not apply. Even if the adoption is a project and CEQA does apply to the agency action, adoption of the regulations is consistent with the common sense exemption under section 15061(b)(3) of the CEQA Guidelines. For these reasons, the adoption of the proposed regulations by the CEC would be exempt from CEQA, and a Notice of Exemption may be filed with the Office of Land Use and Climate Innovation.