DOCKETED	
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Project Title:	Amendments to Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities
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Document Title:	Initial Study and Proposed Negative Declaration
Description:	Initial Study and Proposed Negative Declaration for Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities
Filer:	Gregory Chin
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CALIFORNIA ENERGY COMMISSION
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Initial Study and Proposed Negative Declaration for Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities

Docket Number 16-RPS-03

Lead Agency

California Energy Commission

July 2020

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Proposed Negative Declaration

Pursuant to Title 14, California Code of Regulations, sections 15070 and 15071, and pursuant to the California Energy Commission's Rules of Practice and Procedure (Cal. Code Regs., Title 20, section 1101 et seq.), the California Energy Commission does prepare, make, declare, and publish this Negative Declaration for the Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities.

Project Name:

This proposed project is a statewide rulemaking proceeding titled Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities, California Energy Commission Docket Number 16-RPS-03.

Lead Agency:

California Energy Commission (CEC).

Project Location:

The proposed regulations will apply to all local publicly owned electric utilities as defined in Public Utilities Code section 224.3 within the State of California.

Brief Project Description:

The California Energy Commission proposes to adopt modifications to its existing regulations establishing enforcement procedures for the Renewables Portfolio Standard for local publicly owned electric utilities pursuant to Senate Bill (SB) 350 (Stats. 2015, ch. 547, sec. 24), SB 1393 (Stats. 2016, ch. 677), SB 100 (Stats. 2018, ch. 312, sec. 4), and SB 1110 (Stats. 2018, ch. 605).

Proposed Finding:

An Initial Study, attached to this Negative Declaration, was prepared to assess the project's potential effects on the environment and the significance of those effects. Based on the information and analysis in the Initial Study, the California Energy Commission finds that there is no substantial evidence, in light of the whole record before the California Energy Commission, that the project may have a significant adverse effect on the environment. As a result, the California Energy Commission finds that the project will result in no significant adverse impact. The Initial Study analysis provides the basis to support adoption of the proposed finding and the Negative Declaration.

Information and Comments:

Questions and comments regarding the proposed Negative Declaration and the Initial Study may be addressed to:

Gregory Chin
California Energy Commission
1516 Ninth Street, MS-45
Sacramento, CA 95814
Phone: (916) 653-5285
Email: gregory.chin@energy.ca.gov

For further information on the proposed project or for access to documents listed in the Negative Declaration or Initial Study, please visit the California Energy Commission's website at https://www.energy.ca.gov/portfolio/pou_rulemaking/ or contact Gregory Chin by email at gregory.chin@energy.ca.gov or by phone at (916) 653-5285.

Lead Agency Determination:

Based on this initial evaluation:

☒ The California Energy Commission finds that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☐ The California Energy Commission finds that although the proposed project could have a significant effect on the environment, there WILL NOT be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ The California Energy Commission finds that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ The California Energy Commission finds that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ The California Energy Commission finds that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier ENVIRONMENTAL IMPACT REPORT or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier ENVIRONMENTAL IMPACT REPORT or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature	Date
Printed Name	Title

Initial Study

Project Summary

1. Project Title:
Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities.

2. Lead Agency Name and Address:
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

3. Contact Person and Phone Number and Email Address:
Gregory Chin, California Energy Commission Specialist, Renewable Energy Division
Phone: (916) 653-5285
Email: gregory.chin@energy.ca.gov

4. Project Location:
The proposed regulations apply to all local publicly owned electric utilities, as defined in Public Utilities Code section 224.3. These utilities include the following entities:

- Municipalities or municipal corporations operating as public utilities furnishing electric service as provided in Public Utilities Code section 10001;
- Municipal utility districts furnishing electric service formed pursuant to Public Utilities Code section 11501, et seq.;
- Public utility districts furnishing electric service formed pursuant to Public Utilities Code section 15501, et seq.;
- Irrigation districts furnishing electric service formed pursuant to Water Code section 20500, et seq.;
- Joint powers authorities that include one or more of the above agencies and furnish electric service over their own electric distribution system or over that of one of their members.

5. Project Sponsor's Name and Address:
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

6. General Plan Designation and Zoning:
Not applicable

7. Description of Project:
See "Project Description" discussed below.

8. Surrounding Land Uses and Setting:
Not applicable.

9. Other Public Agencies Whose Approval Is Required:
No other public agency approvals are required other than the California Energy Commission.

10. Consultations with California Native American tribes traditionally and culturally affiliated with the project area:
The California Energy Commission provided letters inviting consultation on the proposed regulations, per Public Resources Code section 21080.3.1, to California Native American tribes that are on the Native American Heritage Commission's CEQA Tribal Consultation List. Six tribes responded to the California Energy Commission letter. Of these six tribes, five were satisfied with the initial letter and did not request consultation. One tribe requested consultation. California Energy Commission staff began consultation with this tribe on May 27, 2020.

Environmental Review

The California Environmental Quality Act (CEQA) (Public Resources Code section 21000, et seq., California Code of Regulations, Title 14, section 15000, et seq.) requires that the California Energy Commission (CEC) conduct an assessment of the potential environmental impacts of a project over which it has discretionary approval authority, and to take that assessment into consideration before approving the project.

Project Review

The CEC will conduct a hearing on August 12, 2020, to consider adopting the proposed project, Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities. At this adoption hearing all parties will have an opportunity to comment on the Initial Study and the proposed project. The CEC will consider the proposed project, staff's analysis, and any other evidence presented in the proceedings to determine whether to approve or deny the project.

Project Description

Introduction

The CEC proposes to modify existing regulations establishing procedures for the enforcement of the Renewables Portfolio Standard (RPS) for local publicly owned electric utilities (POUs)[1] under Article 16 (commencing with section 399.11) of Chapter 2.3 of Part 1 of the Public Utilities Code. The proposed regulations will implement, interpret, and make specific several provisions under Senate Bill (SB) 350 (Stats. 2015, ch. 547, sec. 24), SB 1393 (Stats. 2016, ch. 677), SB 100 (Stats. 2018, ch. 312, sec. 4), SB 1110 (Stats. 2018, ch. 605), and clarify existing regulatory provisions and reporting requirements.

This rulemaking will update the RPS program for POUs to implement changes to RPS procurement requirements, optional compliance measures, reporting requirements, and special exemptions and exclusions. The rulemaking also updates other aspects of the program to facilitate implementation and improve clarity.

Background and Purpose

Established in 2002, California's RPS establishes increasingly progressive renewable energy procurement requirements for the state's electricity load-serving entities, which include retail sellers of electricity and POUs. To meet the RPS procurement requirements to date, load-serving entities must generally demonstrate that they procured specified types and quantities of electricity products from eligible renewable energy resources. The requirement on the quantity of electricity products to be procured is referred to as the procurement target and is set as a percentage of the load-serving entity's retail sales of electricity as specified in the RPS. The requirement on the type of electricity products to be procured is referred to as the portfolio balance requirement and is based on the percentage of specified types of electricity products, which are differentiated based on product content, electricity delivery characteristics, and contractual arrangements as specified in the law. Compliance with the RPS procurement requirements is evaluated over multiyear compliance periods, where the procurement in each of the intervening years of the compliance period reflects reasonable progress in meeting the specified procurement target by the end of the compliance period. The RPS includes specific exemptions and exclusions for certain types of procurements, and also establishes optional compliance measures through which a load-serving entity's procurement deficits may be excused.

The CEC's responsibilities under the RPS include overseeing compliance and adopting enforcement regulations for POUs.

The CEC's *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities* (RPS POU Regulations) were adopted in 2013 pursuant to Public Utilities Code section 399.30, as enacted by SB X1-2 (Stats. 2011, 1st Ex Sess., ch. 1). The RPS POU Regulations are set forth in the California Code of Regulations, Title 20, sections 1240 and 3200 – 3208. Public Utilities Code section 399.30 (n)(1) directs the CEC to adopt

1 POU or Local publicly owned electric utility means a local publicly owned electric utility as defined by Public Utilities Code section 224.3.

regulations specifying procedures for the enforcement of the RPS for POUs and requires that the regulations include a public process under which the CEC may issue a notice of violation against a POU for failure to comply with the RPS, and for referral of violations to the California Air Resources Board (CARB) for determination of penalties. The RPS POU Regulations establish the rules and procedures the CEC will use to assess a POU's procurement actions and determine whether those actions meet the RPS procurement requirements. The regulations require POUs to submit various information and reports to the CEC so the CEC may verify and determine compliance with the RPS, and, if appropriate, issue a notice of violation for a POU's failure to comply and refer the violation to CARB for potential penalties.

In 2015, the CEC adopted amendments to the RPS POU Regulations to implement statutory changes required by SB 591 (Stats. 2013, ch. 520) and to make clarifications to existing provisions in the regulations. Since the adoption of these amendments in 2015, four separate bills have been enacted that make statutory changes to the RPS affecting POUs. These bills are SB 350, SB 1393, SB 100, and SB 1110. The proposed regulations implement the statutory changes required by these bills as summarized below:

- SB 350: Establishes new multiyear compliance periods beginning on and after January 1, 2021, and new procurement targets for the final year of each compliance period, culminating in a RPS procurement requirement of 50 percent of retail sales by 2030; establishes a new RPS procurement requirement, referred to as the long-term procurement requirement, which requires at least 65 percent of procurement counted toward the RPS requirements to come from contracts of 10 years or more in duration, ownership, or ownership agreements, beginning in 2021; revises requirements for accruing and applying excess procurement beginning January 1, 2021; establishes requirements through which POUs with voluntary green pricing programs or shared renewable generation programs may reduce their RPS retail sales by the amount of qualifying generation served to participating customers; revises requirements for establishing cost limitations and conditions for delaying timely compliance; establishes partial procurement target exemptions for POUs with qualifying large hydroelectric generation and unavoidable coal-fired contracts, respectively, by allowing a qualifying POU to reduce its RPS procurement requirements by a specified amount under certain conditions; and modifies existing criteria in Public Utilities Code section 399.18 by which an electrical corporation or its successor may be exempt from an RPS procurement requirement.
- SB 1393: Modifies requirements for the partial procurement target exemption established for large hydroelectric generation by SB 591 and revises POU reporting requirements related to the public goods charge and to RPS procurement plans.
- SB 100: Accelerates and increases the final-year RPS procurement requirements to 60 percent of retail sales by 2030, and requires no less than an average of 60 percent for each subsequent multiyear compliance period; modifies the requirements for the partial procurement target exemption established by SB 350 for qualifying large hydroelectric generation; and repeals the partial procurement target exemption for hydroelectric generation established by SB 591 and amended by SB 1393.

- SB 1110: Establishes a special exemption for generation from a qualifying gas-fired power plant that is owned by and serves only one POU, is associated with the POU's outstanding public indebtedness, and satisfies other specified requirements and conditions.

The project modifies the existing RPS POU Regulations. The proposed regulations implement the new RPS procurement requirements for the compliance periods between 2021 and 2030, establish the soft procurement targets for the intervening years of the compliance periods to demonstrate reasonable progress in meeting the RPS procurement target for the compliance periods, and establish three-year compliance periods beginning after 2030, specified in the law. The proposed regulations also define requirements for 10-year contracts for purposes of satisfying the long-term procurement requirement and specify how the CEC will enforce compliance with the requirement. In addition, the proposed regulations implement the statutory changes to requirements for excess procurement, the retail sales reduction for qualifying generation from voluntary green pricing or shared renewable generation programs, cost limitation and delay of timely compliance optional compliance measures, the special exemptions for large hydroelectric generation, coal-fired generation, and gas-fired generation, respectively, and reporting requirements.

In addition to implementing these statutory changes, the proposed regulations include revisions to clarify existing regulatory provisions based on implementation experience and to streamline reporting. These clarifications address: (i) the calculations of the RPS procurement target and portfolio balance requirement; (ii) the reporting requirements and reporting process; (iii) the definitions of procurement contract and ownership agreement execution, start, and end dates; (iv) how additional procurement resulting from amendments to certain contracts is classified for purposes of the portfolio balance requirement; (v) the requirements for a POU to determine that specific conditions delayed timely compliance; (vi) the process for issuing a Notice of Violation to CARB and the affected POU.

The proposed regulations relevant to this CEQA review are contained in:

California Energy Commission. *Express Terms*, Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities. May 2020. California Code of Regulations, Title 20, Division 2, Chapter 13, sections 3200 through 3208, and Title 20, Division 2, Chapter 2, Article 5, section 1240. Docket Number 2016-RPS-03. TN #232930-3. Available at https://efiling.energy.ca.gov/GetDocument.aspx?tn=232930-3&DocumentContentId=65372.

The broad objective of this rulemaking is to modify the regulations to implement new and revised statutory requirements under SB 350, SB 1393, SB 100, and SB 1110, which made changes to RPS procurement requirements, excess procurement, optional compliance measures, special exemptions and exclusions, and reporting, as described previously, and to revise references to Public Utilities Code sections that were renumbered by SB 350, SB 1393, and SB 100. The rulemaking also will clarify existing regulatory provisions and reporting requirements to ensure clarity and streamline the reporting process. Finally, the CEC proposes non-substantive grammatical and numbering changes for clarity.

The benefits anticipated from this regulatory action are improved direction and guidance on how the CEC will interpret, apply and enforce the RPS, which will enable POUs to plan procurement of renewable electricity to meet the RPS requirements, contribute to the state's accomplishment of its clean energy and climate goals, and help realize the intended benefits of the RPS.

Specifically, POUs will now have better guidance on how compliance with the long-term procurement requirement and the RPS procurement targets for compliance periods after 2020 will be enforced. POUs will have updated rules implementing the requirements for accrual and use of excess procurement, use of a qualifying green pricing or shared renewable generation program to adjust retails sales, and use of the delay of timely compliance and cost limitation measures. In addition, POUs will have clear rules for RPS procurement target exemptions for qualifying large hydroelectric generation, unavoidable long-term coal contracts, and qualifying gas-fired generation.

Clarifying the requirements in the regulations will result in a more uniform and consistent application of the RPS to POUs. This in turn will help promote the underlying benefits of the RPS declared in Public Utilities Code section 399.11 (b). These benefits include:

- Displacing fossil fuel consumption within the state.
- Adding new electrical generating facilities in the western interconnection.
- Reducing air pollution.
- Meeting the state's climate change goals by reducing greenhouse gas (GHG) emissions associated with electricity generation.
- Promoting stable electricity rates.
- Meeting the state's need for a diversified and balanced portfolio.
- Assisting with meeting resource adequacy requirements.
- Contributing to the safe and reliable operation of the electrical grid.
- Implementing the state's transmission and land use planning activities related to development of eligible renewable energy resources.

Under SB 350, SB 1393, SB 100, and SB 1110, POUs are subject to new statutory requirements, including requirements for increasing their procurements of electricity products from RPS-eligible electrical generation facilities. As a result of these new statutory requirements, there may be a need for new RPS-eligible electrical generation facilities or the continued operation of existing RPS-eligible electrical generation facilities. However, the development and continued operation of these electrical generation facilities results from the statutory requirements, not the CEC's actions in adopting the proposed modifications to existing regulations. The development and continued operation of these electrical generation facilities may also be influenced by factors unrelated to the proposed regulations and outside the CEC's control, such as facility financing, the availability of procurement contracts, and the requirements and conditions imposed by governmental entities with permitting authority over the electrical generation facilities.

As discussed in the document titled *Appendix A: Economic and Fiscal Impact Assessment of Modifications to Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities*, the proposed modifications to the regulations will not result in the creation or elimination of any jobs within California. No new businesses will be created, and neither will any existing business be eliminated by the proposed modifications to the regulations. The proposed modifications will not expand any existing businesses doing businesses in California and there will be no direct benefits from the proposed modifications to the health and welfare of California residents, to worker safety, or to the state's environment. However, the proposed regulations implement changes in law that are intended to reduce GHG emissions, potentially influencing some local communities in positive ways depending on the operation of the electrical system.

Environmental Factors Potentially Affected

	Aesthetics		Agriculture and Forestry Resources		Air Quality
	Biological Resources		Cultural Resources		Energy
	Geology / Soils		Greenhouse Gas Emissions		Hazards and Hazardous Materials
	Hydrology / Water Quality		Land Use / Planning		Mineral Resources
	Noise		Population / Housing		Public Services
	Recreation		Transportation		Tribal Cultural Resources
	Utilities / Service Systems		Wildfire		Mandatory Findings of Significance

No boxes are checked because no environmental factors in Table 1 would be potentially affected by the proposed project.

Evaluation of Environmental Impacts

Table 1 lists specific potential issues for each of the environmental factors assessed.

Table 1: Specific Potential Issues

Issues	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
I. AESTHETICS. Except as provided in Public Resources Code section 21099, would the project:				
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) In non-urbanized area, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point.) If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?				X
d) Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on aesthetics.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
II. AGRICULTURE AND FORESTRY RESOURCES. In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on agriculture and forestry resources.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?				X
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard?				X
c) Expose sensitive receptors to substantial pollutant concentrations?				X
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact related to air quality.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
IV. BIOLOGICAL RESOURCES. Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on biological resources.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
V. CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource pursuant to in section 15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to section 15064.5?				X
c) Disturb any human remains, including those interred outside formal cemeteries?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on cultural resources.				

Issues	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
VI. Energy. Would the project:				
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources during project construction or operation?				X
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on energy. As discussed in the Project Description section of this Initial Study, POUs are subject to new statutory requirements under SB 350, SB 1393, SB 100, and SB 1110, including requirements for increasing their procurements of electricity products from RPS-eligible electrical generation facilities. As a result of these new statutory requirements, there may be a need for new RPS-eligible electrical generation facilities or the continued operation of existing RPS-eligible electrical generation facilities. However, the development and continued operation of these electrical generation facilities results from the statutory requirements, not the CEC's proposed project of adopting modifications to the existing regulations. The development and continued operation of these electrical generation facilities may also be influenced by factors outside the CEC's control and unrelated to the proposed regulations, such as facility financing, the availability of procurement contracts, and the requirements and conditions imposed by governmental entities with permitting authority over the electrical generation facilities.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
VII. GEOLOGY AND SOILS. Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				X
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				X
ii) Strong seismic ground shaking?				X
iii) Seismic-related ground failure, including liquefaction?				X

iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?				X
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?				X
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?				X
f) Directly or indirectly destroy a unique paleontological resource or site or unique geological feature?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on geology and soils.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
VIII. GREENHOUSE GAS EMISSIONS. Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?				X
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on greenhouse gas emissions.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
IX. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?				X

f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on or be exposed to hazards and hazardous materials.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
X. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?				X
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?				X
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				X
(i) result in substantial erosion or siltation on- or off-site;				X
(ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;				X
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or				X
(iv) impede or redirect flood flows?				X
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?				X

e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on the hydrology and water quality issues listed above.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
XI. LAND USE AND PLANNING. Would the project:				
a) Physically divide an established community?				X
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?				X
COMMENT: The proposed project, to adopt modifications to regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on the land use and planning issues listed above.				
XII. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on mineral resources.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
XIII. NOISE. Would the project result in:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Generation of excessive groundborne vibration or groundborne noise levels?				X
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on the issues related to noise as listed above.				
XIV. POPULATION AND HOUSING. Would the project:				
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				X

COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on population and housing.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
XV. PUBLIC SERVICES.				
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				X
Fire protection?				X
Police protection?				X
Schools?				X
Parks?				X
Other public facilities?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on public services.				
XVI. RECREATION.				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment?				X

COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on recreation.

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
XVII. TRANSPORTATION. Would the project:				
a) Conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadways, bicycle and pedestrian facilities?				X
b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?				X
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
d) Result in inadequate emergency access?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on the transportation and traffic issues listed above.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
XVIII. TRIBAL CULTURAL RESOURCES.				
a) Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				X
i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources. Code section 5020.1(k), or				X
ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore cause no substantial change in the significance of a tribal cultural resource or have an impact on the specific concerns listed above.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
XIX. UTILITIES AND SERVICE SYSTEMS. Would the project:				
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?				X
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?				X
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the providers' existing commitments?				X
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?				X
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on the utilities and service systems listed above.				

Issues	Potentially Significant Impact	Less than Significant with Mitigation Incorporated	Less than Significant Impact	No Impact
XX. WILDFIRE. If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?				X
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?				X
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?				X
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?				X
COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on the wildfire issues listed above.				

Issues	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
XXI. MANDATORY FINDINGS OF SIGNIFICANCE.				
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				X
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?				X
c) Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?				X

COMMENT: The proposed project, to adopt modifications to existing regulations establishing enforcement rules and procedures for the RPS, is primarily an administrative process to ensure compliance with RPS procurement requirements and goals already set by the Legislature. It will not result in physical impacts and will therefore have no adverse impact on the environment, including cumulative effects. No potential exists for any adverse impacts on any animal or human populations, and none of the impacts are cumulatively considerable. The proposed project acts to implement existing laws that require POUs to increase the amount of electricity products procured from eligible renewable energy resources (e.g. wind, solar, geothermal) over time, which will reduce GHG emissions. The proposed project may, depending on the operation of the electrical system, indirectly result in a reduction in the amount of electricity generated from fossil fuels within the state and the associated environmental and GHG impacts, and result in an improvement in some communities' air quality by reducing the burning of fossil fuels for power generation purposes. Broadly, the objectives of the proposed regulations include reducing GHG emissions associated with the electricity sources serving California.

Source: 2020 CEQA Handbook, Appendix G

References

California Energy Commission. *Express Terms*, Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities. May 2020. Docket Number 16-RPS-03. TN #232930-3. Available at https://efiling.energy.ca.gov/GetDocument.aspx?tn=232930-3&DocumentContentId=65372.

California Energy Commission. *Initial Statement of Reasons* (ISOR), Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities. May 2020. Docket Number 16-RPS-03. TN #232930-1. Available at https://efiling.energy.ca.gov/GetDocument.aspx?tn=232930-1&DocumentContentId=65370.

California Energy Commission. *Notice of Proposed Action* (NOPA), Modification of Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities. May 2020. Docket Number 16-RPS-03. TN #232930-2. Available at https://efiling.energy.ca.gov/GetDocument.aspx?tn=232930-2&DocumentContentId=65371.

California Energy Commission. *Appendix A: Economic and Fiscal Impact Assessment of Modifications to Regulations Specifying Enforcement of the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities*. March 2020. Docket Number 16-RPS-03. TN #232930-5. Available at https://efiling.energy.ca.gov/GetDocument.aspx?tn=232930-5&DocumentContentId=65374.