

**DOCKETED**

<b>Docket Number:</b>	21-OIR-03
<b>Project Title:</b>	2022 Load Management Rulemaking
<b>TN #:</b>	241399
<b>Document Title:</b>	Steve Uhler Comments on Form 399 for MIDAS
<b>Description:</b>	N/A
<b>Filer:</b>	System
<b>Organization:</b>	Steve Uhler
<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	2/4/2022 8:57:01 AM
<b>Docketed Date:</b>	2/4/2022

*Comment Received From: Steve Uhler  
Submitted On: 2/4/2022  
Docket Number: 21-OIR-03*

## **OIR-21-03 Form 399 for MIDAS**

OIR-21-03 Form 399 for MIDAS

The only form 399 filed (TN241065) in docket 21-OIR-03 claims the regulations being submitted are for performance standards in sections A and D, found here <https://efiling.energy.ca.gov/GetDocument.aspx?tn=241065> and attached below.

The unchecked box for "f. Imposes prescriptive instead of performance" under "A. ESTIMATED PRIVATE SECTOR COST IMPACTS Include calculations and assumptions in the rulemaking record", indicates the regulations are performance standards.

Energy Commission staff have responded to the question "4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs?", by checking "Yes" box and saying "Utilities are being asked to comply with a performance standard." reflecting the unchecked box f in section A.

The mandated use of specific technologies known as MIDAS in proposed regulations filed docket 21-OIR-03 are prescriptive standards that specific technologies and prescribes specific actions and procedures.

Where is the form 399 for mandated use of specific technologies known as MIDAS?

Are the regulations that mandate use of MIDAS to be adopted in docket 19-OIR-01?

Is it because MIDAS is not fully functional any regulations mandating its use are not being considered in docket 21-OIR-03?

Steve Uhler  
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*Additional submitted attachment is included below.*

<b>DOCKETED</b>	
<b>Docket Number:</b>	21-OIR-03
<b>Project Title:</b>	2022 Load Management Rulemaking
<b>TN #:</b>	241065
<b>Document Title:</b>	Economic and Fiscal Impact Statement (399)
<b>Description:</b>	Economic and Fiscal Impact Statement Std. Form 399.
<b>Filer:</b>	Corrine Fishman
<b>Organization:</b>	California Energy Commission
<b>Submitter Role:</b>	Commission Staff
<b>Submission Date:</b>	12/22/2021 7:30:14 AM
<b>Docketed Date:</b>	12/22/2021

STATE OF CALIFORNIA — DEPARTMENT OF FINANCE  
**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

**ECONOMIC IMPACT STATEMENT**

DEPARTMENT NAME <b>California Energy Commission</b>	CONTACT PERSON <b>corrine fishman</b>	EMAIL ADDRESS <b>corrine.fishman@energy.ca.gov</b>	TELEPHONE NUMBER <b>9166905000</b>
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 <b>Load Management Standards (LMS)</b>			NOTICE FILE NUMBER <b>Z</b>

**A. ESTIMATED PRIVATE SECTOR COST IMPACTS** *Include calculations and assumptions in the rulemaking record.*

1. Check the appropriate box(es) below to indicate whether this regulation:

- a. Impacts business and/or employees
- b. Impacts small businesses
- c. Impacts jobs or occupations
- d. Impacts California competitiveness
- e. Imposes reporting requirements
- f. Imposes prescriptive instead of performance
- g. Impacts individuals
- h. None of the above (Explain below):

*If any box in Items 1 a through g is checked, complete this Economic Impact Statement.  
If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.*

2. The California Energy Commission estimates that the economic impact of this regulation (which includes the fiscal impact) is:  
(Agency/Department)

- Below \$10 million
- Between \$10 and \$25 million
- Between \$25 and \$50 million
- Over \$50 million *[If the economic impact is over \$50 million, agencies are required to submit a [Standardized Regulatory Impact Assessment](#) as specified in Government Code Section 11346.3(c)]*

3. Enter the total number of businesses impacted: 27

Describe the types of businesses (Include nonprofits): 3 Investor-owned utilities, 2 publicly owned utilities, and CCAs

Enter the number or percentage of total businesses impacted that are small businesses: 0

4. Enter the number of businesses that will be created: 0 eliminated: 0

Explain: The proposed amendments are insufficient to create or eliminate businesses

5. Indicate the geographic extent of impacts:  Statewide  
 Local or regional (List areas): \_\_\_\_\_

6. Enter the number of jobs created: 8 and eliminated: 0

Describe the types of jobs or occupations impacted: Utilities compliance, IT, and software engineering may have small growth.  
No jobs are expected to be eliminated.

7. Will the regulation affect the ability of California businesses to compete with other states by making it more costly to produce goods or services here?  YES  NO

If YES, explain briefly: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

Print Form

Reset Form

Instructions and Code Citations:

[SAM Section 6601-6616](#)**ECONOMIC IMPACT STATEMENT (CONTINUED)****B. ESTIMATED COSTS** *Include calculations and assumptions in the rulemaking record.*

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ 24,287.
- a. Initial costs for a small business: \$ 0 Annual ongoing costs: \$ 0 Years: 0
- b. Initial costs for a typical business: \$ 1,560,000 Annual ongoing costs: \$ 195,000 Years: 15
- c. Initial costs for an individual: \$ 0 Annual ongoing costs: \$ 0 Years: 0
- d. Describe other economic costs that may occur: Automation Service Providers may upgrade and maintain there software to captur new business opportunities. Potential costs to ASPs is \$15,000 a year.
2. If multiple industries are impacted, enter the share of total costs for each industry: \_\_\_\_\_
3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements. *Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted.* \$ 15,000
4. Will this regulation directly impact housing costs?  YES  NO  
If YES, enter the annual dollar cost per housing unit: \$ \_\_\_\_\_  
Number of units: \_\_\_\_\_
5. Are there comparable Federal regulations?  YES  NO
- Explain the need for State regulation given the existence or absence of Federal regulations: The intermittent supply of electricity from renewable resources and mismatch of timing of demand necessitates the need to better manage electricity load.
- Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ 0

**C. ESTIMATED BENEFITS** *Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. Briefly summarize the benefits of the regulation, which may include among others, the health and welfare of California residents, worker safety and the State's environment: dividual businesses will benefit from the reduction in peak hour energy cost and lower green house gas emissions associated with electricity generation. Electricity grid flexibility and reliability will improve, lowering the risk of blackouts.
2. Are the benefits the result of:  specific statutory requirements, or  goals developed by the agency based on broad statutory authority?  
Explain: Public Resources Code Section 25403.5
3. What are the total statewide benefits from this regulation over its lifetime? \$ 267,357,000
4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: The proposed regulations may provide expansion opportunities for new business.

**D. ALTERNATIVES TO THE REGULATION** *Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: Alternative 1 is expansion of demand response incentive programs to meet electricity demand, it's more costly. Alternative 2 is a less stringent alternative that removes the requirement for a statewide standard rate information tool.

**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

**ECONOMIC IMPACT STATEMENT (CONTINUED)**

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation: Benefit: \$ 267,357,000 Cost: \$ 24,287,000

Alternative 1: Benefit: \$ 192,998,000 Cost: \$ 149,362,000

Alternative 2: Benefit: \$ 209,481,000 Cost: \$ 22,955,000

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives:

\_\_\_\_\_

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs?  YES  NO

Explain: Utilities are being asked to comply with a performance standard.

\_\_\_\_\_

**E. MAJOR REGULATIONS** *Include calculations and assumptions in the rulemaking record.*

***California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.***

1. Will the estimated costs of this regulation to California business enterprises exceed \$10 million?  YES  NO

***If YES, complete E2. and E3  
If NO, skip to E4***

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

Alternative 1: \_\_\_\_\_

Alternative 2: \_\_\_\_\_

*(Attach additional pages for other alternatives)*

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

Regulation: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

Alternative 1: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

Alternative 2: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding \$50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

YES  NO

*If YES, agencies are required to submit a [Standardized Regulatory Impact Assessment \(SRIA\)](#) as specified in Government Code Section 11346.3(c) and to include the SRIA in the Initial Statement of Reasons.*

5. Briefly describe the following:

The increase or decrease of investment in the State: \_\_\_\_\_

The incentive for innovation in products, materials or processes: \_\_\_\_\_

The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency: \_\_\_\_\_

STATE OF CALIFORNIA — DEPARTMENT OF FINANCE  
**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

**FISCAL IMPACT STATEMENT**

**A. FISCAL EFFECT ON LOCAL GOVERNMENT** *Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year which are reimbursable by the State. (Approximate)  
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ \_\_\_\_\_

a. Funding provided in \_\_\_\_\_

Budget Act of \_\_\_\_\_ or Chapter \_\_\_\_\_, Statutes of \_\_\_\_\_

b. Funding will be requested in the Governor's Budget Act of \_\_\_\_\_

Fiscal Year: \_\_\_\_\_

2. Additional expenditures in the current State Fiscal Year which are NOT reimbursable by the State. (Approximate)  
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ \_\_\_\_\_

*Check reason(s) this regulation is not reimbursable and provide the appropriate information:*

a. Implements the Federal mandate contained in \_\_\_\_\_

b. Implements the court mandate set forth by the \_\_\_\_\_ Court.

Case of: \_\_\_\_\_ vs. \_\_\_\_\_

c. Implements a mandate of the people of this State expressed in their approval of Proposition No. \_\_\_\_\_

Date of Election: \_\_\_\_\_

d. Issued only in response to a specific request from affected local entity(s).

Local entity(s) affected: \_\_\_\_\_  
\_\_\_\_\_

e. Will be fully financed from the fees, revenue, etc. from: \_\_\_\_\_

Authorized by Section: \_\_\_\_\_ of the \_\_\_\_\_ Code;

f. Provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each;

g. Creates, eliminates, or changes the penalty for a new crime or infraction contained in \_\_\_\_\_

3. Annual Savings. (approximate)

\$ \_\_\_\_\_

4. No additional costs or savings. This regulation makes only technical, non-substantive or clarifying changes to current law regulations.

5. No fiscal impact exists. This regulation does not affect any local entity or program.

6. Other. Explain The proposed regulations are projected to be financed by the utilities. The utilities will recover costs through savings from lower procurement costs of electricity. See Tables 15 and 16 of the sta report.

STATE OF CALIFORNIA — DEPARTMENT OF FINANCE  
**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 10/2019)

**FISCAL IMPACT STATEMENT (CONTINUED)**

**B. FISCAL EFFECT ON STATE GOVERNMENT** *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

*It is anticipated that State agencies will:*

a. Absorb these additional costs within their existing budgets and resources.

b. Increase the currently authorized budget level for the \_\_\_\_\_ Fiscal Year

2. Savings in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

3. No fiscal impact exists. This regulation does not affect any State agency or program.

4. Other. Explain The proposed regulations are estimated to cost the California Energy Commission \$300,000 a year to maintain the MIDAS database and manage compliance.

**C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS** *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

2. Savings in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

3. No fiscal impact exists. This regulation does not affect any federally funded State agency or program.

4. Other. Explain \_\_\_\_\_

FISCAL OFFICER SIGNATURE

 **Drew Bohan**

 Digitally signed by Drew Bohan  
Date: 2021.12.09 13:12:10 -08'00'

DATE

12/9/2021

*The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6601-6616, and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.*

AGENCY SECRETARY

 **Bryan Cash**

DATE

12/10/2021

*Finance approval and signature is required when SAM sections 6601-6616 require completion of Fiscal Impact Statement in the STD. 399.*

DEPARTMENT OF FINANCE PROGRAM BUDGET MANAGER



DATE