

DOCKETED

Docket Number:	22-RENEW-01
Project Title:	Demand Side Grid Support Program
TN #:	245038
Document Title:	Adopting the Demand Side Grid Support Program Guidelines, First Edition
Description:	Resolution No: 22-0810-6
Filer:	Liza Lopez
Organization:	California Energy Commission
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STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

**RESOLUTION: Adopting The Demand Side Grid Support Program Guidelines,
First Edition (22-RENEW-01)**

WHEREAS, Assembly Bill (AB) 205 (Ting, Statutes of 2022, Chapter 61), added, among other statutes, Public Resources Code section 25792, which directs the California Energy Commission (CEC) to implement and administer the Demand Side Grid Support (DSGS) program to incentivize dispatchable customer load reduction and backup generation operation as on-call emergency supply and load reduction for the state's electrical grid during extreme events using moneys appropriated therefor; and

WHEREAS, AB 205 (AB 205, Ting) appropriated an overall program budget of \$200 million for the DSGS program to provide incentives and to be used for associated mitigation costs; and

WHEREAS, Public Resources Code section 25792 and section 18 of AB 205 provide that the CEC shall develop and adopt regulations, guidelines, or other standards for the program in consultation with California balancing authorities and the California Air Resource Board (CARB) and that the Administrative Procedure Act (commencing with Government Code section 11340) does not apply to regulations, guidelines, or other standards for the program adopted at a CEC business meeting; and

WHEREAS, the CEC has consulted with California balancing authorities and CARB in developing these guidelines; and

WHEREAS, Public Resources Code section 25792 directs the CEC to "allocate moneys to develop a new statewide program that provides incentives to reduce customer net load during extreme events with upfront capacity commitments and for per-unit reductions in net load;"

WHEREAS, Section 18 of AB 205 provides that the CEC may "[u]se any type of third-party block grant or contract with incentive program implementers for the purposes of implementing the program;" and

WHEREAS, Section 18 of AB 205 provides that the CEC may "[a]dvance up to 25 percent of the awarded funds at a time to parties that are eligible for funding for purposes of the program;" and

WHEREAS, Section 18 of AB 205 provides that "[c]ontracts, grants, or loans entered into with these funds shall not require the review, consent, or approval of the

Department of General Services or any other state department or agency and do not need to comply with requirements under the State Contracting Manual, the Public Contract Code, or the contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code;” and

WHEREAS, Section 18 of AB 205 provides that “[t]hese funds shall be available for encumbrance or expenditure by the [CEC] until June 30, 2026, and shall be available for liquidation until June 30, 2030;” and

WHEREAS, the DSGS Program Guidelines, First Edition, were informed by these requirements and were published in draft form to the DSGS program docket (22-RENEW-01) and emailed to the various email subscription lists, including: Demand Side Grid Support, Joint Agency Report - SB 100, Energy Emergencies in California and Contingency Planning, Energy Emergency Planning, Flexible demand appliances and load management and demand response, on July 20, 2022; and

WHEREAS, CEC staff conducted a public workshop on July 25, 2022, to solicit stakeholder feedback on the DSGS Program Guidelines, First Edition, and accepted written comments from July 15, 2022, through July 29, 2022; and

WHEREAS, having considered public comments on the initial draft of the DSGS Program Guidelines, First Edition, on August 8, 2022, CEC staff published a revised draft of the DSGS Program Guidelines, First Edition, to the DSGS program docket (21-RENEW-01) and to various email subscription lists, including Demand Side Grid Support, Joint Agency Report - SB 100, Energy Emergencies in California and Contingency Planning, Energy Emergency Planning, Flexible demand appliances and load management and demand response; and

WHEREAS, CEC staff has considered the application of the California Environmental Quality Act (CEQA) to the CEC’s adoption of the DSGS Program Guidelines, First Edition, and concludes that these Guidelines are exempt from CEQA under California Code of Regulations, title 14, sections 15061(b)(3).

THEREFORE BE IT RESOLVED, the CEC has considered the application of the California Environmental Quality Act (CEQA) to the proposed regulations and finds that its adoption is exempt from CEQA requirements pursuant to the “common sense” exemption (CEQA Guidelines, § 15061, subd. (b)(3)) because there is no possibility that the proposed regulations may have a significant effect on the environment, and nothing in the record suggests otherwise; and

FURTHER BE IT RESOLVED, after considering all comments received, and based on the entire record of this proceeding, the CEC hereby adopts the DSGS Program Guidelines, First Edition as published on August 5, 2022, and incorporating any changes presented and adopted today along with any non-substantive changes such as typographical errors. We take this action under the authority of sections 25213

and 25218(e) of the Public Resources Code and Section 18 of Assembly Bill 205 (Ting, stats. 2022, ch. 61); and

FURTHER BE IT RESOLVED, that the CEC delegates the authority and directs CEC staff to take, on behalf of the CEC, all actions reasonably necessary to implement the DSGS program as specified in the DSGS Program Guidelines, First Edition, including entering into contracts for the disbursement of money in accordance with the Guidelines and verifying compliance with program and contract requirements and, if necessary, making grammatical or other non-substantive changes to the DSGS Program Guidelines, First Edition.

CERTIFICATION

The undersigned Secretariat to the CEC does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the CEC held on August 10, 2022.

AYE: Hochschild, Gunda, McAllister, Monahan, Vaccaro
NAY: NONE
ABSENT: NONE
ABSTAIN: NONE

Dated: August 15, 2022

SIGNED BY:

Liza Lopez
Secretariat