

DOCKETED

Docket Number:	22-RENEW-01
Project Title:	Reliability Reserve Incentive Programs
TN #:	252661
Document Title:	Item_11_DEBA_Program_Guidelines_ADA
Description:	N/A
Filer:	Chester Hong
Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	10/19/2023 3:28:48 PM
Docketed Date:	10/19/2023

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION ADOPTING THE DISTRIBUTED ELECTRICITY BACKUP ASSETS
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 Distributed Electricity Backup Assets (DEBA) program to incentivize the construction of cleaner and more efficient distributed energy assets that would serve as on-call emergency supply or load reduction for the state's electrical grid during extreme events using moneys appropriated therefor; and

WHEREAS, AB 180 (Ting, Statutes of 2022, Chapter 44) appropriated an overall program budget of \$545 million for the DEBA program to support distributed electricity backup assets and utility scale assets including incentives for clean backup generation; and

WHEREAS, Public Resources Code section 25791 and section 18 and section 19 of AB 180 provide that the CEC shall develop and adopt guidelines or other standards for the program in consultation with the California Air Resource Board (CARB) and that the Administrative Procedure Act (commencing with Government Code section 11340) does not apply to guidelines or other standards for the program adopted at a CEC business meeting; and

WHEREAS, the CEC has consulted with CARB, the Public Utilities Commission, the Department of Water Resources, and California balancing authorities in developing these guidelines; and

WHEREAS, Public Resources Code section 25791 directs the CEC to "allocate moneys for either of the following: (1) Efficiency upgrades, maintenance, and capacity additions to existing power generators, consistent with subdivision (e). (2) Deployment of new zero- or low-emission technologies, including, but not limited to, fuel cells or energy storage, at existing or new facilities"; and

WHEREAS, section 18 and section 19 of AB 180 provide 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 and section 19 of AB 180 provide that "[f]inancial incentives provided 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 and section 19 of AB 180 provide 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, CEC staff released a request for information on November 7, 2022, to solicit stakeholder feedback on the potential design of the DEBA program; and

WHEREAS, CEC staff conducted a public workshop on January 27, 2023, to solicit stakeholder feedback on the potential design of the DEBA program; and

WHEREAS, the DEBA Program Guidelines, First Edition, were informed by these requirements and stakeholder feedback and were published in draft form to the DEBA program docket (22-RENEW-01) and emailed to the email subscription list, Distributed Electricity Backup Assets, on August 11, 2023; and

WHEREAS, CEC staff conducted a public workshop on August 15, 2023, to solicit further stakeholder feedback on the draft DEBA Program Guidelines, First Edition, and accepted written comments from August 11, 2023, through August 31, 2023; and

WHEREAS, having considered public comments on the draft of the DEBA Program Guidelines, First Edition, on October 5, 2023, CEC staff published a revised draft of the DEBA Program Guidelines, First Edition, to the DEBA program docket (21-RENEW-01) and to the email subscription list Distributed Electricity Backup Assets; and

WHEREAS, the CEC’s staff has considered the application of the California Environmental Quality Act (CEQA) to the CEC’s adoption of the DEBA 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 DEBA Program Guidelines, First Edition, 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, that, after considering all comments received, and based on the entire record of this proceeding, the CEC hereby adopts the DEBA Program Guidelines, First Edition, as published on October 5, 2023, and incorporating any changes presented and adopted today along with any non-substantive changes such as correction of typographical errors. We take this action under the authority of

sections 25213, 25218(e), and 25791 of the Public Resources Code and Section 18 and Section 19 of AB 180; 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 DEBA program as specified in the DEBA 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 DEBA 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 October 18, 2023.

AYE: Gunda, McAllister, Monahan, Gallardo

NAY: NONE

ABSENT: Hochschild

ABSTAIN: NONE

Dated: October 19, 2023

SIGNED BY:

Kristine Banaag
Secretariat