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#### **CALIFORNIA ENERGY COMMISSION**

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CEC-057 (Revised 1/21)



#### **INITIAL STATEMENT OF REASONS**

Title 20. Public Utilities and Energy Division 2. State Energy Resources Conservation and Development Commission Chapter 3. Data Collection Articles 1, 2, 3. And 4 and Chapter 7. Administration Article 2. Disclosure of Commission Records

> Docket No. 18-OIR-01 Publication Date June 18, 2021

#### INTRODUCTION

Notice is hereby given that the California Energy Commission (CEC) proposes to adopt changes to the California Code of Regulations (CCR), Title 20, Chapter 3, Data Collection, and Chapter 7, Administration, after considering all comments, objections, and recommendations regarding the proposed action.

#### I. PROBLEM STATEMENT

#### Purpose of Changes: Energy Forecasting and Assessments

The California Energy Commission (CEC) is mandated by statute to "conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices." (Pub. Resources Code [PRC] section 25301 (a).) These forecasting and assessment activities are developed as part of the Integrated Energy Policy Report (IEPR) that is mandated every two years. (PRC section 25302.) As part of the IEPR process, the CEC adopts a detailed demand forecast that is used by other energy agencies to identify resource additions needed to ensure reliability, while still meeting California air pollution mitigation goals. (PRC section 25302(f).) In addition, the demand forecast is used "for analyzing the success of and developing policy recommendations for public interest energy strategies." (PRC section 25305.) As part of this comprehensive energy assessment, the CEC also conducts a natural gas demand forecast, a transportation energy demand forecast, an electricity demand forecast, and performs various energy market assessments which evaluate energy supply constraints and system performance. (PRC sections 25301, subsection (a); section 25303(a)(2), (a)(5), & (a)(7); section 25304(a), (c), (d), (f), & (g).)

This work forms the analytical core of the IEPR and serves two fundamental purposes: 1) to identify actions needed to ensure the reliable operation of the state's electricity,

natural gas, and transportation energy supply systems; and 2) to assess progress toward and develop recommendations for meeting state energy goals.

The CEC is providing the following proposed changes to regulations to ensure that it has access to sufficient information for its analytical mandates.

#### Authority for Additions and Changes:

The scope of proposed changes is California Code of Regulations Title 20, Division 2, Chapters 3 and 7. Pursuant to PRC section 25216.5(d), one of the central purposes of the CEC is to "[s]erve as a central repository within the state government for the collection, storage, retrieval, and dissemination of data and information on all forms of energy supply, demand, conservation, public safety, research, and related subjects." This is further codified in PRC section 25320(a) which directs the CEC to "manage a data collection system for obtaining information necessary to develop the policy reports and analyses required by sections 25301 to 25307, inclusive, the energy shortage contingency planning efforts in Chapter 8 (commencing with section 25700), and to support other duties of the commission." This directs the CEC to collect and warehouse information covering all aspects of energy use that gives "full consideration to the potential burdens these data requests impose on the resources of the stakeholders whose information is being requested." (Id.)

The CEC began collecting energy information in 1976, with its data collection efforts evolving over time. Chapter 3, Article 1 has become what is now known as the Quarterly Fuel and Energy Report (QFER) and focuses on the collection of historic electricity and natural gas data that allows the CEC to characterize the current energy supply and consumption landscape. Article 2 of Chapter 3 is directed at the forecast and assessment of energy loads, with data collection that serves the forward-looking nature of forecasting work. While much of this data feeds directly into the electric and natural gas demand forecasts, these datasets have also provided a basis for analytical work to support items such as Tracking Progress, Thermal Efficiency, the Natural Gas Outlook, and many more.

Additionally, the CEC has authority to collect petroleum data under the Petroleum Industry Information Reporting Act (PIIRA) codified at PRC sections 25350 through 25366. Enacted in 1980, PIIRA states "that a complete and thorough understanding of the operations of the petroleum industry is required by state government at all times to enable it to respond to possible shortages, oversupplies, or other disruptions and to assess whether all consumers, including emergency service agencies, state and local government agencies, and agricultural and business consumers of petroleum products have adequate and economic supplies of fuel." (PRC, section 25350(b).) These requirements have provided fundamental analysis information to reports, such as the *Transportation Fuel Supply Outlook Report* (2017), *Petroleum Market Advisory Committee Final Report* (2017), and numerous gasoline price reports (2000, 2019).

## Current Data Collection Does Not Track New Trends:

California's energy policy focuses on reducing the carbon intensity of energy sources used within the state to achieve the goal laid out by Executive Order S-3-05 in lowering California's gas emissions to 80 percent below 1990 levels by 2050. In achieving the goal, changes in the source and patterns of energy usage have occurred at every level of California's economy. Yet old data submission requirements are often ill-equipped to capture the new energy sources, nor are they able monitor the new patterns of energy demand that utilize the technology needed to create these emission reductions. To continue California's progress in decarbonizing its energy usage in transportation, industry, and at home, new data sources are necessary to ensure California and the CEC make informed recommendations in the pursuit to "ensure that a reliable supply of energy is provided consistent with protection of public health and safety, promotion of the general welfare, maintenance of a sound economy, conservation of resources, and preservation of environmental quality." (PRC section 25300(b).)

The CEC is proposing changes to Title 20 to collect the following information:

### Hydrogen, biodiesel, and renewable diesel production data:

CEC staff have identified hydrogen fuel, biodiesel, and renewable diesel as alternative fuels that have a growing significance in the fuels market. Current data gathering on production and consumption of these fuels is on an ad-hoc request basis. This self-reported data lacks uniformity in terms of period, breadth, and depth. The lack of a standard requires burdensome data processing methods and analytical techniques that create estimates of fuel consumed for transportation purposes. Reliance on estimates leave alternative transportation fuel assessments and forecasts open to criticism such as lack of transparency, inconsistency, and compatibility with existing assessments and forecasts of established fuels and markets.

The CEC has identified the need for monthly fuel production data and feedstock input data to reduce error within its modeling and analytical work (required via PRC section 25304) and understand key transportation fuel production needs to properly carry out its duties under PRC sections 25700 through 25705, which requires the CEC to collect information for the purpose of evaluating responses to energy emergencies. This need is important as the CEC is the Governor's Office of Emergency Services lead agency in monitoring California fuel supply in emergency events, as the production system has become increasingly interdependent with multiple fuel sources.

For example, in the case of crude oil refining, hydrogen has become a key component in the making of California-specific fuel blends. Yet, often, large scale production of this material is conducted outside the refinery gates and is not captured by CEC refinery reporting requirements. This lack of reporting leaves the CEC with insufficient detail about the operational requirements and flexibility of these facilities when their primary feedstocks are threatened. This could create a domino effect on dependent facilities. As a result, the CEC's ability to recommend actions to achieve state energy goals and properly evaluate a response to an energy emergency is hampered by it's the lack of information about ties to ancillary services. For example, the June 17, 2016 IEPR Commissioner Workshop on Transportation Fuel Supply Reliability Due to Reduced Natural Gas Availability in Summer 2016.

#### Property Assessed Clean Energy (PACE) data:

PACE programs are a mechanism for financing energy efficiency retrofits and other permanent improvements to residential and non-residential properties through property tax assessments charged to property owners by local agencies. PACE financing is made available in districts where local governments have authorized contractual assessments associated with a property to finance energy efficiency programs. Local governments often work with private financing companies that act as authorized PACE program administrators, although some local agencies administer and finance their own PACE programs. Based on these assessments, property owners can borrow up to ten percent of the value of the property to finance energy efficiency programs.

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) supports California's PACE programs by operating a loss-reserve program and working with partners and lenders to support PACE financing for energy or water efficiency and clean energy home improvements. The lending and solicitation activities of private PACE program administrators, as defined in California Financial Code section 22018, are regulated by the California Department of Financial Protection & Innovation (DFPI).

Access to PACE program data collected by program administrators would allow CEC staff to estimate energy efficiency savings using energy savings analytical methods similar to CalTRACK. Currently, no state agency collects data that would enable evaluation of energy savings associated with PACE-funded property improvements. To create site level energy efficiency estimates, staff needs to combine PACE program site-level project information with site electricity and monthly or hourly natural gas billing data collected by the CEC. Trends can be inferred from historical data based on annual data submissions and can provide staff with a "before and after" look at how PACE has changed energy consumption. This will enable the CEC to revise or modify energy efficiency targets related to PACE to ensure meeting the state's goal of doubling energy efficiency savings by 40 percent below 1990 levels by 2030 and to 80 percent below 1990 levels by 2050. (PRC, section 25310.)

After estimating site-level savings, staff aggregates these savings to geographic units such as zip code, census tract, city, county, and the state. Additional analysis involves mapping aggregate savings to customer demographic segments of interest including low-income segments. Staff plan on using economic and demographic data, as well as tools such as the CalEnviroScreen, to track energy efficiency investments in low-income and disadvantaged communities. Collecting this information is required to perform analysis mandated in PRC section 25310.

## Natural gas storage system data:

The CEC has broad authority to evaluate supply uncertainties and the sufficiency of natural gas supplies and infrastructure to ensure electric system reliability. (PRC section 25303(a)(3) & (4).) Recent shortages of natural gas needed to maintain reliable operation of the electric grid have highlighted the problem of inadequate information for assessing the function of the natural gas system.

California produces little natural gas and relies heavily on imports. In recent years, the state's natural gas and electricity systems have become increasingly interdependent. The natural gas system is designed for seasonal swings in residential and commercial demand – characterized by high demand in winter and low demand in summer. In recent years, demand swings are seen on a daily and hourly basis, as natural gas plants are called upon to accommodate the variable generation patterns of a system more dependent upon intermittent renewable resources. To address this issue, the CEC has begun hydraulic modeling efforts to simulate various scenarios for foreseeing and planning for possible problems. To ensure the CEC has the necessary information to address these issues, the proposed regulations will require that storage owners and/or operators in California provide natural gas storage inventory data that can be used to analyze system operations.

## PURPOSE

The purpose of the proposed regulation is to enable the CEC to meet its statutory and analytical requirements to support the reliable operation of the state's energy systems and assessing progress in, and developing recommendations for, meeting state energy goals.

# BENEFITS

The primary benefits of the proposed changes to regulations will be that the CEC will be able to more accurate depiction of when, where, and for what purpose energy is being used; and more accurate identification of the effect of energy programs and policies on electricity, transportation, and natural gas consumption patterns. This will improve CEC forecasts geographically by sector and by end-use, and will allow better tracking and targeting of policies designed to promote state energy goals. Current data collection does not track new trends and the proposed changes will assist the CEC in capturing new energy sources and new patterns of energy demand. Specifically, collection of hydrogen, bio-diesel, and renewable diesel production data will reduce error in the CEC's modeling and analytical work and provide a better understanding of key transportation fuel production needs to respond to energy emergencies. PACE data will provide better estimating energy efficiency savings. In addition, obtaining natural gas storage inventory data will allow the state to evaluate supply uncertainties and the sufficiency of natural gas supplies and infrastructure to ensure electric system reliability. The proposed changes to the confidentiality regulations will provide better alignment with the circumstances of disclosing or withholding records under the regulations with the parallel requirements under the Public Records Act.

# II. STATEMENT OF SPECIFIC PURPOSE AND NECESSITY TITLE 20. PUBLIC UTILITIES AND ENERGY

## **CHAPTER 3. DATA COLLECTION**

## **ARTICLE 1. QUARTERLY FUEL AND ENERGY REPORTS**

# SECTION 1302. RULES OF CONSTRUCTION AND DEFINITIONS SPECIFIC PURPOSE.

## SUBSECTION (b)(1)

## PURPOSE

The purpose of subsection (b)(1) is to add a definition of "base gas."

## NECESSITY

As California moves ahead with decarbonizing its energy system, the CEC needs to develop a better understanding of the current and future role of underground gas storage projects. Underground gas storage projects interconnected to California gas utility systems enable reliable delivery of natural gas on high demand days during the summer and winter months. A definition of base gas is necessary because underground gas storage projects require a certain quantity of this gas to determine if that project can maintain deliverability rates, particularly on high demand days.

The proposed language uses the same definition of base gas that is used by the Energy Information Administration (EIA) because this definition adequately describes the purpose of base gas and how it is used in California's underground gas storage projects. As underground gas storage projects are required to report to EIA, this is a definition that they are familiar with and that is accepted in the natural gas industry. Specifically, California gas storage projects require a certain quantity of base gas to maintain deliverability rates especially on high demand days. The EIA definition matches this purpose and meaning.

The definition that staff chose is the one used by the EIA and can be found at the EIA website

https://www.eia.gov/tools/glossary/index.php?id=B#:~:text=Base%20gas%3A%20The%20guantity%20of,in%20the%20base%20gas%20volume.

# SUBSECTION (b)(4)

## PURPOSE

The purpose of subsection (b)(4) is to add a definition of "Community Choice Aggregator."

Adding a definition of "Community Choice Aggregator" is necessary because proposed changes to subsections (a)(1)(B) of section 1306 and (b)(1)(J) of Section 1353 require filers to distinguish between types of load-serving entities providing electricity to customers. The definition used is provided in Pub. Utilities Code section 331.1, which regulates community choice aggregators.

## SUBSECTION (b)(7)

## PURPOSE

The purpose of subsection (b)(7) is to add a definition of "Control Area Operator."

## NECESSITY

As the energy industry evolves, new industry classifications have emerged since the last QFER rulemaking in 2007. Specifically, the term "control area operator" is defined as a synonym to the already-defined "balancing authority." Inclusion of this definition removes ambiguity in addressing those entities charged with managing the electric grid and the day-to-day balancing of electricity supply and load.

# SUBSECTION (b)(18)

## PURPOSE

The purpose of subsection (b)(18) is to add a definition of "Electric Service Provider."

## NECESSITY

Adding a definition of "Electric Service Provider" is necessary because proposed changes to subsections (a)(1)(B) of section 1306 and (b)(1)(J) of section 1353 require filers to distinguish between types of load-serving entities providing electricity to customers. The definition used is that provided in Pub. Utilities Code section 394, which regulates electric service providers.

## SUBSECTION (b)(36)

## PURPOSE

The purpose of subsection (b)(36) is to add a definition of "hub height" for wind power plants.

## NECESSITY

It is necessary to define the hub height to identify turbine groups and to understand the energy production in the context of other parameters (defined in this rulemaking) that interact to determine production.

The hub height of a wind turbine impacts the output of a given turbine as wind speed varies with height above ground. Collection of this information enables a better understanding of the generation output of wind power plants and provides context for

their observed output. This attribute is unique to wind power plants. Hub height is the distance from the ground surface to the center of the turbine hub. An illustration of hub height is shown in Figure 1 of this article:

https://iopscience.iop.org/article/10.1088/1748-9326/8/2/024009.

# SUBSECTION (b)(37)

## PURPOSE

The purpose of subsection (b)(37) is to add a definition of "injections."

## NECESSITY

As California moves ahead with decarbonizing its energy system, the CEC needs to develop a better understanding of the current and future role of underground gas storage projects. Underground gas storage projects interconnected to California gas utility systems enable reliable delivery of natural gas on high demand days during the summer and winter months. As underground storage projects need a steady supply of gas to support natural gas system reliability, a definition of the term "injections" is needed. This definition is needed to clarify the distinction with the term, "withdrawals." Staff derived the definition of "injections" is from EIA's definition of injection capacity. Staff chose this definition because underground storage facilities are required to report to EIA and the concept of natural gas injection is one that they are familiar with and that is accepted throughout the industry. On this website,

<u>https://www.eia.gov/naturalgas/storage/basics/</u>, EIA defines injection capacity as "the amount of natural gas that can be injected into a storage facility on a daily basis." The verbiage was modified to use "volume" as information on daily injection volumes, not capacities, is sought.

# SUBSECTION (b)(44)

## PURPOSE

The purpose of subsection (b)(44) is to change the definition of "Local publicly-owned electric utility" to reference the correct section of the Public Utilities Code.

## NECESSITY

This change is necessary because the Public Utilities Code was revised in 2008 to relocate the definition of "local publicly owned electric utility" from Pub. Utilities Code section 9604 to section 224.3.

## SUBSECTION (b)(59)

# PURPOSE

The purpose of subsection (b)(59) is to add specificity to the definition of "plant use."

The additional language added to the definition of plant use is to add a synonym often used in the power plant industry, specifically "station use." The inclusion of this term ensures clarity in this regulation.

### SUBSECTION (b)(60)

#### PURPOSE

The purpose of subsection (b)(60) is to correct a typographical error in the regulations.

### NECESSITY

The addition of "or" ensures that the term power plant includes either a prime mover or an electric generator, whereas the prior definition incorrectly implied that power plants meeting this definition must have all three listed aspects: one or more prime movers, one or more electric generators, and appropriate auxiliary equipment. This change is necessary to align this definition with the intended scope, consistent with the rules of construction for the use of "and" and "or" set forth in section 1302(a)(2).

### SUBSECTION (b)(66)

### PURPOSE

The purpose of subsection (b)(66) is to add a definition of "rated wind speed" for wind power plants.

#### NECESSITY

It is necessary to define the rated wind speed to identify turbine groups and to allow for the comparative analysis of different wind turbines technologies as they are implemented across California's wind resource areas. Collection of this information enables positive identification of the various turbine technologies in a project and better understanding of how different turbine types affect energy production. This attribute is unique to wind power plants. An illustration of the rated speed is shown in the article, "Evaluation of renewable energy deployment scenarios for building energy management," at <a href="https://www.researchgate.net/figure/Typical-wind-turbine-power-output-with-wind-speed\_fig2\_308977046">https://www.researchgate.net/figure/Typical-wind-turbine-power-output-with-wind-speed\_fig2\_308977046</a>.

## SUBSECTION (b)(67)

## PURPOSE

The purpose of subsection (b)(67) is to add a definition of "rotor area" for wind power plants.

## NECESSITY

It is necessary to define the rotor area (swept area) to allow for the comparative analysis of different wind turbine technologies as they are implemented across California's wind resource areas and for positive identification of turbine groups. Collection of this information enables a better understanding of the generation output of wind power plants. This attribute is unique to wind power plants. Rotor area is illustrated in the article, Aerodynamic performance of swept blade wind turbine, at <a href="https://www.researchgate.net/figure/Swept-area-of-wind-turbine-The-swept-area-of-a-wind-turbine-is-the-area-enclosed-within-a\_fig2\_316641745">https://www.researchgate.net/figure/Swept-area-of-wind-turbine-The-swept-area-of-a-wind-turbine-is-the-area-enclosed-within-a\_fig2\_316641745</a>.

## SUBSECTION (b)(74)

## PURPOSE

The purpose of subsection (b)(74) is to add a definition of "underground gas storage project."

# NECESSITY

As underground gas storage projects interconnected to California gas utility systems enable reliable delivery of natural gas on high demand days during the summer and winter months, a definition of "underground gas storage project" is necessary to clarify the type of facility that is subject to these regulations. As California moves ahead with decarbonizing its energy system, the CEC needs to develop a better understanding of the current and future role of underground gas storage projects. Staff chose the definition used by the California Department of Conservation, Division of Geologic Energy Management (CalGEM), because California underground storage facilities are required to report to this agency and this definition is one that they are familiar with and that's accepted throughout the industry. The CalGEM definition matches this purpose and meaning. This definition is derived from existing regulations codified at Title 14, California Code of Regulations, section 1726.1 (a)(6).

# SUBSECTION (b)(78)

## PURPOSE

The purpose of subsection (b)(78) is to add a definition of "wind turbine" for wind power plants.

# NECESSITY

The definition of a wind turbine follows industry standard usage of referring to a singular tower with an electrical generator attached with a rotor assembly designed to convert

wind energy to electrical energy. Inclusion of this definition is necessary to allow staff to continue to track the number of wind turbines located as part of a single wind power plant. The number of turbines allows for the comparative analysis of different wind power plants as they are implemented across California's wind resource areas. Collection of this information enables a better understanding of the generation output, relative efficiency, and generating capacity of wind power plants. This attribute is unique to wind power plants.

## SUBSECTION (b)(79)

## PURPOSE

The purpose of subsection (b)(79) is to add a definition of "wind turbine group" for wind power plants.

## NECESSITY

The definition of a wind turbine group follows industry standard usage of referring to multiple turbines of a similar power output and design that are dispatched as a singular group. Inclusion of this definition is necessary to allow staff to efficiently track the wind generation from a wind power plant. This attribute is unique to wind power plants.

## SUBSECTION (b)(80)

## PURPOSE

The purpose of subsection (b)(80) is to add a definition of "withdrawals."

## NECESSITY

As California moves ahead with decarbonizing its energy system, the CEC needs to develop a better understanding of the current and future role of underground gas storage projects. As withdrawals of natural gas out of an underground gas storage project enable reliable delivery of natural gas on high demand days during the summer and winter months, a definition of the word, "withdrawals" is needed. This definition is also needed to clarify the distinction with the term, "injections." Staff derived the definition because underground storage facilities are required to report to EIA and this definition is one that they are familiar with and that's accepted throughout the industry. On this website, <a href="https://www.eia.gov/naturalgas/storage/basics/">https://www.eia.gov/naturalgas/storage/basics/</a>, EIA defines deliverability as "most often expressed as a measure of the amount of gas that can be delivered (withdrawn) from a facility on a daily basis." The verbiage was modified to use the word volume and we are seeking information on daily withdrawal volumes, not capacities.

# SUBSECTION (b)(81)

# PURPOSE

The purpose of subsection (b)(81) is to add a definition of "working gas."

# NECESSITY

As California moves ahead with decarbonizing its energy system, the CEC needs to develop a better understanding of the current and future role of underground gas storage projects. Underground gas storage projects interconnected to California gas utility systems enable reliable delivery of natural gas on high demand days during the summer and winter months. A definition of "working gas" is needed here as it is an indicator of daily withdrawal availability. This definition is needed to clarify the distinction with the term, "base gas," which is used in the definition of "working gas." Staff chose the definition of working gas used by the EIA because this definition adequately describes the purpose of working gas and how it is being used in California's underground gas storage projects. As underground storage facilities are required to report to EIA, this is a definition that they are familiar with and is accepted in the natural gas industry. This is the definition that EIA uses on page 2 of the instructions for the EIA-191 form:

The definition can be found on the EIA website: <u>https://www.eia.gov/survey/form/eia\_191/instructions.pdf</u>.

# SUBSECTION (b)(82)

# PURPOSE

The purpose of subsection (b)(82) is to add a definition of "working gas capacity."

# NECESSITY

As California moves ahead with decarbonizing its energy system, the CEC needs to develop a better understanding of the current and future role of underground gas storage projects. Underground gas storage projects interconnected to California gas utility systems enable reliable delivery of natural gas on high demand days during the summer and winter months. A definition of "working gas capacity" is needed here as it is an indicator of the facility's total withdrawal capacity. This definition is needed here to clarify the distinction with the term, "working gas." Staff derived this definition from the one used by EIA: <u>https://www.eia.gov/naturalgas/storage/basics/</u>. Staff derived the definition of working gas capacity from the definition of working gas used by the EIA because this definition adequately describes the purpose of working gas and how it is being used in California's underground gas storage projects and that information on a facility's working gas capacity is an indicator of a facility's total withdrawal capacity. As underground storage facilities are required to report to EIA, this is a definition that they are familiar with and is accepted in the natural gas industry.

# SECTION 1303. GENERAL RULES FOR ALL REPORTS SPECIFIC PURPOSE.

# SUBSECTION (f)

# PURPOSE

The purposes of the proposed changes to section 1303 are to correct a typographical error, streamline and simplify the processes identified for filers who want to extend the filing deadline for their reports and to submit alternative data reports or formats, and to eliminate an unnecessary provision.

## NECESSITY

The proposed change to subsection (f) removes deadlines and the appeal process for extension of filing deadlines. These provisions have proven to be unnecessary, as all requests for extension of filing deadlines have been successfully handled informally. The proposed change still requires an application but eliminates the unnecessary provisions.

# SUBSECTION (i)

# PURPOSE

The purposes of the proposed changes to section 1303 are to correct a typographical error, streamline and simplify the processes identified for filers who want to extend the filing deadline for their reports and to submit alternative data reports or formats, and to eliminate an unnecessary provision.

## NECESSITY

The proposed change to subsection (i) simplifies the process filers are directed to use if they are submitting a filing or report made to another agency. The application process is repealed, allowing the filer to simply submit the alternative filing with an attestation. The existing application process is burdensome and has proven to be unnecessary, as CEC staff are able to quickly review filings to determine if data are missing. The amendments would simply provide that the executive director notify the filer of any deficiencies, which would be required to be remedied within 45 days. The proposed language reflects actual practice, which is working well.

# SUBSECTION (m)

## PURPOSE

The purposes of the proposed changes to section 1303 are to correct a typographical error, streamline and simplify the processes identified for filers who want to extend the filing deadline for their reports and to submit alternative data reports or formats, and to eliminate an unnecessary provision.

Subsection (m) is proposed for elimination because the section is no longer needed. The CEC is now collecting disaggregated customer consumption data from the five largest electric utilities pursuant to section 1353, and that data will include customer coding information for each meter. The disaggregation and additional information will allow the CEC to assess the accuracy of customer coding itself and a report from the utilities is no longer necessary.

SECTION 1304. POWER PLANT REPORTS.

SPECIFIC PURPOSE

SUBSECTION (a)(1)(D)

## PURPOSE

The purpose of subsection (a)(1)(D) is to add the name of the control area operator controlling the power plant.

### NECESSITY

It is necessary to identify the control area operator as California has eight potential control area operators. It is not always discernable which control area operator controls the power plant. The largest control area operator, the California Independent System Operator, controls approximately 78 percent of all utility-scale generation in the state. However, there are large sections of the state where coverage overlaps and plants located relatively close to other plants may be controlled by a different operator.

## SUBSECTION (a)(1)(E)

## PURPOSE

The purpose of subsection (a)(1)(E) is to add the Western Renewable Energy Generation Information System (WREGIS) identification code for the reporting power plant.

## NECESSITY

It is necessary to identify the WREGIS identification code for a power plant to enable cross-referencing with other data sources, particularly curtailment and import data obtained from control area operator data systems. Identifying the WREGIS codes allows for analysis and modeling of these datasets and informs policy makers the extent of renewable energy is being exported from California.

## SUBSECTION (a)(1)(F)

## PURPOSE

The purpose of subsection (a)(1)(F) is to add the latitude and longitude for the reporting power plant.

It is necessary to identify the latitude and longitude for a power plant to enable GIS systems to properly map the power plants within the state. As GIS brings together other datasets such as identification of disadvantaged communities, using latitude and longitude allows for the exact placement of existing power plants in this context. This information was previously provided voluntarily. This change is needed for identifying new power plants developed in rural or remote areas where street addresses are non-existent.

## SUBSECTION (a)(1)(G)

## PURPOSE

The purpose of subsection (a)(1)(G) is to add the phone number for the power plant owner.

## NECESSITY

It is necessary to identify the phone number of the owner of the power plant to enable staff to contact them about their report.

## Subsection (a)(1)(H)

## PURPOSE

The purpose of subsection (a)(1)(H) is to incorporate the specific language from section 1385 for wind power plants into this section for the reporting of the nameplate capacity of a power plant.

## NECESSITY

It is necessary to identify specific attributes related to wind power plants to determine their effective nameplate capacity. Differences in hub height, rotor size, and rated speed all have a direct impact on the resulting nameplate capacity. This is unique to wind power plants. The changes in this subsection allow for the deletion of section 1385.

## SUBSECTION (a)(1)(K)2

## PURPOSE

The purpose of subsection (a)(1)(K) 2 is to prescribe the methodology to determine the nameplate capacity for wind turbines.

## NECESSITY

It is necessary to prescribe the methodology of the calculation to determining nameplate capacity to ensure continuity of comparable data reported by wind plant owners transitioning from reporting under section 1385.

## SUBSECTION (a)(1)(K)3

## PURPOSE

The purpose of subsection (a)(1)(K) 3 is identify the date of capacity changes that may occur during a reporting period.

#### NECESSITY

It is necessary to track the date of changes in capacity to allow for the accurate determination of capacity factors and available capacity based on reporting periods. Analysis of capacity often involves comparisons with external datasets such as data from the EIA.

## SUBSECTION (a)(1)(K)5

#### PURPOSE

The purpose of adding subsection (a)(1)(K) 5 is to identify the date the power plant sold energy to a company.

### NECESSITY

It is necessary to distinguish the date the power plant went into commercial operation to accurately assess their operations. Prior to commercial operation, power plants deliver test energy to the grid prior to commercial operation. It is important to determine the date of commercial operation to calculate accurate heat rates and capacity factors for each power plant.

#### SUBSECTION (a)(1)(K)10

#### PURPOSE

The purpose of adding subsection (a)(1)(K) 10 is to identify the manufacturer of the generator.

#### NECESSITY

It is necessary to specify the manufacturer of the generator to enable data gathering from public sources such as the manufacturer's company website. This allows for analysis of trends in power plant development beyond only those plants rated 50 MW and larger that are licensed by the CEC under existing law (See PRC sections 25500 et seq.).

#### SUBSECTION (a)(1)(K)11

#### PURPOSE

The purpose of subsection (a)(1)(K) 11 is to identify the manufacturer's model number of the generator.

It is necessary to specify the model number the manufacturer users to identify public sources of corresponding data from the manufacturer's company website. This allows for analysis of trends in power plant development beyond only those plants rated 50 MW and larger that are licensed by the CEC under existing law (See PRC sections 25500 et seq.).

#### SUBSECTION (a)(2)(A)1

### PURPOSE

The purpose of subsection (a)(2)(A) 1 is to incorporate the specific language from Section 1385 for wind power plants into this section for the reporting of the annual gross generation of a wind turbine group in megawatt hours.

### NECESSITY

It is necessary to specify wind turbine group as an equivalent to a traditional thermal power plant's generating unit designation. This is information currently required to be submitted under 1385 and thus it is necessary to include "wind turbine group" to facilitate deletion of section 1385 while maintaining the reporting requirement.

### SUBSECTION (a)(2)(A)2

### PURPOSE

The purpose of subsection (a)(2)(A) 2 is to incorporate the specific language from section 1385 for wind power plants into this section for the reporting of the annual net generation of a wind turbine group in megawatt hours.

#### NECESSITY

It is necessary to specify wind turbine group as an equivalent to a traditional thermal power plant's generating unit designation. This is information currently required to be submitted under 1385 and thus it is necessary to include "wind turbine group" to facilitate deletion of section 1385 while maintaining the reporting requirement.

#### SUBSECTION (a)(2)(B)1

#### PURPOSE

The purpose of subsection (a)(2)(B) 1 is to incorporate the specific language from section 1385 for wind power plants into this section for the reporting of the monthly gross generation of a wind turbine group in megawatt hours.

#### NECESSITY

It is necessary to specify wind turbine group as an equivalent to a traditional thermal power plant's generating unit designation. This is information currently required to be submitted under 1385 and thus it is necessary to include "wind turbine group" to facilitate deletion of section 1385 while maintaining the reporting requirement.

## SUBSECTION (a)(2)(B)2

## PURPOSE

The purpose of subsection (a)(2)(B) 2 is to incorporate the specific language from section 1385 for wind power plants into this section for the reporting of the monthly net generation of a wind turbine group in megawatt hours.

### NECESSITY

It is necessary to specify wind turbine group as an equivalent to a traditional thermal power plant's generating unit designation. This is information currently required to be submitted under 1385 and thus it is necessary to include "wind turbine group" to facilitate deletion of section 1385 while maintaining the reporting requirement.

### SUBSECTION (a)(2)(C)1

### PURPOSE

The purpose of subsection (a)(2)(C) 1 is to incorporate the specific language from section 1385 for wind power plants into this section for the reporting of the monthly gross generation of a wind turbine group in megawatt hours.

### NECESSITY

It is necessary to specify wind turbine group as an equivalent to a traditional thermal power plant's generating unit designation. This is information currently required to be submitted under 1385 and thus it is necessary to include "wind turbine group" to facilitate deletion of section 1385 while maintaining the reporting requirement.

## SUBSECTION (a)(2)(C)2

#### PURPOSE

The purpose of subsection (a)(2)(C) 2 is to incorporate the specific language from section 1385 for wind power plants into this section for the reporting of the monthly net generation of a wind turbine group in megawatt hours.

#### NECESSITY

It is necessary to specify wind turbine group as an equivalent to a traditional thermal power plant's generating unit designation. The changes in this subsection allow for the deletion of Section 1385.

## SUBSECTION (a)(3)(A) 1

#### PURPOSE

The purpose of modifying subsection (a)(3)(A) 1 is to modify the types and capacities of power plants that are required to submit water use data, as well as to require submittal of water use data rather than submitting only existing reports that contain the data. Past collection efforts have shown that existing reports are of limited use because they are

incomplete or may not exist. Modifying this section will allow the CEC to collect this water use data directly, resulting in a more complete dataset. With a more complete water use dataset from power plants, the CEC can better understand sources of electricity in the state that could be threatened by drought or other natural disaster. A record of water use at power plants will help improve the reliability of the electricity delivered to the end users.

### NECESSITY

It is necessary to modify the types and capacities of power plants required to submit water use data to improve the utility of the CEC's water use database and decrease the reporting burden for generators that use, or consume, very little water. For instance, hydroelectric power plants do not consume water, but rather use it as the medium to turn turbines. Water use reporting from this class of power generators is not useful for understanding power plant water consumption.

Additionally, it is necessary to modify the nameplate capacity cutoff from 20 to 50 megawatts. The change to 50 megawatts places the data collection limitation in line with the CEC's jurisdictional threshold for siting thermal power plants. The change from 20 to 50 would result in a reduction in power plants reporting, and a reduction in reporting from lower water use plants. While existing regulations require water use reporting from 579 power plants, these changes would require reporting from only 217 power plants.

The reduction in power plants reporting would reduce the processing burden for the CEC without the risk of losing important water data. The power plant types proposed for exclusion consume insignificant amounts of water. Experience has shown the CEC that a more targeted subset of power plant water use data would better inform the perspective of power plant water use in the state. It is also necessary to require water use reporting by power plants because it is often the case that power plants are not required to submit water use data elsewhere, which would result in no reporting of water use to the CEC under the existing regulations. The changed proposed for this section would allow the CEC to collect the water use directly, even in the absence of the need to report it to another entity. This modification would result in a more targeted and complete water use dataset, with which the CEC can better understand the sources of electricity in the state that could be threatened by drought or other natural disaster. A record of water use at power plants will help improve the reliability of the electricity delivered to the end users.

## SUBSECTION (a)(3)(A) 1 a -- Amend

#### PURPOSE

The purpose of deleting subsection (a)(3)(A) 1 a is to remove an unnecessary reporting burden.

## NECESSITY

This subsection should be removed because it is unnecessary for power plant owners to describe their plant's cooling technology on an annual basis. This information can be

easily obtained through the CEC's siting program docket log, which catalogues information about all jurisdictional power plants.

# SUBSECTION (a)(3)(A) 1 a -- Replace

## PURPOSE

The purpose of revising former section (b) as new subsection (a)(3)(A)(1) a is to refine how power plant owners are asked about their sources of water.

# NECESSITY

It is necessary for the CEC to understand the type of water supplied to power plants so the CEC can better understand the sources of electricity in the state that could be threatened by drought or other natural disaster. It is also necessary to refine this subsection to improve reporting accuracy from power plant owners and to improve the integrity of the water supply data being collected. The previous reporting requirement sought similar information about the water supply but resulted in inconsistent reporting because many users did not have a source of water easily identified on a U.S. Geological Survey 7.5-minute map. The existing subsection therefore led owners to report their sources of water erroneously or inaccurately.

## SUBSECTION (a)(3)(A) 1 b.

## PURPOSE

The purpose of adding subsection (a)(3)(A) 1 b is to refine how power plant owners are asked about their sources of water.

## NECESSITY

The proposed additions to this subsection seek to improve reporting accuracy from power plant owners and to improve the integrity of the water supply data being collected. It is necessary for the CEC to understand the type of water supplied to power plants so the CEC can better understand the sources of electricity in the state that could be threatened by drought or other natural disaster. With information about water supply permit numbers or diversion locations, the CEC can know with more specificity which sources of water, and therefore power, could be curtailed in an emergency or a drought. The existing subsection led owners to report their sources of water erroneously or inaccurately.

# SUBSECTION (a)(3)(A) 1 c - Delete

## PURPOSE

The purpose of removing existing subsection  $(a)(3)(A) \ 1 \ c$  is to remove an unnecessary requirement.

It is necessary to remove this subsection because it is unnecessary to have power plant owners provide such granular information about daily average and maximum values for power plant water use. The CEC does not have a need for knowing about power plant average and maximum daily water use.

#### SUBSECTION (a)(3)(A) 1 c - Replace

#### PURPOSE

The purpose of adding new subsection  $(a)(3)(A) \ 1 \ c$  is to refine how power plant owners are asked about their sources of water.

### NECESSITY

It is necessary to refine this subsection to improve reporting accuracy from power plant owners and to improve the integrity of the water supply data being collected. In the case that a power plant is supplied by a blend of water sources, or a source not specifically identified, this subsection requires reporters to describe their unique source, or blended source, of water.

### SUBSECTION (a)(3)(A) 1 d

#### PURPOSE

The purpose of modified subsection  $(a)(3)(A) \ 1 \ d$  is to request clarity about purposes for water use at power plants.

#### NECESSITY

It is necessary to request information about uses for water at power plants. The information will help provide a stronger record of water uses at power plants in California. Without data from power plants on water use, the CEC cannot know which sources of electricity in the state could be threatened by drought or other natural disaster. A record of water use by power plants will help improve the reliability of the electricity delivered to the end users. A breakdown of the water use at power plants would describe what water might be used for essential purposes like power plant operation or sanitary uses, or discretional uses like landscaping.

## SUBSECTION (a)(3)(A) 1 e

#### PURPOSE

The purpose of deleting subsection (a)(3)(A) 1 e is to remove an unnecessary and onerous requirement.

#### NECESSITY

It is necessary to remove this subsection because the CEC does not have a need for tracking power plant metering technology on an annual basis.

## SUBSECTION (a)(3)(A) 2

## PURPOSE

The purpose of subsection (a)(3)(A) 2 is to modify the types and capacities of power plants that would be required to submit wastewater discharge data. This subsection makes wastewater discharge reporting mandatory for the described power plants.

## NECESSITY

It is necessary to modify the types and capacities of power plants required to submit wastewater discharge data to improve the utility of the CEC's wastewater discharge database and decrease the reporting burden for generators that discharge very little wastewater. While existing regulations require wastewater discharge reporting from 579 power plants, these changes would require reporting from only 217 power plants.

The reduction in power plants reporting would reduce the processing burden for the CEC without the risk of losing important wastewater discharge data. The power plant types proposed for exclusion consume insignificant amounts of water and also discharge insignificant amounts of wastewater. Experience has shown the CEC that a more targeted subset of power plant wastewater discharge data would better inform the dataset of power plant wastewater discharge in the state. It is also necessary to require wastewater discharge reporting by power plants because it is often the case that power plants are not required to submit wastewater discharge data elsewhere, which would result in no reporting to the CEC under the existing regulations. The changes proposed for this section would allow the CEC to collect wastewater discharge data directly, even in the absence of the need to report it to another entity. This modification would result in a more targeted and complete water use dataset, with which the CEC can better understand the impact of wastewater discharge on beneficial uses of the state's water.

## SUBSECTION (a)(3)(A) 2 a -- Amend

## PURPOSE

The purpose of deleting subsection (a)(3)(A) 2 a is to remove an unnecessary and onerous requirement.

## NECESSITY

It is necessary to remove this subsection because the CEC does not have a need for tracking the chemical characteristics or power plant effluent on an annual basis. This information can be obtained elsewhere, as necessary.

## SUBSECTION (a)(3)(A) 2 a -- Replace

## PURPOSE

The purpose of revising former section (c) as new subsection (a)(3)(A) 2 a is to add clarifying words to the section.

It is necessary to add minor clarifying words to this section to use more common language and syntax. The changes do not alter the meaning or the substantive requirements of the subsection.

#### SUBSECTION (a)(3)(A) 2 b -- Amend

#### PURPOSE

The purpose of revising former section (e) as new subsection  $(a)(3)(A) \ge b$  is to add clarifying words to the section.

### NECESSITY

It is necessary to add clarity to this subsection to improve the accuracy of responses it requires.

### SUBSECTION (a)(3)(A) 2 b -- Replace

### PURPOSE

The purpose of revising former section (e) as new subsection  $(a)(3)(A) \ge b$  is to add clarifying words to the section.

### NECESSITY

It is necessary to add clarity to this subsection to improve the accuracy of responses it requires.

#### SUBSECTION (a)(3)(A) 2 c -- Amend

#### PURPOSE

The purpose of deleting subsection (a)(3)(A) 2 c is to remove an unnecessary and onerous requirement.

#### NECESSITY

It is necessary to remove this subsection because the CEC does not have a need for tracking the manufacturers of wastewater disposal equipment at power plants on an annual basis. This information can be obtained elsewhere, as necessary.

## SUBSECTION (a)(3)(A) 2 c -- Replace

#### PURPOSE

The purpose of adding subsection (a)(3)(A) 2 c is to request information about power plant wastewater discharges.

It is necessary for the CEC to track the destination of power plant wastewater streams. New water quality targets for waterbodies receiving discharge have the potential to result in curtailment of power plant operation. This information helps to improve the quality of the CEC's wastewater tracking database effort by informing the CEC about risks to power plant reliability.

### SUBSECTION (a)(3)(A) 2 f

### PURPOSE

The purpose of deleting subsection (a)(3)(A) 2 f is to remove an unnecessary and onerous requirement.

#### NECESSITY

It is necessary to remove this subsection because it is unnecessary to have power plant owners provide such granular information about power plant wastewater discharges. The CEC does not have an immediate need for knowing about power plant average and maximum daily wastewater discharges.

## SUBSECTION (a)(3)(B)

### PURPOSE

The purpose of the proposed deletion is to reduce an unnecessary reporting burden for power plant owners.

#### NECESSITY

The section proposed for deletion asks power plant owner to report violations received from agencies other than the CEC. The CEC does not have a need for cataloging this information since it can be obtained from other agencies.

# SUBSECTION (a)(3)(C)

### PURPOSE

The purpose of the proposed deletion is to reduce an unnecessary reporting burden for power plant owners.

#### NECESSITY

The section proposed for deletion asks power plant owner to report violations received from agencies other than the CEC. The CEC does not have a need for cataloging this information since it can be obtained from other agencies.

## SUBSECTION (b)(3)(G)

### PURPOSE

The purpose of the change in subsection (b)(3)(G) is to continue the reporting of the rate schedule by all utilities.

### NECESSITY

The "rate schedule" is being moved to this separate subsection to require all utilities, regardless of size, to continue to report this information. The rate schedule is necessary to delineate how distributed electric generation is utilized at each location. The information is applicable to all utility customers.

## SUBSECTION (b)(3)(H)

## PURPOSE

The purpose of subsection (b)(3)(H) is to limit reporting of service account, premise identification, and meter identification numbers to only those utility distribution companies required to report under section 1353.

## NECESSITY

This change is necessary to reduce the reporting burden for those utilities that are not required to report under section 1353. The details of service accounts, premise, and meter identification numbers for those utilities cannot be cross-referenced to any other datasets and have virtually no value in analysis.

# SECTION 1306. LSE AND UDC REPORTS, AND CUSTOMER CLASSIFICATION REPORTS.

# SUBSECTION (a)(1)(B)

## PURPOSE

The purpose of the proposed change to subsection (a)(1)(B) is to require a utility distribution company to identify the type of load-serving entity for which it provides distribution services.

# NECESSITY

The proposed change is necessary because the CEC analyzes electrical demand and growth in demand by type of electricity provider. An electricity provider is most commonly the electric utility itself, which both sells and distributes electricity, but can also include electric service providers (ESPs) or community choice aggregators (or CCAs). These entities sell electricity but use the utility distribution system to deliver it to their customers. Although the CEC also receives sales information from the CCAs and ESPs themselves, obtaining this data from the utility distribution company will allow the CEC to cross-reference that data with that provided by the CCAs and ESPs and also analyze patterns of demand by type of provider for each of the utility distribution companies.

# SUBSECTION (a)(5)

# PURPOSE

The purpose of the proposed change to section 1306(a)(5) is to modify the sunset date for the provision of data that is now being provided in disaggregated form in section 1353, which requires customer data by meter from all large electric and gas utilities.

# NECESSITY

The proposed change in this section is necessary because although the CEC included a sunset provision in the 2018 regulations intended to allow for sufficient overlap to manage the transition from CEC staff's reliance on aggregated electricity consumption datasets to disaggregated datasets, there have been challenges in collecting the 1353 data. The utilities were unable to provide any 1353 data in 2018 or 2019, necessitating the extension of the sunset provision in order to ensure we have enough overlap of disaggregated and aggregated data to maintain a consistent dataset.

# SECTION 1307. GAS UTILITY AND GAS RETAILER REPORTS AND CUSTOMER CLASSIFICATION REPORTS.

# SUBSECTION (c)

## PURPOSE

The purpose of the proposed change to section 1307 is to add a sunset date for the provision of data that is now provided in disaggregated form in section 1353, which requires customer data by meter from all large electric and gas utilities.

## NECESSITY

The proposed change is necessary because disaggregated natural gas data is being collected pursuant to section 1353 and will make the aggregated datasets required by this section obsolete. The CEC included a sunset provision that allowed for sufficient overlap to manage the transition from CEC staff's reliance on aggregated electricity consumption datasets to disaggregated datasets when it adopted section 1353 in 2018, but such a provision was inadvertently omitted for section 1307, which addresses gas consumption data. The proposed change rectifies this omission and will provide a period for CEC staff to transition from use of aggregated natural gas consumption datasets to disaggregated datasets.

# SECTION 1308. QUARTERLY GAS UTILITY AND ELECTRIC GENERATOR TOLLING AGREEMENT REPORTS

# SUBSECTION (c)(1)

# PURPOSE

The purpose of the proposed changes to section 1308(c)(1) is to broaden the classification categories by which gas sales by utilities are reported.

# NECESSITY

The proposed changes to section 1308 are necessary to capture the specific end uses that the CEC uses in its analysis. While North American Industry Classification System (NAICS) Codes (defined in subsection (b)(49) of section 1302) include the vast majority of end uses we address in our analyses, there are 5 additional end uses that are uniquely called out by the CEC; these are identified in subsection (b)(7) of section 1302. This change will ensure that the CEC collects data specifically about those end uses, as is done for electricity consumption. (See sections 1304, 1306.)

# SUBSECTION (c)(3)

## PURPOSE

The purpose of the proposed change to section 1308(c)(3) is to modify the sunset date for the provision of data that is now being provided in disaggregated form in section 1353, which requires customer data by meter from all large electric and gas utilities.

The proposed change in this section is necessary because although the CEC included a sunset provision in the 2018 regulations intended to allow for sufficient overlap to manage the transition from CEC staff's reliance on aggregated electricity consumption datasets to disaggregated datasets, there have been challenges in collecting the 1353 data. The utilities were unable to provide any 1353 data in 2018 or 2019, necessitating the extension of the sunset provision in order to ensure we have enough overlap of disaggregated and aggregated data to maintain a consistent dataset.

# SECTION 1311. ENERGY EFFICIENCY PROGRAM DATA COLLECTION FROM LOCAL PUBLICLY-OWNED UTILITIES.

## PURPOSE

The purpose of the proposed changes is to refer specifically to the statutory reporting requirement.

## NECESSITY

This statute has been amended since the regulation was initially adopted, and in order to ensure that the reporting requirements remain consistent with the statute in the event of future changes, it is necessary to just reference the statute itself.

# SECTION 1312. ENERGY EFFICIENCY PROGRAM DATA COLLECTION FROM NON-UTILITY PACE PROGRAMS.

## SUBSECTION (a)

## PURPOSE

The purpose of collecting information about PACE-financed projects is to enable the CEC to estimate energy savings achieved from those projects' clean energy retrofits and installations. Understanding the energy impacts of the projects will allow the CEC to understand how the PACE program is helping the state achieve its energy efficiency goals. The CEC has the analytical capability to use utility interval metered data and PACE project information to develop these insights.

## NECESSITY

Collecting this information and understanding the impact of the PACE program will allow the CEC and state entities that oversee PACE's program administration to better support the function of the program and future clean energy program financing.

## SUBSECTION (a)(1)

## PURPOSE

The overall purpose of sections 1312(a)(1) through (a)(8) is to gather energy efficiency savings data attributable to PACE administered programs statewide. Program Name will

enable attribution of energy efficiency savings to differently administered PACE programs.

## NECESSITY

This information is necessary to identify each PACE program operating within the state. In turn, this allows for measurement of energy efficiency savings for every program.

# SUBSECTION (a)(2)

# PURPOSE

The purpose of including Sector Indicator information is to enable analysis of energy efficiency savings attributable to PACE programs in either the Residential or Non-residential buildings.

# NECESSITY

Some PACE programs focus exclusively on residential or commercial buildings. This information is necessary to evaluate the installed measures and energy efficiency savings of PACE programs across building sectors.

# SUBSECTION (a)(3)

## PURPOSE

The purpose of including Project ID is to enable identification of any specific PACE project with its energy efficiency savings.

# NECESSITY

Project Identification (ID) information is necessary to understand energy efficiency saving impacts of specific PACE projects, which are aggregated within larger programs. This definition provides flexibility by allowing PACE program administrators to use existing ID protocols rather than imposing a new identification protocol.

# SUBSECTION (a)(4)

# PURPOSE

The purpose of including the Assessor's Parcel Number (APN) is to enable verification of a project's location and link it with reported energy efficiency savings.

# NECESSITY

APN is necessary to verify parcel location of projects within various sectors and their associated energy efficiency saving impacts. As PACE project data will be provided annually this will allow for accuracy with year-over-year project differences at a shared location or locations. APNs are used throughout the state and would allow CEC staff to access publicly available information about project site characteristics.

# SUBSECTION (a)(5)

### PURPOSE

The purpose of including this data is to enable verification of a project to its building address, and associated energy efficiency savings.

#### NECESSITY

Project Address provides clarification of project location and is distinct from parcel information. For example, a multifamily building may have a common APN, yet each unit will have a unique address. Thus, project address data can be specific to an individual building unit. This data is necessary to evaluate every project site, of any sector, and its energy efficiency measures.

## SUBSECTION (a)(6)

### PURPOSE

The purpose of including project start date information is to determine the period of time for which energy savings should be calculated.

## NECESSITY

Project start and completion dates will be evaluated together to understand what types of measures are installed, time duration for installation, and differences in installation practices, seasonality, and for different building sectors and programs statewide.

## SUBSECTION (a)(7)

#### PURPOSE

The purpose of including project completion date information is to determine the period of time for which energy savings should be calculated.

## NECESSITY

Project completion and start dates will be evaluated together to understand what types of measures are installed, time duration for installation, and differences in installation practices, seasonality, and for different building sectors and programs statewide.

## SUBSECTION (a)(8)

#### PURPOSE

The purpose of including information about measure types of an individual PACE project is to determine how different project installations aggregated at a site affect energy consumption.

#### NECESSITY

This data is necessary to estimate annual project energy savings based upon the measures installed, which can provide insights about whether the measures are

performing as expected. This data will enable analysis of SB 350 progress from PACE programs.

# SUBSECTION (a)(9)

# PURPOSE

Indicating whether a self-generation renewable energy system was installed will enable analysis estimating how much clean energy that system provides annually on site.

# NECESSITY

Knowing if a renewable generation system was installed and estimating that system's clean energy production will help determine the efficacy of those installations and how those types of projects impact a site's utility energy consumption. This information can also help the CEC track the state's progress towards its 100 percent clean electricity goal as set out by Senate Bill 100 (De León, 2018).

# SUBSECTION (b)

# PURPOSE

The purpose of section 1312(b) is to provide a definition of PACE program as used in this section.

# NECESSITY

A definition of "PACE program" is necessary for clarity and specificity. Including a commonly used definition of "PACE program" will ensure that PACE program administrators required to report data under this section are able to self-identify based on the preexisting definition within California Financial Code section 22016. This definition exists in existing law as it relates to Department of Financial Protection and Innovation (DFPI) regulatory oversight of PACE programs, and this definition includes all of the different variants of PACE program about which the CEC would collect data under this regulation.

# SUBSECTION (c)

# PURPOSE

The purpose of section 1312(c) is to provide a definition of "PACE program administrator" that is broad enough to require data reporting under this section by all the major companies offering PACE-funded programs in California on behalf of and with the consent of local agencies, as well as public agencies that administer their own PACE programs, such as Sonoma County and Placer County.

# NECESSITY

Section 1312(c) is necessary to clarify that, in addition to the common categories of primarily residential PACE program administrator defined in existing law for purposes of DFPI oversight by California Financial Code section 22018, CEC staff also requires data

from commercial PACE program administrators and public agency PACE program administrators operating in California, which may not fit within this statutory definition. Section 1312(c) is also necessary to clarify that PACE program administrators which exclusively provide PACE financing for multifamily properties valued at over \$1,000,000 are required to report data under section 1312, notwithstanding the exemption from DFPI oversight for these entities codified in subsection (b) of California Financial Code section 22018. A broad enough definition is critical to ensuring that the CEC's analysis of energy impacts from PACE programs is not one-dimensional or tilted towards certain types of PACE-funded efficiency projects or regions of the state.

## SECTION 1314. NATURAL GAS SYSTEM ANALYSIS.

## SUBSECTION (c)

## PURPOSE

The purpose of subsection (c) is to request project identification information and characteristics for underground gas storage projects.

## NECESSITY

As California moves ahead with decarbonizing its energy system, the CEC needs to develop a better understanding of the current and future role of underground gas storage projects. Underground gas storage projects interconnected to California gas utility systems enable reliable delivery of natural gas on high demand days during the summer and winter months. It is important that this information is current. To establish the staff database for this information, staff will need the following from an underground storage facility: storage field name; reservoir name; location county; type of facility (aquifer, depleted field, salt formation); field status (either active or inactive); company name; contact first and last name; phone number; company address; company email address; working gas capacity' total storage field capacity; and maximum deliverability. This information is being requested on a guarterly basis to ensure that representatives of underground storage projects submit current information. As California examines the future role of its natural gas infrastructure, the CEC needs operational data to understand the daily conditions that determine when gas is injected and withdrawn from underground storage projects. Staff will use the storage injection and withdrawal volumes received from these filings as inputs to the natural gas utilities' hydraulic models. The storage data will allow the hydraulic models to illustrate the role that underground storage facilities play in supporting natural gas system reliability and safety. In addition to modeling inputs, staff will look at trends in working gas, base gas, withdrawals, and injections to assess a storage field's ability to perform under certain conditions. The data will show days when an underground storage project is taken out of service for maintenance, a scenario that will allow staff to look at how other projects respond to gas system needs. This data will inform staff of the conditions on those days when the gas system needs to rely on storage, along with how much gas is available to withdraw and inject.

## SUBSECTION (d)

## PURPOSE

The purpose of subsection (d) is to request daily operational information and characteristics for underground gas storage projects.

### NECESSITY

As California moves ahead with decarbonizing its energy system, the CEC needs to develop a better understanding of the current and future role of underground gas storage projects. Underground gas storage projects interconnected to PG&E and SoCalGas systems enable reliable delivery of natural gas on high demand days during the summer and winter months. The PG&E and SoCalGas systems are winter peaking systems in which storage plays a key role in meeting residential and small commercial demand on high demand days. However, summer storage withdrawals illustrate the interdependency of the natural gas and electricity systems. The natural gas system can see substantial swings in demand on a daily and hourly basis, requiring natural gas plants to accommodate more variable generation patterns of an electricity system that is increasingly dependent upon intermittent renewable resources.

In addition to understanding the interdependencies between the natural gas and electricity systems, staff needs to assess how much natural gas delivery infrastructure will be needed as the demand for natural gas decreases. This decrease can lead to the decommissioning of some natural gas infrastructure, but the state must still invest in maintenance to ensure the system's safety and reliability. Additionally, natural gas storage facilities will require near-term investment to comply with the California Geologic Energy Management Division's new regulations stemming from the October 2015 Aliso Canyon natural gas leak. These regulations will result in reduced withdrawal capacities for natural gas storage facilities, which will impact system reliability. Currently, the California Public Utilities Commission (CPUC) is working through rulemakings that are considering the future of Aliso Canyon and natural gas system planning, respectively. As policymakers are paying close attention to natural gas system planning issues, particularly related to that of storage facilities, daily operational data for input into hydraulic models, gas balancing models, and for use in other analyses can enhance the CEC's ability to analyze these issues.

# ARTICLE 2. FORECAST AND ASSESMENT OF ENERGY LOADS AND RESOURCES

### SECTION 1342. GENERAL REQUIREMENTS FOR PLANNING REPORTS AND SUPPORTING SURVEY AND LOAD METERING DATA COLLECTION REQUIREMENTS.

## PURPOSE

Section 1342 contains virtually identical language as section 1303 regarding the process for filers who wish to obtain an extension of the filing deadline or submit

required information by providing a filing or report to another agency that contains the required information. As noted in the discussion of 1302, the purpose of the change is to streamline and simplify the processes identified for filers who want to extend the filing deadline for their reports and to submit alternative data reports or formats, and to eliminate an unnecessary provision.

## NECESSITY

The necessity for the changes to subsection (c) of section 1342 is the same asidentified in the discussion of the changes to section 1303. Provisions establishing deadlines and an appeal process for the extension of filing deadlines have proved to be unnecessary, as all requests for extension of filing deadlines have been successfully handled informally. The proposed changes eliminate the provisions the CEC does not use.

Similarly, the proposed changes to subsection (g) of section 1342 are the same as identified in the discussion of the changes to section 1303. The application process for using a filing or report made to another agency is repealed, allowing the filer to simply submit the alternative filing with an attestation. The application process is burdensome and has proven to be unnecessary, as CEC staff are able to quickly review filings to determine if there are missing data. New language would simply provide for the Executive Director to notify the filer of any deficiencies which would be required to be remedied within 45 days. The proposed language reflects actual practice, which is working well.

# SECTION 1354. DISAGGREGATED DEMAND DATA.

# SUBSECTION (a)

# PURPOSE

The purpose of the proposed changes to section 1353(a) is to add an attestation requirement that is unique to this section.

# NECESSITY

This change is necessary to ensure that the declaration accompanying reports of section 1353 data to the CEC reflects the fact that this section only requires utilities to report the data actually collected by utilities in the course of their operations, in the format specified by the CEC. Unlike other "reports" that are subject to the requirements of section 1342, the CEC does not expect utilities to perform extensive quality checks on section 1353 data before it is reported to the CEC due to the large volume of data involved. Thus, the standard section 1342 declaration – that the report was "to the best of the person's knowledge and belief and based on diligent investigation, true, accurate complete" – was not an appropriate description of the CEC's expectations for section 1353 data. The new language, requiring a declaration that the data is "to the best of the person's knowledge and belief, . . . complete and in compliance with these regulations" is more aligned with the CEC's actual expectations for the data, as well as the reality that the utilities will not be performing quality checks before reporting.

# SUBSECTION (a)(1)-(4)

# PURPOSE

Section 1353 was adopted in 2018 and reflected the input of the utilities required to file who participated in the rulemaking process. However, after the regulation went into effect, it became apparent that some of the filing requirements did not reflect the kinds of data that the utilities collect and store in the regular course of business nor the manner in which they do so. The purpose of the proposed changes to section 1353(a)(1) through (4) is to better align to reporting requirements identified in the regulation with the data that the utilities actually collect and use and the manner in which they organize and store this data.

# NECESSITY

The timing requirements for filing are proposed to be changed to better align with the utilities' own internal data collection timing and processes. A requirement that 90 days pass between data collection and filing ensures that any data verification and validation has been completed before the data is submitted to the CEC. Adding "shall be" to subsection (a)(4) provides a missing verb.

# SUBSECTION (b)

## PURPOSE

Section 1353 was adopted in 2018 and reflected the input of the utilities required to file who participated in the rulemaking process. However, after the regulation went into effect, it became apparent that some of the filing requirements did not reflect the kinds of data that the utilities collect and store in the regular course of business nor the manner in which they do so. The purpose of the proposed changes to section 1353(b)(1) is to better align to reporting requirements identified in the regulation with the data that the utilities actually collect and use and the manner in which they organize and store this data. In addition, the purpose is to require information from 2019 and 2020 that has not already been provided pursuant to this subsection.

## NECESSITY

Subsection (b)(1) identifies information to be provided for non-interval meters, that is, meters that read and record electricity consumption on an aggregated basis, typically by month. The proposed changes to the subsections that identify the specific meter (subsections (b)(1)(A) through (D), as amended), reflect the actual information and nomenclature used by the utilities in collecting this data. The proposed changes to subsection (b)(1)(E), as amended, provide specificity to the requirements to report charges incurred by the customer. The utilities have stated that they can provide this information, and the additional detail regarding energy and transport charges will allow the CEC to further refine its analysis of impacts of rates and various load modifiers under various supply and demand scenarios. The proposed change to subsection (b)(1)(F), as amended, reflects the manner in which the utilities designate their billing cycles. Current subsection (b)(1)(G) is proposed to be repealed, as energy efficiency

information will be addressed in new subsection (d). The proposed changes to subsection (b)(1)(G), as amended, identify additional rate schedule information which the utilities have stated they can provide and which will allow the CEC to further refine its analysis of impacts of rates and various load modifiers under various supply and demand. The proposed change to subsection (b)(1)(H), as amended, corrects an error in the initial rulemaking; Customer Classification Codes include NAICS plus some additional customer codes used by the CEC in its analyses. (See section 1302(b)(7)). Current subsections (b)(1)(J) and (K) are proposed to be deleted because they are now being reported pursuant to section 1304, making this reporting requirement redundant. Subsection (b)(1)(J), as amended, will allow the CEC to better understand whether impacts of various load modifiers vary by whether a customer purchases electricity from an energy service provider or community choice aggregator (as opposed to a utility distribution company, such as PG&E). The proposed changes to subsection (b)(1)(K), as amended, identify greater detail about the volume of electricity sold or delivered. The utilities have stated they can provide this information, which will allow the CEC to further refine its analysis of impacts of rates and various load modifiers under various supply and demand scenarios. These changes also allow the utilities to report billing-level data as it is collected and stored, rather than conforming to calendar months, and will reduce double counting when the same consumption is measured across multiple meters. The proposed changes to subsection (b)(1)(L), as amended, reflect the fact that the utilities did not provide the required data until 2021. This change ensures that the CEC will receive a complete time series of information from 2018 forward, consistent with the intent of this section as originally adopted.

Subsection (b)(2) identifies information to be provided for interval meters, that is, meters that read and record electricity consumption over very short intervals, usually 5 or 10 minutes. Many of the proposed changes to subsection (b)(2) are necessary for the same reasons as parallel changes to subsection (b)(1). The proposed changes to subsection (b)(2)(B) are necessary for the same reason identified for the changes identified for subsection (b)(1)(L), as amended—to ensure a complete time series of information from 2018 forward, consistent with the intent of this section as originally adopted. The proposed change to subsection (b)(2)(C) is necessary for the same reason identified for the changes to subsection (b)(1)(F) and (b)(1)(K), as amended.

Subsection (b)(3) identifies information to be provided for consumption that is not associated with a meter, that is, for consumption that the utility estimates are derived from sources other than a meter. The changes delete the requirement for reporting estimated monthly peak demand, as that is information the utilities do not possess. The changes to subsection (b)(3)(C), as amended, are necessary to ensure a complete time series of information from 2018 forward, which is consistent with the intent of this section as originally adopted. The changes to subsection (b)(3)(C) parallel the changes made in sections (b)(1)(I) and(b)(2)(B), as discussed above.

Subsection (c) addresses natural gas demand and billing data. This data is collected for analysis of gas supply and demand and in a manner that is parallel to the analysis performed on the electricity side. There are no interval meters on the gas system, so there are fewer changes to subsection (c). The proposed changes to subsections (c)(1)-

(5), as amended, reflect the actual information and nomenclature used by the utilities. The proposed changes to subsection (c)(6), as amended, identify greater detail about the volume of gas sold or delivered. The utilities have stated they can provide this information, which will allow the CEC to further refine its analysis of impacts of rates and various load modifiers under various supply and demand scenarios. Subsection (c)(7), as amended, is needed to help the CEC identify how many different entities are selling gas delivered by a gas utility. Proposed changes to subsection (c)(8), as amended, identify further detail about the charges incurred by the customer. The utilities have stated that they can provide this information and the additional detail regarding energy and transport charges will allow the CEC to further refine its analysis of impacts of rates and various load modifiers under various supply and demand scenarios. These changes also allow the utilities to report billing-level data as it is collected and stored, rather than conforming to calendar months, and will reduce double counting when the same consumption is measured across multiple meters. The proposed change to subsection (c)(9), as amended, corrects an error in the initial rulemaking; Customer Classification Codes include NAICS plus some additional customer codes used by the CEC in its analyses. (See Section 1302(b)(7)). Subsection (c)(7) is proposed to be repealed, as energy efficiency information will be addressed in new subsection (d). The proposed change to subsection (c)(10), as amended, is necessary to be able to provide more explicit rate schedule information, which the CEC uses to analyze patterns of consumption by rate. In addition, this change is needed to provide the customer data previously provided pursuant to subsection (c) of section 1307, which has now lapsed. The CEC still needs the breakout of core/non-core and cogeneration/non-cogeneration customers that we previously received in aggregated form under section 1307. Obtaining it pursuant to this subsection will allow the CEC to continue to analyze consumption by those customer groups. Finally, the proposed change to subsection (c)(11) is needed to ensure a complete time series of information from 2018 forward. which is consistent with the intent of this section as originally adopted. These changes parallel the changes made in sections (b)(1)(l) and(b)(2)(B), (b)(3)(C) as discussed above.

Subsection (d) is a new subsection, identifying the energy efficiency program information that both gas and electric utilities will be required to provide. Under the current regulation, electric and gas utilities are only required to identify whether a meter is associated with an account for a customer that has participated in a utility-sponsored energy efficiency program. Based on conversations with the utilities, the CEC proposes to separately identify energy efficiency program information in its own subsection. The proposed change states that utilities reporting program information to the CPUC California Energy Data and Reporting System (CEDARS) do not need to separately report data to the CEC. That is because the CEC has access to CEDARS and can obtain the needed information directly from the CPUC. As a practical matter, the three investor-owned utilities that are subject to this regulation (Southern California Edison, Pacific Gas and Electric, and San Diego Gas and Electric) report to CEDARS; the two publicly-owned utilities that report under this section (Sacramento Municipal Utility District and Los Angeles Department of Water and Power) do not. Subsections (d)(1) and (d)(2) are necessary to allow the CEC to link the information about the energy efficiency programs identified with a specific utility account, for which consumption and

other characteristics will be reported under subsections (a)-(c) of this section. Subsections (d)(3) through (d)(6) are necessary to further evaluate the efficacy of types of energy efficiency programs identified. The information provided here can be compared with the consumption and ratepayer characteristic information to develop a better sense of the geographic distribution and the effects of these programs across ratepayer groups and climate zones. This will allow to CEC to make recommendations that will improve the ability of programs to meet California's efficiency and climate goals.

## **ARTICLE 3. PETROLEUM INFORMATION REPORTS**

# SECTION 1363.1. DEFINITIONS: SPECIFIC PETROLEUM AND NON-PETROLEUM PRODUCTS.

## SUBSECTION (i)(1)(A)

## PURPOSE

The purpose of the change to section 1363.1(i)(1)(A) is to correct the reference to the conventional Arizona specification of gasoline.

## NECESSITY

This change is necessary to conform with the appropriate Arizona Administrative Code section which has been recodified at a different section of the Arizona Administrative Code since the adoption of this section. An earlier version of this section of the Arizona Administrative Code was previously incorporated by reference into Section 1363.1. This update is necessary to conform the reference in this section to the current Arizona Administrative Code section, which has been renumbered since the adoption of section 1361.1, and to incorporate by reference the updated version of Arizona Administrative Code R3-7-701. Reproducing the entirety of the code section within section 1363.1 would be cumbersome and otherwise impractical because the definition of "Conventional Gasoline" within Arizona's regulation itself incorporates other terms and definitions originating from Arizona regulatory authorities which cannot be reproduced in Title 20 without significantly increasing the size and complexity of section 1361.1.

## SUBSECTION (i)(2)(B)

#### PURPOSE

The purpose of the change to section 1363.1(i)(2)(B) is to correct the reference to the oxygenated Arizona specification of gasoline.

## NECESSITY

This change is necessary to conform with the appropriate Arizona Administrative Code section, which has been recodified at a different section of the Arizona Administrative Code since the adoption of this section. An earlier version of this section of the Arizona Administrative Code was previously incorporated by reference into Section 1363.1. This update is necessary to conform the reference in this section to the current Arizona

Administrative Code section, which has been renumbered since the adoption of section 1361.1, and to incorporate by reference the updated version of Arizona Administrative Code R3-7-701. Reproducing the entirety of the code section within section 1363.1 would be cumbersome and otherwise impractical because the definition of "AZRBOB" or "Arizona Reformulated Blendstock for Oxygenate Blending" within Arizona's regulation itself incorporates other terms and definitions originating from Arizona regulatory authorities which cannot be reproduced in Title 20 without significantly increasing the size and complexity of section 1361.1.

## ARTICLE 3. APPENDIX A

#### PURPOSE

The purpose of this change is to correct the typo within the title of Chapter 3's Appendix A, which defines weekly reports for the PIIRA.

#### NECESSITY

This change corrects the typo within the title of Chapter 3's Appendix A which is currently labeled "Monthly" and should be labeled "Weekly" as this appendix defines weekly reports. This change is necessary to provide clarity and consistency throughout the section as the appendix defines weekly reports and not monthly reports.

## **ARTICLE 4. WIND PERFORMANCE REPORTING SYSTEMS**

## AMEND TO

## **ARTICLE 4. ALTERNATIVE TRANSPORTATION FUELS**

## PURPOSE

The purpose of this change is to remove the overlapping wind energy reporting requirements as they are simultaneously required to report under section 1304(a). Removal of sections 1381 through1389 eliminates a duplicative reporting requirement for wind plant owners that currently exists under Section 1304(a). Additionally, removal of section 1386 eliminates an additional requirement for wind energy purchasers to report their power purchases where no similar reporting requirement has been established for non-wind energy purchases in California. As electric energy is undifferentiated once it leaves the plant bus bar and enters the control area operator's grid, there is no added value gained by requiring companies that purchase wind energy resource with this additional reporting requirement that other renewable energy resource with this additional reporting requirement that other renewable and non-renewable electric generation supplies were not subject to. The changes put forth in the definitions under section 1302 and the data required under section 1304(a) render sections 1381 through1389 redundant. Wind energy power plant owners will continue to regularly report under section 1304(a).

#### NECESSITY

This change is necessary to provide clarity and consistency throughout these regulations by avoiding overlapping and duplicative reporting requirements.

#### SECTION 1381. TITLE AND PURPOSE.

#### PURPOSE

This addition is to retitle Article 4 as "Alternative Transportation Fuels" to place all the requirements related the collection of alternative transportation fuel in a single article.

#### NECESSITY

This clause defines the purpose of Article 4 for organizational purposes. New reporting requirements are necessary to fulfill the statutory requirements of PRC section 25304(a) that requires an "[a]ssessment of trends in transportation fuels, technologies, and infrastructure supply and demand" for later inclusion in the IEPR. Without direct information from the analyzed energy sector, staff is forced to conduct burdensome data processing methods and analysis techniques that create estimates of fuel consumed for transportation purposes. Reliance on estimates leave alternative transportation fuel assessments and forecasts open to criticisms such as lack of transparency, inconsistency, and lack of compatibility with existing assessments and forecasts of established fuels and markets.

## **SECTION 1382. DEFINITIONS.**

#### SUBSECTION (a)

## PURPOSE

The purpose of the addition of section 1382(a) is to define the term "hydrogen."

#### NECESSITY

This term is being defined to specify terms used within the report specified in section 1383. This definition is taken directly from California Air Resources Board's (CARB) Greenhouse Gas (GHG) reporting program and preserves compatibility with existing statutes and regulations as much as possible. The definition used here is derived from existing CARB regulations, specifically Title 17, California Code of Regulations, section 95102. This definition is necessary to define the data collected towards quantifying primary energy fuels for analysis pursuant to PRC section 25304(c) and (d).

#### SUBSECTION (b)

#### PURPOSE

The purpose of the addition of section 1382, subsection (b) is to define the term "hydrogen fuel."

#### NECESSITY

This term is being defined to specify terms used within the report specified in section 1383. This definition is taken directly from the National Institute for Standards and Time (NIST) Handbook 130: UNIFORM LAWS AND REGULATIONS IN THE AREAS OF LEGAL METROLOGY AND ENGINE FUEL QUALITY. This definition is necessary to define the data collected towards quantifying primary energy fuels for analysis pursuant to PRC section 25304(c) and (d).

Definition can be found on the NIST website at

https://www.nist.gov/system/files/documents/2017/04/28/hb130-13-final.pdf

#### SUBSECTION (c)

#### PURPOSE

The purpose of the addition of section 1382(c) is to define the term "hydrogen fueling station."

#### NECESSITY

This term is being defined to specify terms used within the report specified in section 1383. This definition is necessary to define the stakeholders from whom data is collected towards quantifying primary energy fuels for analysis pursuant to PRC section 25304(c) and (d).

#### SUBSECTION (d)

#### PURPOSE

The purpose of the addition of section 1382(d) is to define the term "hydrogen plant."

#### NECESSITY

This term is being defined to specify terms used within the report specified in section 1383. This definition is adapted from CARB's rulemaking package for their Greenhouse Gas (GHG) reporting program. This definition preserves compatibility with existing statutes and regulations as much as possible with addition of NAICS code and the term "on-purpose hydrogen" for additional specificity. The definition used here is derived from existing CARB regulations, specifically Title 17, California Code of Regulations, section 95102. This definition is necessary to define the stakeholders from whom data is collected towards quantifying primary energy fuels for analysis pursuant to PRC section 25304(c) and (d).

#### SUBSECTION (e)

#### PURPOSE

The purpose of the addition of section 1382(e) is to define the term "hydrogen producer."

#### NECESSITY

This term is being defined to specify terms used within the report specified in section 1383. This definition is necessary to define the stakeholders from whom data is collected towards quantifying primary energy fuels for analysis pursuant to PRC section 25304(c) and (d).

#### SUBSECTION (f)

#### PURPOSE

The purpose of the addition of section 1382(f) is to define the term "major hydrogen plant" and set a threshold to differentiate small scale production from the larger industrial plants.

#### NECESSITY

This term is being defined to specify terms used within the report specified in section 1383. The 10,000-kilogram threshold differentiates hydrogen fuel generation at fueling stations that generate their own fuel on-site from the industrial hydrogen plants that this regulation intends to collect from. This is necessary to define the stakeholders from whom data is collected towards quantifying primary energy fuels for analysis pursuant to PRC section 25304(c) and (d).

#### SUBSECTION (g)

#### PURPOSE

The purpose of the addition of section 1382(g) is to define the term "on-purpose hydrogen" to differentiate the difference between on-purpose hydrogen from by-product hydrogen to avoid inadvertently including other plants related to pharmaceutical, agricultural or food processing industries as stakeholders.

#### NECESSITY

This term is being defined to specify terms used within the report specified in section 1383. This definition is necessary define the stakeholders from whom data is collected towards quantifying primary energy fuels for analysis pursuant to PRC section 25304(c) and (d).

This term is used by the EIA and affected stakeholders on their own informational documents.

https://www.eia.gov/todayinenergy/detail.php?id=24612

https://www.airproducts.co.uk/-/media/airproducts/files/en/driving-hydrogen-efficiencywith-eye-on-environment.pdf

## SUBSECTION (h)

## PURPOSE

The purpose of the addition of section 1382, subsection (h) is to define the term "renewable diesel."

## NECESSITY

This term is being defined to specify terms used within the report specified in section 1384. This definition is adapted from the selected US Environmental Protection Agency definition of "non-ester renewable diesel" within Title 40, Code of Federal Regulations, section 80.1101.

Title 40 CFR section 80.1101 definition language is available at

https://www.law.cornell.edu/cfr/text/40/80.1101

## SECTION 1383. HYDROGEN PLANT DATA.

## SUBSECTION (a)

## PURPOSE

The purpose of subsection (a) is to establish the reporting period and production requirements for quarterly reports from major hydrogen producers.

## NECESSITY

Defining the calendar quarter is necessary for analysis as a standard report period for hydrogen production data will be essential in order to evaluate the sufficiency of hydrogen fuel in the alternative transportation fuels market and develop risk assessments of the hydrogen fueling system in California to fulfill PRC section 25304(c) and section 25304(d). Identifying the qualifying facilities as major hydrogen plants allows the definition in section 1382(r) to draw distinction by production threshold for large industrial facilities that produce hydrogen as commodity.

## SUBSECTION (b)(1)

## PURPOSE

The purpose of subsection (b)(1) is to enable collection of hydrogen production data from hydrogen producers.

## NECESSITY

Hydrogen production data is necessary to evaluate the sufficiency of fuel supplies and infrastructure. Kilograms are the current standard for measuring output and production

of hydrogen. A monthly interval is necessary to allow alignment of hydrogen data with existing transportation fuels data. This data allows analysis of production capacity and product output of transportation fuels, to fulfill PRC section 25304(c). The distinction is made between on-purpose hydrogen and liquid hydrogen because liquid hydrogen is the most suitable state for transportation fuel as opposed to the broader category on-purpose hydrogen that might be gaseous.

#### SUBSECTION (b)(2)

#### PURPOSE

The purpose of subsection (b)(2) is to enable collection of hydrogen inventory data from hydrogen producers.

#### NECESSITY

Kilograms are the current industry-wide standard for measuring output and production of hydrogen. A monthly interval is necessary to allow alignment of hydrogen data with existing transportation fuels data. Hydrogen inventory data in this form is necessary to assess the supply of transportation fuel feedstock and storage availability to fulfill PRC section 25304(c). Additionally, this data will allow the CEC to assess the risk of supply disruptions, price shocks/other events, and the consequences on the availability and price of transportation fuels to fulfill PRC section 25304(d).

#### SUBSECTION (b)(3)

#### PURPOSE

The purpose of subsection (b)(3) is to enable collection of hydrogen feedstock type data from hydrogen producers.

#### NECESSITY

Information about hydrogen feedstock types is necessary to assess the supply of transportation fuel feedstock, and production capacity to fulfill PRC section 25304(c). This data allows the assessment of the primary impacts of a future natural gas supply curtailment on hydrogen fuel supply and secondary impacts on petroleum refineries pursuant to PRC section 25304(d). The data also allows the CEC to evaluate the potential impacts of electricity and natural gas load management efforts, including end-user response to market price signals, as a means to ensure reliable operation of electricity and natural gas systems to fulfill PRC section 25303(a)(5).

### SUBSECTION (b)(4)

#### PURPOSE

The purpose of subsection (b)(4) is to enable collection of hydrogen feedstock input volume data from hydrogen producers.

#### NECESSITY

Collection of feedstock input volume is necessary to assess the supply of transportation fuel feedstock and production capacity to fulfill PRC section 25304(c). Methane use and electricity data allows the assessment of the primary impacts of a future natural gas supply curtailment on hydrogen fuel supply and secondary impacts on petroleum refineries pursuant to PRC section 25304(d). The data also allows the CEC to evaluate the potential impacts of electricity and natural gas load management efforts, including end-user response to market price signals, as a means to ensure reliable operation of electricity and natural gas systems to fulfill PRC section 25303(a)(5).

#### SUBSECTION (b)(5)

#### PURPOSE

The purpose of subsection (b)(5) is to enable collection of the volume of hydrogen distributed from hydrogen producers to petroleum refineries.

#### NECESSITY

Kilograms are the current industry-wide standard for measuring output and production of hydrogen. A monthly interval is necessary to allow alignment of hydrogen data with existing petroleum refinery data. Collection of distribution data to petroleum refineries is necessary to assess the supply of transportation fuel feedstock, distribution capacity and use pursuant to PRC section 25304, subsection (c) and to assess the risk of supply disruptions, price shocks/other events, and the consequences on the availability and price of transportation fuels to fulfill PRC section 25304(d).

#### SUBSECTION (b)(6)

#### PURPOSE

The purpose of subsection (b)(6) is to enable collection of the volume of hydrogen distributed to hydrogen fueling stations.

#### NECESSITY

Kilograms are the current industry-wide standard for measuring output and production of hydrogen. A monthly interval is necessary to allow alignment of hydrogen data with existing transportation fuels data. Collection of fuel distribution data is necessary to assess the supply of transportation fuel feedstock, distribution capacity and use pursuant to PRC section 25304(c) and allows the CEC to assess the risk of supply disruptions, price shocks/other events, and the consequences on the availability and price of transportation fuels to fulfill PRC section 25304(d).

## SECTION 1384. BIODIESEL AND RENEWABLE DIESEL PRODUCTION DATA. SUBSECTION (a)

#### PURPOSE

The purpose of subsection (a) is to establish a monthly reporting period from biodiesel plants and renewable diesel plants, to define the production threshold for suitable biodiesel plants and renewable diesel plants to report production data, and to enable collection of information as defined by the following subsections.

#### NECESSITY

Obtaining information about biodiesel production is necessary to evaluate the sufficiency of biodiesel fuels in the alternative transportation fuels market pursuant to PRC section 25304(c). A monthly reporting period allows alignment of biodiesel data with monthly petroleum diesel data for the CEC to develop risk assessments of the entire diesel fuel system in California to fulfill PRC section 25304(d).

#### SUBSECTION (b)(1)(A)

#### PURPOSE

The purpose of subsection (b)(1)(A) is to enable collection of volume data of inventory, feedstock input, production and shipments from biodiesel facilities.

### NECESSITY

Currently the CEC does not collect Form EIA-819. This form contains volume data of inventory, feedstock input, production and shipments for bio-diesel facilities. Data in the form required for CEC analysis, reports per facility in monthly intervals, is not publicly available from the EIA. Retaining the format of the EIA-819 form reduces duplication of work and potential conflicting standards for the CEC to consider when aligning this data with existing transportation fuels data. Collection of production data is necessary to evaluate the sufficiency of fuel supplies and infrastructure. Collection of inventory data is necessary to assess the supply of transportation fuel feedstock and storage availability. Collection of feedstock inputs and product shipments is necessary to assess the supply of transportation capacity. This allows analysis of production capacity, product output, supply of transportation fuel feedstock, storage availability to fulfill PRC section 25304(c).

## SUBSECTION (b)(1)(B)

## PURPOSE

The purpose of subsection (b)(1)(B) is to enable collection of feedstock type and volume input from biodiesel facilities.

### NECESSITY

Collection of feedstock types and volumes is necessary to enable the CEC to assess the supply of transportation fuel feedstock, and production capacity pursuant to PRC section 25304(c) and to examine potential effects of alternative fuels usage to fulfill PRC section 25304(f).

## SUBSECTION (b)(1)(C)

## PURPOSE

The purpose of subsection (b)(1)(C) is to enable collection of distribution type and volume from biodiesel facilities.

## NECESSITY

Biodiesel can only be blended into the petroleum diesel pools at limited points along the transportation fuels supply chain. Collecting volume data at various levels of distribution: wholesale, direct sale, and export allows the CEC to better analyze California's transportation fueling system's utilization or accommodation of increasing biodiesel production. Collection of further detailed fuel distribution data is necessary to assess the supply of transportation fuel feedstock, distribution capacity and use pursuant to PRC section 25304(c) and to allow the CEC to assess the risk of supply disruptions, price shocks/other events, and the consequences on the availability and price of transportation fuels to fulfill PRC section 25304(d).

## SUBSECTION (b)(2)(A)

## PURPOSE

The purpose of subsection (b)(2)(A) is to enable collection of volume data of inventory, feedstock input, production, and shipments from renewable diesel facilities.

## NECESSITY

Currently the CEC does not collect Form EIA-819. This form contains volume data of inventory, feedstock input, production, and shipments for renewable diesel facilities. Data in the form required for CEC analysis, reports per facility in monthly intervals, is not publicly available from the EIA. Retaining the format of the EIA-819 form reduces duplication of work and potential conflicting standards for the CEC to consider when aligning this data with existing transportation fuels data. Collection of production data is necessary to evaluate the sufficiency of fuel supplies and infrastructure. Collection of inventory data is necessary to assess the supply of transportation fuel feedstock and storage availability. Collection of feedstock inputs is necessary to assess the supply of

transportation fuel feedstock and production capacity. This allows analysis of production capacity, product output, supply of transportation fuel feedstock, and storage availability pursuant to PRC section 25304(c).

### SUBSECTION (b)(2)(B)

#### PURPOSE

The purpose of subsection (b)(2)(B) is to enable collection of feedstock type and volume input from renewable diesel facilities.

#### NECESSITY

Collection of feedstock types and volume input data is necessary to assess the supply of transportation fuel feedstock, and production capacity pursuant to PRC section 25304(c).

#### SUBSECTION (b)(2)(C)

#### PURPOSE

The purpose of subsection (b)(2)(C) is to enable collection of distribution type and volume from renewable facilities.

#### NECESSITY

Renewable diesel can blend into the petroleum diesel pools freely at many points along the transportation fuel supply chain. Collecting volume data at various levels of distribution: wholesale, direct sale, and export, allows the CEC to best analyze the total overall effects of increasing renewable diesel production on the entire diesel fueling system of California. Collection of fuel distribution data is necessary to assess the supply of transportation fuel feedstock, distribution capacity and use pursuant to PRC section 25304(c). It also allows the CEC to assess the risk of supply disruptions, price shocks/other events, and the consequences on the availability and price of transportation fuels to fulfill PRC section 25304(d).

## SECTION 1387. FORM AND FORMAT OF REPORTS.

## PURPOSE

The purpose of this addition is to provide for the creation and approval, at the executive director level, of forms for the reports required to be provided under this article.

## NECESSITY

This addition is necessary to ensure a process exists to establish a format for reports required to be submitted to the CEC under this article and to provide for a public notice period before revised forms take effect. Consistent with Government Code section 11340.9(c), the forms prescribed by the executive director pursuant to this authority and any instructions related to the use of that form will not impose any additional substantive

reporting obligations and will only reflect what is required by the other sections of this article.

### CHAPTER 7. ADMINISTRATION

## **ARTICLE 2. DISCLOSURE OF COMMISSION RECORDS**

#### INTRODUCTION

The CEC's regulations governing the disclosure of records are found in Article 2 of Chapter 7 of Division 2 of Title 20. They address both the manner in which access to public records is provided and the circumstances under which records may be withheld from disclosure. Parties submitting information to the CEC for which confidentiality is requested may file an application for confidential designation or affirm that the information falls within a category that the CEC has already determined by regulation to be protected from release. For the latter category of information, the regulations also specify some of the ways in which that information can nonetheless be released if it is aggregated or anonymized.

This rulemaking includes several changes to these regulations.

#### SECTION 2502. SCOPE.

#### PURPOSE

The purpose of the proposed change to this section is to add a catch-all provision, specifying that the regulations in this article do not compel disclosure of a record that is exempt from disclosure under the Public Records Act (PRA), Government Code sections 6250, *et seq.* 

#### NECESSITY

The proposed change clarifies the relationship between the regulations in this article and the PRA. The PRA specifies what must be disclosed, but not what must be withheld. The proposed change is necessary to indicate that the CEC will not interpret its regulations to mandate a disclosure that is not required under the PRA.

## SECTION 2504. INSPECTION AND COPYING.

## PURPOSE

The CEC proposes to delete this section in its entirety. The purpose of the deletion is to reflect the fact that the regulation has become both unnecessary and outdated.

#### NECESSITY

The proposed deletion is necessary to reflect the fact that virtually all requests under the PRA are handled via email and electronic files. Subsections (c) through (f) all address hard copies of CEC records. A vast majority of the CEC's records are only in electronic

form and any paper records are scanned and provided electronically. Today the public expects records will be provided electronically. Deletion of this section does not prevent the CEC from providing a paper copy if one is requested, but the current language does not reflect the way public records are provided and is therefore unnecessary. Subsection (b) requires that that PRA requests be addressed to the Office of Chief Counsel. This has proved to be burdensome for requestors and for the agency, as the vast majority of PRA requests are handled by contacting agency staff directly or by using the CEC's online PRA request form found at

(https://www.energy.ca.gov/contact/public-records-act-requests).

## SECTION 2505. DESIGNATION OF CONFIDENTIAL RECORDS.

## PURPOSE

The CEC proposes to change subsection (c), which addresses CEC-generated information, and subsection (e), which requires the generation of a list of information designated confidential during the prior three months. The purpose of the proposed change is to delete requirements that are not found elsewhere in law and do not affect the public's rights under the PRA.

## NECESSITY

The proposed change deletes subsections 2505(c)(1) and 2505(e). These subsections impose requirements related to the CEC's determination that certain information is confidential. Neither requirement is found elsewhere in law and the CEC has determined that they serve no useful purpose. Any member of the public may make a PRA request at any time for any record held by the CEC, whether it is CEC-generated or not. The proposed change is necessary to avoid the imposition of additional regulatory requirements that do not further the purposes of the PRA.

## SECTION 2507. DISCLOSURE OF CONFIDENTIAL RECORDS.

## SUBSECTION (e)

#### PURPOSE

The purpose of the addition of a new subsection (e) of section 2507 is to provide an end date for confidentiality protection offered by the provisions of subsection (a)(5) of section 2505, which allows for some information to receive a confidentiality designation without completion of the application process identified in that section.

#### NECESSITY

The proposed change is necessary because some of the information provided to the CEC pursuant to its data collection regulations that is entitled to confidentiality protection when filed becomes outdated and should no longer be identified as confidential. Specifically, the electricity and natural gas sales data, load and retail price forecasts, fuel price data, and hourly generation data have no economic value after the passage of time. Without economic value, the CEC cannot withhold the information as

confidential. Adding an end date for confidentiality protection is also consistent with the CEC's treatment of data that is deemed confidential through its application process identified in section 2505(a). When an application for confidential designation is granted, the grant always identifies whether there is an end date to the designation. Some information, for example the location of Native American gravesites, will never lose their confidentiality protection, but for information that becomes stale with the passage of time, an end date is appropriate. Having a defined term of confidentiality also provides a better balance between appropriate protection and transparency.

The end dates identified in new subsection (e) were developed by CEC staff familiar with the information they apply to and its value in energy markets. In addition, filers are allowed to file an application for confidential designation prior to the end date of the time period to allow them to identify any unusual circumstances that would justify a longer period of protection on a case-by-case basis.

#### SUBSECTION (f)

#### PURPOSE

The purpose of the proposed changes to subsection (f) of section 2507, as amended, is to modify to the procedures that CEC staff must follow before releasing information in the CEC's possession that has been derived from confidential records but is masked or aggregated as specified in the subsection.

#### NECESSITY

The changes to subsection (f)(1)(a)7. and 8., as amended, are necessary to replace the current reference to "the California Employment Development Department['s] September 2005 Current Employment Statistics survey county reports," an outdated resource which is no longer available to CEC staff. NAICS codes, defined in section 1302 of Title 20, provide a suitable replacement to guide CEC staff's aggregation and disclosure of energy sales and consumption data by county. NAICS codes are familiar to CEC staff in the agency's energy assessments, forecasting, and other units, and are a well-established means of categorizing energy sales and consumption data by industrial sector. Using the subsector (3-digit) code level will allow the CEC to fulfill its obligation to publicly disclose useful aggregated energy sales and consumption data without compromising the confidentiality of the underlying sales and usage data from which these aggregations are derived. (see PRC section 25216.5(d).)

The changes to subsection (f)(2), as amended, are necessary to better align this section with existing law under the PRA. The substantive requirements are unchanged: the CEC may only publish or publicly disclose records that are derived from confidential data if the records being released have been masked, aggregated, or anonymized as necessary to protect the confidentiality of the underlying data. The aggregations that are identified in subsection (f)(1), as amended, address data that is commonly subject to PRA requests, but they constitute only a fraction of the possible aggregations of the data the CEC collects. The notice provision is not consistent with the PRA, which identifies the agency, not the filer, as the entity responsible for assessing confidentiality, and could hamper our ability to respond in a timely fashion to PRA requests for aggregations that are clearly public but not identified in the current regulations.

The change to subsection (f)(2) eliminates a lengthy review process whereby CEC staff is required to (1) notify the filer of the underlying confidential information; (2) provide 14 days to the filer to decide whether to file a request for the CEC to order that the masked, aggregated, or anonymized records be kept confidential; (3) conduct a hearing pursuant to the provisions of section 2508 if requested by the filer; and (4), if the request is denied by the CEC, wait another 14 days after the hearing to allow the filer to seek court review of the CEC's denial.

## SUBSECTION (g)

## PURPOSE

The purpose of the proposed changes to subsection (g) of section 2507, as amended, is to clarify that, under the PRA and other existing laws, CEC may release records previously designated as confidential if the records have lost their confidentiality due to public disclosure by the filer or another government agency in possession of the records.

## NECESSITY

This change to subsection (g), as amended, is needed to correct an inadvertent omission from this subsection as currently written. A record designated confidential by the CEC that is freely available to the public due to an act of the filer or another agency should not be afforded protection under this article. Such a record is a "public record" under Government Code section 6252(e). Even if the record may otherwise be exempt pursuant to some provision of Government Code section 6254, disclosure by another agency possessing the record constitutes a waiver of the exemption under Government Code section 6254.5. Although the CEC may not permissively waive the confidentiality of records that the CEC has agreed to hold confidential (see Gov. Code, section 6254(e)), the added language is necessary to harmonize this section with the PRA by clarifying that the CEC's executive director is authorized to disclose records that have lost their confidential status due to public disclosure by the filer or another government agency.

## III. TECHNICAL, THEORETICAL, OR EMPIRICAL STUDIES, REPORTS, OR SIMILAR DOCUMENTS.

The CEC relied on input from various stakeholders, subject matter experts, and interested parties that provided information, feedback, and subject matter expertise from operational, technical, and manufacturing perspectives.

Some of the groups and organizations that participated include:

PACE Nation, Western Riverside Council of Governments & Renovate America

Ygrene, CSCDA (California Statewide Communities Development Agency), Renew Financial, Stonehill Strategic Capital, CleanFund Commercial PACE Capital, Inc., Petros Partners Finance, LLC, FortiFi Financial, White Oak, Greenworks Lending, Southern Company Gas/ Central Valley Gas Storage LLC, SoCalGas, Rockpoint Gas Storage (Wild Goose and Lodi storage), Gill Ranch Storage LLC/NW Natural Gas Storage LLC, Pacific Gas & Electric, Aspen Environmental.

#### The CEC relied upon the following documents:

CalTRACK Methods, http://docs.caltrack.org/en/latest/methods.html

Ken Agnew and Mimi Goldberg, Chapter 8: Whole-Building Retrofit with Consumption Data Analysis Evaluation Protocol, National Renewable Energy Laboratory (April 2013), <u>https://www1.eere.energy.gov/wip/pdfs/53827-8.pdf#page=26</u>

California Office of Environmental Health Hazard Assessment, <u>https://oehha.ca.gov/calenviroscreen</u>

<u>United States Energy Information Administration, Glossary</u> <u>https://www.eia.gov/tools/glossary/index.php?id=B#:~:text=Base%20gas%3A%20The%</u> <u>20quantity%20of,in%20the%20base%20gas%20volume</u>.

A Clifton *et al*, Using machine learning to predict wind turbine power output, 2013 Environ. Res. Lett. 8 24009, <u>https://iopscience.iop.org/article/10.1088/1748-9326/8/2/024009</u>

United States Energy Information Administration, The Basics of Underground Natural Gas Storage (Nov. 16, 2015), <u>https://www.eia.gov/naturalgas/storage/basics/</u>

H Gabbar *et al*, Evaluation of renewable energy deployment scenarios for building energy management, AIMS Energy (Oct. 10, 2016), <u>https://www.researchgate.net/figure/Typical-wind-turbine-power-output-with-wind-speed\_fig2\_308977046</u>.

Adarsh Guruprasad, Aerodynamic performance of swept blade wind turbine, University of Cincinnati OH (May 2017), (<u>https://www.researchgate.net/figure/Swept-area-of-wind-turbine-The-swept-area-of-a-wind-turbine-is-the-area-enclosed-within-a\_fig2\_316641745</u>.

United States Energy Information Administration, Monthly Underground Gas Storage Report Form, <u>https://www.eia.gov/survey/form/eia\_191/instructions.pdf</u>.

National Institute for Standards and Time (NIST) Handbook 130: UNIFORM LAWS AND REGULATIONS IN THE AREAS OF LEGAL METROLOGY AND ENGINE FUEL

QUALITY,

https://www.nist.gov/system/files/documents/2017/04/28/hb130-13-final.pdf

United States Energy Information Administration, Hydrogen for refineries is increasingly provided by industrial suppliers (Jan. 20, 2016), <u>https://www.eia.gov/todayinenergy/detail.php?id=24612</u>

Sanjiv Ratan *et al*, Driving hydrogen efficiency with an eye on the environment, Hydrocarbon Engineering, (Feb. 2010), <u>https://www.airproducts.co.uk/-</u> /media/airproducts/files/en/driving-hydrogen-efficiency-with-eye-on-environment.pdf

All documents are available for review at the CEC at 1516 Ninth Street, Sacramento, California 95814.

Any document that is not copyrighted will be available on the CEC's docket for this rulemaking found at https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=18-OIR-01

#### IV. CONSIDERATION OF REASONABLE ALTERNATIVES, INCLUDING THOSE THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS

No reasonable alternatives to the proposed regulations have been proposed that would lessen any adverse impact on small businesses or that would be less burdensome and equally effective in achieving the purposes of the regulation in a manner that achieves the purposes of the statute being implemented.

The CEC is proposing to update the data collection regulations to enable the CEC to meet its statutory and analytical responsibilities supporting the reliable operation of the state's electricity and natural gas supply systems and assessing progress in, and developing recommendations for, meeting state energy goals. Current data collection does not track new trends and the proposed changes to regulations will assist the CEC in capturing new energy sources and new patterns of energy demand.

The proposed regulations consist of four types of changes: 1) data submission procedural changes, 2) general language modernization, 3) confidentiality process changes, and 4) new data collection requirements.

The CEC considered two alternatives to the proposed regulations:

Under alternative one, the CEC considered not updating the date regulations. However, not updating the standards would not help attain California's climate and energy efficiency goals.

Under alternative two, the CEC considered estimating energy supply information and creating simulated data to preform policy analysis. In many cases, this estimated and simulated data has been used in past reports and analysis to complete CEC tasks. Yet over the years, this type of information has been routinely criticized as inaccurate and misleading, calling into question policy recommendations by the CEC. While the CEC continues to improve its data analysis techniques, it has concluded that best practice is to obtain point specific information where possible to avoid unnecessary criticism and improve analysis when possible.

#### V. SPECIFIC TECHNOLOGIES OR EQUIPMENT None

#### VI. ECONOMIC IMPACT ANALYSIS/ASSESSMENT

#### The Creation or Elimination of Jobs within the State of California

The CEC estimates that approximately 247 businesses may be impacted by the regulations. However, the proposed regulations are unlikely to result in a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

The CEC is proposing to update the data collection regulations to enable the CEC to meet its statutory and analytical responsibilities supporting the reliable operation of the state's electricity and natural gas supply systems and assessing progress in, and developing recommendations for, meeting state energy goals. Current data collection does not track new trends and the proposed changes to regulations will assist the CEC in capturing new energy sources and new patterns of energy demand.

The proposed regulations consist of four types of changes: 1) data submission procedural changes, 2) general language modernization, 3) confidentiality process changes, and 4) new data collection requirements. For type 1, 2, and 3 changes, these changes are being undertaken to lessen or keep consistent of level reporting burden of energy business entities. For new data requirements, data requested is either information that is reported to federal entities (which is deemed confidential by federal entities) or is collected for other uses by other agencies and the CEC is asking to be included in the transmission of that data. Thus any impact on business has been determined to be insufficient to cause any economic impact.

Therefore, the CEC has determined the proposed regulations are unlikely to create or eliminate jobs in California.

<u>The Creation of New Businesses or the Elimination of Existing Businesses within the</u> <u>State of California</u> The CEC estimates that approximately 247 businesses may be impacted by the regulations. However, the proposed regulations are unlikely to result in a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

The CEC is proposing to update the data collection regulations to enable the CEC to meet its statutory and analytical responsibilities supporting the reliable operation of the state's electricity and natural gas supply systems and assessing progress in, and developing recommendations for, meeting state energy goals. Current data collection does not track new trends and the proposed changes to regulations will assist the CEC in capturing new energy sources and new patterns of energy demand.

The proposed regulations consist of four types of changes: 1) data submission procedural changes, 2) general language modernization, 3) confidentiality process changes, and 4) new data collection requirements. For type 1, 2, and 3 changes, these changes are being undertaken to lessen or keep consistent of level reporting burden of energy business entities. For new data requirements, data requested is either information that is reported to federal entities (which is deemed confidential by federal entities) or is collected for other uses by other agencies and the CEC is asking to be included in the transmission of that data. Thus any impact on business has been determined to be insufficient to have an economic impact on businesses.

Therefore, the CEC has determined the proposed regulations are unlikely to create or eliminate new businesses in California.

#### The Expansion of Businesses Currently Doing Business within the State of California

The CEC estimates that approximately 247 businesses may be impacted by the regulations. However, the proposed regulations are unlikely to result in a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

The CEC is proposing to update the data collection regulations to enable the CEC to meet its statutory and analytical responsibilities supporting the reliable operation of the state's electricity and natural gas supply systems and assessing progress in, and developing recommendations for, meeting state energy goals. Current data collection does not track new trends and the proposed changes to regulations will assist the CEC in capturing new energy sources and new patterns of energy demand.

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information that is reported to federal entities (which is deemed confidential by federal entities) or is collected for other uses by other agencies and the CEC is asking to be included in the transmission of that data. Thus any impact on business has been determined to be insufficient to cause an economic impact on businesses.

Therefore, the CEC has determined the proposed regulations are unlikely to cause the expansion of business currently doing business in California.

## Benefits of the Regulations to the Health and Welfare of California Residents, Worker Safety, and the State's Environment

The CEC is proposing to update the data collection regulations to enable the CEC to meet its statutory and analytical responsibilities supporting the reliable operation of the state's electricity and natural gas supply systems and assessing progress in, and developing recommendations for, meeting state energy goals. Current data collection does not track new trends and the proposed changes to regulations will assist the CEC in capturing new energy sources and new patterns of energy demand.

The benefits of this proposed action are increased transparency and accuracy in CEC's analytical duties which will reduce its exposure to criticism and reduce time spent on creating estimates and simulation data of needed information.

The proposed regulation will not affect the health and welfare of California residents, worker safety, or the state's environment.

#### Results of the Economic Impact Assessment/Analysis

The CEC concludes that (1) it's unlikely the proposal will create jobs within California, (2) it's unlikely that the proposal will eliminate jobs within California, (3) It's unlikely the proposal is will create new businesses in California, (4) it's unlikely the proposal will eliminate existing businesses within California, (5) It's unlikely the proposal will result in the expansion of businesses currently doing business within the state.

## VII. DUPLICATION OR CONFLICTS WITH FEDERAL REGULATIONS

These proposed regulations do not unnecessarily duplicate or conflict with any federal regulations contained in the Code of Federal Regulations.

The requirements contained in section 1384, as amended, cover information that is also required to be reported to the EIA pursuant to federal regulations. As discussed in Section I (Problem Statement) and Section II (Purpose and Necessary), the CEC is imposing comparable reporting requirements in these regulations in order to comply with state requirements set forth by Public Resources Code, section 25304 to assess trends in transportation fuels, technologies, and infrastructure supply and demand within California. It was suggested to the CEC that information from the EIA would comply with the need for data. As production data that is specific to a location is considered confidential by the EIA, the CEC is creating this regulation to directly obtain this information from alternative fuel producers and will accept EIA forms with similar

information for ease of reporting purposes. As noted above, the CEC considered stakeholder feedback in drafting this regulation to allow reporting entities flexibility to avoid duplication of work and potential conflicting standards between the CEC and EIA.

#### VIII. EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT ADVERSE ECONOMIC IMPACT AFFECTING BUSINESS

The CEC estimates that approximately 247 businesses may be impacted by the regulations. However, the proposed regulations are unlikely to result in a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

The CEC is proposing to update the data collection regulations to enable the CEC to meet its statutory and analytical responsibilities supporting the reliable operation of the state's electricity and natural gas supply systems and assessing progress in, and developing recommendations for, meeting state energy goals. Current data collection does not track new trends and the proposed changes to regulations will assist the CEC in capturing new energy sources and new patterns of energy demand.

The proposed regulations consist of four types of changes: 1) data submission procedural changes, 2) general language modernization, 3) confidentiality process changes, and 4) new data collection requirements. For type 1, 2, and 3 changes, these changes are being undertaken to lessen or keep consistent of level reporting burden of energy business entities. For new data requirements, data requested is either information that is reported to federal entities (which is deemed confidential by federal entities) or is collected for other uses by other agencies and the CEC is asking to be included in the transmission of that data. Thus any impact on business has been determined to be insufficient to have an adverse economic impact. As part of its pre-rulemaking work, the CEC conducted numerous meetings with the listed regulatory stakeholders and a pre-rulemaking workshop on October 27, 2020. During those meeting and the workshop, stakeholders were asked what impact these proposed regulations would have. The regulations contained within this proposal were commented on by stakeholders were seen as being currently available and would require minimal to little processing work to provide to the CEC.

#### FOR FURTHER INFORMATION

Inquiries concerning all aspects of the rulemaking process, including the substance of the proposed regulations or other information upon which the rulemaking is based, should be directed to Ryan Eggers at (916) 776-3597 or <u>ryan.eggers@energy.ca.gov</u>