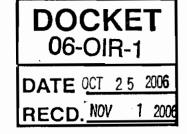
STATE OF CALIFORNIA



ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

)	Docket.	06-OIR-1
)	Order:	06-1030-6
)		
)	ORDER INSTITUTING	
)	RULEMAKING	
)		
)		
)	October 30	, 2006
)))))	Order: ORDER IN

I. PURPOSE AND SCOPE OF THE PROCEEDING

Pursuant to Public Resources Code sections 25210, 25213, and 25218(e), and Title 20, California Code of Regulations, section 1222(a), the California Energy Commission (Commission) hereby institutes a proceeding establishing a greenhouse gases emission performance standard. This rulemaking implements Senate Bill No. 1368 (Stats. 2006, ch. 598). SB 1368 directs the Commission, in consultation with the California Public Utilities Commission and the California Air Resources Board, to "establish a greenhouse gases emission performance standard for all baseload generation of local publicly owned electric utilities at a rate of emissions of greenhouse gases that is no higher than the rate of emissions of greenhouse gases for combined-cycle natural gas baseload generation." (Stats. 2006, ch. 598, §2.) The Commission is also directed to adopt regulations for the enforcement of the greenhouse gases emission standard with respect to local publicly owned electric utilities. (Stats. 2006, ch. 598, §2.)

The rulemaking shall consider, but not necessarily be limited to, establishing a greenhouse gases emission performance standard for baseload generation facilities by June 30, 2007, a process for calculating the emissions of greenhouse gases from baseload facilities and enforcing the standard, and a process for reevaluating and revising as necessary the greenhouse gases emission

performance standard.

II. DELEGATION OF AUTHORITY TO THE ELECTRICITY COMMITTEE

The Commission's Electricity Committee, consisting of Commissioners Byron and Geesman, or a successor committee appointed by the Commission with comparable powers and duties pursuant to Public Resources Code section 25211, shall preside over this rulemaking proceeding. The Committee may hold workshops and hearings as it deems appropriate and has the authority to take, and shall take on behalf of the Commission, all actions necessary and appropriate to comply with all applicable legal requirements of the Public Resources Code, the Administrative Procedure Act (Govt. Code §11340 et seq.), and implementing regulations, including submission, after a Commission hearing, of all necessary documents to the Office of Administrative Law, and issuance of notices for all hearings and workshops.

III. PUBLIC PARTICIPATION

The Commission encourages full and free public participation in this proceeding. Any person present at any hearing or workshop shall be afforded a reasonable opportunity to make oral comments on the subject matter of the proceeding. Petitions to intervene are not necessary. Any person may file written comments addressed to:

Docket No. 06-OIR-XX
Docket Unit, MS-4
California Energy Commission
1516 Ninth Street
Sacramento, California 95814-5512

Please provide twelve copies of all written materials to the Docket Unit. Alternatively, a person may provide one original paper copy to the above address and one electronic copy to docket@energy.state.ca.us. The Docket Unit will accept Word documents, but please send PDF if possible. Identify all comments with "Docket Number: 06-OIR-XX". The Committee will set forth a deadline for the receipt of written comments in a Notice of Proposed Action, which will be published later in the proceeding.

The Executive Director, in conjunction with the Public Adviser, shall ensure that this order and

notices of hearings and workshops are distributed to all interested persons and that drafts of the regulations are made available sufficiently in advance of workshops, interim hearings, and final adoption by the Commission to allow timely participation.

The Commission's Public Adviser is available to help any person who wants to participate in this proceeding. Please call (916) 654-4489 or toll-free in California at (800) 822-6288, or contact pao@energy.state.ca.us.

October 25, 2006

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

JACKALMNE PFANNENSTIEL

Chairma

(Absent)

JAMES D. BOYD

Vice Chair

ARTHUR H. ROSENFELD

Commissioner

JOHNE, GEESMAN

Commissioner

JEFFREY D. BYRON

Commissioner