

## **4.0 Environmental Impact Analysis**

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### **4.4 Energy**

#### **4.4.1 Introduction**

This section of the Draft EIR analyzes the Project’s potential impacts on energy resources, focusing on the following three energy resources: electricity, natural gas, and transportation-related energy (petroleum-based fuels). This section evaluates the demand for energy resources attributable to the Project and makes a determination regarding the Project’s use and conservation of energy uses. In addition, this section evaluates the Project’s consistency with adopted energy conservation plans and policies relevant to the Project. The information presented herein is based, in part, on the Energy Calculations for the Cheval Blanc Beverly Hills Project prepared by Eyestone Environmental, which is included as Appendix E to this Draft EIR.<sup>1</sup>

#### **4.4.2. Environmental Setting**

##### **4.4.2.1 Regulatory Framework**

###### **4.4.2.1.1 Federal**

###### **4.4.2.1.1.1 Federal Corporate Average Fuel Economy (CAFE) Standards**

First established by Congress in 1975, the Corporate Average Fuel Economy (CAFE) standards reduce energy consumption by increasing the fuel economy of cars and light trucks. The National Highway Traffic Safety Administration (NHTSA) and U.S. Environmental Protection Agency (USEPA) jointly administer the CAFE standards. Congress has specified that CAFE standards must be set at the “maximum feasible level” with consideration given for: (1) technological feasibility; (2) economic practicality; (3) effect of other standards on fuel economy; and (4) need for the nation to conserve energy.<sup>2</sup>

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<sup>1</sup> Refer to Section 4.11, *Utilities and Service Systems—Energy Infrastructure*, of this Draft EIR for a discussion of electric power and natural gas infrastructure.

<sup>2</sup> For more information on the CAFE standards, refer to [www.nhtsa.gov/laws-regulations/corporate-average-fuel-economy](http://www.nhtsa.gov/laws-regulations/corporate-average-fuel-economy), accessed November 11, 2020.

When these standards are raised, automakers respond by creating a more fuel-efficient fleet. The NHTSA sets standards to increase CAFE levels rapidly over the next several years, which will improve the nation's energy security and save consumer's money at the gas pump, while also reducing greenhouse gas (GHG) emissions. In 2010, President Barack Obama issued a memorandum directing the USEPA, U.S. Department of Transportation (USDOT), U.S. Department of Energy (USDOE), and NHTSA to establish additional standards regarding fuel efficiency and GHG reduction, clean fuels, and advanced vehicle infrastructure. In response to this directive, the USEPA and NHTSA proposed stringent, coordinated federal GHG and fuel economy standards for model years 2017–2025 light-duty vehicles. The proposed standards are projected to achieve 163 grams/mile of CO<sub>2</sub> in model year 2025, on an average industry fleet-wide basis, which is equivalent to 54.5 miles per gallon (mpg) if the standards were achieved solely through fuel efficiency. In 2012, the NHTSA established final passenger car and light truck CAFE standards for model years 2017 through 2021, which the agency projects will require in model year 2021, on average, a combined fleet-wide fuel economy of 40.3 to 41.0 mpg.

In addition to the regulations applicable to cars and light-duty trucks described above, in 2011 the USEPA and NHTSA announced fuel economy and GHG standards for medium- and heavy-duty trucks for model years 2014–2018. The standards for CO<sub>2</sub> emissions and fuel consumption are tailored to three main vehicle categories: combination tractors, heavy-duty pickup trucks and vans, and vocational vehicles. According to the USEPA, this regulatory program would reduce GHG emissions and fuel consumption for the affected vehicles by 6 to 23 percent over the 2010 baselines.<sup>3</sup>

In August 2016, the USEPA and NHTSA finalized Phase 2 standards for medium- and heavy-duty vehicles through model year 2027 that will improve fuel efficiency and cut carbon pollution. The Phase 2 standards are expected to lower CO<sub>2</sub> emissions by approximately 1.1 billion metric tons and save vehicle owners fuel costs of about \$170 billion.<sup>4</sup>

On April 2, 2018, the USEPA signed the Mid-term Evaluation Final Determination which found that the model year 2022–2025 GHG standards are not appropriate and should be revised.<sup>5</sup> On August 24, 2018, the USEPA and NHTSA published a proposal to

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<sup>3</sup> *The emission reductions attributable to the regulations for medium- and heavy-duty trucks were not included in the Project's emissions inventory due to the difficulty in quantifying the reductions. Excluding these reductions results in a more conservative (i.e., higher) estimate of emissions for the Project.*

<sup>4</sup> *USEPA and NHTSA Greenhouse Gas Emissions and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines and Vehicles—Phase 2. Regulatory Impact Analysis Final Rule. Table 2. August 2016*

<sup>5</sup> *Federal Register, Mid-Term Evaluation of Greenhouse Gas Emissions Standards for Model Year 2022–2025 Light-Duty Vehicles, [www.federalregister.gov/documents/2018/04/13/2018-07364/mid-term-evaluation](http://www.federalregister.gov/documents/2018/04/13/2018-07364/mid-term-evaluation) (Footnote continued on next page)*

freeze the model year 2020 standards through model year 2026 and to revoke California's waiver under the Clean Air Act to establish more stringent standards.<sup>6</sup> Although setting emission standards on automobiles is solely the responsibility of the USEPA, the federal CAA allows California to set state-specific emission standards on automobiles if the State first obtains a waiver from the USEPA. The USEPA granted California that waiver on July 1, 2009. On September 27, 2019, the USEPA withdrew the waiver it had previously provided to California for the State's GHG and ZEV programs under Section 209 of the Clean Air Act.<sup>7</sup> The withdrawal of the waiver became effective November 26, 2019. Pursuant to President Biden's Executive Order 13990, on April 28, 2021, the EPA sought public input on its reconsideration of the withdrawal of California's waiver.<sup>8</sup> In response, several states including California have filed a lawsuit challenging the withdrawal of the EPA waiver.<sup>9</sup> As of March 2021, that lawsuit was stayed pending resolution of related litigation.

On March 31, 2020, USEPA and NHTSA issued the SAFE Vehicles Rule, which amends the existing CAFE and tailpipe carbon dioxide emissions standards for passenger cars and light trucks and set fuel economy and carbon dioxide standards that increase 1.5 percent in stringency each year from model year 2021 standards through model year 2026 and applies nationwide.<sup>10</sup> It should be noted that these fuel efficiency and carbon dioxide standards under the SAFE Vehicles Rule are separate from the standards that the California Air Resources Board (CARB) is enforcing on a voluntary basis.

#### 4.4.2.1.1.2 Energy Independence and Security Act

The Energy Independence and Security Act of 2007 (EISA) facilitates the reduction of national GHG emissions by requiring the following:

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*of-greenhouse-gas-emissions-standards-for-model-year-2022-2025-light-duty*, accessed November 11, 2020.

<sup>6</sup> *Regulations, The Safer Affordable Fuel-Efficient Vehicles Rule for Model Years 2021–2026 Passenger Cars and Light Trucks*, [www.regulations.gov/document?D=EPA-HQ-OAR-2018-0283-0756](http://www.regulations.gov/document?D=EPA-HQ-OAR-2018-0283-0756), accessed November 11, 2020.

<sup>7</sup> *84 Federal Register 51310*.

<sup>8</sup> *86 Federal Register 22421 (April 28, 2021)*.

<sup>9</sup> *United States District Court for the District Court of Columbia, State of California vs. Chao, Case 1:19-cv-02826, 2019*.

<sup>10</sup> *Regulations, The Safer Affordable Fuel-Efficient Vehicles Rule for Model Years 2021–2026 Passenger Cars and Light Trucks*, [www.govinfo.gov/content/pkg/FR-2020-04-30/pdf/2020-06967.pdf](http://www.govinfo.gov/content/pkg/FR-2020-04-30/pdf/2020-06967.pdf), accessed July 28, 2020.

- Increasing the supply of alternative fuel sources by setting a mandatory Renewable Fuel Standard (RFS) that requires fuel producers to use at least 36 billion gallons of biofuel in 2022;
- Prescribing or revising standards affecting regional efficiency for heating and cooling products, procedures for new or amended standards, energy conservation, energy efficiency labeling for consumer electronic products, residential boiler efficiency, electric motor efficiency, and home appliances;
- Requiring approximately 25 percent greater efficiency for light bulbs by phasing out incandescent light bulbs between 2012 and 2014; requiring approximately 200 percent greater efficiency for light bulbs, or similar energy savings, by 2020.

Additional provisions of EISA address energy savings in government and public institutions, promote research for alternative energy, additional research in carbon capture, international energy programs, and the creation of “green jobs.”<sup>11</sup>

#### **4.4.2.1.2 State**

##### **4.4.2.1.2.1 California Building Standards Code (Title 24)**

###### **4.4.2.1.2.1.1 California Building Energy Efficiency Standards (Title 24, Part 6)**

The California Building Energy Efficiency Standards for Residential and Nonresidential Buildings (California Code of Regulations, Title 24, Part 6) were adopted to ensure that building construction and system design and installation achieve energy efficiency and preserve outdoor and indoor environmental quality. On May 9, 2018, the California Energy Commission (CEC) adopted the 2019 Title 24 Standards, which went into effect on January 1, 2020. The 2019 standards continue to improve upon the previous (2016) Title 24 standards for new construction of, and additions and alterations to, residential and non-residential buildings.<sup>12</sup> The 2019 Title 24 Standards represent “challenging but achievable design and construction practices” that represent “a major step towards meeting the Zero Net Energy (ZNE) goal.”<sup>13</sup> Single-family homes built with the 2019 standards will use about 7 percent less energy due to energy efficiency measures versus those built under the 2016 standards. Once rooftop solar electricity generation is factored in, homes built under the 2019 standards will use about 53 percent less energy

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<sup>11</sup> *A green job, as defined by the United States Department of Labor, is a job in business that produces goods or provides services that benefit the environment or conserve natural resources.*

<sup>12</sup> *CEC, 2019 Building Energy Efficiency Standards.*

<sup>13</sup> *CEC, 2019 Building Energy Efficiency Standards, p. iv.*

than those under the 2016 standards. Nonresidential buildings will use about 30 percent less energy due mainly to lighting upgrades.<sup>14</sup>

#### 4.4.2.1.2.1.2 California Green Building Standards (Title 24, Part 11)

The California Green Building Standards Code (California Code of Regulations, Title 24, Part 11), commonly referred to as the CALGreen Code, went into effect on January 1, 2017. The 2016 CALGreen Code includes mandatory measures for non-residential development related to site development; energy efficiency; water efficiency and conservation; material conservation and resource efficiency; and environmental quality.<sup>15</sup> The CalGreen code is updated regularly with the latest version (2019) in effect since January 1, 2020. Most mandatory measure changes in the 2019 CALGreen Code from the previous 2016 CALGreen Code were related to the definitions and to the clarification or addition of referenced manuals, handbooks, and standards. For example, several definitions related to outdoor water use were clarified to present a more generic reference to irrigation requirements for residential developments. In addition, the 2019 CALGreen Code resulted in minor changes to voluntary measures related to landscaping water usage and indoor air quality. Compliance with the CALGreen Code is enforced through the building permit process.

#### 4.4.2.1.2.2 California's Renewable Portfolio Standard

First established in 2002 under Senate Bill (SB) 1078, California's Renewable Portfolio Standards (RPS) require retail sellers of electric services to increase procurement from eligible renewable energy resources to 33 percent of total retail sales by 2020.<sup>16</sup> The California Public Utilities Commission (CPUC) and CEC jointly implement the RPS program. The CPUC's responsibilities include: (1) determining annual procurement targets and enforcing compliance; (2) reviewing and approving each investor-owned utility's renewable energy procurement plan; (3) reviewing contracts for RPS-eligible energy; and (4) establishing the standard terms and conditions used in contracts for eligible renewable energy.<sup>17</sup> The CEC's responsibilities include: (1) certifying renewable facilities as eligible for the RPS; and (2) designing and implementing a tracking and verification system to ensure that renewable energy output is counted only once for the purpose of the RPS and

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<sup>14</sup> CEC, *2019 Building Energy Efficiency Standards, Fact Sheet*.

<sup>15</sup> *California Building Standards Commission, Guide to the 2016 California Green Building Standards Code Nonresidential, January 2017*.

<sup>16</sup> CPUC, *California Renewables Portfolio Standard (RPS)*, [www.cpuc.ca.gov/RPS\\_Homepage/](http://www.cpuc.ca.gov/RPS_Homepage/), accessed November 11, 2020.

<sup>17</sup> CPUC, *California Renewables Portfolio Standard (RPS)*, [www.cpuc.ca.gov/RPS\\_Homepage/](http://www.cpuc.ca.gov/RPS_Homepage/), accessed November 11, 2020.

verifying retail product claims in California or other states. In 2018, Senate Bill (SB) 100, discussed further below, increased the RPS to 60 percent by 2030 and requires all the state's electricity to come from carbon-free resources by 2045.

#### **4.4.2.1.2.3 SB 350**

SB 350, signed October 7, 2015, is the Clean Energy and Pollution Reduction Act of 2015. SB 350 implements some of the goals of Executive Order B-30-15, issued in April 2015, which established a new statewide policy goal to reduce greenhouse gas (GHG) emissions 40 percent below their 1990 levels by 2030. The objectives of SB 350 are: (1) to increase the procurement of electricity from renewable sources from 33 percent to 50 percent by 2030; and (2) to double the energy efficiency savings in electricity and natural gas final end uses of retail customers through energy efficiency and conservation by 2030.<sup>18</sup>

#### **4.4.2.1.2.4 SB 100**

SB 100, signed September 10, 2018, is the 100 Percent Clean Energy Act of 2018. SB 100 updates the goals of California's Renewable Portfolio Standard and SB 350, as discussed above, to the following: achieve 50 percent renewable resources target by December 31, 2026, and achieve a 60-percent target by December 31, 2030. SB 100 also requires that eligible renewable energy resources and zero-carbon resources supply 100 percent of retail sales of electricity to California end-use customers and 100 percent of electricity procured to serve all state agencies by December 31, 2045.<sup>19</sup>

#### **4.4.2.1.2.5 Assembly Bill 1493/Pavley Regulations**

Assembly Bill (AB) 1493 (commonly referred to as CARB's Pavley regulations) was the first legislation to regulate GHG emissions from new passenger vehicles. Under this legislation, CARB adopted regulations to reduce GHG emissions from non-commercial passenger vehicles (cars and light-duty trucks) for model years 2009–2016.<sup>20</sup> After adopting these initial GHG standards for passenger vehicles, CARB adopted continuing standards for future model years. It was expected that the Pavley regulations would reduce GHG emissions from California's passenger vehicles by about 30 percent in 2016,

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<sup>18</sup> *Senate Bill 350 (2015–2016 Reg. Session) Stats 2015, ch. 547.*

<sup>19</sup> *Senate Bill 100 (2017–2018 Reg. Session) Stats 2018, ch. 312.*

<sup>20</sup> *CARB, Clean Car Standards—Pavley, Assembly Bill 1943, [www.arb.ca.gov/cc/ccms/ccms.htm](http://www.arb.ca.gov/cc/ccms/ccms.htm), last reviewed January 11, 2017, accessed November 11, 2020.*

while improving fuel efficiency and reducing motorists' costs.<sup>21</sup> While the main purpose is to reduce GHG emissions, the Pavley regulations would also result in better fuel efficiency. In comparison to the Federal CAFE standard of 35 mpg, the California average fuel economy would be 43 mpg in 2020.<sup>22</sup>

#### 4.4.2.1.2.6 CARB Advanced Clean Cars Program

Closely associated with the Pavley regulations, the Advanced Clean Cars emissions-control program was approved by CARB in 2012.<sup>23</sup> The program combines the control of smog, soot, and GHGs with requirements for greater numbers of zero-emission vehicles for model years 2015–2025.<sup>24</sup> The components of the Advanced Clean Cars program include the Low-Emission Vehicle (LEV) regulations that reduce criteria pollutants and GHG emissions from light- and medium-duty vehicles, and the Zero-Emission Vehicle (ZEV) regulation, which requires manufacturers to produce an increasing number of pure ZEVs (meaning battery electric and fuel cell electric vehicles), with provisions to also produce plug-in hybrid electric vehicles (PHEV) in the 2018 through 2025 model years.<sup>25</sup> In March 2017, CARB voted unanimously to continue with the vehicle GHG emission standards and the ZEV program for cars and light trucks sold in California through 2025.<sup>26</sup> In particular, implementation of the ZEV and PHEV regulations reduce transportation fuel consumption by increasing the number of vehicles that are partially or fully electric-powered.

On September 27, 2019, the USEPA withdrew the waiver it had previously provided to California for the State's GHG and ZEV programs under Section 209 of the Clean Air Act.<sup>27</sup> The withdrawal of the waiver became effective November 26, 2019. Pursuant to President Biden's Executive Order 13990, on April 28, 2021, the EPA sought public input

<sup>21</sup> CARB, *Clean Car Standards—Pavley, Assembly Bill 1943*, [www.arb.ca.gov/cc/ccms/ccms.htm](http://www.arb.ca.gov/cc/ccms/ccms.htm), last reviewed January 11, 2017, accessed November 11, 2020.

<sup>22</sup> CARB, *Addendum to February 25 Technical Assessment, Comparison of Greenhouse Gas Reductions for the United States and Canada under ARB Regulations and Proposed 2011–2015 Model Year Fuel Economy Standards*, May 8, 2008.

<sup>23</sup> CARB, *California's Advanced Clean Cars Program*, [www.arb.ca.gov/msprog/acc/acc.htm](http://www.arb.ca.gov/msprog/acc/acc.htm), last reviewed by CARB January 18, 2017, accessed November 11, 2020.

<sup>24</sup> CARB, *California's Advanced Clean Cars Program*, [www.arb.ca.gov/msprog/acc/acc.htm](http://www.arb.ca.gov/msprog/acc/acc.htm), last reviewed by CARB January 18, 2017, accessed November 11, 2020.

<sup>25</sup> CARB, *California's Advanced Clean Cars Program*, [www.arb.ca.gov/msprog/acc/acc.htm](http://www.arb.ca.gov/msprog/acc/acc.htm), last reviewed by CARB January 18, 2017, accessed November 11, 2020.

<sup>26</sup> CARB, *News Release, CARB finds vehicle standards are achievable and cost-effective*, [www.arb.ca.gov/newsrel/newsrelease.php?id=908](http://www.arb.ca.gov/newsrel/newsrelease.php?id=908), accessed May 17, 2018.

<sup>27</sup> 84 FR 51310

on its reconsideration of the withdrawal of California's waiver.<sup>28</sup> In response, several states including California have filed a lawsuit challenging the withdrawal of the EPA waiver.<sup>29</sup> As of March 2021, that lawsuit was stayed pending resolution of related litigation.<sup>30</sup> The CARB is currently enforcing the affected portions of the waiver on a voluntary basis, including issuing certifications for the greenhouse gas emissions and zero-emission vehicle programs.<sup>31</sup>

#### **4.4.2.1.2.6.1 Airborne Toxic Control Measure to Limit Diesel-Fueled Commercial Motor Vehicle Idling**

The Airborne Toxic Control Measure to Limit Diesel-Fueled Commercial Motor Vehicle Idling (Title 13, CCR, Division 3, Chapter 10, Section 2485) was adopted to reduce public exposure to diesel particulate matter and other air contaminants by limiting the idling of diesel-fueled commercial motor vehicles. This measure does not allow diesel-fueled commercial vehicles to idle for more than five minutes at any given location. This measure applies to diesel-fueled commercial motor vehicles with gross vehicular weight ratings of greater than 10,000 pounds that are or must be licensed for operation on highways. Reducing idling of diesel-fueled commercial motor vehicles reduces the amount of petroleum-based fuels used by the vehicle.

#### **4.4.2.1.2.6.2 CARB's In-Use Off-Road Diesel Fueled Fleets Regulation**

Since off-road vehicles that are used in construction and other related industries can last 30 years or longer, most of those that are in service today are still part of an older fleet that do not have emission controls. In 2007, CARB approved the "In-Use Off-Road Diesel Fueled Fleets Regulation" to reduce emissions from existing (in-use) off-road diesel vehicles that are used in construction and other industries. This regulation sets an anti-idling limit of five minutes for all off-road vehicles 25 horsepower and up. It also establishes emission rates targets for the off-road vehicles that decline over time to accelerate turnover to newer, cleaner engines and require exhaust retrofits to meet these targets. Revised in October 2016, the regulation enforced off-road restrictions on fleets adding vehicles with older tier engines and started enforcement beginning July 1, 2014. By each annual compliance deadline, a fleet must demonstrate that it has either met the fleet average target for that year, or has completed the Best Available Control Technology

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<sup>28</sup> 86 Federal Register 22421 (April 28, 2021).

<sup>29</sup> *United States District Court for the District Court of Columbia, State of California vs. Chao, Case 1:19-cv-02826, 2019.*

<sup>30</sup> *United States District Court for the District of Columbia, Union of Concerned Scientists v. NHTSA, Case 1:19-cv-1230, 2019.*

<sup>31</sup> *California Air Resources Board, [ww2.arb.ca.gov/es/resources/documents/carb-waiver-timeline](http://ww2.arb.ca.gov/es/resources/documents/carb-waiver-timeline).*



requirements (BACT). Large fleets have compliance deadlines each year from 2014 through 2023, medium fleets each year from 2017 through 2023, and small fleets each year from 2019 through 2028.

#### **4.4.2.1.2.7 Sustainable Communities Strategy (SB 375)**

The Sustainable Communities and Climate Protection Act of 2008 (SB 375), coordinates land use planning, regional transportation plans, and funding priorities to help California meet the GHG reduction mandates established in AB 32. SB 375 specifically requires each Metropolitan Planning Organization (MPO) to prepare a “sustainable communities strategy” (SCS) as part of its Regional Transportation Plan (RTP), which is required by the state and federal government, that will achieve GHG emission reduction targets set by CARB for the years 2020 and 2035 by reducing vehicle miles traveled (VMT) from light duty vehicles through the development of more compact, complete and efficient communities.

The Project Site is located within the planning jurisdiction of the Southern California Association of Governments (SCAG). SCAG’s first-ever SCS was included in the 2012–2035 Regional Transportation Plan/Sustainable Communities Strategy (2012–2035 RTP/SCS), which was adopted by SCAG in April 2012. SCAG has since adopted the 2016–2040 Regional Transportation Plan/Sustainable Communities Strategy (2016 RTP/SCS) and the 2020–2045 RTP/SCS.<sup>32</sup> The goals and policies of the SCS that reduce VMT (and result in corresponding decreases in transportation-related fuel consumption) focus on transportation and land use planning and include building infill projects, locating residents closer to where they work and play, and designing communities so there is access to high quality transit service. Specific goals include actively encouraging and creating incentives for energy efficiency, where possible (Goal 7) and encouraging land use and growth patterns that facilitate transit and active transportation (Goal 8). These goals would serve to reduce transportation fuel usage. See further discussion below.

#### **4.4.2.1.2.8 SB 1389**

SB 1389 (Public Resources Code Sections 25300–25323) requires the development of an integrated plan for electricity, natural gas, and transportation fuels. The CEC must adopt and transmit to the Governor and Legislature an Integrated Energy Policy Report (IEPR) every two years. In 2018, the CEC decided to write the Integrated Energy Policy Report in two volumes. Volume I, which was published on August 1, 2018, highlights the implementation of California’s policies and the role they have played in establishing a clean

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<sup>32</sup> SCAG, 2016 RTP/SCS, dated April 2016. SCAG 2020–2045 RTP/SCS, dated September 2020.

energy economy. Volume II, which was adopted February 20, 2019, provides more detail on several key energy issues and encompasses new analyses.<sup>33</sup> The IEPR contains recommendations on energy usage policies such as decarbonizing buildings, doubling energy efficiency savings, increasing flexibility in the electrical system to integrate more renewable energy, and reducing petroleum use in cars and trucks by up to 50 percent.

#### **4.4.2.1.2.9 California Environmental Quality Act**

Appendix F of the CEQA Guidelines provides a list of energy-related items that may be included throughout the various chapters of an EIR, with particular emphasis on avoiding or reducing inefficient, wasteful, and unnecessary consumption of energy. In addition, Appendix G provides questions for the lead agency to consider in the discussion of energy use in an EIR, where topics are applicable or relevant to the project, as detailed below in Subsection 4.4.3.1.

#### **4.4.2.1.3 Regional**

As discussed in Section 4.7, Land Use and Planning, of this Draft EIR, SCAG's 2020–2045 RTP/SCS presents a long-term transportation vision through the year 2045 for the six-county region of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties. The 2020–2045 RTP/SCS was adopted by SCAG on September 3, 2020. It was determined by the CARB on October 30, 2020, that the 2020–2045 RTP/SCS would meet the region's GHG reduction target.

The 2020–2045 RTP/SCS includes land use strategies that focus on urban infill growth and walkable, mixed-use communities in existing urbanized and opportunity areas. More mixed-use, walkable, and urban infill development would be expected to accommodate a higher proportion of growth in more energy-efficient housing types like townhomes, apartments, and smaller single-family homes, as well as more compact commercial building types. Furthermore, the 2020–2045 RTP/SCS includes transportation investments and land use strategies that encourage carpooling, increase transit use, active transportation opportunities, and promote more walkable and mixed-use communities, which would potentially help to reduce VMT.

The vision of the 2020–2045 RTP/SCS for the region incorporates a range of best practices for increasing transportation choices, reducing dependence on personal automobiles, further improving air quality and encouraging growth in walkable, mixed-use communities with ready access to transit infrastructure and employment. More and varied

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<sup>33</sup> 2018 *Integrated Energy Policy Report, Volume I, August 2018*.

housing types and employment opportunities would be located in and near job centers, transit stations and walkable neighborhoods where goods and services are easily accessible via shorter trips.

The 2020–2045 RTP/SCS also establishes High-Quality Transit Areas (HQTA), which are described as generally walkable transit villages or corridors that are within 0.5 mile of a well-serviced transit stop or a transit corridor with 15-minute or less service frequency during peak commute hours.<sup>34</sup> Local jurisdictions are encouraged to focus housing and employment growth within HQTAs to reduce VMT.

#### 4.4.2.1.4 Local

##### 4.4.2.1.4.1 Beverly Hills Sustainable City Plan

In February 2009, the City adopted the Beverly Hills Sustainable City Plan. The following goals related to energy efficiency are applicable to the proposed project (City of Beverly Hills 2009):

- **Energy Goal:** Encourage the use of energy in a clean and efficient manner and the use of renewable energy sources.
- **Land Use, Transportation, and Open Space Goal:** Foster an energy-efficient, walkable community that provides ample goods, services, and benefits to all residents while respecting the local environment.

The Project's consistency with the Sustainable City Plan is described in greater detail in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR. The City is currently developing a Climate Action and Adaptation Plan to reduce and encourage the reduction of GHG emissions as well as energy consumption citywide, which is expected to be completed in mid-2022. Methods to achieve GHG emissions reductions include energy efficiency measures to reduce energy usage throughout the City.

##### 4.4.2.1.4.2 City of Beverly Hills Green Building Standards Code

To achieve the goals outlined in its policy documents addressing climate change, in 2017, the City adopted the Green Building Standards Code to address the impacts of new development. The City of Beverly Hills Green Building Code was amended to incorporate various provisions of the CALGreen Code. Mandatory measures include installation of

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<sup>34</sup> SCAG, 2020–2045 RTP/SCS, p. 23.

electrical raceways to future electric vehicle supply equipment (EVSE), metering outdoor water use, and prewiring for future solar electricity generation.

#### **4.4.2.1.4.3 Beverly Hills Complete Streets Plan**

The Beverly Hills Complete Streets Plan is a long-range planning document that outlines the City's overall transportation policy guidance with the aim of transforming Beverly Hills from an auto-dominated community to one that embraces all modes of travel, reduces vehicle trips on local streets, and is a world class bicycling city. The plan includes recommendations for bikeway network enhancements, priority corridors for pedestrian improvements, first/last mile transit improvements, transportation network efficiency improvements, and neighborhood traffic management, among others. The goals and policies of the Complete Streets Plan (adopted April 2021) are included in this Draft EIR in Section 4.9, Transportation, of this Draft EIR.

#### **4.4.2.2 Existing Conditions**

##### **4.4.2.2.1 Electricity**

Electricity, a consumptive utility, is a man-made resource. The production of electricity requires the consumption or conversion of energy resources, including water, wind, oil, gas, coal, solar, geothermal, and nuclear resources, into energy. The delivery of electricity involves a number of system components. The electricity generated is distributed through a network of transmission and distribution lines commonly called a power grid. Substations and transformers then lower transmission line power (voltage) to a level appropriate for on-site distribution and use. Conveyance of electricity through transmission lines is typically responsive to market demands.

Energy capacity, or electrical power, is generally measured in watts (W) while energy use is measured in watt-hours (Wh). For example, if a light bulb has a capacity rating of 100 W, the energy required to keep the bulb on for 1 hour would be 100 Wh. If ten 100 W bulbs were on for 1 hour, the energy required would be 1,000 Wh or 1 kilowatt-hour (kWh). On a utility scale, a generator's capacity is typically rated in megawatts (MW), which is one million watts, while energy usage is measured in megawatt-hours (MWh) or gigawatt-hours (GWh), which is one billion watt-hours.

Southern California Edison (SCE) provides electricity throughout the City of Beverly Hills. Southern California Edison generates power from a variety of energy sources, including hydropower, coal, gas, nuclear sources, and renewable resources, such as wind,

solar, and geothermal sources. According to the California Energy Demand Forecast, SCE is expected to have an annual electricity demand of 123,600 GWh and a peak demand of 22,638 MW in 2026.<sup>35</sup> Approximately 48 percent of SCE's 2019 electricity purchases were from renewable sources, which is greater than the 32 percent statewide percentage of electricity purchases from renewable sources.<sup>36, 37</sup>

Southern California Edison supplies electrical power to the Project Site from electrical service lines located in the Project Site vicinity. Existing electricity usage was estimated based on the same methodology contained in the GHG analysis included in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR (California Emissions Estimator Model [CalEEMod] Version 2016.3.2). It is estimated that existing uses on the Project Site currently consume approximately 446,576 kWh of electricity per year.<sup>38</sup>

#### 4.4.2.2.2 Natural Gas

Natural gas is a combustible mixture of simple hydrocarbon compounds (primarily methane) that is used as a fuel source. Natural gas consumed in California is obtained from naturally occurring reservoirs, mainly located outside the State, and delivered through high-pressure transmission pipelines. The natural gas transportation system is a nationwide network, and, therefore, resource availability is typically not an issue. Natural gas provides almost one-third of the state's total energy requirements and is used in electricity generation, space heating, cooking, water heating, industrial processes, and as a transportation fuel. Natural gas is measured in terms of cubic feet (cf).

Natural gas is provided to the Project Site by the Southern California Gas Company (SoCalGas). SoCalGas is the principal distributor of natural gas in Southern California, serving residential, commercial, and industrial markets. SoCalGas serves approximately 21.8 million customers in more than 500 communities encompassing approximately

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<sup>35</sup> California Energy Commission. *California Energy Demand, 2018–2028 Preliminary Forecast, Table 12*

<sup>36</sup> Edison International, *2019 Sustainability Report*.

<sup>37</sup> *It may be possible that the project would be served by the Clean Power Alliance, a Los Angeles and Ventura County community choice aggregation program, for which the community's default tier is the 50 percent renewable energy product (i.e., Clean Power) with the highest tier at 100 percent renewable energy. However, it was conservatively assumed that the Project would utilize SCE's power with its current renewable energy profile.*

<sup>38</sup> *Eyestone Environmental, Energy Calculations for Cheval Blanc Project See Appendix E of this Draft EIR.*

24,000 square miles throughout Central and Southern California, from the City of Visalia to the Mexican border.<sup>39</sup>

SoCalGas receives gas supplies from several sedimentary basins in the western United States and Canada, including supply basins located in New Mexico (San Juan Basin), West Texas (Permian Basin), the Rocky Mountains, and Western Canada as well as local California supplies.<sup>40</sup> The traditional, southwestern United States sources of natural gas will continue to supply most of SoCalGas' natural gas demand. The Rocky Mountain supply is available but is used as an alternative supplementary supply source, and the use of Canadian sources provide only a small share of SoCalGas supplies due to the high cost of transport.<sup>41</sup> Gas supply available to SoCalGas from California sources is anticipated to average 63 million cf per day in 2021.<sup>42</sup> SoCalGas supplies natural gas to the Project Site from natural gas service lines located in the vicinity of the Project Site. It is estimated that existing uses on the Project Site currently consume approximately 47,241 cf of natural gas per year.<sup>43</sup>

#### 4.4.2.2.3 Transportation Energy

According to the CEC, transportation accounted for nearly 40 percent of California's total energy consumption in 2018.<sup>44</sup> In 2018, California consumed 15.6 billion gallons of gasoline and 3.1 billion gallons of diesel fuel.<sup>45, 46</sup> Petroleum-based fuels currently account for 90 percent of California's transportation energy sources.<sup>47</sup> However, the state is now working on developing flexible strategies to reduce petroleum use. Over the last decade, California has implemented several policies, rules, and regulations to improve vehicle efficiency, increase the development and use of alternative fuels, reduce air pollutants and

<sup>39</sup> SoCalGas, *Company Profile*, [www.socalgas.com/about-us/company-info.shtml](http://www.socalgas.com/about-us/company-info.shtml), accessed November 11, 2020.

<sup>40</sup> *California Gas and Electric Utilities, 2018 California Gas Report*, p. 80.

<sup>41</sup> U.S. Energy Information Administration, *California State Profile and Energy Estimates*, [www.eia.gov/state/?sid=CA#tabs-2](http://www.eia.gov/state/?sid=CA#tabs-2), accessed November 11, 2020.

<sup>42</sup> *California Gas and Electric Utilities, 2020 California Gas Report* pp. 144–145. Interpolated between 2021 and 2035 estimates.

<sup>43</sup> *Eyestone Environmental, Energy Calculations for Cheval Blanc Project*. See Appendix E of this Draft EIR.

<sup>44</sup> U.S. Energy Information Administration, *California State Profile and Energy Estimates, Consumption by Sector*, [www.eia.gov/state/?sid=CA#tabs](http://www.eia.gov/state/?sid=CA#tabs), accessed August 13, 2021.

<sup>45</sup> *California Board of Equalization, Net Taxable Gasoline Gallons 10-Year Report*.

<sup>46</sup> *California Board of Equalization, Net Taxable Diesel Gallons 10-Year Report*.

<sup>47</sup> CEC, *2016–2017 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program*, March 2016.

GHGs from the transportation sector, and reduce VMT. Accordingly, gasoline consumption in California has declined. The CEC predicts that the demand for gasoline will continue to decline over the next 10 years, and there will be an increase in the use of alternative fuels.<sup>48</sup> According to CARB's Emission Factor (EMFAC) Web Database, Los Angeles County on-road transportation sources consumed 4.0 billion gallons of gasoline and 644 million gallons of diesel fuel in 2020.<sup>49</sup> It should be noted that the EMFAC Web Database does not take into account SAFE Vehicles Rule Part One which revokes California's waiver to set its own greenhouse gas emissions standards for vehicles; the status of that revocation is discussed above.

The existing on-site land uses currently generate a demand for transportation-related fuel use as a result of vehicle trips to and from the Project Site. The estimate of annual VMT associated with the existing Project Site uses is 812,989 VMT per year.<sup>50</sup> This translates to 30,053 gallons of gasoline and 5,398 gallons of diesel per year.<sup>51</sup> Persons traveling to and from the Project Site also have the option of using public transportation to reduce transportation-related fuel use. The Project Site is within a HQTAs. Specifically, Metro Bus lines are available within approximately a ¼ mile of the Project Site. As discussed in Section 4.9, Transportation, of this Draft EIR, the Project Site is located approximately 0.4 mile from the future Metro D Line Rodeo Station. Hotel and club employees who commute by transit will be provided with free transit passes. For further discussion of public transit lines that serve the Project area, refer to Section 4.9, Transportation, of this Draft EIR. In addition, the Project includes electric vehicle charging stations; bicycle parking including charging facilities for e-bicycles; and lockers and showers to encourage bicycle commuting.

### 4.4.3. Project Impacts

#### 4.4.3.1 Thresholds of Significance

The Project would have a significant impact related to energy if it would:

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<sup>48</sup> CEC, 2015 Integrated Energy Policy Report, docketed June 29, 2016, p. 113.

<sup>49</sup> California Air Resources Board, EMFAC2017 Web Database, [www.arb.ca.gov/emfac/2017/](http://www.arb.ca.gov/emfac/2017/), accessed April 26, 2021.

<sup>50</sup> Eystone Environmental, Energy Calculations for Cheval Blanc Project. See Appendix E of this Draft EIR.

<sup>51</sup> Eystone Environmental, Energy Calculations for Cheval Blanc Project. See Appendix E of this Draft EIR.

**Threshold (a): Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?**

**Threshold (b): Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?**

With regard to Threshold (a), this analysis relies upon the CEQA Guidelines, prepared in response to the requirement in PRC Section 21100(b)(3).<sup>52</sup> The CEQA Guidelines interpret PRC Section 21100(b)(3) to require that EIRs “include a discussion of the potential energy impacts of proposed projects, with a particular emphasis on avoiding or reducing inefficient, wasteful and unnecessary consumption of energy.”<sup>53</sup>

In accordance with Appendix F of the CEQA Guidelines, the following potential environmental impacts will be examined:

1. The Project’s energy requirements and its energy use efficiencies by amount and fuel type for each stage of the project including construction, operation, maintenance, and/or removal. If appropriate, the energy intensiveness of materials may be discussed;
2. The effects of the Project on local and regional energy supplies and on requirements for additional capacity;
3. The effects of the Project on peak and base period demands for electricity and other forms of energy;
4. The degree to which the Project complies with existing energy standards;
5. The effects of the Project on energy resources;
6. The Project’s projected transportation energy use requirements and its overall use of efficient transportation alternatives.

With regard to Threshold (b), the Project will be evaluated for consistency with adopted energy conservation plans and policies relevant to the Project. Such adopted

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<sup>52</sup> PRC Section 21100(b)(3) “[m]itigation measures proposed to minimize significant effects of the environment, including, but not limited to, measures to reduce the wasteful, inefficient, and unnecessary consumption of energy.”

<sup>53</sup> CEQA Guidelines, Appendix F: Energy Conservation.



energy conservation plans and policies include Title 24 energy efficiency requirements, CalGreen Code, and City building codes.

### 4.4.3.2 Methodology

#### 4.4.3.2.1 Construction

During Project construction, energy would be consumed in the form of electricity associated with the conveyance of water used for dust control (including supply and conveyance) and, on a limited basis, powering lights, electronic equipment, or other construction activities necessitating electrical power. Electricity usage associated with the supply and conveyance of water used for dust control during construction was calculated using CalEEMod.<sup>54</sup> Electricity used to power lighting, electronic equipment, and other construction activities necessitating electrical power was calculated based on data provided in South Coast Air Quality Management District (SCAQMD) construction surveys (i.e., construction activity, horsepower, load factor, and hours of use per day).<sup>55</sup> Electricity usage during Project construction activities was calculated based on SCAQMD construction surveys.

In terms of natural gas, construction activities typically do not involve the consumption of natural gas.

Project construction would also consume energy in the form of petroleum-based fuels associated with the use of off-road construction vehicles and equipment on the Project Site, construction worker travel to and from the Project Site, and delivery and haul truck trips (e.g., the hauling of demolition material to off-site reuse and disposal facilities). Fuel consumption from on-site heavy-duty construction equipment was calculated based on the equipment mix and usage factors provided in the CalEEMod construction output files included in Appendix B of this Draft EIR. The total horsepower was then multiplied by fuel usage estimates per horsepower-hour included in Table A9-3-E of the SCAQMD *CEQA Air Quality Handbook*. Fuel consumption from construction worker, vendor, and delivery/haul trucks was calculated using the trip rates and distances provided in the CalEEMod construction output files. Total VMT was then calculated for each type of construction-related trip and divided by the corresponding county-specific miles per gallon factor using CARB's EMFAC 2014 model. The EMFAC model provides the total annual VMT and fuel consumed for each vehicle type. Consistent with CalEEMod, construction worker trips were assumed to include 50 percent light duty gasoline auto and 50 percent

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<sup>54</sup> *California Air Pollution Control Officers Association, CalEEMod™ version 2016.3.2 User's Guide, November 2017.*

<sup>55</sup> *CalEEMod Users Guide. Appendix E1, Technical Source Documentation. October 2017.*

light duty gasoline trucks. Construction vendor and delivery/haul trucks were assumed to be heavy-duty diesel trucks. Refer to Appendix B of this Draft EIR for detailed calculations.

#### **4.4.3.2.2 Operation**

Annual consumption of electricity (including electricity usage associated with the supply and conveyance of water) and natural gas was calculated using demand factors provided in CalEEMod as part of the GHG analysis included in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR.

Energy impacts associated with transportation during operation were also assessed. Daily trip generation used in this analysis was based on the *Cheval Blanc Beverly Hills Specific Plan Local Transportation Assessment* dated September 2021 (Local Transportation Assessment) (see Appendix H of this Draft EIR). As discussed therein, the trip generation and VMT for the Project was determined based on the ITE trip generation rates for the applicable land uses. Based on this annual VMT, gasoline and diesel consumption rates were calculated using the county-specific miles per gallon calculated using CARB's EMFAC 2014 model. The vehicle fleet mix for vehicles anticipated to visit the Project Site was calculated consistent with the CalEEMod default for Los Angeles County. Supporting calculations are provided in Appendix E of this Draft EIR. These calculations were used to determine if the Project would cause the wasteful, inefficient and/or unnecessary consumption of energy as required by Appendix F guidelines.

The Project's estimated energy demands were also analyzed relative to SCE's and SoCalGas' existing and planned energy supplies in 2026 (i.e., the Project buildout year) to determine if these two energy utility companies would be able to meet the Project's energy demands.

#### **4.4.3.3 Project Design Features**

The Project would include project design features designed to improve energy efficiency as set forth in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR, including Project Design Feature GHG-PDF-1, which includes implementing energy efficiency measures to achieve LEED Silver certification. These measures include, but are not limited to, installation of occupancy-controlled light switches and thermostats, installation of time-controlled lighting, and provisions to encourage pedestrian and bicycle use.

#### 4.4.3.4 Analysis of Project Impacts

***Threshold (a): Would the Project result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during Project construction or operation?***

##### 4.4.3.4.1 Impact Analysis

The following analysis considers the six factors set forth in Appendix F of the CEQA Guidelines and as outlined in the Thresholds of Significance subsection above to determine whether Threshold (a) would be exceeded.

##### **4.4.3.4.1.1 The Project's Energy Requirements and its Energy Use Efficiencies by Amount and Fuel Type for Each Stage of the Project Including Construction, Operation, Maintenance, and/or Removal; if Appropriate, the Energy Intensiveness of Materials May be Discussed**

As discussed above, the Project would consume energy during construction and operational activities. Sources of energy for these activities would include electricity usage, natural gas consumption (during operation only), and transportation fuels such as diesel and gasoline. The analysis below includes the Project's energy requirements and energy use efficiencies by fuel type for each stage of the Project (construction, operations, and maintenance and removal activities).<sup>56</sup>

For purposes of this analysis, Project maintenance would include activities such as repair of structures, landscaping, and architectural coatings, which could potentially use electricity and petroleum-based fuels. Energy usage related to Project maintenance activities are assumed to be included as part of Project operations. If the Project were to be built and were to be removed at the end-of-life phase, Project removal activities would include demolition or abandonment of the Project Site. However, it is not known whether or when the Project would be removed. Therefore, analysis of energy usage related to Project removal activities would be speculative. For this reason, energy usage related to Project removal was not analyzed.

##### **4.4.3.4.1.1.1 Construction**

During Project construction, energy would be consumed in the form of electricity associated with the conveyance of water used for dust control and, powering lights, electric equipment, or other construction activities necessitating electrical power. Electricity from these construction activities would be limited in comparison to existing operational

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<sup>56</sup> *Removal activities relate to the life of a project.*

electricity usage at the Project Site given that construction activities would be intermittent and temporary. As discussed below, construction activities, including the construction of new buildings and facilities, typically do not involve the consumption of natural gas. Project construction would also consume energy in the form of petroleum-based fuels associated with the use of off-road construction vehicles and equipment on the Project Site, construction worker travel to and from the Project Site, and delivery and haul truck trips (e.g., hauling of demolition material to off-site reuse and disposal facilities).

Manufacture of materials used in Project construction and operation and transport of those materials during their production process are expected to be regulated under regulatory energy efficiency requirements. It should be noted that transport of materials to the Project Site is included in the energy analysis above. Therefore, it is assumed that energy usage related to construction and operational materials would be consistent with current regulatory requirements regarding energy usage.

As shown in Table 4.4-1 on page 4.4-21, a total of 43,971 kWh of electricity, 138,384 gallons of gasoline, and 172,689 gallons of diesel is estimated to be consumed during Project construction. Project construction is expected to start in 2022 and be completed by 2026.

#### **4.4.3.4.1.1.1 Electricity**

During construction of the Project, electricity would be consumed to supply and convey water for dust control and will be used to power lighting, electric equipment, and other construction activities necessitating electrical power. Electricity would be supplied to the Project Site by SCE and would be obtained from the existing electrical lines that connect to the Project Site.

As shown in Table 4.4-1, a total of approximately 43,971 kWh of electricity is anticipated to be consumed during Project construction. The electricity demand at any given time would vary throughout the construction period based on the construction activities being performed and would cease upon completion of construction. When not in use, electric equipment would be powered off so as to avoid unnecessary energy consumption. In addition, long-term building construction lighting (longer than 120 days) is subject to Title 24 requirements which includes limits on the lighting wattage, which would result in the conservation of energy.<sup>57</sup> As such, the demand for electricity during construction would not cause wasteful, inefficient, and unnecessary use of energy.

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<sup>57</sup> *California Building Energy Efficiency Standards, Title 24, Part 6, Section 110.9, Section 130.0, and Section 130.2.*

**Table 4.4-1  
Summary of Energy Use During Project Construction<sup>a</sup>**

Fuel Type	Quantity
<b>Electricity</b>	
Water Consumption	1,131 kWh
Lighting, electric equipment, and other construction activities necessitating electrical power <sup>b</sup>	42,840 kWh
<b>Total Electricity</b>	<b>43,971 kWh</b>
<b>Gasoline</b>	
On-Road Construction Equipment <sup>c</sup>	138,384 gallons
Off-Road Construction Equipment <sup>d</sup>	0 gallons
<b>Total Gasoline</b>	<b>138,384 gallons</b>
<b>Diesel</b>	
On-Road Construction Equipment <sup>c</sup>	87,000 gallons
Off-Road Construction Equipment <sup>d</sup>	85,688 gallons
<b>Total Diesel</b>	<b>172,689 gallons</b>
<hr/> <i>kWh = kilowatt hours</i> <sup>a</sup> Detailed calculations are provided in Appendix E of this Draft EIR. <sup>b</sup> Electricity usage is based on SCAQMD construction site survey data and typical requirements for power generators. Such electricity demand would be temporary, limited, and would cease upon the completion of construction. <sup>c</sup> On-Road equipment includes worker trips, vendor trips, and haul trips. <sup>d</sup> Off-Road equipment includes bulldozers, backhoes, cranes, and other types of heavy-duty equipment. Off-road equipment is assumed to be powered with diesel fuel. Source: Eyestone Environmental, 2021.	

The estimated construction electricity usage represents approximately 1.8 percent of the estimated net annual demand which, as discussed below, would be within the supply capabilities of SCE.<sup>58</sup> Moreover, the temporary use of electricity during construction would be less than the electricity usage associated with the existing uses to be removed at the Project Site.

<sup>58</sup> The percentage is derived by taking the total amount of electricity usage during construction (43,971 kWh) and dividing that number by the total amount of net electricity usage during operation (2,449,610 kWh) to arrive at 1.8 percent.

#### **4.4.3.4.1.1.1.2 Natural Gas**

Construction activities, including the construction of new buildings and facilities, typically do not involve the consumption of natural gas. Accordingly, natural gas would not be supplied to support Project construction activities; thus, there would be no demand for natural gas generated by Project construction.

#### **4.4.3.4.1.1.1.3 Transportation Energy**

The petroleum-based fuel use summary provided in Table 4.4-1 on page 4.4-21 represents the amount of transportation energy that could potentially be consumed during Project construction based on a conservative set of assumptions, as provided in Appendix E of this Draft EIR. As shown in Table 4.4-1, on- and off-road vehicles would consume an estimated 138,384 gallons of gasoline and approximately 172,689 gallons of diesel fuel throughout the Project's construction period (an approximately 38-month duration). For comparison purposes, the fuel usage during Project construction would represent approximately 0.002 percent of the 2022 annual on-road gasoline-related energy consumption and 0.02 percent of the 2022 annual diesel fuel-related energy consumption in Los Angeles County, as shown in Appendix E of this Draft EIR. Moreover, the temporary construction-period gasoline consumption would be offset by removal of existing uses and associated vehicle trips. As existing uses currently generate vehicle trips from visitors and employees, removal of these trips would offset transportation fuel usage due to Project construction. For construction-period diesel consumption, the removal of existing uses would largely offset the temporary net increase in diesel fuel consumption. Calculations are provided in Appendix E of this Draft EIR.

Trucks and equipment used during proposed construction activities would comply with CARB's anti-idling regulations as well as the In-Use Off-Road Diesel-Fueled Fleets regulation. In addition to reducing criteria pollutant emissions, compliance with the anti-idling and emissions regulations would also result in efficient use of construction-related energy and reduced fuel consumption. On-road vehicles (i.e., haul trucks, worker vehicles) would also be subject to Federal and State fuel efficiency requirements. Therefore, Project construction activities would comply with existing energy standards with regard to transportation fuel consumption. As such, the demand for petroleum-based fuel during construction would not cause wasteful, inefficient, and unnecessary use of energy.

#### **4.4.3.4.1.1.1.4 Construction Materials**

The energy analysis does not include a full life cycle analysis of energy usage that would occur over the production/transport of materials during the production process used during the construction of the Project or used during the operational life of the Project, or the end of life for the materials and processes that would occur as an indirect result of the

Project. Estimating the energy usage associated with these processes would be too speculative for meaningful consideration, would require analysis beyond the current state-of-the-art in impact assessment, and may lead to a false or misleading level of precision in reporting. Manufacture and transport of materials during the production process related to Project construction and operation is expected to be regulated under regulatory energy efficiency requirements. It should be noted that energy used to transport materials to the Project Site is included in the energy analysis above. Therefore, it is assumed that energy usage related to construction and operational materials would be consistent with current regulatory requirements regarding energy usage.

#### **4.4.3.4.1.1.2 Operation**

During operation of the Project, energy would be consumed for multiple purposes, including, but not limited to, heating/ventilating/air conditioning (HVAC); refrigeration; lighting; and the use of electronics, equipment, and machinery. Energy would also be consumed during Project operations related to water usage, solid waste disposal, and vehicle trips. As shown in Table 4.4-2 on page 4.4-24, the Project's net new energy demand would be approximately 2,449,610 kWh of electricity per year, 8,795,609 cf of natural gas per year, and 53,429 gallons of gasoline per year and 10,821 gallons of diesel fuel per year.

##### **4.4.3.4.1.1.2.1 Electricity**

As shown in Table 4.4-2, with compliance with Title 24 standards and applicable CALGreen Code requirements, buildout of the Project would result in a projected net increase in the on-site demand for electricity totaling approximately 2,449,610 kWh per year. In addition to complying with CALGreen Code, the Applicant would also implement GHG-PDF-1 in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR, which states that the design of new buildings would incorporate sustainability features (e.g., Energy Star-labeled products) in order to achieve LEED Silver certification and incorporate water conservation features, such as drip/subsurface irrigation. Also, under GHG-PDF-1, the Project would use LED lighting, which would reduce electricity used for lighting purposes compared to non-LED lighting. These measures would reduce the Project's energy demand in comparison to the Project without reduction features. In addition, the Project would be subject to the 2019 Title 24 standards. Residential and nonresidential buildings built in compliance with the 2019 standards will use about 30 to 53 percent less energy than those under the 2016 standards.<sup>59</sup> This analysis conservatively includes a 10-percent reduction from the 2016 standards in the CalEEMod calculated energy use to account for compliance with 2019 Title 24 standards.

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<sup>59</sup> CEC, 2019 Building Energy Efficiency Standards, Fact Sheet.

**Table 4.4-2  
Summary of Annual Energy Use During Project Operation<sup>a</sup>**

Source	Project Energy Demand without Project Design Features (PDFs)	Project Energy Demand with PDFs	Percent Reduction due to Project PDFs
<b>Electricity</b>			
Building	2,552,809 kWh	2,332,953 kWh	-9%
Water <sup>b</sup>	116,657 kWh	116,657 kWh	0%
<b>Total Electricity<sup>c</sup></b>	<b>2,669,466 kWh</b>	<b>2,449,610 kWh</b>	<b>-9%</b>
<b>Natural Gas</b>			
Building	8,795,609 cf	8,795,609 cf	0%
<b>Total Natural Gas<sup>c</sup></b>	<b>8,795,609 cf</b>	<b>8,795,609 cf</b>	<b>0%</b>
<b>Transportation</b>			
Gasoline	212,523 gal	53,429 gal	-75%
Diesel	43,042 gal	10,821 gal	-75%
<b>Total Transportation<sup>d</sup></b>	<b>255,566 gal</b>	<b>64,250 gal</b>	<b>-75%</b>
<p><i>cf = cubic feet</i>  <i>gal = gallons</i>  <i>kWh = thousand kilowatt hours</i></p> <p><sup>a</sup> Detailed calculations are provided in Appendix E of this Draft EIR. Totals may not add up due to rounding.</p> <p><sup>b</sup> Calculations assume compliance with Project Design Feature GHG-PDF-1 provided in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR.</p> <p><sup>c</sup> Electricity and natural gas estimates assume compliance with applicable 2019 CALGreen requirements for Project Energy Demand with and without PDFs. Compliance with 2019 Title 24 is assumed to be 10 percent more efficient than 2016 Title 24. Project Energy Demand with PDFs takes into account implementation of GHG-PDF-1, provided in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR.</p> <p><sup>e</sup> Transportation fuel estimates include project characteristics entered into CalEEMod. The CalEEMod model takes into account trip and VMT reduction features such as proximity to transit, high density construction and proximity to residential or job centers.</p> <p>Source: Eyestone Environmental, 2021.</p>			

Southern California Edison is required to procure at least 33 percent of their energy portfolio from renewable sources by 2020. The current sources procured by SCE include wind, solar, and geothermal sources. These sources account for 48 percent of SCE's overall energy mix in 2019, the most recent year for which data are available. <sup>60, 61</sup> This

<sup>60</sup> Edison International, 2019 Sustainability Report

<sup>61</sup> It may be possible that the project would be served by the Clean Power Alliance, a Los Angeles and Ventura County community choice aggregation program, for which the community's default tier is the 50 (Footnote continued on next page)



represents the available off-site renewable sources of energy that would meet the Project's energy demand. The use of renewable energy would indirectly reduce use of fossil fuels required for electricity generation (natural gas, coal, oil). While the electricity usage rate for a given land use would not be directly affected by the availability of renewable energy, the consumption of fossil fuels required for electricity generation would be reduced.

In addition, the Project would comply with Section 110.10 of Title 24, which includes mandatory requirements for solar-ready buildings which would allow for installation of solar panels at a later date, and, as such, would not preclude the potential use of alternative sources of energy.

According to the California Energy Demand Forecast, SCE is expected to have an annual electricity demand of 123,600 GWh and a peak demand of 22,700 MW in 2026.<sup>62</sup> As such, the Project-related net increase in annual electricity consumption of 2,449,610 kWh per year would represent less than 0.002 percent of SCE's projected sales in 2026. In addition, as previously described, the Project would incorporate a variety of energy conservation measures to reduce energy usage. As such, the demand for electricity during operation would not cause wasteful, inefficient, and unnecessary use of energy, and impacts would be less than significant.

#### **4.4.3.4.1.1.2.2 Natural Gas**

As provided in Table 4.4-2 on page 4.4-24, with compliance with Title 24 standards and applicable CALGreen Code requirements, buildout of the Project is projected to generate a net increase in the on-site demand for natural gas totaling approximately 8,795,609 cf per year. As discussed above, in addition to complying with applicable regulatory requirements regarding energy conservation (e.g., California Building Energy Efficiency Standards and CALGreen Code), the Project would implement project design features to further reduce energy use. Specifically, the Applicant would implement GHG-PDF-1 in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR, which states that the design of new buildings would incorporate sustainability features (e.g., Energy Star-labeled products) capable of achieving LEED Silver certification. In order to achieve LEED Silver certification, multiple options are available with regard to natural gas consumption, such as high efficiency boilers, high efficiency furnaces, renewable natural gas, and submetering. At this time, it is uncertain which natural gas reduction measures will be used to achieve

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*percent renewable energy product (i.e., Clean Power) with the highest tier at 100 percent renewable energy. However, it was conservatively assumed that the Project would utilize SCE's energy with its current renewable energy profile.*

<sup>62</sup> California Energy Commission. California Energy Demand, 2018–2028 Preliminary Forecast, Table 12.

LEED Silver certification. Therefore, as a conservative assumption, no reduction in the Project's natural gas consumption was assumed with implementation of GHG-PDF-1.

As discussed above, the Project would be subject to the 2019 Title 24 standards. However, CalEEMod default energy usage parameters are based on 2016 Title 24 standards. This analysis conservatively includes a 10-percent reduction in the CalEEMod calculated energy use to account for compliance with 2019 Title 24 standards. In order to meet the Title 24 energy performance requirement, the Project may include use of efficient water heaters, cooking equipment and other major support appliances.

As stated above, the Project's estimated net increase in demand for natural gas is 8,795,609 cf per year, or approximately 24,098 cf per day. Based on the 2020 California Gas Report, the California Energy and Electric Utilities estimates natural gas consumption within SoCalGas' planning area will be approximately 2.40 billion cf/day in 2026 (the Project's buildout year).<sup>63</sup> The Project would account for approximately 0.001 percent of the 2026 forecasted consumption in SoCalGas' planning area. In addition, as previously described, the Project would incorporate a variety of energy conservation measures to reduce energy usage. As such, the demand for natural gas during operation would not cause wasteful, inefficient, and unnecessary use of energy, and impacts would be less than significant.

#### 4.4.3.4.1.1.2.3 Transportation Energy

During operation, Project-related traffic would result in the consumption of petroleum-based fuels related to vehicular travel to and from the Project Site. As noted above, the Project Site is located in an HQTAs designated by SCAG, which indicates that the Project Site is an appropriate site for increased density and employment opportunities from a "smart growth," regional planning perspective.<sup>64, 65</sup> As discussed in Section 4.9,

<sup>63</sup> California Gas and Electric Utilities, 2020 California Gas Report pp. 144–145. Interpolated between 2021 and 2035 estimates.

<sup>64</sup> SCAG, 2020–2045 RTP/SCS, Exhibit 3.8: High Quality Transit Areas in the SCAG Region for 2045 Plan, p. 90.

<sup>65</sup> Smart growth is an approach to development that encourages a mix of building types and uses, diverse housing and transportation options, development within existing neighborhoods, and community engagement. Smart growth includes the following ten principles: mix land uses; take advantage of compact building design; create a range of housing opportunities and choices; create walkable neighborhoods; foster distinctive, attractive communities with a strong sense of place; preserve open space, farmland, natural beauty, and critical environmental areas; strengthen and direct development towards existing communities; provide a variety of transportation choices; make development decisions predictable, fair, and cost effective; and encourage community and stakeholder collaboration in development decisions. Source: U.S. Environmental Protection Agency and the International City/County Management Association, This is Smart Growth, 2014; Smart Growth America, What is smart (Footnote continued on next page)

Transportation, of this Draft EIR, existing Metro bus lines along North Santa Monica Boulevard within approximately a ¼ mile of the Project Site provide service in the Project Site vicinity and would provide employees and guests of the Project with various public transportation opportunities. In addition, the Project Site is located approximately 0.4 mile from the future Metro D Line Rodeo Station. The Project would also provide bicycle parking spaces including charging facilities for e-bicycles and employee lockers and showers to further promote use of alternative modes of transportation. Hotel and club employees who commute by transit will be provided with free transit passes.

The Project's location near mass transit and installation of bicycle parking spaces, including charging facilities for e-bicycles as well as employee lockers and showers, and providing employees with free transit passes would encourage alternative modes of transportation, reducing VMT and associated energy usage. As such, the Project would minimize transportation-fuel (this refers to gasoline and diesel fuel) consumption through the reduction of VMT. With incorporation of these VMT reducing measures and taking into account removal of existing uses and associated vehicle trips, net transportation-fuel usage would be reduced by 75 percent.

As summarized in Table 4.4-2 on page 4.4-24, when accounting for the measures that would be implemented to reduce VMT as well as removal of existing uses, the Project's estimated petroleum-based fuel usage would result in a net increase of 53,429 gallons of gasoline and 10,821 gallons of diesel per year, or a total of 64,250 gallons of petroleum-based fuels annually. As such, the demand for petroleum-based fuel usage during operation would not cause wasteful, inefficient, and unnecessary use of energy, and impacts would be less than significant.

#### **4.4.3.4.1.1.3 Summary of Energy Requirements and Energy Use Efficiencies**

As previously discussed, CEQA Guidelines Appendix F and Appendix G recommend quantification of a project's energy requirements and its energy use efficiencies by amount and fuel type for each stage of a project's life cycle including construction, operation, maintenance, and/or removal. If appropriate, the energy intensiveness of materials may be discussed. The Project's energy requirements were calculated based on the methodology contained in CalEEMod for electricity and natural gas usage. Project VMT data was used to calculate transportation fuel usage. The calculations also took into account energy efficiency measures such as Title 24, CalGreen Code, and vehicle fuel economy standards. Table 4.4-1 and Table 4.4-2 on pages 4.4-21 and 4.4-24, respectively, provide a summary

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*growth?*, <https://smartgrowthamerica.org/our-vision/what-is-smart-growth/>, accessed November 11, 2020; SCAG, Glossary, "Smart Growth Principles," <http://scagrtpscs.net/Pages/Glossary.aspx>, accessed November 11, 2020.

of Project construction and operational energy usage, respectively. During Project construction activities, a total of 43,971 kWh of electricity would be consumed along with 311,073 gallons of transportation fuel (gasoline and diesel). During Project operations with incorporation of project design features, a total of 2,449,610 kWh of electricity, 8,795,609 cf of natural gas, and 64,250 gallons of transportation fuel would be consumed on an annual basis. When accounting for project design features and increased energy efficiency measures, operational electricity usage would be reduced by 9 percent when compared to a project without energy efficiency measures, and operational transportation energy usage would be reduced by 75 percent when compared with a project without energy efficiency measures. The Project would implement Project Design Feature GHG-PDF-1 which include implementing energy efficiency measures to achieve LEED Silver certification, occupancy controlled light switches and thermostats, and provisions to encourage pedestrian, transit, and bicycle use. Details are provided in Appendix E of this Draft EIR.

#### **4.4.3.4.1.2 The Effects of the Project On Local and Regional Energy Supplies and On Requirements for Additional Capacity**

##### **4.4.3.4.1.2.1 Construction**

As discussed above, electricity would be intermittently consumed during the conveyance of the water used to control fugitive dust, as well as to provide electricity for temporary lighting and other general construction activities. The electricity demand at any given time would vary throughout the construction period based on the construction activities being performed and would cease upon completion of construction. When not in use, electric equipment would be powered off so as to avoid unnecessary energy consumption. The estimated construction electricity usage, as shown in Table 4.4-1 on page 4.4-21, represents approximately 1.8 percent of the estimated net annual operational demand which, as discussed below, would be within the supply and infrastructure service capabilities of SCE.<sup>66</sup> Furthermore, the electricity demand during construction would be offset with the removal of the existing on-site uses which currently generate a demand for electricity. Construction activities, including the construction of new buildings and facilities, typically do not involve the consumption of natural gas. Accordingly, natural gas would not be supplied to support Project construction activities; thus, there would be no demand for natural gas generated by construction of the Project, resulting in a net decrease during the construction phase of the Project when compared to existing operations. As discussed above, transportation fuel usage during Project construction activities would represent approximately 0.002 percent of gasoline usage and 0.02 percent of diesel usage within

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<sup>66</sup> *The percentage is derived by taking the total amount of electricity usage during construction (43,971 kWh) and dividing that number by the total amount of net electricity usage during operation 2,449,610 kWh) to arrive at 1.8 percent.*

Los Angeles County, respectively. As energy consumption during Project construction activities would be relatively negligible compared to regional energy consumption, the Project would not affect regional energy consumption during the construction period.

#### 4.4.3.4.1.2.2 Operation

According to the California Energy Demand Forecast, SCE is expected to have an annual electricity demand of 123,600 GWh and a peak demand of 22,700 MW in 2026.<sup>67</sup> As such, the Project-related net increase in annual electricity consumption of 2,449,610 kWh per year would represent less than 0.002 percent of SCE's projected sales in 2026. Furthermore, SCE has confirmed that the Project's electricity demand can be served by the facilities in the Project area.<sup>68</sup> Therefore, it is anticipated that SCE's existing and planned electricity capacity and electricity supplies would be sufficient to support the Project's electricity demand.

As stated above, the Project's estimated net increase in demand for natural gas is 8,795,609 cf per year, or approximately 24,098 cf per day. Based on the 2020 California Gas Report, the California Energy and Electric Utilities estimated natural gas consumption within SoCalGas' planning area will be approximately 2.40 billion cf/day in 2026 (the Project's buildout year).<sup>69</sup> The Project would account for approximately 0.001 percent of the 2026 forecasted consumption in SoCalGas' planning area.

At buildout, the Project would result in a net increase of 53,429 gallons of gasoline and 10,821 gallons of diesel per year, or a total net increase of 64,250 gallons of petroleum-based fuels consumed per year, as shown in Appendix E of this Draft EIR.

In sum, energy consumption during Project operations would be relatively negligible and energy requirements are within SCE's and SoCalGas' service provision. As discussed in more detail below, the Project would comply with fuel economy standards as well as provide for and encourage use of alternative modes of transportation (mass transit, bicycle, walking). Therefore, the Project would have a negligible effect on transportation fuel supply. Project operation would not affect regional energy supplies.

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<sup>67</sup> California Energy Commission. *California Energy Demand, 2018–2028 Preliminary Forecast, Table 12*

<sup>68</sup> Kimley Horn., *Cheval Blanc Beverly Hills—Utility Memorandum, October 16, 2020. Refer to Appendix E of this Draft EIR.*

<sup>69</sup> *California Gas and Electric Utilities, 2018 California Gas Report p. 97.*

#### **4.4.3.4.1.3 The Effects of the Project On Peak and Base Period Demands for Electricity and Other Forms of Energy**

As discussed above, electricity demand during construction and operation of the Project would have a negligible effect on the overall capacity of SCE's power grid and base load conditions. With regard to peak load conditions, the SCE power system is expected to reach a peak of approximately 21,638 MW in 2026.<sup>70</sup> Under peak conditions during operations, the Project would consume 619 kW during peak load conditions.<sup>71</sup> In comparison to the SCE power grid base peak load of 21,638 MW in 2026, the Project would represent approximately 0.003 percent of the SCE base peak load conditions. In addition, SCE's annual growth projection in the electrical power grid of 1.3 percent would be sufficient to account for future electrical demand by the Project.<sup>72</sup> Therefore, Project electricity consumption during operational activities would have a negligible effect on peak load conditions of the power grid.

#### **4.4.3.4.1.4 The Degree to Which the Project Complies with Existing Energy Standards**

Title 24 requirements typically apply to energy usage for buildings. But long-term construction lighting (greater than 120 days) illuminating the Project Site and staging areas would also comply with applicable Title 24 requirements, including limits on the wattage allowed per specific area. In addition, construction equipment would comply with energy efficiency requirements contained in the Federal Energy Independence and Security Act or previous Energy Policy Acts for electrical motors and equipment.<sup>73</sup> Electricity and natural gas usage during Project operations presented in Table 4.4-2 on page 4.4-24 would comply with 2019 Title 24 standards and applicable CalGreen Building Code requirements. Therefore, Project construction and operational activities would comply with existing energy standards with regards to electricity and natural gas usage.

With regard to transportation fuels, trucks and equipment used during proposed construction activities would comply with CARB's anti-idling regulations as well as the In-Use Off-Road Diesel-Fueled Fleets regulation. Although these regulations are intended to reduce criteria pollutant emissions, compliance with the anti-idling and emissions regulations would also result in efficient use of construction-related energy. During Project operations, vehicles traveling to and from the Project Site are assumed to comply with

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<sup>70</sup> California Energy Commission. *California Energy Demand, 2018–2028 Preliminary Forecast, Table 12.*

<sup>71</sup> Eyestone Environmental, *Energy Calculations for the Cheval Blanc Project, See Appendix E of this Draft EIR.*

<sup>72</sup> California Energy Commission. *California Energy Demand, 2018–2028 Preliminary Forecast, Table 12.*

<sup>73</sup> *Energy Independence and Security Act of 2007, Pub.L. 110-140.*

CAFE fuel economy standards. The vehicle fleet mix assumed in the CalEEMod and EMFAC models is based on Department of Motor Vehicle registration data which is composed of various model years (old and new). Therefore, the vehicle fleet mix used to calculate Project transportation fuel usage takes into account older vehicles within the vehicle fleet which may not comply with current CAFÉ fuel economy standards. However, all vehicles travelling to and from the Project site are expected to comply with CAFÉ fuel economy standards applicable to the respective vehicle model years. Project-related vehicle trips would also comply with Pavley and Low Carbon Fuel Standards which are designed to reduce vehicle GHG emissions but would also result in fuel savings in addition to CAFE standards, as required.

Based on the above, Project construction and operational activities would comply with existing energy standards with regards to electricity and natural gas usage, as well as transportation fuel consumption. Therefore, the Project would not affect energy resources and impacts would be less than significant.

#### **4.4.3.4.1.5 Effects of the Project on Energy Resources**

As discussed above, SCE's electricity generation is derived from a mix of non-renewable and renewable sources such as coal, natural gas, solar, geothermal wind and hydropower. SCE's 2019 Sustainability Report identifies adequate resources (natural gas, coal) to support future generation capacity. As discussed previously, it may be possible that the Project would be served by the Clean Power Alliance which provides several tiers of renewable energy products. The lowest (default) tier is 50 percent renewable energy and the highest tier at 100 percent renewable energy. It was conservatively assumed that the Project would utilize SCE's power, with its lower renewable energy portfolio of 48 percent.

Natural gas supplied to Southern California is mainly sourced from out of state with a small portion originating in California. Sources of natural gas for the Southern California region are obtained from locations throughout the western United States as well as Canada.<sup>74</sup> According to the U.S. Energy Information Administration (EIA), the United States currently has over 80 years of natural gas reserves based on 2015 consumption.<sup>75</sup> Compliance with energy standards is expected to result in more efficient use of natural gas (lower consumption) in future years. Therefore, Project construction and operation activities would have a negligible effect on natural gas supply.

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<sup>74</sup> *California Gas and Electric Utilities, 2018 California Gas Report.*

<sup>75</sup> *U.S. Energy Information Administration, Frequently Asked Questions, [www.eia.gov/tools/faqs/faq.php?id=58&t=8](http://www.eia.gov/tools/faqs/faq.php?id=58&t=8), accessed November 11, 2020.*

With regard to on-site energy resources, the Project Site does not contain any significant sources of renewable (i.e., water, solar, wind, geothermal) or non-renewable energy, such as coal, natural gas, petroleum. In addition, the Project would not generate power using non-renewable sources or associated energy transmission lines. Therefore, Project construction and operation activities would not conflict with existing or planned energy resources.

Transportation fuels (gasoline and diesel) are produced from crude oil which is imported from various regions around the world. According to the EIA's International Energy Outlook 2019, the global supply of crude oil, other liquid hydrocarbons, and biofuels is expected to be adequate to meet the world's demand for liquid fuels through 2050.<sup>76</sup> The EIA's International Energy Outlook 2020 indicates that motor gasoline and distillate fuel oil's combined share of total transportation energy consumption decreases from 84 percent in 2019 to 74 percent in 2050. Increases in fuel economy standards drive the decrease in U.S. motor gasoline consumption, which is anticipated to decline by an additional 19 percent through 2050.

The Project would comply with CAFE fuel economy standards, which would result in more efficient use of transportation fuels (lower consumption). Project-related vehicle trips would also comply with Pavley and Low Carbon Fuel Standards which are designed to reduce GHG emissions but would also result in fuel savings in addition to compliance with CAFE standards. Also, the Project would include provisions for alternative modes of transportation by providing for bicycle parking spaces, including charging facilities for e-bicycles, as well as employee lockers and showers. In addition, the Project is located within an HQTAs, which would encourage use of mass transit, further reducing transportation fuel usage during Project operations. Hotel and club employees who commute by transit would be provided with free transit passes. Therefore, Project construction and operation activities would have a negligible effect on the transportation fuel supply.

As discussed above in Subsection 4.4.2.1, Regulatory Framework, one of the objectives of SB 350 is to increase procurement of California's electricity from renewable sources from 33 percent to 50 percent by 2030. As of September 2018, SB 100 was signed, which would require retail sellers of electric services to increase procurement from eligible renewable energy resources to 50 percent renewable resources target by December 31, 2026, and 60 percent by December 31, 2030. The Project could be served by the Clean Power Alliance which provides power consisting of 50 to 100 percent

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<sup>76</sup> U.S. Energy Information Administration, *Frequently Asked Questions*, [www.eia.gov/tools/faqs/faq.php?id=58&t=8](http://www.eia.gov/tools/faqs/faq.php?id=58&t=8), accessed November 11, 2020.



renewable energy. It was conservatively assumed that the Project would be consistent with SCE's lower renewable energy portfolio. Accordingly, SCE is required to procure at least 60 percent of their energy portfolio from renewable sources by 2030. The current sources of renewable energy procured by SCE include wind, solar, and geothermal sources. These sources account for 48 percent of SCE overall energy mix in 2019, the most recent year for which data are available.<sup>77</sup> This represents a conservative estimate of the available percent of off-site renewable sources of energy that would meet the Project's energy demand. The Project's use of renewable energy would indirectly reduce use of fuels required for electricity generation (natural gas, coal, oil). While the Project's electricity usage rate would not be directly affected by the availability of renewable energy, the Project's usage of renewable energy would indirectly avoid consumption of fossil fuels.

With regard to on-site renewable energy sources, the Project would include the provision of conduit that is appropriate for future photovoltaic and solar thermal collectors, consistent with requirements of the CalGreen Building Code. The Project would also comply with Title 24 requirements for "Solar Ready Buildings" which requires a certain area of rooftop to be set aside for installation of solar panels. However, due to the Project Site's location, other on-site renewable energy sources would not be feasible to install on-site as there are no local sources of energy from the following sources: biodiesel, biomass hydroelectric and small hydroelectric, digester gas, methane, fuel cells, landfill gas, municipal solid waste, ocean thermal, ocean wave, and tidal current technologies, or multi-fuel facilities using renewable fuels. Furthermore, wind-powered energy is not viable on the Project Site due to the lack of sufficient wind in the Los Angeles basin. Specifically, based on a map of California's wind resource potential, the Project Site is not identified as an area with wind resource potential.<sup>78</sup>

#### **4.4.3.4.1.6 The Project's Projected Transportation Energy Use Requirements and Its Overall Use of Efficient Transportation Alternatives**

The Project represents an infill development within an existing urbanized area that would introduce new hotel and retail uses on the Project Site, within an HQTAs. The Project would provide hotel, restaurant, retail, and club uses in close proximity to other retail, restaurant, entertainment and other commercial uses which would allow for more guests to stay closer to these areas, reducing the vehicle miles traveled. In addition, the Project being located within an HQTAs and providing free transit passes to hotel and club employees who commute by transit would encourage employees to use mass transit or

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<sup>77</sup> *Edison International, 2019 Sustainability Report.*

<sup>78</sup> *CEC, Wind Resource Area & Wind Resources, [www.energy.ca.gov/maps/renewable/wind.html](http://www.energy.ca.gov/maps/renewable/wind.html), updated October 16, 2017, accessed November 11, 2020.*

alternative forms of transportation. Bicycle parking, including charging facilities for e-bicycles, employee lockers and showers, would be provided to encourage bicycle commuting. The design includes an improved streetscape with pedestrian amenities including widened sidewalks along South Santa Monica Boulevard encouraging non-automotive forms of transportation such as walking or biking to nearby destinations. Pedestrian access would be maintained on South Santa Monica Boulevard, Rodeo Drive, and Beverly Drive and amenities including trees and lighting would enhance the pedestrian experience. In addition, the Project would be located approximately 0.4 mile from the future Metro D Line Rodeo Station and the Project Site is served by Metro Bus lines which are within approximately 0.25 mile of the Project Site. With the reduction in trips by car due to accessibility to mass transit and alternative modes of transportation, the Project results in a VMT reduction of approximately 67 percent (see Appendix E of this Draft EIR) compared to a Project without Reduction Features, with a corresponding reduction in the Project's petroleum-based fuel usage.<sup>79</sup> Therefore, the Project would encourage the use of efficient transportation alternatives.

#### 4.4.3.4.1.7 Conclusion Regarding Significance Threshold (a)

As demonstrated in the analysis above, the Project would not result in potentially significant environmental impacts due to wasteful, inefficient, and unnecessary consumption of energy resources during construction or operation. The Project's energy requirements would not significantly affect local and regional supplies or capacity. The Project's energy usage during peak and base periods would also be consistent with electricity and natural gas future projections for the region. As discussed previously, gasoline fuel usage for the region is expected to decline over the next 10 years. Transportation fuel supply is not expected to decrease significantly over this same period and supplies would be sufficient to meet Project demand. Therefore, electricity generation capacity and supplies of natural gas and transportation fuels would also be sufficient to meet the needs of Project-related construction and operations. During operations, the Project would comply with existing energy efficiency requirements such as the CalGreen Code and would include energy conservation measures. In addition, the Project would be designed to be capable of achieving LEED Silver energy efficiency requirements. **In summary, the Project's energy demands would comply with existing energy efficiency standards and would not cause wasteful, inefficient, or unnecessary use of energy. Therefore, Project impacts related to energy use under Threshold (a) would be less than significant during construction and operation.**

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<sup>79</sup> *The Project without Reduction Features scenario does not account for energy efficiency measures or trip reductions.*

#### 4.4.3.4.2 Mitigation Measures

Project-level impacts related to energy use would be less than significant. Therefore, no mitigation measures are required.

#### 4.4.3.4.3 Level of Significance After Mitigation

Project-level impacts related to energy use were determined to be less than significant without mitigation. Therefore, no mitigation measures were required or included, and the impact level remains less than significant.

***Threshold (b): Would the Project conflict with or obstruct a state or local plan for renewable energy or energy efficiency?***

#### 4.4.3.4.4 Impact Analysis

As discussed above, the energy conservation policies and plans relevant to the Project include the California Title 24 energy standards and the 2019 CALGreen Code. As these conservation policies are mandatory under the City of Beverly Hills Building Code, the Project would not conflict with applicable plans for renewable energy or energy efficiency. Such requirements of the Title 24 and CALGreen include specific lighting requirements to conserve energy, window glazing to reflect heat, enhanced insulation to reduce heating and ventilation energy usage, and enhanced air filtration. The Project would implement these measures as required by code. The 2019 Title 24 Standards ensure that builders use the most energy efficient and energy conserving technologies and construction practices. In addition, the Project would implement measures to comply with Title 24 energy efficiency requirements, including GHG-PDF-1, as discussed above and included in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR. In addition, the Project would be consistent with the goals of the City of Beverly Hills Sustainable City Plan. Such goals of the Sustainable City Plan include increasing use of renewable energy, reducing water usage and developing infill locations near public transit. As discussed in more detail in Section 4.6, Greenhouse Gas Emissions, the Project would be consistent with the goals of the Sustainable City Plan.

With regard to transportation related energy usage, the Project would comply with the goals of SCAG's 2020–2045 RTP/SCS, which incorporates VMT targets established by SB 375. As discussed above and in Section 4.7, Land Use and Planning, of this Draft EIR, SCAG's 2020–2045 RTP/SCS focuses on creating livable communities with an emphasis on sustainability and integrated planning, and identifies mobility, economy, and sustainability as the three principles most critical to the future of the region. As part of the approach, the 2020–2045 RTP/SCS focuses on reducing fossil fuel use by decreasing VMT, reducing building energy use, and increasing use of renewable sources. The Project would be consistent with the energy efficiency policies emphasized in the 2020–2045

RTP/SCS. Most notably, the Project is a commercial development located in an area characterized by a high degree of pedestrian activity. The 2020–2045 RTP/SCS also identify HQTAs, which are described as generally walkable transit villages or corridors that are within 0.5 mile of a well-serviced transit stop or a transit corridor with 15-minute or less service frequency during peak commute hours.<sup>80</sup> Local jurisdictions are encouraged to focus housing and employment growth within HQTAs to reduce VMT. The Project Site is located within a HQTA as designated by the 2020–2045 RTP/SCS.<sup>81</sup> The Project's proximity to public transportation would also serve to reduce VMT and associated transportation fuel usage within the region. In addition, vehicle trips generated during Project operations would comply with CAFE fuel economy standards, as required. During construction activities, the Project would be required to comply with CARB anti-idling regulations and the In-Use Off-Road Diesel Fleet regulations.

Based on the above, the Project would not conflict with adopted energy conservation plans or violate state or federal energy standards. **Therefore, Project impacts associated with regulatory consistency under Threshold (b) would be less than significant.**

#### 4.4.3.4.5 Mitigation Measures

Project-level impacts related to conflicts with energy plans would be less than significant. Therefore, no mitigation measures are required.

#### 4.4.3.4.6 Level of Significance After Mitigation

Project-level impacts related to conflicts with energy plans were determined to be less than significant without mitigation. Therefore, no mitigation measures were required or included, and the impact level remains less than significant.

### 4.4.3.5 Cumulative Impacts

#### 4.4.3.5.1 Impact Analysis

##### 4.4.3.5.1.1 Threshold (a) (Wasteful, Inefficient, and Unnecessary Use of Energy)

Cumulative impacts occur when impacts that are significant or less than significant from a proposed project combine with similar impacts from other past, present, or

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<sup>80</sup> SCAG, 2020–2045 RTP/SCS, p. 23.

<sup>81</sup> SCAG, 2020–2045 RTP/SCS, Exhibit 3.8: High Quality Transit Areas in the SCAG Region for 2045 Plan, p. 90.

reasonably foreseeable projects in a similar geographic area. Based on the information presented in Section 3.0, Environmental Setting, of this Draft EIR, 47 related projects were identified as located in the vicinity of the Project Site. However, the geographic context for the cumulative analysis of electricity is SCE's service area and the geographic context for the cumulative analysis of natural gas is SoCalGas' service area. While the geographic context for transportation-related energy use is more difficult to define, it is meaningful to consider the Project in the context of County-wide consumption. Growth within these geographies is anticipated to increase the demand for electricity, natural gas, and transportation energy.

#### 4.4.3.5.1.1.1 Electricity

Although Project development would result in the use of renewable and non-renewable electricity resources during construction and operation, which could limit future availability, the use of such resources would be on a relatively small scale, would be reduced by measures making the Project more energy-efficient, and would be consistent with growth expectations for SCE's service area. The Project also would incorporate energy efficiency measures to make the Project comply with the 2019 Title 24 standards. Residential and nonresidential buildings built in compliance with the 2019 standards will use about 30 to 53 percent less energy than those under the 2016 standards.<sup>82</sup> Furthermore, other future development projects would be expected to incorporate energy conservation features, comply with applicable regulations including the CALGreen Code and state energy standards under Title 24, and incorporate mitigation measures, as necessary.

Additionally, as discussed above, SCE is required to procure at least 33 percent of their energy portfolio from renewable sources by 2020. The current sources of renewable energy procured by SCE include wind, solar, and geothermal sources. These sources accounted for 48 percent of SCE's overall energy mix in 2019, the most recent year for which data are available.<sup>83</sup> This represents a conservative estimate of the available percentage of off-site renewable sources of energy that could meet the Project's and related projects energy demand. Therefore, the Project and related projects within SCE's service area would comply with energy conservation plans and efficiency standards required to ensure that energy is used efficiently. **As such, the Project's contribution to cumulative impacts related to wasteful, inefficient and unnecessary use of electricity would not be cumulatively considerable and, thus, would be less than significant.**

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<sup>82</sup> CEC, 2019 Building Energy Efficiency Standards, Fact Sheet.

<sup>83</sup> Edison International, 2019 Sustainability Report.

#### 4.4.3.5.1.1.2 Natural Gas

Although Project development would result in the use of natural gas resources, which could limit future availability, the use of such resources would be on a relatively small scale, would be reduced by measures rendering the Project more energy-efficient, and would be consistent with regional and local growth expectations for SoCalGas' service area. The Project also would incorporate energy efficiency measures, as required by GHG-PDF-1 which will allow the Project to achieve LEED Silver certification. Furthermore, future development projects within SoCalGas' service area would be expected to incorporate energy conservation features, comply with applicable regulations including the CALGreen Code and State energy standards under Title 24, and incorporate mitigation measures, as necessary. **As such, cumulative impacts related to wasteful, inefficient and unnecessary use of natural gas would not be cumulatively considerable and, thus, would be less than significant.**

#### 4.4.3.5.1.1.3 Transportation Energy

Buildout of the Project, related projects, and additional forecasted growth would cumulatively increase the demand for transportation-related fuel in the state and region. As described above, at buildout, the Project would result in a net increase of 53,429 gallons of gasoline and 10,821 gallons of diesel per year, or a total of 64,250 gallons of petroleum-based fuels consumed per year, as shown in the energy calculations provided in Appendix E of this Draft EIR.

Related projects in the Project Site vicinity would also be infill projects locating uses near other residential and commercial uses which would reduce distance traveled as well as consumption of transportation fuel. As analyzed above, Project transportation fuel usage would represent a small percentage of total fuel consumption within Los Angeles County. While it is speculative to assess transportation fuel usage from related projects, it is expected that cumulative transportation fuel usage resulting from the Project and related projects, including projects throughout the County, would be consistent with projections regarding future transportation fuel usage and supply as discussed above.

Additionally, as described above, petroleum currently accounts for 90 percent of California's transportation energy sources; however, over the last decade the State has implemented several policies, rules, and regulations to improve vehicle efficiency, increase the development and use of alternative fuels, reduce air pollutants and GHGs from the transportation sector, and reduce vehicle miles traveled which would reduce reliance on petroleum fuels. According to the California Department of Tax and Fee Administration,

gasoline consumption has increased by 4 percent from 2010 to 2018.<sup>84</sup> However, this increase is mainly due to population increases as the per capita gasoline consumption is showing a downward trend.<sup>85</sup> The CEC also predicts that there will be an increase in the use of alternative fuels, such as natural gas, biofuels, and electricity in future years. As with the Project, other future development projects would be expected to reduce VMT by encouraging the use of alternative modes of transportation (mass transit and bicycling) and other design features (pedestrian accessibility) that promote VMT reductions.

Furthermore, as described above, the Project would be consistent with the energy efficiency policies emphasized by the 2020–2045 RTP/SCS. Specifically, the Project would be a multiple use hotel and retail development located in an area that is characterized by a high degree of pedestrian accessibility with sidewalks and crosswalks in the Project Site vicinity to promote walking. The Project would provide greater proximity to neighborhood services, and would be well-served by existing public transportation, including existing Metro Bus lines, and a future Metro D Line Rodeo Station. The Project also would introduce new job opportunities within an HQTAs, which is consistent with numerous policies in the 2020–2045 RTP/SCS related to locating new jobs near transit.<sup>86</sup> As discussed above, CARB updated the SB 375 targets for the SCAG region, requiring a 19-percent decrease in VMT by 2035. Implementation of the 2020–2045 RTP/SCS is expected to fulfill and exceed the region’s obligations under SB 375 with respect to meeting the State’s GHG emission reduction goals. In addition, the Project would further reduce VMT through such measures as transit accessibility as estimated by the VMT Calculator, which would be consistent with the reduction in transportation emission per capita provided in the and 2020–2045 RTP/SCS.

Although the 2020–2045 RTP/SCS is intended to reduce GHG emissions, the reduction in VMT would also result in reduced transportation fuel consumption. By its very

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<sup>84</sup> California Department of Tax and Fee Administration, *Fuel Taxes Statistics & Reports*, [www.cdtfa.ca.gov/taxes-and-fees/spftrpts.htm](http://www.cdtfa.ca.gov/taxes-and-fees/spftrpts.htm), accessed November 11, 2020.

<sup>85</sup> Eno Center for Transportation, *How Have Different State Populations Changed Their Gasoline Consumption?*, [www.enotrans.org/article/how-have-different-state-populations-changed-their-gasoline-consumption/](http://www.enotrans.org/article/how-have-different-state-populations-changed-their-gasoline-consumption/), accessed November 11, 2020.

<sup>86</sup> The City’s ZIMAS identifies a portion of the Project Site as also located in Transit Priority Area as defined by Public Resources Code Section 21099. Public Resources Code Section 21099 defines a “transit priority area” as an area within 0.5 mile of a major transit stop that is “existing or planned, if the planned stop is scheduled to be completed within the planning horizon included in a Transportation Improvement Program adopted pursuant to Section 450.216 or 450.322 of Title 23 of the Code of Federal Regulations.” Public Resources Code Section 21064.3 defines “major transit stop” as “a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.”

nature, the 2020–2045 RTP/SCS is a regional planning tool that addresses cumulative growth and resulting environmental effects. In addition, it is assumed that related projects in the Project Site vicinity would reduce VMT, consistent with the goals of the 2020–2045. **Therefore, based on the above, and as the Project is consistent with the 2020–2045 RTP/SCS, its contribution to cumulative impacts related to wasteful, inefficient and unnecessary use of transportation fuel would not be cumulatively considerable and, thus, would be less than significant.**

#### 4.4.3.5.1.1.4 Conclusion

Based on the analysis provided above, the Project's contribution to cumulative impacts related to energy consumption (i.e., electricity, natural gas, and fuel) would not result in a cumulatively considerable effect related to potentially significant environmental impacts due to the wasteful, inefficient, and unnecessary consumption of energy during construction or operation. **As such, the Project's impacts would not be cumulatively considerable; therefore, cumulative energy impacts under Threshold (a) are concluded to be less than significant.**

#### 4.4.3.5.1.2 Consistency with State or Local Plans

Related and other future projects within the Project area would be required to comply with energy conservation and renewable energy plans and polices described above, including Title 24, and CALGreen Code. As related projects would be required to meet the same energy consumption standards, there would be no significant cumulative impacts with regard to consistency with energy conservation plans.

Furthermore, as described above, the Project would be consistent with the policies emphasized by the 2020–2045 RTP/SCS. The Project is an infill development near transit within an existing urbanized area that would concentrate new hotel and retail uses within an HQTAs, thus reducing VMT. As discussed in Section 4.6, Greenhouse Gas Emissions, of this Draft EIR, the Project results in a VMT reduction of approximately 67 percent in comparison to a standard project as estimated by CalEEMod. This reduction in VMT is substantially better than the goals of the 2020–2045 RTP/SCS with an estimated 19-percent decrease in per capita GHG emissions from passenger vehicles by 2035.<sup>87</sup> Therefore, the Project is consistent with the 2020–2045 RTP/SCS and the Project's contribution would not be cumulatively considerable with regard to consistency with energy conservation plans.

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<sup>87</sup> CARB updated the SB 375 targets for the SCAG region, requiring a 19-percent decrease in VMT by 2035. Implementation of the 2020–2045 RTP/SCS would fulfill and exceed the region's obligations under SB 375 with respect to meeting the State's VMT and related GHG emission reduction goals.



#### **4.4.3.5.2 Mitigation Measures**

Cumulative impacts related to energy use and conflicts with energy plans would be less than significant. Therefore, no mitigation measures are required.

#### **4.4.3.5.3 Level of Significance after Mitigation**

Cumulative impacts related to energy use and conflicts with energy plans were determined to be less than significant without mitigation. Therefore, no mitigation measures were required or included, and the impact level remains less than significant.