

Notice of Exemptions

TO: Office of Planning and Research
1400 Tenth Street, Room 212
Sacramento, California 95814

FROM: California Energy Commission
1516 Ninth Street
Sacramento, California 95814

Project Title: Demand Side Grid Support Program Guidelines

Project Location: Statewide

Description of Nature, Purpose, and Beneficiaries of Project: Adoption of Guidelines to implement and administer the Demand Side Grid Support (DSGS) program to incentivize dispatchable energy customer load reduction and back-up generation operations as on-call emergency supply and load reduction for the state's electrical grid during extreme events.

On June 30, 2022, Governor Newsom signed AB 205 (Ting, Stats. 2022, Ch.61) which requires the California Energy Commission to implement and administer the Demand Side Grid Support (DSGS) program. (Public Resources Code Section 25792 et seq.) Thereunder, the CEC is required to adopt guidelines to implement and administer the program. The CEC has developed the Demand Side Grid Support Guidelines (Guidelines) to carry out this requirement.

Therefore, the Guidelines benefit the state's energy users by providing the mechanism to effectuate the legislative determination of resources to be made available when an extreme event places additional strain on the state's electrical grid.

Name of Public Agency Approving Project: California Energy Commission

Name of Person or Agency Carrying Out Project: California Energy Commission

Exempt Status: (Check One)

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption: State type and section number:
- Statutory Exemption: State code number: _____
- Other: Adoption of the amendments is exempt from CEQA requirements pursuant to the "common sense" exemption (CEQA Guidelines, 15061, subd. (b)(3)).

Reasons why project is exempt: The legislation (AB 205) identifies and defines the types of resources that are eligible to participate in the program, and the order in which these resources should be dispatched, as well as the circumstances that trigger the use of these reserved resources. No discretion is conferred upon the CEC to define the program components. Instead, the CEC is directed to adopt guidelines to effectuate voluntary participation of energy customers into the program, and to establish procedures for incentive payments. See Memorandum

Regarding Exemption under the California Environmental Quality Act for Demand Side Grid Support Program Guidelines. Accordingly, the Guidelines are not subject to the California Environmental Quality Act because of the "common sense" exemption under section 15061(b)(3) of Title 14 of the California Code of Regulations.

Lead Agency Contact Person

Jessica Lopez
California Energy Commission
(916) 903-4165
Jessica.Lopez@energy.ca.gov

Signature: Ashley Emery

Date: 8/15/22

Title: Branch Manager

Signed by the Lead Agency

Date received for filing by OPJ

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.