

2024 Energy Law Conference April 19, 2024

MCLE: 1.0 Hour

Panel 2: The CEC Goes Green: Best Practices for "Opt-In Projects" Before the California Energy Commission

Moderator: Dana Palmer

Speakers: Jared Babula and Dian Vorters

Conference Reference Materials

Points of view or opinions expressed in these pages are those of the speaker(s) and/or author(s). They have not been adopted or endorsed by the California Lawyers Association and do not constitute the official position or policy of the California Lawyers Association. Nothing contained herein is intended to address any specific legal inquiry, nor is it a substitute for independent legal research to original sources or obtaining separate legal advice regarding specific legal situations.

© 2023 California Lawyers Association All Rights Reserved

The California Lawyers Association is an approved State Bar of California MCLE provider.

ENVIRONMENTAL LAW —

CALIFORNIA LAWYERS ASSOCIATION

The CEC Goes Green: Best Practices for "Opt-In Projects" Before the California Energy Commission

April 19, 2024

Jared Babula, Senior Attorney, Chief Counsel's Office, California Energy Commission Dian Vorters, Deputy Director, Siting Transmission & Environmental Protection Division Moderator: Dana Palmer, Partner, Allen Matkins



California Energy Commission

California Lawyers Association, Energy Law Conference, April 19, 2024

Jared Babula, Senior Attorney, Chief Counsel's Office

Dian Vorters, Deputy Director, Siting Transmission & Environmental Protection Division



OPT-IN LEGISLATION

• June 30, 2022 – Governor Newsom signed AB 205 – Certification of Non-fossil Fuel Powerplants

• September 6, 2022 – AB 209 - Cleanup legislation enacted

• Public Resources Code sections 25545 – 25545.13; 20 CCR 1875-1882



Eligible Facilities

Solar photovoltaic power plant of at least 50 MW



Terrestrial wind power plant of at least 50 MW



Energy storage system of at least 200 MWh



Non-fossil-fueled thermal power plant of at least 50 MW (i.e., jurisdictional facility)



Manufacturing/assembly facility for renewable energy/energy storage systems or components with at least \$250 million investment



Transmission from an eligible power plant or energy storage system to the first point of interconnection





Opt-In Coordination Plans





Source: CDFW Source: DTSC

Public Resources Code section 25545.5



Regulatory Agencies that Retain Permitting Authority:



- The State Water Resources Control Board and regional water quality control boards
- CA Coastal Commission
- State Lands Commission (for land use leases)
- The Dpt. of Toxic Substances Control and local air quality management districts (for manufacturing projects)

Public Resources Code section 25545.1



Opt-In Process Outline

Pre-Filing Meeting

- 30 Days Prior to Filing
- Docket Established
- Application and Fees Submitted

Data Completeness Review

- 30 Days to Conduct Application Completeness Review
- Additional Information can be Requested
- Application Shared with Local Government, Other Public Agencies, and Native American Tribes

CEQA ++ Environmental Review 270 Day target (once application deemed complete) to Conduct Environmental Review and reach a decision on whether to certify the project



Applicant Best Practices:

- Provide detailed application components from Appendix B (Chapter 5, Title 20.)
- Retain qualified consultants to develop the application
- Be aware of seasonal surveys (e.g., biological resources)
- Address Opt-In Specific Requirements:
 - Labor Agreements
 - Community Benefits Agreements
 - Net Positive Economic Benefits
 - Environmental Leadership Development Components
- Community Outreach to local agencies and Native American Tribes (Pub. Resources Code, § 25545.7.4.)



CEC Findings Required to Approve Opt-In Projects

Project Provides an Overall Net Positive Economic Benefit to the Local Government

Applicant Signed a Community Benefits Agreement

Applicant Paying Prevailing Wage to Skilled and Trained Workforce

Project Complies with Applicable Laws, Ordinances, Regulations, and Standards. If a LORS conflict exists, override analysis will be required.

Significant effects of the project will be avoided or mitigated, or statement of overriding considerations for significant effects found infeasible to avoid or mitigate



CEC Website



The California Energy Commission (CEC) has exclusive authority to license thermal plants 50 MW or larger (AFC), exempt certain small thermal power plants from its jurisdiction, and certify eligible renewable energy generation and energy storage (Opt-in Certification) and Department of Water Resources energy facilities.

Licenses Provided by the California Energy Commission

NOTES ABOUT THIS PAGE:

The terms license, certification, certificate and permit are used interchangeably in applicable law and throughout this page.

POWER PLANTS

Alphabetical Power Plant Listing

Power Plant Compliance and Siting

Licensing and Compliance Fees for Facilities

Power Plant Construction, Compliance Monitoring, and Enforcement

Power Plant Licensing

Public Participation in Siting Cases

Transmission Infrastructure Planning

Synopsis of the Power Plant Siting Process

Title 20 for Power Plant Siting Certification

- Alphabetical List of Power Plants
 - **≻**Dockets
 - **Subscriptions**
- Opt-in Fact Sheet (coming soon)
- Opt-in FAQ
- Opt-in Process Timeline
- Licensing and Compliance (ca.gov)
- Power Plant Licensing (ca.gov)



Thank You

Dian Vorters, Deputy Director, Siting, Transmission, and Environmental Protection Division

Jared Babula, Senior Attorney, Chief Counsel's Office