Letter 56

Karen Douglas Chairman California Energy Commission

August 27, 2009

Comment 56-1

Commenter recommends that the proposed amendments specifically consider when a lead agency conducts a GHG emissions analysis of existing facilities to recognize project changes that result in reductions attributable to specific facilities or types of facilities.

Response 56-1

As explained in the Initial Statement of Reasons, an analysis of greenhouse gas emissions must account for all project phases. (Initial Statement of Reasons, at p. 20; see also State CEQA Guidelines, §§ 15063(a) ("[a]II phases of project planning, implementation, and operation must be considered in the initial study..."), 15126 ("[a]II phases of a project must be considered when evaluating its impact on the environment: planning, acquisition, development, and operation").) That analysis must also address indirect effects of a project. (State CEQA Guidelines, § 15358(a)(2).) The analysis must also be supported with substantial evidence. Thus, an agency could not assume, for example, that because a project may be more efficient than other similar projects, overall emissions will necessarily decrease without evidence demonstrating such decrease. If substantial evidence shows, however, that an indirect effect of a project is to cause other facilities to reduce their emissions, a case could conceivably be made that a project has decreased emissions compared to the existing setting.

The comment suggests replacement of the phrase "as compared to the existing environmental setting" with the phrase "at existing facilities." The proposed amendments must cover a broad range of projects, not all of which would involve "facilities." Additionally, the phrase "existing environmental setting" is intended to incorporate the provisions of section 15125, addressing the environmental setting. Because the suggested text is too narrow in scope, and is not necessary to accomplish the goal mentioned in the comment, the suggested revision is rejected.

Comment 56-2

Proposed section 15064.4 should include a reference to Appendix F to provide lead agencies more guidance in evaluating GHG impacts associated with energy consumption, directly tied to implementing SB 375.

Response 56-2

Appendix F is designed to assist lead agencies in incorporating energy consumption into a project's environmental analysis. The proposed amendments acknowledge that Appendix F suggests ways to reduce a project's energy demand as mitigation. It is not clear, however, how Appendix F could be used to determine the significance of a project's energy demand as suggested in this comment. Section 15064.4(b)(1) is intended to address all phases and components of a project. Thus, a project's energy use would be accounted for the project's increase or decrease in overall greenhouse gas emissions compared to the environmental setting. Because the suggested text could create ambiguity, and is not necessary to account for energy use in section 15064.4, the suggested text is rejected.

Comment 56-3

Commenter proposes adding two questions to the Initial Study Checklist: GHG Emissions to help capture energy-related GHG emission impacts.

Response 56-3

The Natural Resources Agency declines to incorporate the suggested questions for Appendix G. The questions in the proposed amendments asking about generation of greenhouse gas emissions and consistency with plans are intended to encompass the concept of energy use to the extent such energy use results in the generation of greenhouse gas emissions. Further, suggested question (c) could imply that any increase in energy consumption, even if from renewable or non-polluting sources, could result in an adverse impact related to greenhouse gas emissions. Because energy use falls within the broader consideration of greenhouse gas emissions, the Natural Resources Agency finds that specific questions addressing energy use are not necessary.