

AMENDED IN ASSEMBLY AUGUST 26, 1999

AMENDED IN ASSEMBLY AUGUST 19, 1999

AMENDED IN ASSEMBLY AUGUST 16, 1999

AMENDED IN ASSEMBLY JULY 7, 1999

AMENDED IN SENATE APRIL 5, 1999

SENATE BILL

No. 110

Introduced by Senator Peace

December 15, 1998

An act to amend Sections 25305, 25308.5, 25309, 25520, 25523, 25524, 25525, 25540.6, and 25541 of, and to add Sections ~~25009~~ ~~and~~ 25009, 25309.3, ~~and~~ 25543 to, and to repeal Section 25523.5 of, and to repeal and add Section 25541.5 of, the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 110, as amended, Peace. Energy conservation: power facility and site certification.

(1) Existing law, the Warren-Alquist State Energy Resources Conservation and Development Act, requires the State Energy Resources Conservation and Development Commission to certify sufficient sites and related facilities that are required to provide a supply of electric power sufficient to accommodate projected demand for power statewide. The act requires the commission to prepare and distribute a specified draft electricity report setting forth its findings and conclusions regarding the electric utilities' forecasts, and

requires that the 5- and 12-year forecasts or assessments established by the commission serve as the basis for planning and certification of electric transmission or thermal powerplant facilities.

This bill would eliminate the requirement that those 5- and 12-year forecasts established by the commission serve as the basis for the planning and certification of electric transmission and thermal powerplant facilities.

(2) The existing act requires the commission, every 2 years, to transmit to the Governor and the Legislature a comprehensive report designed to identify emerging trends related to energy supply, demand, and conservation and public health and safety factors, and to provide the basis for state policy and actions in relation thereto, including specified information.

This bill would make various changes with regard to the information and analyses to be contained in that report, as specified.

This bill would also require a report with recommendations and a workplan to be submitted, as prescribed, on or before March 31, 2000, concerning data collection in the restructured electricity market. The bill also would require the commission to file a report every 2 years commencing July 1, 2001, concerning the environmental performance of the electric generation facilities, as prescribed.

The act requires that an application for certification of a power facility submitted to the commission pursuant to the act contain specified information that the commission may require by regulation. The act also requires that the commission prepare a written decision after a public hearing on an application for certification, which contains specified information.

This bill would make various changes with respect to the information required to be provided in an application for certification, and to be contained in the commission's written decision concerning the application, as prescribed.

(3) The existing act prohibits the commission from certifying any facility contained in the application for certification, unless it makes specified findings relating to



conformity of the proposed facility with an integrated assessment of need for the new facility.

This bill would eliminate that prohibition.

(4) The existing act authorizes the commission to exempt from those certification requirements thermal powerplants with a generating capacity of up to 100 megawatts and modifications to existing generating facilities that do not add capacity in excess of 100 megawatts, if the commission finds that no substantial adverse impact on the environment or energy resources will result from the construction or operation of the proposed facility or from the modification, and that generating capacity will not be added that is substantially in excess of the integrated assessment of need for new resource additions, as determined.

This bill would eliminate, for purposes of that exemption, the requirement that the commission find that generating capacity will not be added that is substantially in excess of the integrated assessment of need for new resource additions, as determined.

The act would require the Secretary of the Resources Agency, by January 1, 2001, to review the facility certification program to determine whether that program meets specified criteria for state regulatory programs under the California Environmental Quality Act, and if the secretary determines the regulatory program meets those criteria, the bill would require the secretary to continue the certification of the program. The bill would also, under those circumstances, require the commission to amend the regulatory program from time to time, as necessary to permit the secretary to continue to certify the program.

The bill would also make various related conforming changes and legislative findings and declarations.

(5) Existing law requires the commission not to certify a facility that does not meet applicable standards unless the commission determines the facility is required for public necessity.

This bill would require the commission to consider specific factors in making this determination.

(6) Existing law establishes an application and certification process for siting and licensing thermal electric powerplants.

This bill would require that the commission prepare a report to the Governor and the Legislature on or before March 31, 2000, identifying improvements in this process and making recommendations, as prescribed. The commission immediately may implement any administrative recommendations.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25009 is added to the Public
2 Resources Code, to read:
3 25009. The Legislature finds and declares that
4 Chapter 854 of the Statutes of 1996 restructured the
5 California electricity industry and created a competitive
6 electricity generation market. In a competitive
7 generation market, the recovery by powerplant owners
8 of their private investment and operating costs is at risk
9 and no longer guaranteed through regulated rates.
10 Before the California electricity industry was
11 restructured, the regulated cost recovery framework for
12 powerplants justified requiring the commission to
13 determine the need for new generation, and site only
14 powerplants for which need was established. Now that
15 powerplant owners are at risk to recover their
16 investments, it is no longer appropriate to make this
17 determination. It is necessary that California *both protect*
18 *environmental quality and* site new powerplants to
19 ensure electricity reliability, improve the environmental
20 performance of the current electricity industry and
21 reduce consumer costs. The success of California's
22 restructured electricity industry depends upon the
23 willingness of private capital to invest in new
24 powerplants. Therefore, it is necessary to modify the
25 need for determination requirements of the state's
26 powerplant siting and licensing process to reflect the
27 economics of the restructured electricity industry and
28 ensure the timely construction of new electricity
29 generation capacity.



SEC. 2. Section 25305 of the Public Resources Code is amended to read:

25305. Within nine months after receipt of the reports specified in Section 25300, the commission shall prepare and distribute a draft electricity report, setting forth its findings and conclusions regarding the electric utilities' forecasts. The report shall be based upon information and views presented in the comments received under Section 25303 and the commission's independent analysis, and shall contain all of the following:

(a) The commission's evaluation of the probable service area and statewide, environmental, and economic impact and the health and safety aspect of constructing and operating the facilities proposed by the electric utilities and a description of the measures considered necessary by the commission to avoid or ameliorate any adverse impacts.

(b) Discussion of reasonable alternative technologies to those proposed by the electrical utilities for consideration pursuant to Section 25604.

(c) After consideration of the utility reports, public and agency comments, and forecasts prepared by the commission staff, the commission's 5- and 12-year forecasts of demand for electrical energy and capacity. Conservation, load management, or other demand-reducing measures reasonably expected to occur shall be explicitly taken into account only in the determinations made pursuant to this subdivision, and shall not be considered as alternatives to a proposed facility during the siting process specified in Chapter 6 (commencing with Section 25500).

(d) An analysis and evaluation of the means by which the projected annual rate of demand growth of electrical energy may be reduced, together with an estimate of the amount of the reduction to be obtained by each of the means analyzed and evaluated, including a statement of the impact of the reduction on the factors reviewed by the commission set forth in Section 25304 and subdivision (a).

1 (e) A statement of the level of statewide and service
2 area electrical energy demand for the forthcoming 5- and
3 12-year forecast or assessment period which, in the
4 judgment of the commission, will reasonably balance
5 requirements of state and service area growth and
6 development, protection of public health and safety,
7 preservation of environmental quality, maintenance of a
8 sound economy, and conservation of energy and
9 resources reasonably expected to occur.

10 (f) A statement, on a statewide and service area basis,
11 of the probable capacity additions consistent with the
12 level of demand determined by the commission pursuant
13 to subdivision (e).

14 (g) The anticipated level of statewide and service area
15 electrical energy demand for 20 years, which shall serve
16 as the basis for recommendations by the commission to
17 the Governor, the Legislature, and other appropriate
18 public and private agencies in all of the following
19 categories:

20 (1) Demand-reducing policies.

21 (2) Conservation of energy.

22 (3) Development of potential sources of energy.

23 (4) Other policies and actions designed to affect the
24 rate of growth in demand for electrical energy.

25 (h) A list, including maps, of existing electrical power
26 generating sites, indicating those where the commission
27 has determined that expansion is feasible within the
28 forthcoming 12-year period.

29 (i) A list, including maps, of possible areas appropriate
30 for additional electrical generating sites, including the
31 generating capacity to be installed at the sites and the
32 type of fuel and other general characteristics of the
33 facilities which, as determined by the commission, will be
34 required to meet the 12-year level of electrical energy
35 demand established by the commission pursuant to
36 subdivision (a).

37 (j) A list, including maps of sites and potential
38 multiple-facility sites which have been found to be
39 acceptable by the commission pursuant to Sections 25516
40 and 25516.5, including the generating capacity to be

1 installed at each site and the type of fuel and other
2 general characteristics of the facilities at each site.

3 SEC. 3. Section 25308.5 of the Public Resources Code
4 is amended to read:

5 25308.5. In issuing the final electricity report, the
6 commission shall describe how the hearing record
7 supports its policy decisions.

8 SEC. 4. Section 25309 of the Public Resources Code is
9 amended to read:

10 25309. Beginning May 1, 1985, and every two years
11 thereafter, notwithstanding Section 7550.5 of the
12 Government Code, the commission shall transmit to the
13 Governor and the Legislature a comprehensive report
14 designed to identify emerging trends related to energy
15 supply, demand, and conservation and public health and
16 safety factors, and to provide the basis for state policy and
17 actions in relation thereto, including, but not limited to,
18 approval of new sites for additional facilities. The report
19 shall include, but not be limited to, all of the following:

20 (a) An overview, looking 20 years ahead, of statewide
21 growth and development as they relate to future
22 requirements for energy, including patterns of urban
23 metropolitan expansion, statewide and service area
24 economic growth, shifts in transportation modes,
25 modifications in building types and design, and other
26 trends and factors which, as determined by the
27 commission, will significantly affect energy consumption
28 and need to be considered in formulating state energy
29 policy and programs.

30 (b) The anticipated level of statewide and service area
31 electrical energy demand for 20 years, which shall serve
32 as the basis for recommendations by the commission to
33 the Governor, the Legislature, and other appropriate
34 public and private agencies.

35 (c) Based upon the commission's 20-year forecasts or
36 assessment of growth trends in energy consumption and
37 production, identification of potential adverse social,
38 economic, or environmental impacts which might be
39 imposed by continuation of the present trends, including,
40 but not limited to, the costs of electricity and other forms

1 of energy to consumers, significant increases in air, water,
2 and other forms of pollution, threats to public health and
3 safety, and loss of scenic and natural areas.

4 (d) Assessment of the energy resources available to
5 the state, including, among others, fossil fuels and
6 nuclear, solar, geothermal, cogeneration, and purchased
7 power resources and power pooling; assessment of the
8 potential of, and examination of the availability of,
9 commercially developable fuels, including imported
10 fuels, during the forthcoming 12- and 20-year periods; and
11 recommendations regarding measures to be applied to
12 conserve energy and fuels.

13 (e) An analysis and evaluation of the means by which
14 the projected annual rate of demand growth of energy
15 may be reduced, together with an estimate of the amount
16 of the reduction to be obtained by policies and programs
17 evaluated pursuant to Section 25401.1.

18 (f) An indication of those technologies which merit
19 continued consideration or support in the commission's
20 long range assessment efforts and its research and
21 development program. The report shall also indicate
22 those electrical generation and nongeneration
23 technologies which have been found to be commercially
24 available or reasonably expected to become available
25 pursuant to Section 25604.

26 (g) A description of the commission's responsibilities
27 and recommendations for emergency measures to be
28 applied in the event of impending serious shortage of
29 electrical and other forms of energy as provided in
30 Chapter 8 (commencing with Section 25700) and
31 evaluated under subdivision (b) of Section 25358.

32 (h) Recommendations to the Governor and the
33 Legislature for administrative and legislative actions
34 based on the results of commission studies and
35 evaluations.

36 SEC. 5. *Section 25309.3 is added to the Public*
37 *Resources Code, to read:*

38 25309.3. (a) *It is the intent of the Legislature to*
39 *change the energy reporting and forecasting*
40 *responsibilities of the commission to meet the*

1 *information needs of the public and the policy*
2 *development needs of the Governor and the Legislature*
3 *in the restructured electricity market.*

4 *(b) Notwithstanding Section 7550.5 of the*
5 *Government Code, the commission shall prepare a report*
6 *to the Governor and Legislature on or before March 31,*
7 *2000, that contains all of the following:*

8 *(1) Recommendations for consolidating and clarifying*
9 *the reporting obligations contained in Sections 25300 to*
10 *25310.4, inclusive, and revising the authority of the*
11 *commission to collect data from private parties. The*
12 *recommendations shall include a discussion of public*
13 *information and policy development objectives; the*
14 *relationship between these objectives, proposed*
15 *reporting requirements, and specific data needs; and the*
16 *costs and benefits of obtaining data through alternate*
17 *means, including imposing requirements on private*
18 *parties, collecting data from public sources, including,*
19 *but not limited to, filings with other government*
20 *agencies, and purchasing data from private data*
21 *collection services.*

22 *(2) A workplan for completing the reporting*
23 *obligations contained in subdivision (c) by July 1, 2001,*
24 *including a description of the data and the sources of the*
25 *data the commission proposes to rely upon, the scope of*
26 *the commission's proposed report, a schedule of public*
27 *workshops or hearings to solicit public input on the draft*
28 *report or intermediate work products, and*
29 *recommended budget changes.*

30 *(c) Notwithstanding Section 7550.5 of the*
31 *Government Code, commencing July 1, 2001, and every*
32 *two years thereafter, the commission shall submit a*
33 *report to the Governor and Legislature, developed in*
34 *consultation with the State Air Resources Board and*
35 *other appropriate agencies. The report shall contain all of*
36 *the following:*

37 *(1) An assessment of the current status and historic*
38 *trends in the environmental performance of the electric*
39 *generation facilities of the state, to include all of the*
40 *following:*

1 (A) Generation facility efficiency.

2 (B) Air emission control technologies in use in
3 operating plants.

4 (C) The extent to which expected or recent resource
5 additions are likely to displace or reduce the operation of
6 existing facilities, including the environmental
7 consequences of these changes.

8 (2) An assessment of the geographic distribution of
9 statewide environmental, efficiency, and socioeconomic
10 benefits and drawbacks of existing generation facilities,
11 including, but not limited to the impacts on natural
12 resources including wildlife habitat, air quality, and water
13 resources, and the relationship to demographic factors.
14 The assessment shall describe the socioeconomic and
15 demographic factors that existed when the facilities were
16 constructed and the current status of these factors. In
17 addition, the report shall include how expected or recent
18 resource additions could change the assessment through
19 displacement or reduced operation of existing facilities.

20 (3) Commencing with the report due on or before July
21 1, 2003, the commission shall include an assessment of the
22 extent to which the displacement or reduced operation
23 of existing facilities has occurred.

24 (d) The commission shall comply with the
25 requirements of Section 25543 in addition to the
26 requirements of this section and shall utilize existing
27 commission resources.

28 SEC. 6. Section 25520 of the Public Resources Code is
29 amended to read:

30 25520. The application shall contain all of the
31 following information and any other information that the
32 commission by regulation may require:

33 (a) A detailed description of the design, construction,
34 and operation of the proposed facility.

35 (b) Safety and reliability information, including, in
36 addition to documentation previously provided pursuant
37 to Section 25511, planned provisions for emergency
38 operations and shutdowns.

39 (c) Available site information, including maps and
40 descriptions of present and proposed development and,

1 as appropriate, geological, aesthetic, ecological, seismic,
2 water supply, population, and load center data, and
3 justification for the particular site proposed.

4 (d) Any other information relating to the design,
5 operation, and siting of the facility that the commission
6 may specify.

7 (e) A description of the facility, the cost of the facility,
8 the fuel to be used, the source of fuel, fuel cost, plant
9 service life and capacity factor, and generating cost per
10 kilowatthour.

11 (f) A description of any electric transmission lines,
12 including the estimated cost of the proposed electric
13 transmission line; a map in suitable scale of the proposed
14 routing showing details of the rights-of-way in the vicinity
15 of settled areas, parks, recreational areas, and scenic
16 areas, and existing transmission lines within one mile of
17 the proposed route; justification for the route, and a
18 preliminary description of the effect of the proposed
19 electric transmission line on the environment, ecology,
20 and scenic, historic, and recreational values.

21 ~~SEC. 6.—~~

22 *SEC. 7.* Section 25523 of the Public Resources Code is
23 amended to read:

24 25523. The commission shall prepare a written
25 decision after the public hearing on an application, which
26 includes all of the following:

27 (a) Specific provisions relating to the manner in which
28 the proposed facility is to be designed, sited, and operated
29 in order to protect environmental quality and assure
30 public health and safety.

31 (b) In the case of a site to be located in the coastal zone,
32 specific provisions to meet the objectives of Division 20
33 (commencing with Section 30000) as may be specified in
34 the report submitted by the California Coastal
35 Commission pursuant to subdivision (d) of Section 30413,
36 unless the commission specifically finds that the adoption
37 of the provisions specified in the report would result in
38 greater adverse effect on the environment or that the
39 provisions proposed in the report would not be feasible.

1 (c) In the case of a site to be located in the Suisun
2 Marsh or in the jurisdiction of the San Francisco Bay
3 Conservation and Development Commission, specific
4 provisions to meet the requirements of Division 19
5 (commencing with Section 29000) of this code or Title 7.2
6 (commencing with Section 66600) of the Government
7 Code as may be specified in the report submitted by the
8 San Francisco Bay Conservation and Development
9 Commission pursuant to subdivision (d) of Section 66645
10 of the Government Code, unless the commission
11 specifically finds that the adoption of the provisions
12 specified in the report would result in greater adverse
13 effect on the environment or the provisions proposed in
14 the report would not be feasible.

15 (d) (1) Findings regarding the conformity of the
16 proposed site and related facilities with standards
17 adopted by the commission pursuant to Section 25216.3
18 and subdivision (d) of Section 25402, with public safety
19 standards and the applicable air and water quality
20 standards, and with other relevant local, regional, state,
21 and federal standards, ordinances, or laws. If the
22 commission finds that there is noncompliance with any
23 state, local, or regional ordinance or regulation in the
24 application, it shall consult and meet with the state, local,
25 or regional governmental agency concerned to attempt
26 to correct or eliminate the noncompliance. If the
27 noncompliance cannot be corrected or eliminated, the
28 commission shall inform the state, local, or regional
29 governmental agency if it makes the findings required by
30 Section 25525.

31 (2) The commission shall not find that the proposed
32 facility conforms with applicable air quality standards
33 pursuant to paragraph (1) unless the applicable air
34 pollution control district or air quality management
35 district certifies that complete emissions offsets for the
36 proposed facility have been identified and will be
37 obtained by the applicant prior to the commission's
38 licensing of the project, to the extent that the proposed
39 facility requires emission offsets to comply with local,
40 regional, state, or federal air quality standards.



(e) Provision for restoring the site as necessary to protect the environment, if the commission denies approval of the application.

(f) In the case of a geothermal site and related facility, findings on whether there are sufficient commercial quantities of geothermal resources available to operate the proposed facility for its planned life.

(g) In the case of a site and related facility using resource recovery (waste-to-energy) technology, specific conditions requiring that the facility be monitored to ensure compliance with paragraphs (1), (2), (3), and (6) of subdivision (a) of Section 42315 of the Health and Safety Code.

(h) In the case of a facility, other than a resource recovery facility subject to subdivision (g), specific conditions requiring the facility to be monitored to ensure compliance with toxic air contaminant control measures adopted by an air pollution control district or air quality management district pursuant to subdivision (d) of Section 39666 or Section 41700 of the Health and Safety Code, whether the measures were adopted before or after issuance of a determination of compliance by the district.

~~SEC. 7.—~~

SEC. 8. Section 25523.5 of the Public Resources Code is repealed.

~~SEC. 8.—~~

SEC. 9. Section 25524 of the Public Resources Code is amended to read:

25524. The commission shall not certify any geothermal site and related facility unless it finds that the geothermal field dedicated to the proposed powerplant is reasonably capable of providing geothermal resources in sufficient commercial quantities to supply the powerplant over its planned life.

~~SEC. 9.—~~

SEC. 10. Section 25525 of the Public Resources Code is amended to read:

25525. The commission shall not certify any facility contained in the application when it finds, pursuant to

1 subdivision (b) of Section 25523, that the facility does not
2 conform with any applicable state, local, or regional
3 standards, ordinances, or laws, unless the commission
4 determines that such facility is required for public
5 convenience and necessity and that there are not more
6 prudent and feasible means of achieving such public
7 convenience and necessity. *In making the determination,*
8 *the commission shall consider the entire record of the*
9 *proceeding, including, but not limited to, the impacts of*
10 *the facility on the environment, consumer benefits, and*
11 *electric system reliability.* In no event shall the
12 commission make any finding in conflict with applicable
13 federal law or regulation. The basis for ~~such~~ these findings
14 shall be reduced to writing and submitted as part of the
15 record pursuant to Section 25523.

16 *SEC. 11.* Section 25540.6 of the Public Resources Code
17 is amended to read:

18 25540.6. (a) Notwithstanding any other provision of
19 law, no notice of intention is required, and the
20 commission shall issue its final decision on the application,
21 as specified in Section 25523, within 12 months after the
22 filing of the application for certification of the powerplant
23 and related facility or facilities, or at any later time as is
24 mutually agreed by the commission and the applicant, for
25 any of the following:

26 (1) A thermal powerplant which will employ
27 cogeneration technology, a thermal powerplant that will
28 employ natural gas-fired technology, or a solar thermal
29 powerplant.

30 (2) A modification of an existing facility.

31 (3) A thermal powerplant which it is only
32 technologically or economically feasible to site at or near
33 the energy source.

34 (4) A thermal powerplant with a generating capacity
35 of up to 100 megawatts.

36 (5) A thermal powerplant designed to develop or
37 demonstrate technologies which have not previously
38 been built or operated on a commercial scale. Such a
39 research, development, or commercial demonstration
40 project may include, but is not limited to, the use of

1 renewable or alternative fuels, improvements in energy
2 conversion efficiency, or the use of advanced pollution
3 control systems. Such a facility may not exceed 300
4 megawatts unless the commission, by regulation,
5 authorizes a greater capacity. Section 25524 does not
6 apply to such a powerplant and related facility or
7 facilities.

8 (b) Projects exempted from the notice of intention
9 requirement pursuant to paragraph (1), (4), or (5) of
10 subdivision (a) shall include, in the application for
11 certification, a discussion of the applicant's site selection
12 criteria, any alternative sites that the applicant
13 considered for the project, and the reasons why the
14 applicant chose the proposed site. That discussion shall
15 not be required for cogeneration projects at existing
16 industrial sites. The commission may also accept an
17 application for a noncogeneration project at an existing
18 industrial site without requiring a discussion of site
19 alternatives if the commission finds that the project has
20 a strong relationship to the existing industrial site and that
21 it is therefore reasonable not to analyze alternative sites
22 for the project.

23 ~~SEC. 10.—~~

24 *SEC. 12.* Section 25541 of the Public Resources Code
25 is amended to read:

26 25541. The commission may exempt from this chapter
27 thermal powerplants with a generating capacity of up to
28 100 megawatts and modifications to existing generating
29 facilities that do not add capacity in excess of 100
30 megawatts, if the commission finds that no substantial
31 adverse impact on the environment or energy resources
32 will result from the construction or operation of the
33 proposed facility or from the modifications.

34 ~~SEC. 11.—~~

35 *SEC. 13.* Section 25541.5 of the Public Resources Code
36 is repealed.

37 ~~SEC. 12.—~~

38 *SEC. 14.* Section 25541.5 is added to the Public
39 Resources Code, to read:

1 25541.5. (a) On or before January 1, 2001, the
2 Secretary of the Resources Agency shall review the
3 regulatory program conducted pursuant to this chapter
4 that was certified pursuant to subdivision (k) of Section
5 15251 of Title 14 of the California Code of Regulations, to
6 determine whether the regulatory program meets the
7 criteria specified in Section 21080.5. If the Secretary of the
8 Resources Agency determines that the regulatory
9 program meets those criteria, the secretary shall continue
10 the certification of the regulatory program.

11 (b) If the Secretary of the Resources Agency continues
12 the certification of the regulatory program, the
13 commission shall amend the regulatory program from
14 time to time, as necessary to permit the secretary to
15 continue to certify the program.

16 (c) This section does not invalidate the certification of
17 the regulatory program, as it existed on January 1, 2000,
18 pending the review required by subdivision (a).

19 ~~SEC. 13.~~—

20 SEC. 15. Section 25543 is added to the Public
21 Resources Code, to read:

22 25543. (a) It is the intent of the Legislature to
23 improve the process of siting and licensing new thermal
24 electric powerplants to ensure that these facilities can be
25 sited in a timely manner, *while protecting*
26 *environmental quality and public participation in the*
27 *siting process.*

28 (b) Notwithstanding Section 7550.5 of the
29 Government Code, the commission shall prepare a report
30 to the Governor and the Legislature on or before March
31 31, 2000, that identifies administrative and statutory
32 measures that, preserving environmental protections
33 *and public participation,* would improve the
34 commission's siting and licensing process for thermal
35 powerplants of 50 megawatts and larger. The report shall
36 include, but is not limited to, all of the following:

37 (1) An examination of potential process efficiencies
38 associated with required hearings, site visits, and
39 documents.

1 (2) A review of the impacts *on both process efficiency*
2 *and public participation* of restrictions on
3 communications between applicants, *the public*, and
4 staff or decisionmakers.

5 (3) An assessment of means for improving
6 coordination with the licensing activities of local
7 jurisdictions and participation by other state agencies.

8 (4) An assessment of organizational structure issues
9 including the adequacy of the amounts and organization
10 of current technical and legal resources.

11 (5) Recommendations for administrative and
12 statutory measures to improve the siting and licensing
13 process.

14 (c) The commission may immediately implement any
15 administrative recommendations. Regulations, as
16 identified in paragraph (5), adopted within 180 days of
17 the effective date of this section may be adopted as
18 emergency regulations in accordance with Chapter 3.5
19 (commencing with Section 11340) of the Government
20 Code. For purposes of that chapter, including Section
21 11349.6 of the Government Code, the adoption of the
22 regulations shall be considered by the Office of
23 Administrative Law to be necessary for the immediate
24 preservation of the public peace, health, safety, and
25 general welfare.

