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RENEWABLE ENERGY PROGRAM

CALIFORNIA ENERGY COMMISSION

RENEWABLES PORTFOLIO STANDARD ELIGIBILITY GUIDEBOOK

GUIDEBOOK

MAY 2004
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STATE OF CALIFORNIA
ENERGY COMMISSION

Arnold Schwarzenegger, *Governor*

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The Energy Commission established the Renewable Portfolio Standard (RPS) proceeding on March 5, 2003 in response to the statutory requirements of Senate Bill 1078 (Chapter 516, Statutes of 2002, Sher) and Senate Bill 1038 (Chapter 515, Statutes of 2002, Sher), both enacted on September 12, 2002. These laws took effect January 1, 2003 and are codified in Public Utilities Code (PUC) sections 399.11 through 399.15, and sections 381, 383.5, and 445, respectively.

Senate Bill 67 (Chapter 731, Statutes of 2003, Bowen) and Senate Bill 183 (Chapter 666, Statutes of 2003, Sher) were subsequently enacted and revised certain eligibility requirements for out-of-state renewable facilities. These bills were enacted in October 2003 and took effect on January 1, 2004. Senate Bill 67 and Senate Bill 183 are codified in PUC section 399.16 and Public Resources Code (PRC) sections 25740 through 25751, respectively.

This guidebook was developed as part of an ongoing collaborative process between the Energy Commission and the California Public Utilities Commission as directed by Senate Bill 1078 which requires the two agencies to work together to implement the RPS. The guidebook reflects current requirements but will be revised periodically to reflect market and regulatory developments and lessons learned as California gains experience in implementing the RPS. This guidebook was adopted on April 21, 2004 and subsequently revised on May 19, 2004 pursuant to PUC section 383.5 subdivision (h), paragraph (1) and PRC section 25747 subdivision (a), which authorize the Energy Commission to adopt guidelines to govern its funding programs and portions of the RPS under Senate Bill 1038 and Senate Bill 1078. These guidelines are exempt from the formal rulemaking requirements of the Administrative Procedures Act.

The requirements in this guidebook are based on the law as set forth in Senate Bill 1078 and Senate Bill 1038 and revised under Senate Bill 183 and Senate Bill 67, the *Renewables Portfolio Standard Decision on Phase 1 Implementation Issues* (publication number 500-03-023F), the *Renewables Portfolio Standard Decision on Phase 2 Implementation Issues* (publication number 500-03-049F), staff analysis, advice from the Energy Commission's technical support contractor, and public input.

Table of Contents

INTRODUCTION 1
Related Reports 2
Outstanding Issues 2
Guidebook Organization 3

ELIGIBILITY REQUIREMENTS 4
Eligibility for the Renewables Portfolio Standard 5
Resource or Fuel-Specific Eligibility Requirements 8
- Biodiesel 8
- Biomass 8
- Geothermal 9
- Incremental Geothermal 10
- Municipal Solid Waste 13
- Distributed Generation 14
- Hybrid Systems 15

Eligibility for Supplemental Energy Payments 16
Eligibility of Out-of-State Facilities 17
Delivery Requirements 18

CERTIFICATION PROCESS 19
Applying for Certification and Pre-Certification 20
Supplemental Information 22
Supplemental Instructions for Biomass Facilities 22
Supplemental Instructions for Incremental Geothermal Facilities 24
Supplemental Instructions for Municipal Solid Waste Conversion Facilities 25
Supplemental Instructions for Out-of-State Facilities 27
Supplemental Instructions for Repowered Facilities 28
Amending Certification and Pre-Certification 31
Registration as Renewable Only (not RPS eligible) 31

GENERATION TRACKING SYSTEM 32

APPENDIX A - FORMS 34
APPENDIX B - ACRONYMS 39
APPENDIX C - SUMMARY OF RPS REPORTING REQUIREMENTS 40

Introduction

On April 21, 2004, the California Energy Commission (Energy Commission) adopted this *Renewable Portfolio Standard Eligibility Guidebook (Guidebook)*, pursuant to Senate Bill 1038 (SB 1038, Chapter 515, Statutes of 2002, Sher), Senate Bill 1078 (SB 1078, Chapter 516, Statutes of 2002, Sher), Senate Bill 67 (SB 67, Chapter 731, Statutes of 2003, Bowen), and Senate Bill 183 (SB 183, Chapter 666, Statutes of 2003, Sher). These laws are codified in Public Utilities Code (PUC) sections 381, 383.5, 399.11 through 399.16, and 445, and Public Resources Code (PRC) sections 25740 through 25751.

This *Guidebook* describes the requirements and process for certifying eligible renewable energy resources for California's Renewables Portfolio Standard (RPS) and supplemental energy payments (SEP). This *Guidebook* also describes how the Energy Commission will track and verify compliance with the RPS using an interim generation tracking process.

This *Guidebook* establishes efficient and effective processes to encourage participation in California's RPS and assure program credibility to benefit stakeholders, regulators, and consumers. Although this *Guidebook* addresses the Energy Commission's role in implementing the RPS, the Energy Commission recognizes that the California Public Utilities Commission (CPUC) also has a key RPS implementation role.

SB 1078 establishes the RPS in California and sets a goal for California retail electric sellers to increase their sales of renewable electricity by at least one percent per year, until 20 percent of retail electricity retail sales will be served with renewable resources by 2017.

The law also establishes specific roles for the Energy Commission and the CPUC and directs the two agencies to work together to implement the RPS. Although the law assigns lead roles for specific implementation efforts to each agency, the roles of the two agencies are interrelated. The Energy Commission is responsible for certifying eligible renewable resources and tracking the procurement of such resources to ensure compliance with the RPS. The CPUC is responsible for establishing targets for the amount of eligible renewable resources the investor-owned utilities (IOUs) must procure to comply with the RPS, and for verifying that the IOUs comply with the requirements.

In February 2003, the CPUC issued a ruling formalizing collaboration on RPS issues, and in March 2003 the Energy Commission adopted a reciprocal agreement. The Energy Commission subsequently developed this *Guidebook* collaboratively with the CPUC.

While this *Guidebook* reflects current requirements, the Energy Commission recognizes that it may need to periodically revise program guidelines to reflect market and regulatory developments as well as incorporate the lessons learned from experience implementing the RPS.

Related Reports

This *Guidebook* is one of several guidebooks the Energy Commission has adopted to implement and administer the various program elements of its Renewable Energy Program. The Energy Commission's *Overall Program Guidebook for the Renewable Energy Program (Overall Program Guidebook,* publication number 500-04-026*)* describes how the Renewable Energy Program will be administered and includes information on requirements that apply to all program elements. To qualify for certification as a renewable energy resource eligible for RPS and SEPs, an applicant must satisfy the requirements specified in this *Renewables Portfolio Standard Eligibility Guidebook* and the *Overall Program Guidebook.*

To receive SEPs, applicants must also satisfy the requirements specified in the Energy Commission's *New Renewable Facilities Program Guidebook (*publication number 500-04-001F). Parties interested in receiving SEPs may refer to the *New Renewable Facilities Program Guidebook* for information on how to apply for and receive SEPs. For general information on the process of creating, appealing, and implementing RPS guidelines, please refer to the *Overall Program Guidebook.* The three guidebooks are available on-line at the Energy Commission's website at <www.energy.ca.gov>.

Outstanding Issues

This *Guidebook* only addresses RPS certification and verification requirements as they apply to Pacific Gas and Electric Company (PG&E), San Diego Gas and Electric Company (SDG&E), and Southern California Edison Company (SCE). It does not address these requirements as they apply to Electric Service Providers (ESPs) or Community Choice Aggregators (CCAs). The Energy Commission intends to collaborate with the CPUC in an anticipated new CPUC proceeding to address RPS requirements for ESPs and CCAs and will not, therefore, pre-judge those efforts in this *Guidebook.*

There are several ongoing issues that could affect these guidelines. The Energy Commission will continue to address these issues collaboratively with the CPUC:

- Renewable Energy Credit (REC) trading:

  RECs generally represent the non-energy attributes associated with energy production. A formal definition of a REC is being developed through the CPUC regulatory process and these guidelines do not attempt to supplant that process. Consistent with CPUC Decision 03-06-071 (June 19, 2003), generation currently must be bundled with the associated RECs to qualify for the RPS. Any action by the Energy Commission and CPUC to allow RPS eligibility for RECs that are traded separately from energy would require further deliberations and public input.

RECs associated with electricity generation should be transferred to the utility when the utility procures the RECs and electricity. A REC procured by a utility and counted towards the utility's RPS obligation should be retired and not allowed to be resold.

- Determining how customer-side renewable distributed generation resources fit into the RPS:

  The law includes solar energy as an eligible resource for the RPS, but a variety of issues need to be clarified to determine how best to include distributed photovoltaic resources, as well as other forms of customer-side renewable distributed generation. This *Guidebook* describes these issues in the section on eligibility requirements.

- Defining fuel specific issues:

  The Energy Commission anticipates that new issues may arise that will need to be addressed as implementation begins. The Energy Commission recognizes that some parties may be interested in using hydrogen fuel to generate electricity, but recommends deferring the development of implementation guidelines for such facilities. The Energy Commission recommends, however, that only eligible RPS fuel stock may be used to produce hydrogen for use at an RPS eligible facility.

- Hybrid technologies:

  For new and repowered facilities not certified as Qualifying Small Power Production Facilities under the federal Public Utilities Regulatory Policies Act that operate on co-fired fuels or a mix of fuels which includes fossil fuel, the Energy Commission will allow the renewable portion of the electricity production to qualify for the RPS, once an appropriate tracking system for such electricity production is developed. Facilities that were operational before 2002 or that were or will be developed and awarded power purchase contracts as result of an Interim RPS solicitation approved by the CPUC pursuant to Decision 02-08-071 and Decision 02-10-062 may use up to 25 percent fossil fuel annually (on a total energy input basis) and count all the electricity generated as renewable. If a facility is a Qualifying Small Power Production Facility, then all of the electricity production can qualify for the RPS.

Guidebook Organization

This *Guidebook* is organized as follows:

1. Introduction
2. Eligibility Requirements
3. Certification Process
4. Interim Generation Tracking System
5. Forms
6. List of Acronyms
7. Summary Table of Reporting Requirements

Section 2 covers eligibility requirements for generators interested in producing electricity that can be procured by retail sellers to comply with the RPS. For the purposes of this *Guidebook*, "retail sellers" refers to California's three largest IOUs: PG&E, SCE, and SDG&E. These entities are also referred to as "electrical corporations" as defined in the glossary in the *Overall Program Guidebook*.

Section 2 also addresses eligibility requirements for generators interested in producing electricity that can be procured to comply with the RPS and that is also eligible to receive SEPs.

Section 3 discusses the Energy Commission's certification process, including the following:

- Pre-certification application process for developers of renewable facilities that are not yet on-line but who are seeking a preliminary determination that their facility will be eligible for the RPS or SEPs.

- Certification application process for generators with renewable facilities that are on-line who are interested in serving energy to meet an RPS obligation or to serve energy that is eligible for SEPs.

- Registration application process for facilities whose owners are interested in registering with the Energy Commission that they are a renewable generator, but are not eligible for the RPS or for SEPs.

Section 4 discusses the data submission requirements for an interim generation tracking system that will be used to verify an IOU's compliance with the RPS and to verify that generation is counted only once in California or any other state.

Eligibility Requirements

This section describes eligibility requirements for the RPS, for SEPs, and for out-of-state facilities that seek RPS or SEP eligibility. In general, a facility is eligible if it uses an eligible renewable resource or fuel, satisfies resource-specific criteria, and is either located within the state or satisfies applicable requirements for out-of-state facilities.

Renewable energy generated by an eligible renewable resource may be counted towards the following three broad RPS categories. The Energy Commission's certification identifies under which of the following categories an eligible renewable resource qualifies:

1. Baseline. The baseline is established by the CPUC and is initially based on the quantity of eligible renewable energy procured by PG&E, SCE and SDG&E in 2001.

2. Adjustment to Baseline. Under the law, some renewable resources count only toward adjusting the baseline. An IOU may, therefore, use resources subject to this restriction to increase its baseline and more quickly achieve the 20 percent goal.

3. Annual Procurement Target. The annual procurement target (APT) is the amount of eligible renewable energy an IOU must procure annually to meet its RPS obligation. The CPUC sets the APT and has established rules to allow for flexible compliance so that a utility may procure more or less than its APT in a given year, subject to applicable rules (Decision 03-06-071, June 19, 2003). Renewable projects that are eligible to meet an IOU's APT may, if certain conditions are met, also be eligible for SEPs.

The CPUC will determine the interrelationship between these three categories, including how changes in an IOU's baseline affect its APT.

Eligibility for the Renewables Portfolio Standard

The Energy Commission has determined that it is appropriate to define eligible renewable energy resources by renewable resource or fuel rather than by the specific technology used. For certain eligible renewable energy resources, however, the law contains specific requirements and the Energy Commission must consider both the resource or fuel and the technology to determine RPS eligibility.

To qualify as eligible for California's RPS, a generation facility must use one or more of the following renewable resources or fuels (see the *Overall Program Guidebook* for full definitions):

- Biomass
- Biodiesel
- Fuel cells using renewable fuels
- Digester gas
- Geothermal
- Landfill gas
- Municipal solid waste
- Ocean wave, ocean thermal, and tidal current
- Photovoltaic
- Small hydroelectric (30 megawatts or less)
- Solar thermal
- Wind

Table 1 summarizes the requirements for a facility to qualify for the RPS and be eligible for SEPs. The table does not reflect any additional requirements that may apply to facilities located out-of-state.

Table 1: Renewables Portfolio Standard Eligibility Requirements for Renewable Electricity Facilities

Resource Used	RPS Eligibility	RPS and SEP Eligibility
Biomass	Yes, if facility was originally on-line prior to January 1 2002. Facilities originally operational AFTER January 1, 2002 must meet SEP requirements.	Yes, if New or Repowered AND IF meets fuel use specifications, see notes below [1,2,3]
Biodiesel	Yes, subject to RESTRICTION [4]	Yes, if New or Repowered
Digester Gas	Yes	Yes, if New or Repowered
Fuel Cells	Yes, if a renewable fuel is used.	Yes, if New or Repowered
Geothermal	Yes, RESTRICTED to adjusting the baseline if the facility was originally operating prior to September 26, 1996.	Yes, if New or Repowered
Incremental Geothermal	Yes, regardless of original operation date, if certified as Incremental Geothermal Generation.[5]	Yes, if New or Repowered
Hydroelectric	Yes, RESTRICTED to facilities 30 MW or less. RESTRICTED if it was owned by an IOU as of September 12, 2002, or if the generation was procured by an IOU as of September 12, 2002, then the generation may only be counted towards adjusting an IOUs RPS baseline. Facilities originally operational AFTER September 12, 2002 must meet SEP requirements.	Yes, if 30 MW or less, New or Repowered AND IF it does NOT require a new or increased appropriation or diversion of water.
Landfill Gas	Yes	Yes, if New or Repowered
MSW Combustion	Yes, but generation from MSW combustion is RESTRICTED to adjusting the baseline AND is only eligible IF the electric generation facility is located wholly within Stanislaus County and began operating before September 26, 1996.	Combusted MSW is NOT SEP eligible.
MSW Conversion	Yes, if it meets SEP requirements.	Yes, if New or Repowered AND IF it meets the definition "solid waste conversion." [6]
Photovoltaic	Yes [7]	Yes, if New or Repowered
Solar Thermal	Yes	Yes, if New or Repowered
Tidal Current	Yes	Yes, if New or Repowered
Ocean Wave	Yes	Yes, if New or Repowered
Ocean Thermal	Yes	Yes, if New or Repowered
Wind	Yes	Yes, if New or Repowered

Notes to Table 1

[1] **New:** Resources that first begin commercial operation or are repowered on or after January 1, 2002 and meet the other eligibility requirements of Public Utilities Code 383.5(d) are considered "new" and thus eligible for SEPs.

[2] **Repowered:** Repowered generators will be eligible for SEPs if they replace their prime generating equipment and use tax records, or an acceptable alternative, to demonstrate that they have made capital investments in the facility equal to "at least 80 percent of the value of the repowered facility," as required by Public Utilities Code 383.5. For generators with existing long-term contracts originally entered into before September 26, 1996, only generation above and beyond what is already under contract, as determined in accordance with Public Utilities Code section 399.6 (c)(1)(C), may compete to satisfy the RPS obligation of an IOU and be eligible for SEPs.

[3] **New or Repowered Biomass:** New or repowered biomass facilities must certify to the satisfaction of the Energy Commission that fuel utilization is limited to the following pursuant to Public Utilities Code 383.5(d)(6) and Public Resources Code section 25743(f):

(A) Agricultural crops and agricultural wastes and residues.

(B) Solid waste materials such as waste pallets, crates, dunnage, manufacturing, and construction wood wastes, landscape or right-of-way tree trimmings, mill residues that are directly the result of the milling of lumber, and rangeland maintenance residues.

(C) Wood and wood wastes that meet all of the following requirements:

(i) Have been harvested pursuant to an approved timber harvest plan prepared in accordance with the Z'berg-Nejedly Forest Practice Act of 1973 (Ch. 8 commencing with Sec. 4511), Pt. 2, Div. 4, Public Resources Code).

(ii) Have been harvested for the purpose of forest fire fuel reduction or forest stand improvement.

(iii) Do not transport or cause the transportation of species known to harbor insect or disease nests outside zones of infestation or current quarantine zones, as identified by the Department of Food and Agriculture or the Department of Forestry and Fire Protection, unless approved by those agencies.

[4] **Biodiesel:** Electricity produced from biodiesel is eligible for the RPS IF the biodiesel is derived either from 1) a biomass feedstock such as "agricultural crops and agricultural wastes and residues" or as a result of an eligible "solid waste conversion" process (see Municipal Solid Waste Conversion) and 2) if it meets the requirements for hybrid technologies, as appropriate. Electricity generated from biodiesel derived from biomass fuel or as a result of a solid waste conversion process may also quality for SEPs if the SEP requirements for biomass or solid waste conversion are satisfied.

[5] **Incremental Geothermal:** Incremental Geothermal Generation is defined as resulting from eligible capital expenditures that reflect:

1) a substantial capital project, resulting in replacement of generating equipment or increase in steam converted to generation at a facility;
2) a sustainable impact on the underlying reservoir use; that is, a project does not cause an increase in the decline rate of the reservoir; and
3) a capital project completion date after September 26, 1996
4) AND IF the incremental output was not sold to an IOU under contract entered into prior to September 26, 1996.

[6] **Municipal Solid Waste Conversion:** A technology using a noncombustion thermal process to convert solid waste to a clean burning fuel for the purpose of generating electricity that meets all of the following criteria:

(i)The technology does not use air or oxygen in the conversion process, except ambient air to maintain temperature control.

(ii) The technology produces no discharges of air contaminants or emissions, including greenhouse gases as defined in Section 42801.1 of the Health and Safety Code.

(iii) The technology produces no discharges to surface or groundwaters of the state.

(iv) The technology produces no hazardous wastes.

(v) To the maximum extent feasible, the technology removes all recyclable materials and marketable green waste compostable materials from the solid waste stream prior to the conversion process and the owner or operator of the facility certifies that the those materials will be recycled or composted.

(vi) The facility at which the technology is used is in compliance with all applicable laws, regulations, and ordinances.

(vii) The technology meets any other conditions established by the State Energy Resources Conservation and Development Commission.

(viii) The facility certifies that any local agency sending solid waste to the facility diverted at least 30 percent of all solid waste it collects through solid waste reduction, recycling and composting. To qualify for SEPs, the facility must certify that any local agency sending solid waste to the facility is in compliance with Division 30 of the Public Resources Code (commencing with section 40000), and has reduced, recycled, or composted solid waste to the maximum extent feasible, and shall have been found by the California Integrated Waste Management Board to have diverted at least 30 percent of all solid waste through source reduction, recycling, and composting.

[7] **Photovoltaic**: The CPUC is currently deliberating how to implement the RPS eligibility of distributed generation, particularly solar, and the CEC-CPUC collaborative staff are reviewing it.

Facilities using biomass, municipal solid waste, geothermal, hydropower, or biodiesel are subject to the additional resource or fuel-specific requirements described below. Also addressed below are requirements for photovoltaic facilities, as well as those for hybrid facilities that use a mix of fuels, including those that operate in part by using fossil fuels.

Resource or Fuel-Specific Eligibility Requirements

The following requirements apply to generators seeking RPS certification or RPS and SEP certification for a facility that operates on biodiesel, biomass, geothermal or incremental geothermal, hydropower, municipal solid waste (MSW), photovoltaics, or a mix of fuels in a "hybrid technology."

Biodiesel: The electricity produced from combusting biodiesel is eligible for the RPS to the extent that the biodiesel is derived from the following:

1. A biomass feedstock such as "agricultural crops and agricultural wastes and residues," consistent with the requirements for hybrid technologies (refer to the guidelines for biomass eligibility and for hybrid technologies below), or

2. An eligible "solid waste conversion" process using MSW (refer to the MSW eligibility guidelines below), consistent with applicable requirements for hybrid technologies.

In addition, the facility must be located in California or satisfy the out-of-state eligibility requirements discussed later in this *Guidebook*.

Biomass: The eligibility requirements for biomass facilities vary depending on the date the facility first commences "commercial operation" as defined in the *Overall Program Guidebook*.

Pre-January 1, 2002: The generation from a biomass facility that commenced commercial operations prior to January 1, 2002 is eligible for the California RPS if the facility is located in-state or satisfies the out-of-state eligibility requirements.

Post-January 1, 2002: The generation from a biomass facility that commences commercial operations or is repowered on or after January 1, 2002, is eligible for the RPS and SEPs to the extent that the facility is located in state or satisfies the out-of-state eligibility requirements, and the facility operator certifies to the satisfaction of the Energy Commission that the fuel used is limited to the following:

1. Agricultural crops and agricultural wastes and residues.

2. Solid waste materials such as waste pallets, crates, dunnage, manufacturing, and construction wood wastes, landscape or right-of-way tree trimmings, mill residues that are directly the result of the milling of lumber, and range land maintenance residues.

3. Wood and wood wastes that meet all of the following requirements:

   a. Have been harvested pursuant to an approved timber harvest plan prepared in accordance with the Z'berg-Nejedly Forest Practice Act of 1973 (Ch. 8 (commencing with Sec. 4511), Pt. 2, Div. 4, Public Resources Code).

   b. Have been harvested for the purpose of forest fire fuel reduction or forest stand improvement.

   c. Do not transport or cause the transportation of species known to harbor insect or disease nests outside zones of infestation or current quarantine zones, as identified by the Department of Food and Agriculture or the Department of Forestry and Fire Protection, unless approved by these agencies.

When applying for pre-certification or certification, biomass facility operators repowering or commencing commercial operations on or after January 1, 2002 must state their intent in writing to (1) procure biomass fuel supplies that meet the applicable statutory requirements noted above, and (2) comply with annual reporting requirements. After receiving certification and commencing commercial operations, facility operators must submit an annual written attestation from the facility's fuel supplier(s) stating that the biomass fuel delivered to the facility meets the applicable statutory requirements.

This annual attestation must be submitted regardless of whether or not the facility operator intends to compete for SEPs. The attestation is due to the Energy Commission on February 15th of each year and should apply to fuel use for the previous calendar year. Biomass facility operators must also provide documentation upon request by the Energy Commission to verify on-going compliance with these requirements between reporting dates.

Additional information is required annually for biomass facility operators receiving SEPs; that information is discussed in the *New Renewable Facilities Program Guidebook* (publication number 500-04-001F).

Geothermal: The RPS eligibility of geothermal facilities varies depending on the date the facility first commences commercial operations.

Pre-September 26, 1996: Generation from geothermal facilities that began commercial operations before September 26, 1996 is eligible for the RPS only to establish or adjust an IOU's baseline of eligible renewable energy resources. The facility must also be located in-state or satisfy the out-of-state requirements. Generation from these facilities is not eligible for SEPs.

September 26, 1996 to January 1, 2002: Generation from geothermal facilities that began commercial operations on or after September 26, 1996 and before January 1, 2002 is eligible for the RPS. The facility must also be located in-state or satisfy the out-of-state requirements. Generation from these facilities is not eligible for SEPs.

Post-January 1, 2002: Generation from geothermal facilities that commence commercial operations or are repowered on or after January 1, 2002 is eligible for the RPS provided the facility is located in-state or satisfies the out-of-state requirements. Generation from these facilities is also eligible for SEPs provided it meets the eligibility requirements described in the *New Renewable Facilities Guidebook (*publication number 500-04-001F).

Incremental Geothermal: Incremental generation from geothermal facilities is eligible for the RPS but is limited to generation resulting from eligible capital expenditures as described below. Incremental geothermal generation is eligible for SEPs to the extent that the generation meets the criteria for "new" or "repowered" in-state renewable electricity generation technology facilities described in SB 1038.

To be considered an "eligible capital expenditure," the expenditure must meet the following criteria:

1. is a substantial capital project that results in replaced generating equipment or increased steam converted to generation.

2. does not cause an increase in the decline rate of the reservoir.

3. is a capital project completed after September 26, 1996.

Examples of eligible capital expenditures at a facility are repowering or refurbishing generation equipment, or using the geothermal energy more effectively to increase generation, such as adding a binary bottoming cycle. An example of an eligible capital expenditure at a steamfield is increasing production from the steamfield through increased water injection.

Small Hydroelectric: The RPS eligibility of small hydroelectric facilities varies depending on the date the facility first commences commercial operations and whether the facility is owned, or its generation is procured by, an IOU.

Pre-September 12, 2002: Except as noted, generation from a small hydroelectric facility that commenced commercial operations before September 12, 2002 is eligible for the RPS if the facility meets all of the following criteria:

1. The facility is 30 MW or less.

2. The facility is located in-state or satisfies the out-of-state requirements.

3. The facility was not owned by an IOU as of September 12, 2002, and its generation was not procured by an IOU as of September 12, 2002.

4. If the facility was owned by an IOU as of September 12, 2002, or its generation procured by an IOU as of September 12, 2002, its generation is eligible only for purposes of establishing or adjusting an IOU's RPS baseline. The facility's generation may not be used for meeting an IOU's annual procurement target, unless adjusting the IOU's baseline results in the IOU being at or above the 20 percent target.

Post-September 12, 2002: Generation from a small hydroelectric facility that commences commercial operations or is repowered on or after September 12, 2002 and is 30 MW or less is eligible for the California RPS and SEPs if the facility meets all of the following criteria:

1. The facility is 30 MW or less.

2. The facility is located in-state or satisfies the out-of-state requirements.

3. The facility does not require a new or increased appropriation or diversion of water. For purposes of this limitation, the terms "appropriation" and "diversion" shall be defined as follows:

   "Appropriation" shall be defined in a manner consistent with Water Code section 1201 to mean the right to use a specified quantity of water from any surface streams or other surface bodies of water, or from any subterranean streams flowing through known and definite channels.

   "Diversion" shall be defined in a manner consistent with Water Code section 5100(b) to mean the taking of water by gravity or pumping from a surface stream or subterranean stream flowing through a known and definite channel, or other body of surface water, into a canal, pipeline or other conduit, and includes impoundment of water in a reservoir.

Hydroelectric Facilities Located Within California

A new or repowered small hydroelectric facility located within California is NOT eligible for the RPS or RPS and SEPs if it requires any of the following:

1. A new or revised permit from the State Water Resources Control Board (SWRCB) for a new appropriation of water.

2. A new permit or license from the SWRCB for a new diversion of water.

3. An increase in the volume or rate of water diverted if the increase would require a new permit or license from the SWRCB.

4. An increase in the volume or rate of water diverted under an existing right, even if such an increase would not require a water right permit or license from the SWRCB.

If a new or repowered small hydroelectric project can demonstrate that it could operate without a new or increased appropriation or diversion of water, it may be eligible for the RPS and SEPs. For example, a small hydro facility that can operate by simply adding hydroelectric power generation as an authorized purpose of use to its existing SWRCB permit or license may be eligible for the RPS and SEPs if this change in use does not require a new appropriation or does not increase the volume or rate of water diverted beyond that which is allowed under that permit or license. Similarly, a water development project that has been granted a permit by the SWRCB but has not been built out and issued a license by the SWRCB may be able to use additional water as authorized under the permit to create electric energy so long as there is no change in water use relative to what the permittee would have used under the approved project.

A new or repowered small hydroelectric project located in California can qualify for the RPS and SEPs if it meets the following criteria:

1. the applicant has a permit or license to appropriate water from the SWRCB, which was issued on or before September 12, 2002

2. the applicant can operate its proposed project under its existing SWRCB permit or license

Hydroelectric Facilities Located Outside of California

A new or repowered small hydroelectric facility located outside of California is NOT eligible for the RPS or RPS and SEPs if it requires any of the following:

1. A new permit or license from any government body for a new appropriation of water

2. A new permit or license from any government body for a new diversion of water

3. An increase in the volume or rate of water diverted under an existing right, even if such an increase would not require a new permit or license from any government body

If a new or repowered small hydroelectric project located outside of California can demonstrate that it could operate without a new or increased appropriation or diversion of water, it may be eligible for the RPS and SEPs. For example, a small hydro facility that can operate by simply adding hydroelectric power generation as an authorized purpose of use to its existing government permit or license may be eligible for the RPS and SEPs if this change in use does not require a new appropriation or increased diversion and does not change the, volume or rate of water withdrawn or released under that permit or license. A project located outside of California would likely qualify for the RPS and SEPs if it meets the following criteria, as well as the out-of-state eligibility criteria specified earlier in this guidebook:

1. the applicant has a permit or license to appropriate water from the applicable governing body, which was issued on or before September 12, 2002

2. the applicant can operate its proposed project under its existing government-issued permit or license

The applicant is responsible for showing that its project qualifies for the RPS. Information required for small hydropower applicants is discussed in the section on certification.

The Energy Commission interprets the 30-MW size limit to apply to the total hydro project. Consequently, the facility must not exceed 30 MW, including any incremental increases to the efficiency or size of the facility. For example, a 5-MW incremental addition to a 50-MW facility would not qualify for the RPS because the facility exceeds the 30-MW size limit.

Municipal Solid Waste: Applicants representing facilities using MSW fall into two categories:

1. Combustion Facilities: A facility that directly combusts MSW to produce electricity is only eligible for the RPS if it is located in Stanislaus County and was operational prior to September 26, 1996. Applicants for combustion facilities must submit documentation to the Energy Commission demonstrating that the facilities meet these requirements. The generation from such facilities is eligible for the RPS only to initially establish or adjust an IOU's baseline quantity of eligible renewable energy resources. Generation from these facilities does not qualify for SEPs.

2. Solid Waste Conversion Facilities: A facility that uses a non-combustion thermal process to convert MSW to a clean burning fuel that is then used to generate electricity is eligible for the RPS and may qualify for SEPs if it qualifies as new or repowered and is located in-state or satisfies the out-of-state requirements. Such facilities must meet all of the following criteria in accordance with Public Utilities Code section 383.5(b)(1)(C), as amended by Public Resources Code section 25741(a)(3):

    a. The technology does not use air or oxygen in the conversion process, except ambient air to maintain temperature control.

    b. The technology produces no discharges of air contaminants or emissions, including greenhouse gases as defined in Section 42801.1 of the Health and Safety Code.

    c. The technology produces no discharges to surface or groundwaters of the state.

    d. The technology produces no hazardous wastes.

e. To the maximum extent feasible, the technology removes all recyclable materials and marketable green waste compostable materials from the solid waste stream prior to the conversion process and the owner or operator of the facility certifies that those materials will be recycled or composted.

f. The facility at which the technology is used complies with all applicable laws, regulations, and ordinances.

g. The technology meets any other conditions established by the State Energy Resources Conservation and Development Commission (formal name of the Energy Commission).

h. The facility certifies that any local agency sending solid waste to the facility diverted at least 30 percent of all solid waste it collects through solid waste reduction, recycling and composting. To qualify for SEPs, the facility must certify that any local agency sending solid waste to the facility is in compliance with Division 30 of the Public Resources Code (commencing with section 40000), and has reduced, recycled, or composted solid waste to the maximum extent feasible, and shall have been found by the California Integrated Waste Management Board to have diverted at least 30 percent of all solid waste through source reduction, recycling, and composting.

Distributed Generation: Generation from facilities using solar energy is eligible for the RPS. Both central station and distributed facilities are eligible, but the Energy Commission has not yet determined how to include distributed generation into RPS compliance or guidelines.

Solar thermal electric central station facilities delivering electricity to the grid are relatively straightforward to integrate into RPS implementation, because the generation can be readily measured and procured towards meeting RPS requirements. It is possible that a photovoltaic (PV) central station could also produce electricity that is eligible for the RPS with standard metering employed for central station facilities.

Distributed PV facilities and other distributed renewable energy technologies, however, have qualities that make them more difficult than central station facilities to integrate into RPS implementation. For example, distributed PV facilities are typically small-scale applications designed to meet on-site energy demands. In addition, generation from distributed PV may be metered differently than central station facilities or not metered at all. Also, as described in the *New Renewable Facilities Program Guidebook (*publication number 500-04-001F), on-site generation is not eligible for SEPs.

Both the Energy Commission and the CPUC have roles in determining RPS implementation for distributed generation. However, the Energy Commission is deferring any decisions on how to integrate distributed PV and other forms of customer-sited renewable energy into the RPS until the CPUC has further addressed RPS implementation issues for distributed generation.

The CPUC recognizes the uniqueness of distributed generation and shows an interest in advancing its deployment in Decision 02-10-062, which states:

> In addition to these provisions in SB 1078, we include in our definition of renewable generation, for purposes of compliance with both D.02-08-071 and SB 1078, renewable distributed generation (DG) on the customer side of the meter. Customer-side distributed generation that utilizes the technologies listed in the first paragraph of this Section of the decision is eligible for RPS participation. Including renewable DG as part of our definition will serve to encourage its installation, regardless of whether the utility purchases the output or whether it serves to meet on-site load.

The rules for implementing the CPUC decision are still under deliberation. Outstanding issues include:

- How much of the electricity production should be eligible to count towards the RPS
- Whether the RECs associated with electricity consumed on-site can be counted towards the RPS
- What party has the property rights to the RECs associated with renewable distributed generation
- How renewable DG generation for RPS compliance can be measured, reported, and accounted for

Collaborative staff articulated the outstanding issues and solicited public input on October 20, 2003 by issuing: "CPUC-CEC Collaborative Staff Data Request: Inviting Comments on Renewable Distributed Generation in the Renewable Portfolio Standard Program." The responses to the data request are under consideration.

Hybrid Systems: In the past, the Energy Commission's Renewable Energy Program (REP) provided that renewable facilities using fossil fuels were eligible for funding as long as the percentage of fossil fuel used did not exceed 25 percent of the total energy input of the facility during a given calendar year. As long as a facility did not use more than 25 percent fossil fuel, the total generation, including the portion produced with fossil fuels, was considered eligible for funding by the Energy Commission. The Energy Commission will provide the same treatment under the RPS for existing facilities that originally commenced commercial operations prior to January 1, 2002 and have not been repowered.

Further, any facility that is developed and awarded a power purchase contract as a result of an IOU Interim RPS procurement solicitation approved by the CPUC pursuant to Decision 02-08-071 and Decision 02-10-062 may use up to 25 percent fossil fuel in

its facility and count 100 percent the electricity generated as RPS eligible (assuming the electricity meets all other eligibility requirements).

The Energy Commission will allow two alternatives for eligibility of new and repowered facilities that operate on co-fired fuels or a mix of fuels that includes fossil fuel:

1. If the facility is certified as a Qualifying Small Power Production Facility (QF) under the federal Public Utilities Regulatory Policies Act (PURPA), then 100 percent of the electricity production from the facility may count as renewable provided the facility satisfies the fossil fuel use limitations specified in PURPA and the facility otherwise satisfies the applicable California RPS standards.

2. If the facility is NOT certified as a QF, then only the renewable portion of the electricity production can qualify for the RPS, and then only once an appropriate tracking system for such electricity production is developed.

Before new or repowered non-QF hybrid facilities can be certified as RPS eligible, the Energy Commission will need to develop a methodology as part of the tracking system to measure the renewable fraction of generation . This methodology could be based on the total heat input of the fuel, for example. As part of their application for certification from the Energy Commission, parties interested in certifying such facilities are invited to propose an appropriate tracking methodology for their facility.

Pumped storage hydro may qualify for the RPS to the extent that: 1) the facility meets the eligibility requirements for small hydro, and 2) the electricity used to pump the water qualifies as RPS eligible. The amount of energy that may qualify for the RPS is the amount of electricity dispatched from the system.

The Energy Commission clarifies that pumped storage facilities qualify for the RPS on the basis of the renewable electricity used for pumping, and that electricity storage facilities will not be certified for the RPS as distinct or separate renewable facilities. A facility certified as RPS eligible may include an electricity storage device if it does not conflict with other RPS eligibility criteria, but the storage unit itself will not be separately certified.

Eligibility for Supplemental Energy Payments

A facility that is eligible for the RPS may also be eligible for SEPs. To qualify as eligible for SEPs, a facility must meet the RPS eligibility requirements above, as well as the additional requirements below.

1. The facility is either:

    a. "new," meaning the facility first commences commercial operations on or after January 1, 2002, with the commercial operation date used to designate a facility as "new" to be periodically updated by the Energy Commission, or

b. "repowered," such that the prime generating equipment of the facility is replaced and the applicant demonstrates that the capital investments equal "at least 80 percent of the value of the repowered facility," as required by SB 1038. A facility only qualifies as "repowered" if it re-enters commercial operations on or after the commercial operations date that distinguishes "new" facilities. Only investments made in the two years prior to re-entering commercial operations qualify towards the 80 percent investment threshold. More information about the requirements to qualify as a repowered facility is provided in the section on certification.

2. If a facility has an existing long-term contract originally entered into before September 26, 1996, then only generation that is above and beyond what is already under contract, as determined in accordance with Public Utilities Code section 399.6 (c)(1)(C), may compete to satisfy the RPS obligation of an IOU.

For information about applying for and receiving SEPs, please refer to the *New Renewables Facilities Program Guidebook* (publication number 500-04-001F).

Eligibility of Out-of-State Facilities

Generation from renewable facilities located out-of-state is potentially eligible for both the RPS and SEPs. To qualify only for the RPS, generation from an out-of-state facility must meet the RPS eligibility requirements described above and, in addition, must satisfy all of the following criteria.

1. The generation must be from a facility that:

   a) has a guaranteed contract to sell its generation to an IOU or the California Independent System Operator (CA ISO)

   b) demonstrates delivery of its generation to the in-state market hub or the in-state substation located within the CA ISO control area of the Western Electricity Coordinating Council (WECC) transmission system designated by the IOU

   c) satisfies the "Delivery Requirements" set forth below

   d) participates in an RPS tracking and verification system approved by the California Energy Commission

To qualify for both the RPS and SEPs, generation from an out-of-state facility must meet the RPS eligibility requirements described above and, in addition, must satisfy all of the criteria in one of the following two categories:

2. The generation must be from a facility that:

a) has its first point of interconnection to the WECC transmission system within the state, as defined in the Overall Program Guidebook

b) participates in an RPS tracking and verification system approved by the California Energy Commission

c) satisfies the "Delivery Requirements" set forth below, if the facility's first point of interconnection to the WECC transmission system is located outside the control area of the CA ISO.

3. Or, the generation must be from a facility that:

a) is located so that it is or will be connected to the WECC transmission system

b) is developed with guaranteed contracts to sell its power to end-users subject to the funding requirements of Public Utilities Code section 381 (i.e. end use customers of California IOUs) during the period in which it receives SEPs

c) does not cause or contribute to any violation of a California environmental quality standard or requirement

d) if it is located outside the United States, be developed and operated in a manner that is as protective of the environment as a similar facility located in California

e) participates in an RPS tracking and verification system approved by the California Energy Commission

f) satisfies the "Delivery Requirements" set forth below

Delivery Requirements

Out-of-state facilities are subject to the same deliverability requirements as in-state facilities. Generation that will be counted for purposes of RPS compliance from out-of-state facilities must be delivered to an in-state market hub (also referred to as "zone") or in-state substation (also referred to as "node) located within the CA ISO control area of the WECC transmission system. The specific in-state delivery location will be designated by the contracting IOU under the power purchase contract between the IOU and facility or renewable supplier.

The following deliverability requirements were developed in consultation with CA ISO. These requirements must be satisfied for an out-of-state facility to qualify for the RPS or SEPs.

1. The facility must engage in an interchange transaction with the CA ISO to deliver the facility's generation to the market hub or substation in the CA ISO control area designated by the procuring IOU. In accordance with the policies of the North

American Electricity Reliability Council (NERC), the interchange transaction must be tagged as what is commonly referred to as a "NERC tag," which requires, among other things, that information be provided identifying the Generation Providing Entity, the "source" or "Point of Injection", the physical transmission path for delivery, the contract or market path, the location to which the electricity will be delivered to ("sink" or "Point of Withdrawal"), and the Load Serving Entity responsible for the consumption of electricity delivered.

2. The facility's Energy Commission certification number must be listed on the NERC tag. This information should be shown under the "Miscellaneous" column associated with the Source Energy Product in the Market Path area of the NERC tag.

3. The owner of the eligible facility shall register the facility as a unique Source with NERC and include in the registration description that this is an Eligible RPS/SEP Facility along with its Energy Commission certification number. This Source shall be used on NERC transaction tags for all eligible energy deliveries.

4. The facility must submit for and receive acceptance of a NERC tag between the CA ISO and the operator of the control area in which the facility is located.

5. The applicable parties (the Generation Providing Entity and Load Service Entities) must agree to make available upon request documentation of the NERC tag to the Energy Commission. On May 2 of each year, the facility must submit an annual report documenting compliance with this NERC tag requirement for the previous calendar year to the Energy Commission.

6. The facility must submit third party-verified meter reads of its generation to the Energy Commission on an annual basis until the long-term tracking system is in place. The facility must provide documentation for 2003 and 2004 transactions made in compliance with these guidelines on May 2, 2005. Please refer to the section on the generation tracking system. This data will be used to verify the actual generation of power that was scheduled for delivery via NERC tags.

Certification Process

This section covers pre-certification and certification of renewable facilities eligible only for the RPS, eligible for both the RPS and SEPs, and for registration as renewable only (not RPS eligible). This section also describes required supplemental information for renewable facilities using technologies that must meet special eligibility requirements.

Electricity generation from a facility cannot be counted towards meeting an IOU's RPS procurement requirement until the Energy Commission certifies the facility as a Renewable Supplier Eligible for the RPS or as a Renewable Supplier Eligible for the RPS and SEPs. Any facility operator interested in entering into a contract through an

RPS solicitation to generate electricity that will count towards an IOU's RPS obligation must certify the facility with the Energy Commission.

Procurement in 2001 and 2002 may count towards an IOU's RPS obligation even though facilities were not RPS certified at the time of procurement. The electricity will not be considered eligible, however, and will not be counted towards meeting an RPS obligation, until the facility is certified by the Energy Commission as being eligible for the RPS. This applies to all facilities regardless of whether or not they previously registered with the Energy Commission's Renewable Energy Program.

In applying for certification, the facility operator, or the IOU on the operator's behalf, agrees to participate in the Energy Commission's generation tracking system. For more information about the tracking system, please refer to the section of this guidebook entitled, "Generation Tracking System."

The generation from facilities certified as eligible for RPS may be claimed by the procuring IOU for purposes of establishing the IOU's baseline, adjusting its baseline, or meeting its annual procurement requirements, depending on the eligibility requirements established by law. The generation from facilities certified as eligible for RPS and SEPs may qualify for SEP funding under the Energy Commission's New Renewable Facilities Program. To receive SEPs, eligible facilities must satisfy the requirements specified in the Energy Commission's *New Renewable Facilities Program Guidebook (*publication number 500-04-001F).

Applying for Certification and Pre-Certification

Facilities seeking certification as eligible for the RPS or RPS and SEPs consistent with the eligibility requirements noted above must submit a completed application, along with any necessary backup materials, to the Energy Commission at the address shown on the form. An application may be submitted for a facility by the facility operator (CEC-RPS-1) or by the procuring IOU on the operator's behalf (CEC-RPS-2) for facilities under contract with the IOU prior to April 21, 2004, the initial adoption date of this *Guidebook* .

Except for CPUC-ordered extensions to existing QF power purchase contracts, IOU certification on the operator's behalf becomes void in the event that the facility's contract with the IOU expires, or is voluntarily extended or is otherwise re-negotiated by the IOU and the facility operator. Once the contract expires or is voluntarily renegotiated, the facility operator must apply for certification from the Energy Commission on its own behalf, and the IOU may not re-certify the facility on the operator's behalf. For CPUC-ordered extensions, IOU certification may continue until the extension expires.

The Energy Commission will review the application to determine eligibility as a Renewable Supplier Eligible for the RPS or as a Renewable Supplier Eligible for the RPS and SEPs and will notify applicants once a determination of eligibility is made. Facilities that are certified by an IOU will only be granted certification for the generation

procured under contract by that IOU. The facility operator must separately certify any facility generation that is not subject to the IOU's procurement contract.

Provisional or "pre" certification as an eligible renewable resource is available for applicants whose facilities are not yet on-line. The information submitted by these applicants will be subject to further verification once the pre-certified facility has been completed. Applicants must indicate their desire to be pre-certified on their completed CEC-RPS-1 form.

The Energy Commission will make every effort to notify applicants of their facility's eligibility status as soon as possible. For facilities that are not required to submit supplemental information as described below, the Energy Commission expects to review and process applications for certification and pre-certification within 10 business days of their receipt, unless questions or concerns arise regarding the applications. If questions arise, the applicant will be contacted and may be asked to submit additional information. The Energy Commission recognizes that it may receive a large volume of applications at the onset of this program and that the 10-day goal may not be met.

The Energy Commission will notify applicants in writing of its determination on the application for certification. If the application for certification or pre-certification is approved, the Energy Commission will issue a certificate stating that the facility is certified or pre-certified as eligible for the RPS, or eligible for the RPS and SEPs, as appropriate. The certificate that is issued to a facility that has been certified by an IOU will indicate certification by the IOU, rather than the facility operator, and will limit certification to the generation procured under contract by the IOU. The applicant will also be assigned a supplier identification number to be used in all subsequent transactions.

For applicants that must submit supplemental information, such as for small hydroelectric, incremental geothermal, MSW/solid waste conversion, out-of-state, or repowered facilities, the Energy Commission must conduct an extensive review of the supplemental data. Review of these applications will require a minimum of 30 days from when the Energy Commission receives a complete application. The 30-day clock starts on the date a complete application is date-stamped by the Energy Commission as received. After completing its review, the Energy Commission will either notify the applicant of its proposed determination, or will request additional information from the applicant.

Applicants that disagree with the Energy Commission's determination on certification or pre-certification applications may petition the Renewables Committee and the Energy Commission for reconsideration as described in the *Overall Program Guidebook*. As described in the *Overall Program Guidebook,* the Energy Commission expects to issue decisions on petitions for reconsideration within 45 days of receipt of a complete petition. The 45-day clock starts on the date a complete petition is date-stamped by the Energy Commission as received.

Once a facility is certified or pre-certified, its representative(s) must notify the Energy Commission in a timely manner of any material changes in information previously submitted to the Energy Commission or face disqualification. Certification must be renewed once every two years to confirm that all certified renewable energy resources remain eligible for the RPS. This provision also applies to facilities certified by an IOU. All facilities certified in year 2004 will be subject to recertification in January 2007, with facilities certified in year 2005 recertifying in January 2008, and so on. In addition, if a certified or pre-certified facility does not respond to the Energy Commission's request for an information update in a timely manner, it will risk losing its certification status.

The Energy Commission will post information on its website listing those facilities are certified as eligible for the RPS or for the SEPs. Any changes in a facility's certification status will also be posted on the Energy Commission's website.

Consistent with the *Overall Program Guidebook,* the Energy Commission may conduct periodic or random reviews to verify records submitted for certification or pre-certification as a Renewable Supplier eligible for the RPS or for the RPS and SEPs. Further, the Energy Commission may conduct on-site audits and facility inspections to verify compliance with the requirements for certification or pre-certification. The Energy Commission may request additional information it deems necessary to monitor compliance with the certification requirements specified in this Guidebook.

To the extent that an IOU applies for certification on a facility's behalf, the IOU must secure and have available for inspection records to verify the application for certification or pre-certification. In addition, the IOU must possess documents to verify a facility's compliance with the requirements of certification and pre-certification. These documents must be available to the Energy Commission upon request for auditing purposes.

Supplemental Information

The following supplemental instructions apply to applications for biomass, small hydroelectric, incremental geothermal, and MSW/solid waste conversion facilities. Supplemental instructions are also included for applicants seeking certification of repowered facilities and facilities located outside of California. The information described below must be submitted as an attachment to the applicant's completed CEC-RPS-1 form.

Supplemental Instructions for Biomass Facilities

Applicants for certification or pre-certification of biomass facilities that commenced commercial operations on or after January 1, 2002 must submit an attestation attached to the applicant's completed CEC-RPS-1 that they comply or will comply, in the case of pre-certification, with the biomass fuel requirements described above.

Additionally, SB 183, as codified in Public Resources Code 25748, requires the Energy Commission to "...identify the types and quantities of biomass fuels used by facilities receiving funds pursuant to Section 25743 and their impacts on improving air quality." To meet this requirement, biomass facility operators receiving SEPs must submit an annual report to the Energy Commission describing fuel use as follows: tons of biomass by type of biomass, the air district from which the biomass originated if the fuel may have been open-field burned had it not been used for electricity production, and an attestation from the fuel supplier(s) that the biomass fuel continues to meet the RPS eligibility standards. The report is due to the Energy Commission on February 15th of each year to report on the biomass supply consumed in the previous calendar year.

Supplemental Instructions for Small Hydropower Facilities

To demonstrate that a hydropower facility built or repowered on or after September 12, 2002 is eligible for the RPS and SEPs, the applicant must provide the following water-use data and documentation attached to its completed CEC-RPS-1 form to substantiate its self-certification. These requirements apply to facilities located within California as well as those located out-of-state. Applicants possessing a permit or license from the State Water Resources Control Board (SWRCB) – or from another governing body, if located out-of-state – must submit a copy of the permit or license as well as the application for the permit or license.

1. Name of the Facility

2. Ownership of the Facility

3. Source Water Description

   The application must identify the source of the water for the small hydro project. The source must be characterized as surface, groundwater or other (for example, recycled water). For surface water sources, a map at a scale of 1:24,000 must be provided. The map should also identify the location of the diversion point and all other facilities. In addition, a written description of the location of the diversion should be provided (longitude and latitude) as well as the name of the body of water at the point of diversion. For groundwater, the location of the well(s) and conveyance facilities shall be identified on a map of 1:24,000 scale. The applicant must also specify how much water is used for each of the identified beneficial uses.

4. Water Rights

   Both in-state and out-of-state applicants must clearly establish their right to divert water by submitting all necessary information as well as all appropriate licenses or permits. Within California, this information must establish the applicant's legal right to appropriate or divert water, and identify the permitted volume and rate of water diversions, the place of diversion and beneficial uses. This may be achieved through submittal of the appropriate SWRCB appropriation permit or license. Out-of-state

facilities must provide similar documentation of an existing water right for the water diversion of the project.

5. Hydrologic Data

   The applicant must submit appropriation and/or diversion data for the last five years, or for the period of operation if the project has been operating less than five years. Information contained in any legally required reports may be used to meet this requirement if sufficient information is included in the report. For other projects, the hydrologic data submitted must be accompanied by a description of how the data is collected. Flow data shall be provided at the frequency set forth in the applicable water appropriation permit; for example, if the permit specifies minimum and maximum flows on a monthly basis that is the level of information necessary to be submitted.

6. Other Permits

   The applicant must submit all other applicable permits, including those permits and exemptions issued by the Federal Energy Regulatory Commission.

7. Environmental Documentation

   The applicant must submit copies of any permits, agreements, contracts or other requirements affecting the operation of the facility, especially those that affect the volume and rate of flows.

8. Capacity

   The applicant must demonstrate how the project will comply with the size limitations under the RPS. For repowering projects, the applicant must describe how capacity will be increased without an increase in the appropriation and/or diversion of water or in the change in the volume or rate of flows.

Supplemental Instructions for Incremental Geothermal Facilities

Applicants must provide the following information attached to the completed CEC-RPS-1 form when applying for certification as an incremental geothermal facility.

1. Evidence that the incremental generation from the facility resulted or will result from an eligible capital expenditure in a project completed after September 26, 1996. The capital investment must be in new or replaced capacity or steam production, and must exclude monies that would have been spent on operation and maintenance in the normal course of doing business.

2. The expected total quantity, in megawatt hours, of the production increase from the facility resulting from, or expected to result from, the capital investment and how long the increased production level is expected to last.

3. The relationship between the capital investment and the production increase from the facility, including a discussion of the nature of the capital improvements and how they resulted in the incremental generation.

4. The trend of historical generation from the facility, extending over enough time to establish that trend accurately, along with a discussion and projection of the trend over the expected lifetime of the project.

5. If applicable, the rationale for assigning overall steamfield incremental geothermal production to an individual generating facility within that steamfield.

6. A discussion of the sustainability of increased production from the facility. The discussion should show how the capital investment is consistent with, and protective of, the long-term preservation of the geothermal resource and also demonstrate that increased production from the facility in the short-term is not overdrawing the resource and leading to overall diminished production in the long-term.

7. A discussion of the way any certified incremental production from the facility can be verified, measured, and guaranteed.

In substantiating a claim of incremental geothermal production, the burden of proof will be on the applicant for the geothermal facility to submit compelling evidence demonstrating the effect that capital expenditures have had on production. As applicable, applicants also have the responsibility of properly allocating any increase among different generating facilities in the same steamfield.

In addition, all data submitted to substantiate a claim are expected to be public, although the Energy Commission is only interested in data with a direct bearing on the claim. For example, although information on capital investments and the resulting production increases is expected to be submitted publicly, the Energy Commission has no interest in any proprietary underlying economic analyses that may have led to the decision to make such investment.

Supplemental Instructions for Municipal Solid Waste Conversion Facilities

Applicants for solid waste conversion facilities must provide copies of permits issued by the California Integrated Waste Management Board (CIWMB) attached to the completed CEC-RPS-1 form to verify compliance with the requirements specified above. The Energy Commission will verify compliance in consultation with the CIWMB and based on CIWMB's proposed regulations for solid waste conversion technologies as set forth in Title 14, California Code of Regulations, Division 7, Chapter 3, Article 6.0, commencing with section 17400. These regulations are being adopted pursuant to

Assembly Bill 2770 (Mathews, Chapter 704, Statutes of 2002), which establishes requirements for solid waste conversion technologies that mirror the requirements for these technologies found in SB 1038. The proposed regulations are part of CIWMB's Transfer/Processing Operations and Facilities Regulatory Requirements and will require facilities using solid waste conversion technologies to obtain a Conversion Technology Facility Permit. Pending the adoption of the proposed regulations, the CIWMB may permit facilities using solid waste conversion technologies on a case-by-case basis pursuant to its existing regulations for the Transfer/Processing Operations and Facilities Regulatory Requirements.

To become certified as a renewable energy resource eligible for RPS (and SEPs), an applicant for a solid waste conversion facility must submit to the Energy Commission a copy of its Conversion Technology Facility Permit approved by the CIWMB. In the event that CIWMB's regulations for solid waste conversion technologies are not adopted at the time the facility seeks RPS certification, the facility must request and obtain from CIWMB a Solid Waste Facility Permit under CIWMB's existing regulations for the Transfer/Processing Operations and Facilities Regulatory Requirements. The Energy Commission will confirm that the permit is approved, active, and applicable to the facility seeking RPS certification. These permits must demonstrate the following:

1. The facility is only using a "gasification" conversion technology, as defined in Public Resources Code section 40117

2. The facility accepts and processes "solid waste" as defined in Public Resources Code section 40191, and is not limited to receiving and processing "source separated" waste as defined in Title 14, California Code of Regulations, section 17402.5(b)(4)

3. The facility processes solid waste from which, to the maximum extent feasible, all recyclable materials and marketable green waste compostable materials have been removed prior to the solid waste conversion process

In addition, an applicant must certify to the Energy Commission the following:

1. All recyclable materials and marketable green waste compostable materials which have been removed from solid waste delivered to the facility are recycled or composted.

2. Any local agency sending solid waste to the facility diverted at least 30 percent of all solid waste it collects through solid waste reduction, recycling, and composting. For purposes of this certification "local agency" means any city, county, or special district, or subdivision thereof, which is authorized to provide solid waste handling services.

To become pre-certified as RPS and SEP eligible, the applicant must submit to the Energy Commission the information required to receive a Conversion Technology

Facility Permit from CIWMB. In the event CIWMB's regulations for solid waste conversion technologies have not been adopted at that time, then the applicant must submit to the Energy Commission the information required to receive a Solid Waste Facility Permit. This information is identified in Title 14, California Code of Regulations, sections 18221.5 and 18221.6. The Energy Commission will review this information in consultation with the CIWMB to determine if the information is complete and satisfies the legal requirements specified in Public Utilities Code section 383.5(b)(1)(C), as amended by Public Resources Code section 25741(a)(3).

If a pre-certified applicant does not obtain a Conversion Technology Facility Permit from CIWMB by the time the project commences commercial operation, or if it is denied approval for a permit, the Energy Commission will revoke the applicant's pre-certification.

Supplemental Instructions for Out-of-State Facilities

Out-of-state facilities seeking certification as eligible for RPS and SEPs must submit the following additional information with a completed CEC-RPS-1 form.

1. Impact on California Environmental Quality Standards: The applicant must provide a) a comprehensive list and description of all California environmental quality laws, ordinances, regulations, and standards (collectively referred to as "LORS") that may be directly or indirectly impacted by the facility's development or operation, and b) an assessment as to whether the facility's development or operation will cause or contribute to a violation of any of these LORS.

   At a minimum, the LORS described shall address the following environmental areas consistent with Appendix B, section (g), of the Energy Commission's regulations for power plant certification, Title 20, California Code of Regulations, sections 1701, et seq:

   - Cultural Resources
   - Land Use
   - Traffic and Transportation
   - Visual Resources
   - Socioeconomics
   - Air Quality
   - Public Health
   - Hazardous Materials Handling
   - Workers Safety
   - Waste Management
   - Biological Resources
   - Water Resources
   - Agriculture and Soil
   - Paleontologic Resources
   - Geological Hazards and Resources

- Transmission System Safety and Nuisance

The applicable LORS for a given facility will vary depending on the facility's location, since the LORS across California vary. For example, the air quality standards in southern California may differ from the air quality standards in northern California.

2. Out-of-Country Facilities: In addition to the above information, an applicant for a facility located outside of the United States must provide all of the following:

   a. a comprehensive list and description of all California environmental quality LORS that would apply to the facility if the facility were located within California

   b. an assessment as to whether the facility's development or operation will cause or contribute to a violation of any of these LORS

   c. an explanation as to how the facility's developer and/or operator will meet these LORS in developing or operating the facility, including whether the developer and/or operator will secure and put in place mitigation measures to ensure that these LORS are complied with

Supplemental Instructions for Repowered Facilities

To apply for certification as a repowered facility, an applicant must submit a completed CEC-RPS-1 form, along with documentation confirming the replacement of the facility's prime generating equipment and the capital investments made to repower the facility as well as the value of those investments.

1. Prime Generating Equipment: The applicant must document that the facility's prime generating equipment is new and that the repowered facility re-entered commercial operations on or after January 1, 2002.

   - The "prime generating equipment" for each renewable resource is defined as follows:

     - Wind: the entire wind turbine, including the generator, gearbox (if any), nacelle, and blades.

     - Biomass: the entire boiler. Stoker boilers may be replaced with boilers using improved stoker technology or fluidized bed technology.

     - Geothermal: the entire steam generator, including the turbine rotors, shaft, stationary blades, and any gear assemblies.

     - Small hydroelectric: the entire turbine and structures supporting the turbine.

- Solid waste conversion: the entire gasifier (gasifying equipment) and combustion turbine.

- Landfill gas: the entire internal combustion engine or combustion turbine as applicable.

- Digester gas: the entire digester unit and internal combustion engine or combustion turbine as applicable.

- Solar thermal: the entire steam turbine.

- All prime generating equipment at the facility must be replaced with new equipment for the facility to qualify as a repowered facility. For example, a 25-MW wind facility consisting of 50 separate wind turbines must at a minimum replace each of the 50 wind turbines with new turbines of like or greater capacity for the entire 25-MW facility to qualify as a repowered facility. The Energy Commission recognizes that a wind facility owner may want or need to repower only a portion of the turbines owned at a site, and does not exclude that option. In the event that a generator is interested in repowering a portion of a site, then it will need to re-certify or re-register the remaining portion of the site that is not being repowered.

2. Capital Investments: The applicant must document that capital investments were made not more than two years prior to the date that the facility re-entered commercial operations. Expenses are only applicable on that portion of the facility that contributes directly to the production of electricity.

   - Electrical Generators and/or Fuel Processing and Delivery Equipment: It is generally not necessary for a facility to replace its existing electrical generators or fuel processing and delivery equipment, because replacing this equipment will produce little or no improvement to the facility's efficiency and, therefore, does not warrant the additional expense. Exceptions are cases in which the electrical generator is an integral part of the prime generating equipment, such as for wind facilities, or where the fuel processing and delivery equipment is an integral part of the prime generating equipment via the fuel conversion process, such as for solid waste conversion facilities and digester gas facilities. The facility's environmental control equipment, such air pollution control equipment, would not be considered because such equipment does not contribute directly to the production of electricity.

   - Any associated process control equipment and structures used for structural support of the prime generating equipment, electrical generators, fuel processing and delivery equipment and associated process control equipment, as appropriate, would also fall into this category and are generally not necessary to replace.

The applicant must provide documentation, such as invoice receipts, verifying the replacement of the old equipment, as well as other components of the technology relevant to the repowering application. The Energy Commission will confirm that the equipment listed is appropriate for certification as a repowered facility.

The applicant must document the value of the capital investments made to the facility and the total value of the repowered facility. The value of the capital investments must equal at least 80 percent of the total value of the repowered facility.

The "repowered facility" is defined as all of the new and/or existing prime generating equipment, electrical generators, fuel processing and delivery equipment, and any associated process control equipment and structures at the facility. The land on which the facility sits will not be considered part of the repowered facility for purposes of determining the 80 percent threshold. Similarly, intangibles such as the value of a facility's power purchase contract or its goodwill will not be considered part of the repowered facility.

The applicant may show that it has met the 80 percent threshold by submitting either tax records or an assessment of the "replacement value" of the facility along with documentation of the cost of the new equipment. The applicant must notify the Energy Commission which method it is using and provide the appropriate information as described below.

a. Tax Records Methodology:

   The applicant must submit to the Energy Commission all relevant tax records needed to demonstrate that the capital investments made to repower the facility are equal to at least 80 percent of the value of the repowered facility.

   1) The applicant must document the value of the capital investments, and the year the investments were made. In this case, the value of capital investments is the original tax "basis" declared to the Internal Revenue Service to calculate depreciation. The tax basis should reflect the value of the equipment the applicant has attested to purchasing. The tax basis is generally what a business pays for an item to be depreciated.

   2) The applicant must document the value of the repowered facility. In this case, the value of the repowered facility is based on the sum of the tax basis declared for all of the equipment and structures in the repowered facility as of the year the facility is repowered. For new equipment and structures, the value of the repowered facility is the original tax basis; for existing equipment and structures, the value of the repowered facility is the tax basis as adjusted for depreciation. For facilities financed using a sale/lease-back or similar structure, the original tax basis of the equipment and structures for both the lessor and lessee will be considered.

3) The applicant must divide the total value of capital investments by the total value of the repowered facility. This calculation must show that the investment is equal to or greater than 80 percent of the total value of the facility for it to qualify as repowered.

b. Replacement Value Methodology:

This alternative approach may make it more difficult for a facility to meet the 80 percent repowering threshold but is a reasonable alternative for parties who are unable or unwilling to secure the necessary tax records to utilize the adjusted tax basis approach.

1) The applicant must document the value of the equipment replaced in the facility. The replacement cost of new equipment is based on the equipment's purchase price and, consequently, is the same value when compared to the adjusted tax basis approach.

2) The applicant must submit an independent evaluation of the replacement cost of existing, unreplaced equipment ("retained equipment"). The evaluation should be an estimate of the capital costs that would have to be incurred to replace the retained equipment. This estimate must be provided by an accountant in good standing with the American Institute of Certified Public Accountants or a member in good standing and certified as an Internal Auditor with the Institute of Internal Audits.

3) The applicant must divide the total value of capital investments by the sum of the replacement cost of the new equipment and the independent estimate of the replacement cost of the retained equipment. This calculation must show that the investment is equal to or greater than 80 percent of the total value of the facility for it to qualify as repowered.

Amending Certification and Pre-Certification

Certified and pre-certified facilities must notify the Energy Commission in a timely manner of any material changes in information previously submitted to the Energy Commission. A facility failing to do so risks losing its certification status. Any changes affecting the facility's certification status should be reported on an amended CEC-RPS-1 form. If there are any changes to the status of a facility's certification, the new information will be posted on the Energy Commission's website and any affected utility contracting with that facility will be promptly notified.

Registration as Renewable Only (not RPS eligible)

Applicants representing facilities that do not meet the RPS or SEP eligibility requirements may apply to the Energy Commission for "registration" as a Renewable

Supplier. To qualify for registration as a Renewable Supplier, a facility must satisfy the following requirements:

1. The facility must use one or more of the following energy sources, as defined in the *Overall Program Guidebook*, to generate electricity: biomass, biodiesel, fuel cells using renewable fuels, digester gas, geothermal, landfill gas, municipal solid waste, ocean wave, ocean thermal, tidal current, photovoltaic, small hydroelectric (30 megawatts or less), solar thermal, or wind.

2. The facility must specify the type and percentage of any fossil fuel used in the facility.

Applicants must submit a completed form CEC-1038E-1, Registration Form for Renewable Suppliers, to the Energy Commission.

The Energy Commission expects to review and process complete applications for registration within 15 business days of their receipt, unless questions or concerns arise regarding the applications. If questions arise, the Energy Commission will contact the applicant for additional information. Otherwise, the Energy Commission will notify applicants in writing once it determines registration eligibility.

Once the Energy Commission approves an application for registration, the Energy Commission will issue a certificate stating that the facility is a registered Renewable Supplier, along with a supplier number to be used in all subsequent transactions. The certificate will also specify the amount of fossil fuel, if any, used by the facility.

Registration as a Renewable Supplier does **NOT** imply Energy Commission endorsement or verification of renewable status. Registration as a Renewable Supplier merely indicates that the applicant has certified under penalty of perjury that its facility meets the registration requirements of a Renewable Supplier and has obtained an identification number from the Energy Commission.

Generation Tracking System

The Energy Commission is responsible for tracking renewable transactions to verify compliance with the RPS. Pursuant to SB 1078, the Energy Commission is required to:

> Design and implement an accounting system to verify compliance with the renewables portfolio standard by retail sellers, to ensure that renewable energy output is counted only once for the purpose of meeting the renewables portfolio standard of this state or any other state, and for verifying retail product claims in this state or any other state. In establishing the guidelines governing this system, the Energy Commission shall collect data from electricity market participants that it deems necessary to verify compliance of retail sellers, in accordance with the requirements of this article and the California Public Records Act (Chapter

3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code). In seeking data from IOUs, the Energy Commission shall request data from the commission.

The Energy Commission is developing an electronic tracking system to meet this requirement, and will use an interim generation tracking system until the electronic system is operational. Once the long-term, electronic tracking system referred to as the "Western Renewable Energy Generation Information System" (WREGIS) is in place, the Energy Commission will require renewable suppliers and IOUs to participate in the WREGIS as part of RPS compliance.

The IOUs should report their procurement of renewable electricity in year 2003 on June 15, 2004. Procurement in year 2004 should be reported May 2, 2005. The IOUs should submit the information on form CEC-RPS-Track. The form and directions are provided in Appendix A. This reporting requirement will end for procurement that is tracked by WREGIS once the system is operational.

A facility that certifies with the Energy Commission must submit IOU or third party-verified monthly meter reads of its generation to the Energy Commission annually on May 2, 2005. Examples of acceptable third-party verification include, but are not limited to, statements from the CA ISO or a scheduling coordinator. The facility must submit these data for applicable procurement in 2003 that occurs after adoption of these Guidelines, and for procurement in 2004. These~~is~~ data will be used to verify the generation from the facility. This reporting requirement will end for procurement that is tracked by WREGIS once the system is operational.

Also, facilities must agree to make available upon request documentation of compliance with NERC tag requirements (described under "Delivery Requirements" in the "Eligibility of Out-of-State Facilities" section). On May 2, beginning in year 2005, facilities must submit compliance documentation of the NERC tag requirement for out-of-state, eligible, renewable electricity that is delivered after adoption of these Guidelines in 2004, and for applicable deliveries in 2005. This requirement continues annually such that documentation of 2005 transactions is due May 2, 2006.

If necessary, the Energy Commission will request that the CPUC direct the IOUs to submit the CEC-RPS-Track data and documentation showing compliance with the NERC tag requirement if the Energy Commission does not receive these data in a timely fashion.

Appendix A
FORMS

Please note that current versions of the forms (downloadable) are available on-line at: www.energy.ca.gov/portfolio/documents/index.html

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- CEC-RPS-Track, Interim Data Collection
- CEC-RPS-1, Application for Certification, California Renewable Portfolio Standard Program
- CEC-RPS-2, Utility Application for Certification of Renewable Facility, California Renewable Portfolio Standard Program

REPORT to the CALIFORNIA ENERGY COMMISSION Utility Procurement of Renewable Energy in 2003

GENERAL INSTRUCTIONS

Please enter your company's name, CPUC registration number as filed with the California Public Utilities Commission, or CEC identification number (if applicable).

Company Name	
CPUC Reg # (if applicable)	
CEC Reg # (if applicable)	

Fill out Schedule 1 and e-mail the completed file to the address shown below. Then print out the file, sign the attestation as appropriate, and mail the package to the address shown below:

California Energy Commission
e-mail: hraitt@energy.state.ca.us

Heather Raitt
California Energy Commission
1516 9th Street
Sacramento, CA 95818

Responses to this request are due by close of business June 15, 2004

Report to the California Energy Commission
SCHEDULE 1: Annual Renewable Energy Purchases in 2003

INSTRUCTIONS: Enter information about power purchases made from **all** renewable facilities in 2003, regardless of their classification as an "eligible renewable energy resource" as defined in Public Utilities Code Section 399.12(a). If you need additional rows, add them from the INSERT menu.
SPECIAL INSTRUCTIONS FOR PARTICIPANTS THAT PURCHASED RENEWABLE ENERGY CERTIFICATES: Place a check mark in the column titled "Renewable Attributes Included" to indicate any transactions that were accompanied by RECs. This includes all renewable energy transactions in which the renewable attributes and energy remained bundled together. Place a check mark in the column titled "REC-Only Purchase" if energy was not purchased along with the RECs.
PLEASE COMPLETE the field labeled "Total Retail Sales in 2003 in kWh" to indicate the base of retail sales against which the renewable energy purchases will be compared.

SPECIFIC RENEWABLE ENERGY PURCHASES

Facility Name	Fuel Type	EIA ID Number[1]	CEC ID Number[2]	Certificate Number[3]	CEC RPS Certification Number[4]	ISO ID Number	Other Facility Identifier[5]	Gross kWh Purchased or Generated[6]	kWh Resold or Self-Consumed	Net kWh Purchased	Method of accounting line losses in Net kWh column[7]	Renewable attributes included?[8]	REC-Only Purchase?[9]
										-			
										-			
										-			
										-			
										-			
										-			
										-			
										-			
										-			
										-			
										-			
										-			
										-			

Total Retail Sales in 2003 in kWh[10]

GENERIC PURCHASES[11]

Gross kWh Purchased	kWh Resold	Net kWh Purchased
		-
Total Net Purchases		-

[1] Please enter the Energy Information Administration identification number for the generating facility, if available.
[2] Please enter the Energy Commission Renewable Energy Program Registration number for the generating facility, if applicable.
[3] Please enter the California Energy Commission's assigned unique number for the Certificate of Specific Generation, if applicable.
[4] Please enter the California Energy Commission RPS Certification number for the facility, if available.
[5] Please enter an alternative facility identifier such as a FERC number or QF ID number if the facility does not have a CEC or EIA number.
[6] Please enter all kWh purchased by the retail seller or generated by a facility owned by the retail seller.
[7] Indicate whether a Generation Meter Multiplier (denote GMM), ISO settlement data (denote ISO), or another method (please indicate) was used to apply a line loss factor in computing Net kWh purchased, such as use of a Generation Meter Multiplier (GMM). If no line loss factor was used, denote "None".
[8] Do not check this box if the renewable attributes or Renewable Energy Credits (RECs) were sold to a separate party. If the purchases were for both the commodity energy and renewable attributes covering the net a check should be entered into the box.
[9] Check this box if RECs, tradeable green certificates, or equivalent purchases were made without purchasing commodity energy.
[10] If this value differs from utility FERC Form 1 filing for this year, please detail the discrepency in a comment box or footnote.
[11] This box is for purchases for which the ID of the generator cannot be identified, such as out-of-state mix of electricity.

Report to the California Energy Commission

2003 Procurement of Renewable Energy

ATTESTATION FORM

I, (print name and title)
_____, **declare under penalty of perjury, that the statements contained in Schedule 1 are true and correct and that I, as an authorized agent of** (print name of company) _____, **have authority to submit this report on the company's behalf. I further declare that the kilowatt-hours claimed as specific purchases as shown in this Schedule was, to the best of my knowledge, sold once and only once to retail consumers. The renewable electricity and associated Renewable Energy Credits used for RPS compliance have not otherwise been, nor will be, sold, retired, claimed or represented as part of electical energy output or sales, or used to satisfy obligations in jurisdictions other the California, and for no other reason than to comply with California's Renewable Portfolio Standard.**

Signed: _____

CONTACT INFORMATION	
Name	
Title	
Company Name	
Address	
City, State, Zip	
Phone	
Fax	
E-mail	

California Energy Commission

CEC-RPS-1

Application for Certification

California Renewables Portfolio Standard Program

Please fill out all applicable portions of application (10 pages), sign, and submit completed form to:

California Energy Commission, Attn: RPS Certification
1516 Ninth Street, MS-45, Sacramento, CA 95814

Form may also be submitted electronically via e-mail to:
skorosec@energy.state.ca.us, subject line "RPS Certification"
(If submitted electronically, an original signed copy must still be submitted to the address above)

All data on this form is subject to public disclosure

Section I: Type of Certification Requested

Choose One	☐ Eligible for California RPS
	☐ Eligible for California RPS plus Supplemental Energy Payments (SEPs)
Choose One	☐ Pre-certification ☐ Certification ☐ Amended certification ☐ Renewal If this is an amendment or renewal, date of original certification: _____ ***Please note: To register as Renewable Only (not eligible for RPS or SEP), please use form CEC-1038-E1, available on-line at: www.energy.ca.gov/renewables/documents/index.html***

Section II: Applicant Contact Information

Name: _____ Title: _____

Company: _____

Address: _____
Street

_____
City *State* *Zip*

Telephone: (_____) _____ Fax: (_____) _____ E-Mail: _____

Person Completing Form (if different from Applicant Contact): _____

Section III: Facility Information

Name of Facility: _____

Physical Address: _____
Street

_____
City *State* *Zip*

If no physical address exists, attach legal description of facility location

☐ Located within California ☐ Located outside of California

Site location coordinates in Latitude/Longitude (if known) _____

Telephone: (_____) _____ Fax: (_____) _____ E-Mail: _____

Section III: Facility Information (continued)

Owner Name: _____

Owner Address: _____
Street

_____
City *State* *Zip*

Owner Telephone: (____) _____ Fax: (____) _____ E-Mail: _____

Please specify any additional names this facility has been known by, including names the facility has used in the past, if known: _____

_____

For example, the facility may have changed names or may be part of a group of facilities collectively known by one name.

ID#'s (if known): CEC-REP _____ CEC-RPS _____ CEC-Other _____
QFID _____ EIA _____ CA ISO _____
SO _____ Other (please explain) _____

***CEC-REP** refers to the CEC ID# under the Renewable Energy Program.*
***CEC-RPS** refers to the CEC ID# issued under the Renewables Portfolio Standard, if this application is an amendment or renewal.*
***CEC-Other** refers to any other CEC ID# issued.*
***QFID** refers to a unique identifier assigned to a Qualifying Facility by the utility contracting for power from the facility.*
***EIA** refers to the number assigned by the Energy Information Administration that is used to report monthly generation data to the EIA.*
***CAISO** refers to the number assigned to the facility by the California Independent System Operator.*
***SO** refers to number assigned to the facility by another system operator, not the CA ISO.*

Choose One

☐ Facility commenced commercial operations prior to January 1, 2002
(specify date): _____

☐ New facility, commenced/will commence commercial operation after January 1, 2002
(specify date/expected date):
_____

☐ Repowered facility, re-entered/will re-enter commercial operation after January 1, 2002
(specify date/expected date):
_____

Location of WECC interconnection: _____

_____

_____

The WECC interconnection is the substation where radial lines from the facility interconnect/will interconnect to the WECC controlled transmission system.

Nameplate capacity of facility (in megawatts): _____

Section IV: Eligibility for Supplemental Energy Payments

1. Is the output from this facility being sold under a long-term contract entered into prior to January 1, 2002 with a California investor-owned utility that includes fixed energy or capacity payments?

   ☐ Yes ☐ No

Section IV: Eligibility for Supplemental Energy Payments (continued)

If yes: A. Date contract executed: _____

B. Utility contracted with: _____

C. Does the output from this facility meet the requirements in Public Utilities Code Section 399.6(c)(1)(C) as shown below? ☐ Yes ☐ No

If yes, please attach a detailed explanation. If no, the facility is not eligible for SEPs.

Public Utilities Code Section 399.6(c)(1)(C) – to be eligible for SEPs, all of the following must occur:

1) *The facility's power purchase contract provides that all energy delivered and sold under the contract is paid at a price that does not exceed commission-approved short-run avoided cost of energy.*
2) *Either of the following:*
   a. *The power purchase contract is amended to provide that the kilowatthours used to determine the capacity payment in any time-of-delivery period in any month under the contract shall be equal to the actual kilowatthour production, but no greater than the five-year average of the kilowatthours delivered for the corresponding time-of-delivery period and month, in the years 1994 to 1998, inclusive.*
   b. *If a facility's installed capacity as of December 31, 1998, is less than 75 percent of the nameplate capacity as stated in the power purchase contract, the power purchase contract is amended to provide that the kilowatthours used to determine the capacity payment in any time-of-delivery period in any month under the contract shall be equal to the actual kilowatthour production, but no greater than the product of the five-year average of the kilowatthours delivered for the corresponding time-of-delivery period and month, in the years 1994 to 1998, inclusive, and the ratio of installed capacity as of December 31 of the previous year, but not to exceed contract nameplate capacity, to the installed capacity as of December 31, 1998.*
3) *The Supplemental Energy Payments are payable only with respect to the kilowatthours delivered in a particular month that exceeds the corresponding five-year average calculated pursuant to clause 2*

2. Is the facility owned by an investor-owned utility or local publicly-owned electric utility? ☐ Yes ☐ No

Utility-owned facilities are not eligible to receive SEPs.

Section V: Facility Fuel Type

3. Is the entire output of the facility intended to be used exclusively on-site (i.e. self generation)? ☐ Yes ☐ No

On-site generation is not eligible to receive SEPs.

4. Is the entire output of the facility excluded from paying an applicable competitive transition charge? ☐Yes ☐No

If yes, facility is not eligible to receive SEPs.

5. Please indicate energy source used by the facility. For hybrid systems, indicate all energy sources used.

☐ Biodiesel	☐ Landfill Gas	☐ Ocean Wave
(complete Section VI, questions 6-10)	*(skip to Section VII)*	*(skip to Section VII)*
☐ Biomass	☐ Municipal Solid Waste, combustion	☐ Ocean Thermal
(complete Section VI, questions 7-10)	*(complete Section VI, question 20)*	*(skip to Section VII)*
☐ Digester Gas	☐ Municipal Solid Waste, conversion	☐ Wind
(skip to Section VII)	*(complete Section VI, questions 20-22)*	*(skip to Section VII)*
☐ Fuel Cell	☐ Photovoltaic	
(skip to Section VII)	*(skip to Section VII)*	
☐ Geothermal	☐ Solar Thermal Electric	
(complete Section VI, questions 11-14)	*(skip to Section VII)*	
☐ Hydropower	☐ Tidal Current	☐ Hybrid System
(complete Section VI, questions 15-19)	*(skip to Section VII)*	*(complete Section VI, questions 23-24)*

Section V: Facility Fuel Type (continued)

Does this facility use any fossil fuel? ☐ Yes ☐ No

If yes, please specify average annual percentage on a total heat input basis for the calendar year immediately prior to the date of application: _____

Facilities that use fossil fuel must complete Section VI, question 24 dealing with hybrid systems.

Section VI: Additional Required Information for Specific Fuel Types

Facilities using digester gas, fuel cell, landfill gas, photovoltaic, solar thermal, tidal current, ocean wave, ocean thermal, and wind technologies have no special fuel requirements. Applicants for facilities using these fuels or resources exclusively may skip to Section VII.

For Biodiesel Applicants

6. Source of biodiesel fuel

Choose One	☐ Biodiesel derived from biomass fuel – answer questions 7-10 ☐ Biodiesel derived from MSW conversion process – answer questions 20-22

For Biomass Applicants

7. Did the facility commence or is it expected to commence commercial operations prior to January 1, 2002?

☐ *Yes, please note that facility is not eligible for SEPs* ☐ *No*

8. Indicate current/anticipated source of biomass fuel supply *(check all that apply)*:

☐ Agricultural crops and agricultural wastes and residues.

☐ Solid waste materials - Includes waste pallets, crates, dunnage, manufacturing, and construction wood wastes, landscape or right-of-way tree trimmings, mill residues resulting directly from milling of lumber, and rangeland maintenance residues.

☐ Wood and wood wastes that meet all of the following requirements:

1) Harvested pursuant to an approved timber harvest plan prepared in accordance with the Z'berg-Nejedly Forest Practice Act of 1973 (Ch. 8 (commencing with Sec. 4511), Pt. 2, Div. 4, Public Resources Code).
2) Harvested for the purpose of forest fire fuel reduction or forest stand improvement.
3) Do not transport or cause the transportation of species known to harbor insect or disease pests outside zones of infestation or current quarantine zones, as identified by the Department of Food and Agriculture or the Department of Forestry and Fire Protection, unless approved by those agencies.

9. To be eligible for the RPS or RPS and SEPs, an applicant for a "new" or "repowered" biomass facility must agree to use only eligible biomass fuel, and to annually provide written attestations from its fuel supplier(s) documenting that the supplier(s) have delivered eligible biomass fuel to the facility. Applicant must also agree to provide documentation, or make documentation available upon request, to the Energy Commission verifying on-going compliance with these requirements.

☐ Applicant acknowledges and agrees to comply with the above requirements as more fully described in the *Renewable Portfolio Standard Eligibility Guidebook*.

10. For biomass facility operators receiving SEPs only: You must submit an annual report to the Energy Commission describing fuel use as follows: tons of biomass by type of biomass, the air district from which the biomass originated if the fuel may have been open-field burned had it not been used for electricity production, and an attestation from the fuel supplier(s) that the biomass fuel continues to meet the RPS eligibility standards. The report is due to the Energy Commission on February 15th of each year to report on the biomass supply consumed in the previous calendar year.

☐ Applicant acknowledges and agrees to comply with the above requirements as more fully described in the *Renewable Portfolio Standard Eligibility Guidebook*.

For Geothermal Applicants

11. Date facility commenced/will commence commercial operations

Choose One	☐ Prior to September 26, 1996 *Generation may be eligible for the RPS but only to establish or adjust a retail seller's baseline*
	☐ Between September 26, 1996 and January 1, 2002 *Generation may be eligible for RPS but not for SEPs*
	☐ On or after January 1, 2002 *Generation may be eligible for both RPS and SEPs*

12. Are you applying for certification for incremental geothermal?

☐ Yes *(complete question 13)* ☐ No *(skip to Section VII)*

Incremental generation from geothermal facilities is eligible for the RPS but is limited to generation resulting from "eligible capital expenditures" as defined in the Renewables Portfolio Standard Eligibility Guidebook. Incremental geothermal generation may be eligible for SEPs to the extent that the generation meets criteria for a "new" or "repowered" facility.

13. Eligible capital expenditures

Choose all that apply	☐ The capital expenditure results/will result in replaced generating equipment or increased steam converted to generation. ☐ The capital expenditure does not/will not cause an increase in the decline rate of the reservoir. ☐ The capital project was completed after September 26, 1996. *Only capital expenditures that meet all of the above criteria are considered "eligible."*

14. Please attach the documentation specified in the section entitled "Supplemental Instructions for Incremental Geothermal Facilities" in the *Renewables Portfolio Standard Eligibility Guidebook*

For Hydropower Applicants

15. Facility size

☐ Applicant certifies that total facility size, including any incremental additions to original facility, does not/will not exceed 30 megawatts

Only hydropower facilities 30 megawatts or less in size qualify for the RPS or RPS and SEPs

16. Date facility commenced/will commence commercial operations

Choose One	☐ Facility commenced commercial operations prior to September 12, 2002 *(answer question 17)*
	☐ Facility commenced/will commence commercial operations on or after September 12, 2002 *(answer question 18)* *Generation may be eligible for RPS or RPS and SEPs*
	☐ Facility is "repowered" and re-entered/will re-enter commercial operation after September 12, 2002 *(answer questions 17-18)* *Generation may be eligible for RPS or RPS and SEPs*

17. Was facility owned by, and/or its generation procured by, an IOU as of September 12, 2002? ☐Yes ☐No

If yes, generation may be eligible only for purposes of establishing an IOU's RPS baseline. Facility's generation may not be used for adjusting an IOU's baseline or meeting an IOU's annual procurement target.

For Hydropower Applicants (continued)	
18. "New" or "Repowered" Hydropower Facilities: please check all that apply:	
Facility located within California	*Facility located outside of California*
☐ The applicant has a permit or license from the State Water Resources Control Board (SWRCB) to appropriate water, which was issued before September 12, 2002.	☐ The applicant has a permit or license from the applicable governing body to appropriate water, which was issued before September 12, 2002.
☐ The applicant can operate its proposed facility under its existing SWRCB permit or license. • *The facility does not require a new or revised permit from the SWRCB for a new appropriation of water.* • *The facility does not require a new permit or license from the SWRCB for a new diversion of water* • *The facility will not require an increase in the volume or rate of water diverted that would require a new permit or license from the SWRCB.*	☐ The applicant can operate its proposed project under its existing government-issued permit or license • *The facility does not require a new permit or license from any government body for a new appropriation of water* • *The facility does not require a new permit or license from any government body for a new diversion of water.*
☐ The facility does not/will not require an increase in the volume or rate of water diverted under an existing right, even if such a change would not require a water right permit or license from the SWRCB.	☐ The facility does not/will not require an increase in the volume or rate of water diverted under an existing right, even if such a change would not require a new permit or license from any government body.

19. Please attach the documentation specified in the section entitled "Supplemental Instructions for Small Hydropower Facilities" in the *Renewables Portfolio Standard Eligibility Guidebook*

For Municipal Solid Waste Applicants	
20. Type of MSW Facility	
Choose One	☐ MSW combustion facility that meets the following criteria *(skip to Section VII)* *Generation is eligible for the RPS only if the facility is located in Stanislaus County and commenced commercial operations prior to September 26, 1996. Applicant must attach documentation to this application demonstrating that the facility meets both of these requirements. Generation from MSW combustion facilities is only eligible to initially establish or adjust a retail seller's RPS baseline.* ☐ MSW conversion facility *(answer questions 20-21)* *Facility uses a non-combustion thermal process to convert MSW to a clean-burning fuel that is then used to generate electricity.*

For Municipal Solid Waste Applicants (continued)

21. MSW conversion facilities must meet **all** of the following criteria to be eligible for the RPS or RPS and SEPs. Please check all that apply:

- ☐ The technology does not/will not use air or oxygen in the conversion process, except ambient air to maintain temperature control.
- ☐ The technology does not/will not produce any discharges of air contaminants or emissions, including greenhouse gases as defined in Section 42801.1 of the Health and Safety Code.
- ☐ The technology does not/will not produce any discharges to surface or groundwaters of the state.
- ☐ The technology does not/will not produce any hazardous wastes.
- ☐ To the maximum extent feasible, the technology removes/will remove all recyclable materials and marketable green waste compostable materials from the solid waste stream prior to the conversion process and the owner or operator of the facility certifies that those materials will be recycled or composted.
- ☐ The facility at which the technology is used/will be used is in compliance with all applicable laws, regulations, and ordinances.
- ☐ The technology meets/will meet any other conditions established by the State Energy Resources Conservation and Development Commission.
- ☐ The facility certifies that any local agency sending solid waste to the facility diverted/will divert at least 30 percent of all solid waste it collects through solid waste reduction, recycling and composting.
- ☐ The facility certifies that any local agency sending solid waste to the facility is/will be in compliance with Division 30 (Commencing with Section 4000), has reduced, recycled, or composted solid waste to the maximum extent feasible. (The California Integrated Waste Management Board must find that the facility has diverted at least 30 percent of all solid waste through source reduction, recycling, and composting.) Facilities must satisfy these criteria to be eligible for SEPs.

22. Please attach the documentation specified in the section entitled "Supplemental Instructions for Municipal Solid Waste Conversion Facilities" in the Renewables Portfolio Standard Eligibility Guidebook

For Hybrid System Applicants

23. Type of Hybrid System:

Choose One	☐ Pumped Storage Hydropower *(identify energy source used for pumping)* _____ *Must use a renewable energy source to be eligible for RPS or RPS and SEPs;* ***only the amount of energy dispatched to the transmission system is eligible***
	☐ Other *(describe fuels used – attach additional sheets if necessary)*_____ _____ _____

For Hybrid System Applicants (continued)

24. For Hybrid Systems using fossil fuel (please select A or B)

☐ A. Facility commenced commercial operations or was repowered prior to January 1, 2002:

If you checked "A", choose one

☐ Applicant attests that the percentage of fossil fuel used in the facility does not/will not exceed 25 percent of the total annual energy input of the facility.

Facilities using fossil fuel that were operational or repowered prior to 1-1-02 may use up to 25% fossil fuel and still have the total generation from their facility considered renewable and eligible for the RPS.

☐ Percentage of fossil fuel used in the facility exceeds/will exceed 25 percent of the total annual energy input of the facility.

Only the renewable portion of electricity production may qualify for the RPS, and only once an appropriate tracking system is developed to monitor such production

☐ Facility was developed and awarded a power purchase contract as a result of an IOU Interim RPS procurement solicitation approved by the California Public Utilities Commission, and applicant attests that the facility uses no more than 25% fossil fuel annually on a total energy input basis.

Facilities developed and awarded power purchase contracts as a result of an IOU Interim RPS procurement solicitation and approved by the CPUC may use up to 25% fossil fuel and count 100% of the electricity generated as RPS eligible.

☐ B. Facility commenced/will commence commercial operation or was/is repowered on or AFTER January 1, 2002:

If you checked "B", choose one

☐ Facility is certified as a Qualifying Small Power Production Facility (QF) and applicant attests that the facility satisfies the fossil fuel use limitations specified in PURPA.

Facilities certified as QFs under the federal Public Utilities Regulatory Policies Act may use up to 25% fossil fuel and count 100% of the electricity generated as RPS eligible provided the facility otherwise satisfies the applicable California RPS standards.

☐ Facility is NOT certified as a Qualifying Small Power Production Facility but uses some percentage of fossil fuel.

Only the renewable portion of electricity production may qualify for the RPS, and only once an appropriate tracking system is developed to monitor such production

☐ Facility was developed and awarded a power purchase contract as a result of an IOU Interim RPS procurement solicitation approved by the California Public Utilities Commission, and applicant attests that the facility uses no more than 25% fossil fuel annually on a total energy input basis.

Facilities developed and awarded power purchase contracts as a result of an IOU Interim RPS procurement solicitation and approved by the CPUC may use up to 25% fossil fuel and count 100% of the electricity generated as RPS eligible.

Section VII: Repowered Facility Information

25. Generally describe the prime generating equipment replaced/to be replaced at the facility: _____

_____

_____

Please attach a detailed description in the documentation required under question 27. The applicant must document that the facility's prime generating equipment is new. For a definition of each renewable resource's prime generating equipment, please see the Renewables Portfolio Standard Eligibility Guidebook.

26. Please indicate the method used to demonstrate compliance with the 80 percent threshold:

☐ Tax Records Methodology ☐ Replacement Value Methodology

Applicant must document the value of the capital investments made to the facility and the total value of the repowered facility, and the value of the capital investments must equal at least 80 percent of the total value of the repowered facility.

27. Please attach the documentation specified in the section entitled "Supplemental Instructions for Repowered Facilities" in the *Renewables Portfolio Standard Eligibility Guidebook*

Section VIII: Out-of-State Facility Information

28. For RPS eligibility only, applicants for out-of-state facilities must submit documentation showing that the facility meets all of the following criteria (check all that apply):

☐ Facility has guaranteed contracts to sell its generation to an IOU or the California Independent System Operator (CA ISO).

☐ Facility can demonstrate delivery of its generation to the in-state market hub/zone or in-state substation/node located within the CA ISO control area of the WECC transmission system designated by the IOU

☐ Applicant agrees to participate in the Energy Commission's RPS tracking and verification system once the system is established

29. For RPS **and** SEP eligibility, please select A or B:

☐ A. Facility's first point of interconnection to the WECC transmission system is/will be located within California.

If you checked "A", check all that apply	☐ Facility can demonstrate delivery of its generation to the in-state market hub/zone or in-state substation/node located within the CA ISO control area of the WECC transmission system designated by the IOU ☐ Applicant agrees to participate in the Energy Commission's RPS tracking and verification system

☐ B. Facility's first point of interconnection to the WECC transmission system is/will be located outside of California.

If you checked "B", check all that apply	☐ Facility is/will be located within the United States. *Facility may not cause or contribute to any violation of a California environmental quality standard or requirement.* ☐ Facility is/will be located outside of the United States. *Facility must be developed and operated in a manner that is as protective of the environment as a similar facility located within California.* ☐ Facility is/will be located so that it is/will be connected to the WECC transmission system. ☐ Facility is/will be developed with guaranteed contracts to sells its power to end use customers of California IOUs during the period in which it will receive SEPs. ☐ Facility can demonstrate delivery of its generation to the in-state market hub/zone or in-state substation/node located within the CA ISO control area of the WECC transmission system designated by the IOU ☐ Applicant agrees to participate in the Energy Commission's RPS tracking and verification system.

30. To be eligible for RPS and SEPs, an applicant for an out-of-state facility must agree to comply with the "Delivery Requirements" specified in the Eligibility of Out-of-State Facilities section of the *Renewables Portfolio Standard Eligibility Guidebook.*

☐ Applicant acknowledges and agrees to comply with the above requirements as more fully described in the *Renewables Portfolio Standard Eligibility Guidebook.*

31. Please attach the documentation specified in the section entitled "Supplemental Instructions for Out-of-State Facilities" in the *Renewables Portfolio Standard Eligibility Guidebook*

Section IX: General Information

The Energy Commission reserves the right to request additional information to confirm or clarify information reported in this application.

The Energy Commission's Accounting Office or its authorized agents, in conjunction with Energy Commission technical staff, may audit any applicant to verify the accuracy of any information included as part of an application for RPS certification, pursuant to the *Overall Program Guidebook for the Renewable Energy Program*. As part of an audit, an awardee may be required to provide the Accounting Office or its authorized agents with any and all information and records necessary to verify the accuracy of any information included in the awardee's applications, invoices, or reports. An awardee may also be required to open its business records for on-site inspection and audit by the Accounting Office or its authorized agents for purposes of verifying the accuracy of any information included in the awardee's applications, invoices, and reports.

Certified and pre-certified facilities must notify the Energy Commission in a timely manner of any material changes in information previously submitted to the Energy Commission. A facility failing to do so risks losing its certification status. Any changes affecting the facility's certification status should be reported on an amended CEC-RPS-1 form. If there are any changes to the status of a facility's certification, the new information will be posted on the Energy Commission's website and any affected utility contracting with that facility will be promptly notified.

Section X: Signature

I am an authorized officer of the above-noted facility owner and hereby submit this application on behalf of said facility owner for certification as a renewable facility eligible for California's RPS or certification as eligible for California's RPS and SEPs. I have read the above information as well as the *Renewables Portfolio Standard Eligibility Guidebook*, the *Overall Program Guidebook for the Renewable Energy Program*, and the *New Renewable Facilities Program Guidebook* and understand the provisions and my responsibilities. I acknowledge that the receipt of any certification approval from the California Energy Commission is conditioned on the acceptance and satisfaction of all program requirements as set forth in the *Renewables Portfolio Standard Eligibility Guidebook* and the *Overall Program Guidebook for the Renewable Energy Program*. I declare under penalty of perjury that the information provided in this form and attachments is true and correct to the best of my knowledge.

Applicant Name: _____

Applicant Title: _____

Signature: _____

Date signed: _____

REMINDER:
HAVE YOU INCLUDED
ALL NECESSARY ATTACHMENTS?

Supplemental Information is required for:

Biodiesel, New or Repowered
Incremental Geothermal
Municipal Solid Waste Conversion
Repowered Facilities
Biomass, New or Repowered
Hydropower, new or repowered
Hybrids
Out-of-State Facilities

CEC-RPS-2

Utility Application for Certification of Renewable Facility
California Renewables Portfolio Standard Program

INSTRUCTIONS FOR COMPLETING FORM ARE PROVIDED ON TAB 3
Please complete all applicable fields on the Facility Information sheet (TAB 1), read and sign the attestation (TAB 2), and submit to:
California Energy Commission, Attn: RPS Certification
1516 Ninth Street, MS-45, Sacramento, CA 95814

May be submitted electronically via e-mail to:
skorosec@energy.state.ca.us, subject line "RPS Certification"
(If submitted electronically, an original signed copy of attestation referencing the e-mail submittal must be submitted to the address above)

Form may used to certify multiple facilities
All data on this form is subject to public disclosure

Line #	Facility Name	Type of Certification Requested Please Check One				If renewal or amendment, date of original certification	Physical Address				If facility is located out of state, check	Other Names Used by Facility
		Pre	Initial	Amended	Renewal		Street	City	State	ZIP		
1		☐	☐	☐	☐						☐	
2		☐	☐	☐	☐						☐	
3		☐	☐	☐	☐						☐	
4		☐	☐	☐	☐						☐	
5		☐	☐	☐	☐						☐	
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7		☐	☐	☐	☐						☐	
8		☐	☐	☐	☐						☐	
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CEC-RPS-2

Utility Application for Certification of Renewable Facility
California Renewables Portfolio Standard Program

INSTRUCTIONS FOR COMPLETING FORM ARE PROVIDED ON TAB 3

Please complete all applicable fields on the Facility Information sheet (TAB 1), read and sign the attestation (TAB 2), and submit to:

California Energy Commission, Attn: RPS Certification
1516 Ninth Street, MS-45, Sacramento, CA 95814

May be submitted electronically via e-mail to:
skorosec@energy.state.ca.us, subject line "RPS Certification"
(If submitted electronically, an original signed copy of attestation referencing the e-mail submittal must be submitted to the address above)

Form may used to certify multiple facilities

All data on this form is subject to public disclosure

Line #	Technology	Supplemental Information (specify category)	Percentage of Fossil Fuel Used, If Any	Nameplate Capacity (in megawatts)	Other Identification Numbers						
					QFID	CEC-REP	CEC-RPS	CEC-Other	EIA	ISO	Other
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CEC-RPS-2

Utility Application for Certification of Renewable Facility
California Renewables Portfolio Standard Program

INSTRUCTIONS FOR COMPLETING FORM ARE PROVIDED ON TAB 3

Please complete all applicable fields on the Facility Information sheet (TAB 1), read and sign the attestation (TAB 2), and submit to:

California Energy Commission, Attn: RPS Certification
1516 Ninth Street, MS-45, Sacramento, CA 95814

May be submitted electronically via e-mail to:
skorosec@energy.state.ca.us, subject line "RPS Certification"
(If submitted electronically, an original signed copy of attestation referencing the e-mail submittal must be submitted to the address above)

Form may used to certify multiple facilities

All data on this form is subject to public disclosure

Line #	Facility Contact	Title	Company	Address	City	State	ZIP	Phone	Fax	E-Mail
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CEC-RPS-2

Utility Application for Certification of Renewable Facility
California Renewables Portfolio Standard Program

INSTRUCTIONS FOR COMPLETING FORM ARE PROVIDED ON TAB 3

Please complete all applicable fields on the Facility Information sheet (TAB 1), read and sign the attestation (TAB 2), and submit to:

California Energy Commission, Attn: RPS Certification
1516 Ninth Street, MS-45, Sacramento, CA 95814

May be submitted electronically via e-mail to:
skorosec@energy.state.ca.us, subject line "RPS Certification"
(If submitted electronically, an original signed copy of attestation referencing the e-mail submittal must be submitted to the address above)

Form may used to certify multiple facilities

All data on this form is subject to public disclosure

Line #	Date of Facility Operation (mm-dd-yy)	Location of WECC Interconnection	Name of Person completing form (if different from Contact Person)	Title	Phone	E-mail
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CEC-RPS-2

Utility Application for Certification
California Renewables Portfolio Standard Program

ATTESTATION

TO BE COMPLETED BY AN AUTHORIZED UTILITY REPRESENTATIVE

The Energy Commission reserves the right to request additional information to confirm or clarify information reported in this application.

The Energy Commission's Accounting Office or its authorized agents, in conjunction with Energy Commission technical staff, may audit any applicant to verify the accuracy of any information included as part of an application for RPS certification, pursuant to the Overall Guidebook for the Renewable Energy Program. As part of an audit, an awardee may be required to provide the Accounting Office or its authorized agents with any and all information and records necessary to verify the accuracy of any information included in the awardee's applications, invoices, or reports. An awardee may also be required to open its business records for on-site inspection and audit by the Accounting Office or its authorized agents for purposes of verifying the accuracy of any information included in the awardee's applications, invoices, and reports.

Certified and pre-certified facilities must notify the Energy Commission in a timely manner of any material changes in information previously submitted to the Energy Commission. A facility failing to do so risks losing its certification status. Any changes affecting the facility's certification status should be reported on an amended CEC-RPS-1 form. If there are any changes to the status of a facility's certification, the new information will be posted on the Energy Commission's website and any affected utility contracting with that facility will be promptly notified.

I am an authorized employee of (specify utility) _____

hereby submit this application on behalf of facility owner for certification as a renewable facility eligible for California's RPS or certification as eligible for California's RPS and SEPs. I have read the above information as well as the Renewables Portfolio Standard Eligibility Guidebook, the Overall Program Guidebook for the Renewable Energy Program, and the New Renewable Facilities Program Guidebook and understand the provisions and my responsibilities. I acknowledge that the receipt of any certification approval from the California Energy Commission is conditioned on the acceptance and satisfaction of all program requirements as set forth in the Renewables Portfolio Standard Eligibility Guidebook and the Overall Program Guidebook for the Renewable Energy Program. I declare under penalty of perjury that the information provided in this form and attachments is true and correct to the best of my knowledge.

Applicant Name: _____

Applicant Title: _____

Signature: _____

Date Signed: _____

CEC-RPS-2

Utility Application for Certification of Renewable Facility
California Renewables Portfolio Standard Program

PAGE 6 - INSTRUCTIONS

Line Number
Used to distinguish multiple certifications.

Facility Name
Specify the name under which the facility will be certified and that will appear on the facilty's certificate of eligibility issued by the Energy Commission.

Type of Certification Requested:
Pre-certification - applies to developers of renewable facilities that are not yet on-line but who are seeking a preliminary determination that their facility will be eligible for the RPS and/or SEPs.
Certification - applies to renewable facilities that are on-line who wish to establish eligibility for the RPS and/or SEPs.
Amended - applies to facilities already certified as eligible for the RPS and/or SEPs that have undergone material changes since being certified (for example, change of ownership, size of facility, etc.). Facilities that do not notify the Energy Commission in a timely manner of material changes face disqualification.
Renewal - certification must be renewed every two years to ensure that facilities remain eligible for the RPS.

Date of Certification - For amended applications or applications for renewal, please specify the most recent certification date shown on the facility's certificate issued by the Energy Commission.

Physical Address
If no physical address exists, attach the legal description of the facility location.

If Facility is Located Out-of-State
Please check this box if the facility is located out-of-state, and attach documentation showing that the facility meets all criteria for out-of-state facilities described in the *Renewables Portfolio Standard Eligibility Guidebook*, pages 16-17.

Other Names Used by Facility
Please list all names previously used in the past by the facility, or specify if the facility is part of a group of facilities collectively known by one name. This information will help the Energy Commission to cross-reference facilities listed under multiple names and ensure that there is no double counting of facilities.

Other Identification Numbers
Facilities may have one or more identification numbers already assigned by the CEC or other organizations. Please provide information per facility as applicable.

QFID - Refers to the unique identifier assigned by the utility contracting for power from the facility.
CEC-REP - Refers to the CEC ID# issued under the Renewable Energy Program.

CEC-RPS - Refers to the CEC ID# issued under the Renewables Portfolio Standard, if this application is an amendment or renewal.
CEC-Other - Refers to ID#s issued by the CEC for the programs other than the Renewable Energy Program or the Renewables Portfolio Standard Program, or for other purposes.
EIA - The number assigned by the Energy Information Administration and used by the facility to report monthly generation data the EIA.
ISO - The number assigned to the facility by the California Independent System Operator.
Other - Please list any other identification numbers used by the facility.

Technology
Please specify one or more of the following:
• Biodiesel
• Biomass
• Digester Gas
• Fuel Cell
• Geothermal
• Incremental Geothermal
• Hydropower (pumped storage hydropower must meet requirements shown in the Renewables Portfolio Standard Eligibility Guidebook, page 16.
• Landfill Gas
• Municipal Solid Waste Combustion - A facility that directly combusts MSW to produce electricity is only eligible for the RPS if it is located in Stanislaus County and was operational prior to September 26, 1996. Applicants for combustion facilities must submit documentation to the Energy Commission demonstrating that the facilities meet these requirements. The generation from such facilities is eligible for the RPS only to initially establish or adjust an IOU's baseline quantity of eligible renewable energy resources. Generation from these facilities does not qualify for SEPs.
• Municipal Solid Waste Conversion (must meet criteria shown in the *Renewables Portfolio Standard Eligibility* Guidebook, pages 13-14.)
• Photovoltaic
• Solar Thermal Electric
• Wind
• Hybrid System (please elaborate)
• Other (please elaborate)

Supplemental Information
Please submit the required supplemental information, as discussed in detail in the *Renewables Portfolio Standard Eligibility Guidebook*, pages 21-30, for facilities in the following categories:

• Repowers, all technologies
• Out-of-State Power
• Hybrid Systems
• New Hydropower
• New Biomass
• Municipal Solid Waste
• Incremental Geothermal

Percentage of Fossil Fuel Used, If Any
A facility that uses some portion of fossil fuel may be considered a hybrid facility if the facility uses more than a designated percentage of fossil fuel. Please refer to the *Renewables Portfolio Standard Eligibility Guidebook*, page 15.

• For facilities that began commercial operation before 1-1-02: all generation is eligible for the RPS as long as the percentage of fossil fuel used does not exceed 25 percent of the total energy input of the facility during a given calendar year.
• For facilities that began commercial operation after 1-1-02:
- All generation from facilities using up to 2% fossil fuel may be eligible for the RPS
- For facilities that use more than 2% fossil fuel, only the renewable portion of the electricity production may qualify for the RPS, and not until an appropriate tracking system for such electricity production is developed.

Nameplate Capacity (in megawatts)
Please enter the nameplate capacity of the entire facility.

Facility Contact
The facility contact is the contact person for any questions about the technical information about the facility submitted in the application for certification.

Date of Facility Operation (mm-dd-yyyy)
For facilities that are already on-line, enter the date the facility began commercial operations, defined as the date on which a renewable energy facility first delivers power for sale to the procuring retailer seller (consistent with the facility's power purchase contract with the retailer seller).

For facilities that are not yet on-line, enter the date the facility is anticipated to begin commercial operations as defined above.

Location of WECC Interconnection
The WECC interconnection is the substation where radial lines from the facility interconnect/will interconnect to WECC-controlled transmission. See the delivery requirements in the *Renewables Portfolio Standard Eligibility Guidebook*, page 18.

Name of Person completing form, Title, Phone, E-mail
Please enter the name and contact information for the person completing the form in case the Energy Commission has questions about information submitted on the form.

Appendix B
ACRONYMS

APT	—	annual procurement target
CA ISO	—	California Independent System Operator
CCA	—	community choice aggregator
CIWMB	—	California Integrated Waste Management Board
CPUC	—	California Public Utilities Commission
DG	—	distributed generation
ESP	—	electric service provider
IOU	—	investor owned utility
kWh	—	kilowatt-hour
LFG	—	landfill gas
MSW	—	municipal solid waste
MW	—	megawatt
mWh	—	megawatt-hour
NERC	—	North American Electricity Reliability Council
NRFP	—	New Renewable Facilities Program
PGC	—	Public Goods Charge
PG&E	—	Pacific Gas and Electric Company
PUC	—	Public Utilities Code
PV	—	photovoltaic
REC	—	Renewable Energy Credit
REP	—	Renewable Energy Program
RPS	—	Renewable Portfolio Standard
SB	—	Senate Bill
SCE	—	Southern California Edison Company
SDG&E	—	San Diego Gas and Electric Company
SEP	—	supplemental energy payments
SWRCB	—	State Water Resources Control Board
WECC	—	Western Electricity Coordinating Council

Appendix C
Summary of RPS Reporting Requirements

Reporting Party	Reporting Requirement	Due Date
Facility	Certification/ Pre-certification, CEC-RPS-1	Anytime
Out-of-State Facility	Compliance documentation of the NERC tag requirement	May 2, 2005 and annually thereafter
New or Repowered Biomass Facility (or Biodiesel facility using biomass)	Annual attestation from fuel supplier(s) stating verifying ongoing compliance with fuel requirements	February 15, 2005 and annually thereafter
Facility or IOU	Renewal of Certification/Pre-certification	Once every two years. Facilities certified in 2004 must renew in January 2007. Facilities certified in 2005 must renew in January 2008 and so forth.
Facility or IOU	Amendment of Certification/ Pre-certification (form to be developed)	As needed
Facility or IOU	IOU or third party-verified monthly meter read of facility generation reported annually to the Energy Commission	May 2, 2005 and annually thereafter until data are reported through WREGIS
IOU	Report on Procurement, CEC-RPS-Track	June 15, 2004, and May 2, 2005 and annually thereafter until data are reported through WREGIS
IOU	Utility Certification for Pre-Existing Contracts, CEC-RPS-2	Anytime until contract expires or is voluntarily re-negotiated