

Memorandum

To: MELISSA JONES
Executive Director

Date: June 6, 2011

From: **California Energy Commission** Panama Bartholomy, Deputy Director
Efficiency and Renewable Energy Division
1516 Ninth Street
Sacramento CA 95814-5512

Subject: **BUSINESS MEETING JUNE 15, 2011 – COMMISSION CONSIDERATION
AND POSSIBLE APPROVAL OF RENEWABLE ENERGY PROGRAM
RENEWABLES PORTFOLIO STANDARD 2007 PROCUREMENT
VERIFICATION REPORT**

Summary of Item

Senate Bill 1078 (Sher, SB 1078, Chapter 516, Statutes of 2002) directs the California Energy Commission to design and implement a tracking system to verify procurement with the Renewables Portfolio Standard (RPS).

The *Renewables Portfolio Standard 2007 Procurement Verification Draft Commission Report (2007 Verification Report)* presents the Energy Commission's findings on the amount of renewable energy procured by select retail sellers of electricity under California's RPS. This report presents RPS procurement verification findings for 14 retail sellers, including investor-owned utilities (large and multijurisdictional utilities) and electric service providers.¹ It also includes an update to Pacific Gas and Electric Company's 2004-2006 RPS procurement amounts and an update to PacifiCorp's 2005-2006 RPS procurement amounts.

While not legally mandated, verification reports are prepared as part of the Energy Commission's RPS responsibilities. Upon adoption of the *2007 Verification Report*, the Energy Commission transmits its RPS findings to the California Public Utilities Commission.

The report:

- Verifies RPS-eligibility of the renewable energy facilities from which each reporting retail seller procured energy and the associated renewables attributes.

¹ There are no small utilities or community choice aggregators reporting for 2007.

- Verifies, to the extent possible, that the amount of energy procured by each retail seller was sufficiently covered by each RPS-eligible facility.
- Verifies, to the extent possible, that RPS procurement exclusively serves California's RPS and does not support another renewable energy regulatory or market claim
- Indicates the eligible and ineligible RPS procurement claims per retail seller and the total amount of eligible RPS procurement.
- Verifies that out-of-state renewable facilities satisfy the Energy Commission's RPS delivery requirements.
- Provides analysis of RPS-eligible claims, including availability of generation data for verification, RPS-eligible procurement by resource type, and procurement from new and repowered facilities.
- Discusses the limitations of the Interim Tracking System.

On January 31, 2011, Energy Commission staff held an RPS procurement Verification Data Review Workshop to publicly present the initial results of the 2007 procurement verification process. Several entities provided public comments following the workshop. Staff considered these public comments when preparing the draft staff report.

On April 14, 2011, the staff draft version of the *2007 Verification Report* was posted for public comment. Following the April 2011, public review period, PacifiCorp and Southern California Edison Company (SCE) submitted comments regarding their 2007 RPS procurement claims. Also, SCE submitted revised 2007 RPS procurement claims, as a result of its discussions with Energy Commission staff. As appropriate, staff incorporated these stakeholder comments and revised RPS procurement claims, including an update to findings on SCE's procurement. These changes are reflected in the *2007 Verification Report*.

The *2007 Verification Report* (Publication # CEC-300-2011-002-CMD) was posted on the Energy Commission's website on May 27, 2011.

Project Manager

Gina Barkalow, Renewable Energy Office

Summary of Staff Position

Staff recommends the adoption of the *2007 Verification Report*.

Oral Presentation

Staff will be prepared to discuss this recommendation and to respond to questions regarding this item.

Business Meeting Participants

Gina Barkalow, Renewable Energy Office

Commission Action Requested

Energy Commission staff request that the Energy Commission approve the adoption of the *2007 Verification Report*.

Panama Bartholomy, Deputy Director
Efficiency and Renewable Energy Division