PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
505 VAN NESS AVENUE
SAN FRANCISCO, CALIFORNIA 94102

MICHAEL R. PEEVEY
PRESIDENT

TEL: (415) 703-3703
FAX: (415) 703-5091

California Energy Commission
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March 4, 2014

Robert B. Weisenmiller, Ph.D., Chair
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

Dear Chairman Weisenmiller:

I am writing in regards to the proposed final conclusions issued April 5, 2013 in the Energy Commission's Emission Performance Standard Rulemaking (Docket 12-OIR-1). I concur with your recommendation not to lower the EPS below the current level of 1,100 lbs CO_2/MWh. The data provided by the Sierra Club and NRDC in their comments indicate that market forces have been sufficient to incentivize construction of combined cycled natural gas generators with emission rates significantly below the current standard. Thus, it appears that reducing the EPS rate to the 825 lb to 850 lb/MWh range suggested by Sierra Club and NRDC would provide little, if any, additional GHG emission abatement benefit.

However, an EPS as low as the suggested range may have unintended consequences if fast-ramp combined cycle units, which may be needed for renewable energy integration, have difficulty meeting such a stringent standard, at least in certain locations or in certain configurations. We cannot take our responsibility to maintain grid reliability lightly, and we should proceed cautiously before adopting regulations that create obstacles to building the type of plants we may need in the future to integrate increasing shares of renewable energy on the grid.

Please let me know if there is some way that I can be of further assistance to you and the Energy Commission.

Sincerely,

Michael R. Peevey
President