



# California Energy Commission Renewables Portfolio Standard Implementation

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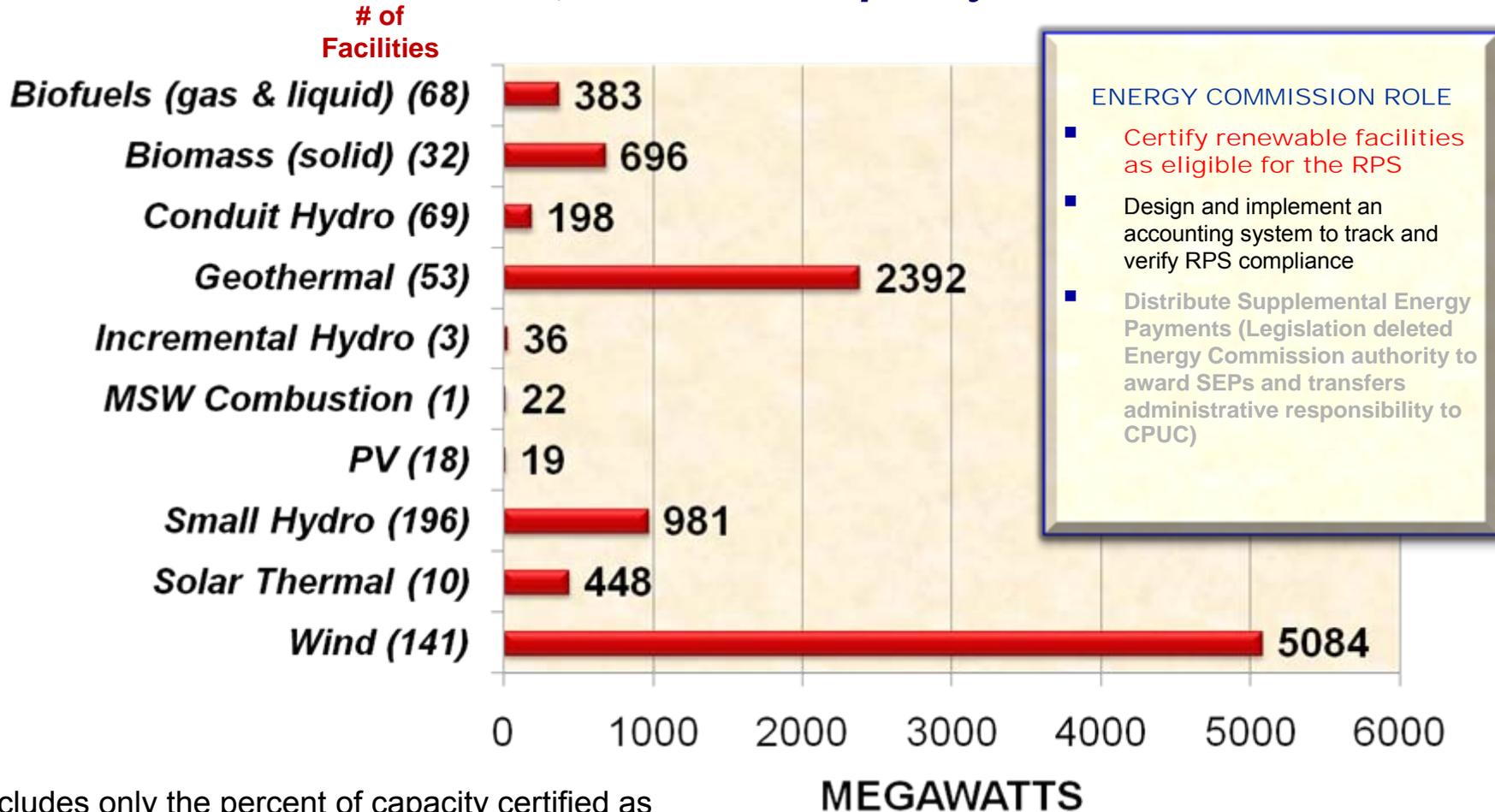
# Energy Commission Role in RPS Implementation

- **Certify renewable facilities as eligible for the RPS**
  - IOUs, ESPs, and CCAs must meet their annual RPS procurement targets with generation from RPS-certified facilities.
  - POUs are encouraged to meet their RPS targets with RPS-certified facilities, but POUs may set their own targets and eligibility requirements.
- **Design and implement an accounting system to track and verify RPS compliance**
  - Participation in the Energy Commission's tracking and verification system is required in order to be eligible for RPS certification.
- **Distribute Supplemental Energy Payments (Legislation deleted Energy Commission authority to award SEPs and transfers administrative responsibility to CPUC)**



# RPS Certified Facilities Online

*Facilities certified as RPS eligible represent more than 10,260 MW of capacity.\**



\*Includes only the percent of capacity certified as RPS eligible. Data as of December 2009.



# What is the **W**estern **R**enewable **E**nergy **G**eneration **I**nformation **S**ystem?

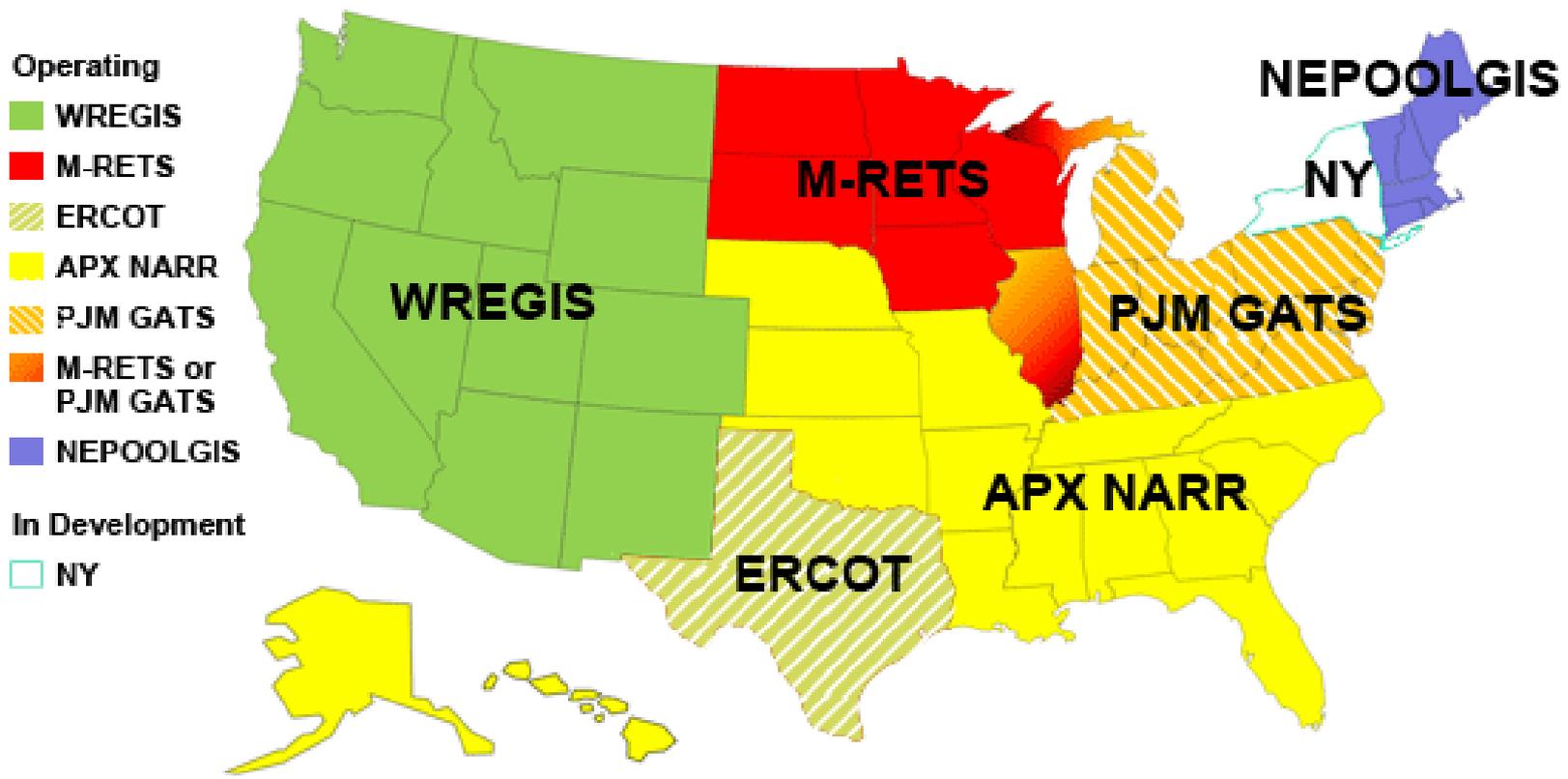
**WREGIS tracks renewable generation to help ensure the credibility of the "green" value of renewable electricity**

- WREGIS is a voluntary, independent renewable energy registry and tracking system for the Western Interconnection transmission area
- WREGIS was launched in June 2007
- Retail sellers and renewable facilities participating in California's RPS are required to register with and use WREGIS. POUs can opt to use WREGIS to track their RPS energy.

#### ENERGY COMMISSION ROLE

- Certify renewable facilities as eligible for the RPS
- Design and implement an accounting system to track and verify RPS compliance
- Distribute Supplemental Energy Payments (Legislation deleted Energy Commission authority to award SEPs and transfers administrative responsibility to CPUC)

# Attribute Tracking Systems\*



Note: Tracking systems are geographically approximate and do not precisely coincide with state boundaries.

Source: <http://www.epa.gov/greenpower/gpmarket/tracking.htm>

\*Map shown here does not include Canadian provinces or Mexico. WREGIS includes Alberta, British Columbia and the northern portion of Baja Mexico. M-RETS includes Manitoba.



# WREGIS Basics

- Generators, retail sellers, marketers, and others may open WREGIS accounts -- functionality varies by user
- For each MWh of renewable energy generated and reported, one WREGIS Certificate (a.k.a. “REC”) is issued.
  - Certificates must be transferred within your own account or to the accounts of others
  - Certificates must be retired to show compliance with state/provincial regulatory or voluntary programs
- Provides mechanism to account for RECs from small renewable DG systems, enabling their inclusion into renewable programs.
- WREGIS provides reports for the public, users, and program administrators



# RPS Procurement Verification Process

- Energy Commission prepares an RPS Procurement Verification Report to present the results of verifying retail sellers' annual RPS claims. The process includes analysis of RPS procurement claims, including verification of:
  - The eligibility of the renewable facilities for all of the retail sellers' RPS procurement claims.
  - The amount of energy generated from each RPS-eligible facility that is claimed by retail sellers for RPS.
  - That RPS procurement claims exclusively serve California's RPS and are not double-counted.
  - That out-of-state facilities satisfy the Energy Commission's RPS energy delivery requirements.
- The CPUC uses the Verification Report and applies its flexible compliance rules to assess RPS compliance for retail sellers.
- Energy Commission will use WREGIS reports in the verification process beginning with the 2008 compliance year.



## POUS' RPS Procurement

- POUs play critical role in meeting state's RPS goals
- To track efforts of POUs in meeting their RPS requirements, Energy Commission developed database of RE deliveries, solicitations, and contracts signed since 2002, with an update planned for 2010. Status updates on POU RPS procurement information also included in Energy Commission's IEPR.



# POUs' RPS Targets and 2008 Procurement

*Publicly owned utilities must establish an RPS that meets the intent of the mandate for retail sellers, and must report their progress to their customers and to the Energy Commission.*

	2008	Target			2008	Target	
Anaheim	6.3%	20%	2015	Redding	27.7%	20%	2017
Burbank	1.3%	33%	2020	Riverside	9.3%	33%	2020
Glendale	13.9%	20%	2017	Roseville	18.3%	20%	2017
Imperial	7.9%	30%	2020	SMUD*	19.7%	33%	2020
LADWP	7.2%	35%	2020	SVP	27.8%	20%	ongoing
Modesto	11.5%	20%	2017	Turlock	4.4%	20%	2017
NCPA	38.0%	various		Vernon	1.7%	20%	2017
Pasadena	13.2%	20%	2017				

Sources: California Energy Commission, Staff Assessment of POU Resource Adequacy and Electricity Resource Plans, presentation by Jim Woodward, August 6, 2009.

\*SMUD data: SMUD website, Community and Environment, [www.smud.org/en/community-environment/climate-change/pages/index.aspx](http://www.smud.org/en/community-environment/climate-change/pages/index.aspx)



# 2009 Integrated Energy Policy Report

## Final Committee Report

Major challenges continue to exist for renewable development and moving the state to 33% renewables by 2020

- Difficulty integrating large amounts of renewable energy into the electricity system.
- Uncertainty on timeline for meeting RPS goals.
- Environmental concerns with development of renewable facilities and associated transmission.
- Difficulty securing project financing.
- Delays and duplication in siting processes.



# 2009 Integrated Energy Policy Report

## Final Committee Report (cont'd.)

- Time and expense of new transmission development.
- Cost of renewable energy in fluctuating energy market.
- Maintaining state's existing baseline of renewable facilities.

Source: *2009 Integrated Energy Policy Report*, Final Committee Report, December 2009,  
[www.energy.ca.gov/2009publications/CEC-100-2009-003/CEC-100-2009-003-CTF.PDF](http://www.energy.ca.gov/2009publications/CEC-100-2009-003/CEC-100-2009-003-CTF.PDF)



## 2009 IEPR Final Committee Report **KEY RECOMMENDATIONS**

- Continue the cooperative work among state agencies to implement a 33% renewable policy that applies to all load serving entities and retail providers.
- Reduce regulatory uncertainty with legislation to codify the 33% renewable target.
- Implement measures to accelerate permitting of new renewables and associated transmission.
- Address barriers to the expansion of biopower, including regulatory hurdles and project financing, and encourage R&D to reduce costs for biomass conversion, biopower technologies, and environmental controls.
- Identify solutions to integrate increasing levels of energy efficiency, smart grid infrastructure, and renewable energy while avoiding surplus generation.