

Renewables Committee Workshop

RPS Verification Report

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RPS Verification Report

- SB 1078 requires the Energy Commission to implement a tracking system to verify RPS procurement.
- The RPS Verification Report aims to verify procurement.
- Prepared in collaboration with the CPUC.
- Does not determine compliance with RPS targets.
- This report will be prepared and transmitted to the CPUC annually.



Purpose of the RPS Verification Report

- Verify eligibility and procurement of renewable resources.
- Apply statutory requirements and CPUC rules to identify incremental procurement and annual procurement.
- Compare the CPUC's targets for each IOU with the Energy Commission's findings for how much procurement is RPS-eligible.
- Verify if out-of-state facilities met deliverability requirements.
- Quantify the amount of incremental geothermal.



Methodology

- An “interim tracking system” was used.
- This system will be replaced by WREGIS (Western Renewable Energy Generation Information System) in mid-2007.
- Compares procurement with generation.
- Compares procurement from the same facility with that of other retail sellers to check that energy is not double-counted.



Sources of Data

- Procurement data reported by PG&E, SCE, and SDG&E on CEC-RPS-Track forms.
- Procurement data also reported to the Power Source Disclosure Program in which 30 retail providers including PG&E, SDG&E, and SCE submitted Annual Reports.
- Generation data from:
 - Energy Commission (Renewables and PIER Programs along with CEC-1304)
 - CEC-RPS-GEN filings from individual facilities
 - Energy Information Administration
 - Western States Tracking System
 - IOU invoices if the aforementioned generation data indicated that procurement exceeded generation by 5 percent or more



Changes in Methodology

- **Reflects the CPUC October 2006 Decision on Accounting Rules (D. 06-10-050, R.06-05-027) including:**
 - Introduces Initial Baseline Procurement Amount which serves as baseline for future RPS targets.
 - First year of APT is 2004.
 - Incremental Procurement Target (IPT) is not a standalone target.
 - The analysis for the 2004 procurement is revised to reflect D.06-10-050, R.06-05-027.

- **Excludes the following Procurement:**
 - Facilities without RPS Certification.
 - If generation data indicates that procurement exceeds generation by 5 percent or greater.
 - Procurement from distributed generation facilities.



Limitations of Interim Tracking System

- Procurement not checked in states other than CA, OR, and WA.
- No means to cross-check with unbundled Renewable Energy Credit (REC) sales.
- Availability of Generation Data
 - Generation Data is Self-Reported.
- Identified generation data for 73 percent of facilities but for 99 percent of RPS-certified procurement.
- Asked for and received invoices from utilities in which procurement exceeded generation by 5 percent or more.
- In some cases, generation exceeded procurement by 5 percent or more.
 - Excess generation may be sold to another party.
 - Difficulty in identifying facilities.



Initial Baseline Procurement Amounts (MWh)^a

Utility	2001 Retail Sales	1% of 2001 Retail Sales	2001 RPS-Eligible Procurement	2003 Initial Baseline Procurement Amount
PG&E	75,320,000	753,200	6,719,480	7,472,680
SCE	74,806,895	748,069	11,056,099	11,804,168
SDG&E	14,998,806	149,988	145,760	295,748

^a The 2003 Initial Baseline Procurement Amount equals 2001 RPS-eligible procurement plus 1% of 2001 total retail sales.



IOU Progress in Meeting the RPS for 2004 (MWh)^a

Utility	Annual Procurement Target (APT) ^b	Procurement Reported by the IOU on their 2004 CEC-RPS-Track	Procurement Estimated by the Energy Commission To Count Towards the APT	Total Procured in Excess of APT	Incremental Procurement Target (IPT) ^b	Total Incremental Procurement	Total Procured in Excess of IPT
PG&E	8,183,674	8,559,270	8,544,726	361,052	710,994	1,072,046	361,052
SCE	12,510,338	13,247,500	13,247,474	737,136	706,170	1,443,306	737,176
SDG&E	446,187	677,966	677,852	231,665	150,439	382,104	231,665

^a The procurement claimed towards the APT and the IPT does not include any banking nor carryover from previous years.

^b The CPUC sets both the Annual Procurement Target (APT) and the Incremental Procurement Target (IPT) for PG&E, SCE, and SDG&E.



IOU Progress in Meeting the RPS for 2005 (MWh)^a

Utility	Annual Procurement Target (APT) ^b	Procurement Reported by the IOU on their 2005 CEC-RPS-Track	Procurement Estimated by the Energy Commission To Count Towards the APT	Total Procured in Excess of APT	Incremental Procurement Target (IPT) ^b	Total Incremental Procurement	Total Procured in Excess of IPT
PG&E	8,919,837	8,650,362	8,650,358	(269,479)	736,163	466,684	(269,479)
SCE	13,239,972	12,929,722	12,924,395	(315,577)	729,634	414,057	(315,577)
SDG&E	604,303	825,366	825,366	221,063	158,116	379,179	221,063

^a The procurement claimed towards the APT and the IPT does not include any banking nor carryover from previous years.

^b The CPUC sets both the Annual Procurement Target (APT) and the Incremental Procurement Target (IPT) for PG&E, SCE, and SDG&E.



IOU Renewable Procurement in 2005 from RPS-Certified Facilities

Utility	Number of Purchases	RPS Procurement (MWh)
PG&E	225	8,650,358
SCE	181	12,924,395
SDG&E	20	825,366
Totals	426	22,400,119



Availability of Generation Data

Utility	Procurement Verified with Generation Data		Procurement for which Generation Data was not Available	
	Number of Specific Purchases	Energy Procured (MWh)	Number of Specific Purchases	Energy Procured (MWh)
PG&E	153	8,483,857	72	166,501
SCE	144	12,747,854	37	176,541
SDG&E	14	791,232	6	34,134
Totals	311	22,022,943	115	377,176



Comments are due by Monday, March 19.

For More Information:

<http://www.energy.ca.gov/portfolio/>

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