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DOCKET
03-RPS-1038
DATE SEP 10 2010
RECD. SEP 10 2010

September 10, 2010

California Energy Commission
Re: Docket numbers 02-REN-1038
and Docket number 03-RPS-1078
RPS Proceeding
1516 Ninth Street
Sacramento, CA 95814-5504

RE: California Energy Commission Fourth Edition Draft of the RPS Guidebook. Comments of Rob Roush, BP Energy Company.

Attachment B: Questions Concerning Possible Changes to the Renewables Portfolio Standard Eligibility Guidebook.

Subsection 3. Biogas Delivery via Injection into the Natural Gas Pipeline System.

Responses to Questions a., c. and d.

Question a. Should the Energy Commission consider further restricting the location of eligible biogas production facilities to participate in the California's RPS? If so, Please suggest reasonable and verifiable parameters.

Answer to Question a. The CEC should allow RPS eligible renewable energy to be generated from biogas anywhere within the WECC.

Question c. Should the use of storage facilities be disallowed in the delivery of biogas to a RPS-eligible biogas electricity generation facility? If yes, why and under what conditions?

Answer to Question c. Natural gas storage facilities are an integral part of the interstate natural gas pipeline delivery system. There is no reason to exclude the storing of biogas along the transportation path to California. Care must be taken to not double count the storage of biogas. This can be accomplished by maintaining a biogas storage inventory balance which accounts for injections and withdrawals of biogas from a particular storage reservoir.

Question d. Should the use of natural gas storage facilities to store biogas in a natural gas pipeline system be treated differently than the transportation of biogas through a natural gas pipeline system? If yes, please explain.

Answer to Question d. Pipeline transportation agreements typically have imbalance tolerances in accordance with the tariff of such pipeline. To the extent a particular pipeline tariff allows for bank imbalances, then "positive" banking of biogas on a transportation imbalance should be allowed by the CEC. However, it does not make sense to "negatively" draft a biogas imbalance from a transportation imbalance agreement. This would be counting biogas that has yet to be received by a particular pipeline.