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STATE OF CALIFORNIA
BEFORE THE
CALIFORNIA ENERGY COMMISSION

In the matter of: Implementation of Renewables Portfolio Standard Legislation and Implementation of Renewables Investment Plan Legislation	Docket No. 03-RPS-1078 Docket No. 02-REN-1038 **RPS Proceeding**

COMMENTS OF enXco, INC. ON PROPOSED CHANGES TO *RENEWABLES PORTFOLIO STANDARD GUIDEBOOK* AND *OVERALL PROGRAM GUIDEBOOK*

Paul J. Kaufman
Executive Vice President and
Acting General Counsel
enXco, Inc.
15445 Innovation Drive
San Diego, California 92128-3432
E-Mail: Paul.Kaufman@enXco.com
Tel: (858) 521-3300
Fax: (858) 521-3333

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In response to the August 16, 2010 Notice of Staff Workshop ("Notice") on Proposed Changes to the *Renewables Portfolio Standard Eligibility Guidebook* and the *Overall Program Guidebook for the Renewable Energy Program* ("Guidebooks"), enXco, Inc. submits the following written comments on Staff's proposed changes to the Guidebooks. These comments address the California Energy Commission ("Commission") Staff's proposed changes concerning biogas eligibility.

enXco supports Staff's proposed changes to both the *Eligibility Guidebook* and the *Overall Program Guidebook* concerning biogas eligibility. In particular, enXco supports the proposed change to the definition of biogas in the *Overall Program Guidebook* that would clarify that biogas includes both digester and landfill gas. Coupled

with the clarifications to the acceptable methods of transporting biogas, and the eligibility of biogas to be delivered to an RPS-eligible electric generating facility located within the Western Electricity Coordinating Council, but outside California, these proposed changes provide valuable clarifications to eligibility requirements for biogas.

In addition to the specific proposed changes set forth in the Guidebooks, Staff asked for input on several issues that are not part of the current proposed revisions, but might become part of subsequent revisions. Those questions are set forth in Attachment B to the Notice. To that end, enXco provides the following comments on Staff's questions concerning biogas delivery via injection into the natural gas pipeline system.

The questions concerning biogas delivery raise the possibility of imposing additional restrictions on such delivery. Imposing any additional restrictions on biogas delivery would be counterproductive; that is, it would inhibit the development of biogas generation facilities while providing no other benefits. Both the Commission and the Governor have engaged in extensive efforts to encourage the development of biogas facilities to meet California's Renewables Portfolio Standard ("RPS") requirements. Biogas facilities avoid intermittency issues to which other forms of renewable energy are subject, and biogas can be stored, allowing biogas to be used to meet peak loads. Imposing further limitations on biogas eligibility is unwarranted, and would do nothing but make it more difficult for California to meet its RPS goals.

Attachment B asks whether the Commission should consider further restricting the location of eligible biogas production facilities to participate in California's RPS. enXco opposes such a restriction. The location of biogas production facilities are already limited as a practical matter by the extent of the natural gas pipeline system and by

transportation costs. Furthermore, biogas generation facilities are subject to the same location and delivery requirements as other sources of renewable generation, and there is therefore no need to impose additional location restrictions on the production facilities.

Attachment B also asks whether the use of storage facilities should be disallowed in the delivery of biogas, or whether the use of storage facilities to store biogas should be treated differently than the transportation of biogas through the natural gas pipeline system. enXco opposes any additional restrictions on the use of storage facilities, or treating the use of those storage facilities as distinct from the use of transportation facilities. The ability to store biogas distinguishes it from other sources of renewable energy, and is one of the principal benefits of using biogas. Like restrictions on the location of biogas production facilities, limiting or penalizing the use of storage would inhibit California's ability to meet its RPS goals while providing no benefit.

enXco thanks Staff for the opportunity to provide written comments on these issues, and looks forward to providing additional input as Staff moves forward with additional revisions to the Guidebooks.

Respectfully submitted,

/s/PAUL J. KAUFMAN_____
Paul J. Kaufman
Executive Vice President and
Acting General Counsel
enXco, Inc.