



# 2007 RPS Procurement Verification Data Review

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Gina Barkalow

Renewable Energy Program

[gbarkalo@energy.state.ca.us](mailto:gbarkalo@energy.state.ca.us)

916-654-4057





# **Under the Renewables Portfolio Standard, the Energy Commission is charged with**

- Certifying eligible renewable resources;
- Designing and implementing an accounting system to verify Renewables Portfolio Standard (RPS) procurement;
- Establishing a system that protects against multiple counting of the same renewable energy credit (REC).



# RPS Procurement Verification Report

- The *RPS Procurement Verification Report (Verification Report)* presents the amount of eligible renewable energy procured each year by retail sellers of electricity towards meeting California's RPS procurement requirements.



# Methodology

## Interim Tracking System

To verify retail sellers' procurement claims are RPS eligible  
Energy Commission staff:

- Check that all claims are from RPS certified facilities.
- Compare all load serving entities' procurement claims from individual facilities to determine if there was sufficient generation for all procurement claims.
- Determine, to the extent possible, the claim was counted only once.
- Verify that procurement from out-of-state facilities satisfies RPS delivery requirements.

**In all cases, staff request supporting documentation as necessary.**



# Limitations of Interim Tracking System

- Difficulty in identifying correct facilities because sometimes different names are used for the same facility, or a facility has many generating units, but the data is reported under one facility.
- Generation may be sold to other parties not reporting to the Energy Commission.
- Collecting procurement, generation and supporting documentation from multiple sources is often subject to delays.



# Sources of Data for 2007

- Procurement data reported on CEC-RPS-Track forms
- Procurement data reported on SB 1305 Power Source Disclosure Program Annual Reports
- Voluntary REC information
- Generation data from
  - Generation reports provided to various Energy Commission programs
  - U.S. Energy Information Administration
  - Generating facilities
- Supporting documentation provided by retail sellers



# 2007 RPS Procurement Verification Report

- Staff identified approximately 40 claim issues, including some that were identified through collaboration with Green-e Energy's voluntary REC program.
- Staff resolved these issues with supporting documentation and, in some cases, the retail sellers corrected and re-filed their RPS claims.
- Two outstanding issues remain.



# 1) Procurement for energy-only is not RPS Eligible

- Southern California Edison Company's (SCE) procurement from Mountain View does not include the RECs.
- Energy procurement without the RECs is not RPS eligible.
- Some RECs are already accounted for in the voluntary REC market.
- In the *2006 Verification Report*, the Energy Commission determined the Mountain View claims were ineligible for the RPS.
- Staff identified SCE's 2007 Mountain View procurement as being ineligible for the RPS.



### **2) Fossil fuel use exceeded limit - fossil fuel amount is not RPS Eligible**

- The Colmac Energy Mecca (Colmac) is an RPS certified biomass facility and it receives Existing Renewable Facilities Program (ERFP) funding.
- The *RPS Eligibility Guidebook* states that for facilities participating in the ERFP and the RPS – the eligible annual fossil fuel limit is 5 percent.
- In 2007 Colmac exceeded the annual 5 percent fossil fuel limit and, consequently, the Energy Commission reduced its ERFP incentive payments to match the amount of fossil fuel used.



# 2) Fossil fuel use exceeded limit - fossil fuel amount is not RPS Eligible

- cont.

- For 2007, SCE claimed 100 percent of the generation associated with the Colmac facility for the RPS.
- Staff has identified the 2007 generation associated with Colmac's fossil fuel use as ineligible for the RPS.



# Public comments

- Parties may now provide comments.
- Please submit a blue card and your name will be called to speak.
- If you would like to participate via WebEx, please send a request to the coordinator.



# Concluding Remarks

**Thank you for your joining us.**

**Comments are due by Friday, February 11, 2011.**

For instructions on submitting comments, please refer to the Workshop Notice.

For More Information:

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

Gina Barkalow

(916) 654-4057

[gbarkalo@energy.state.ca.us](mailto:gbarkalo@energy.state.ca.us)