

Attachment A: Summary of Revisions to the RPS Eligibility Guidebook and Overall Program Guidebook

The following summarizes the proposed changes to the *Renewables Portfolio Standard Eligibility Guidebook* and the *Overall Program Guidebook for the Renewable Energy Program*, by section. The draft guidebooks, with staff's proposed changes shown in underline/strikeout format, will be available on the Energy Commission's Website at:

www.energy.ca.gov/portfolio/documents/index.html

Renewables Portfolio Standard Eligibility Guidebook

I. Introduction

- Introduces SB X1-2, and notes other changes in statute.
- Moves detailed information on RPS legislative history to new Appendix E.
- Adds information on regulations related to the RPS program such as the Power Source Disclosure Program and the regulations for publicly-owned electric utilities (POUs) that will result from SB X1-2.
- Outstanding Issues:
 - Deletes the subsection on Renewable Energy Credits (REC) Trading; information regarding REC trading is moved to Section II G: Unbundled Renewable Energy Credits.
 - Deletes the discussion on customer-side renewable distributed generation from this section; relevant information can now be found in Section II G: Unbundled Renewable Energy Credits.
 - Expands the discussion of storage facilities.
 - Updates the discussion of the 33 percent by 2020 implementation.

II. Eligibility

- RPS Targets: revises RPS targets and introduces compliance periods for retail sellers and POUs.
- Eligible Resources for the RPS: revises list of eligible renewable resources to include small hydroelectric generation larger than 30 MW. Revises criteria for facility location and discusses participation in WREGIS.
- Table 1: Updated to coincide with eligibility revisions in throughout the guidebook.
- Biogas: Deletes duplicative information.
- Pipeline Biomethane: Minimal changes were made to this section to update references. Notes that revisions to this section may be introduced in the next draft of the guidebook as a result of the September 20, 2011, Staff Workshop on Pipeline Biomethane.
- Hydroelectric: Incorporates the eligibility of existing small hydroelectric facilities up to 40 MW that are operated as part of a water supply or conveyance system. Moves the additional required information for hydroelectric facilities from the certification section to this section.

- Municipal Solid Waste Conversion: Moves the additional required information for Municipal Solid Waste Conversion facilities from the certification section to this section.
- Distributed Generation: This section has been deleted; relevant information from this section has been moved to Section II G: Unbundled Renewable Energy Credits.
- Renewable Facilities using Multiple Resources: Reorganized and revised to include changes pursuant to Assembly Bill 1954,¹ which revises the Energy Commission's authority to limit a de minimis amount of nonrenewable fuel used at RPS certified facilities that can count as RPS eligible.
- Repowered Facilities: This section is moved from the certification section and the definition of the prime generating equipment is revised for solar thermal facilities and small and conduit hydroelectric facilities.
- Out-of-State Facilities:
 - Revises exemptions for multijurisdictional utilities and POUs whose service territories are primarily located outside California.
 - Modifies the criteria for out-of-country facilities that must demonstrate that the facility's development or operation will not cause or contribute to a violation of a California environmental standard or regulation and will protect the environment to the same extent as a similar facility located in California.
 - Applies the additional required information for out-of-state facilities to precertification applicants when applicable.
 - Changes the eligibility requirements for out-of-state facilities that commenced commercial operations before January 1, 2005.
 - Moves the additional required information for out-of-state facilities from the certification section to this section.
- Energy Delivery Requirements: This section is deleted pursuant to SB X1-2.
- Unbundled Renewable Energy Credits:
 - Allows unbundled renewable energy credits (RECs) to be used for RPS compliance.
 - Allows the eligibility of renewable distributed generation facilities and does not exclude a facility's participation in a rate-payer funded incentive program or net metering in applying for RPS certification or precertification, although that information may still be gathered as part of the application process.
 - Addresses unbundled RECs tracked in WREGIS and from facilities that were RPS certified at the time of generation.

III. Certification

- The Energy Commission will no longer provide a delivery approval letter for facilities wishing to participate in the SGIP program.

¹ AB 1954, Chapter 460, Statutes of 2010. AB 1954 amends Section 399.2.5 and 399.12 of the Public Utilities Code.

- Provides details on the “eligibility date” or “beginning on date” for facilities, and revises requirements for certification regarding WREGIS.
- Provides a grace period for facilities serving POU to apply for RPS certification and count generation from January 1, 2011, if the Energy Commission receives an application for certification before July 1, 2012.
- Describes certification and pre-certification types, along with information on which form is appropriate; introduces the CEC-RPS-3 and CEC-RPS-4 forms.
 - The CEC-RPS-3 form allows small facilities to receive certification as part of an aggregated unit.
 - The CEC-RPS-4 form allows POU applicants to apply for the certification of more than one facility on a single form, if the facilities are all under contract with that POU.
- Describes the application process in detail.
- Deletes the section titled “Additional Required Information for Hydroelectric, Municipal Solid Waste Conversion, Out-of-State, and Repowered Facilities;” the information has been moved to the corresponding sections on eligibility.

Tracking and Verification

- Incorporates SB X1-2, including RPS tracking, reporting and verification for POU. Removes energy delivery data reporting and verification requirements beginning with January 2011.
- Allows POU to use the Interim Tracking System for tracking and reporting generation through June 2012; starting with compliance year 2013, POU must use WREGIS for tracking and reporting.
- Clarifies that with the 2011 compliance year, test energy not tracked in WREGIS may not be reported using the ITS and will not be counted toward retail sellers’ or POU’s RPS targets.
- Recognizes that the Energy Commission will prepare Verification Reports based on compliance periods and plans to have one Verification Report for retail sellers and one for POU.
- Clarifies that while SB X1-2 has compliance periods, retail sellers and POU must continue to report annually to the Energy Commission on the amount of RPS eligible electricity they procure per facility; reports will continue to be due to the Energy Commission on June 1 (or the next business day) of each year for reporting data for the previous calendar year.
- Deletes detailed instructions from Appendix A on how to use NERC E-tags to verify delivery.

Publicly Owned Electric Utilities

- This section is deleted; requirements for POU and facilities serving POU are included throughout the guidebook.

Forms

- Revises RPS forms to conform to changes in the *RPS Eligibility Guidebook*.

- Deletes the CEC-RPS-1A/B:S4 and S5 forms; the information collected by these forms is incorporated into the CEC-RPS-1A/B and the CEC-RPS-1A/B:S1 forms, respectively.
- Replaces the CEC-RPS-1A/B forms and all remaining supplemental forms with the CEC-RPS-1 form.
- Introduces the CEC-RPS-3 form for applications of aggregated facilities using a single RPS ID number.
- Introduces the CEC-RPS-4 form for the certification of facilities under contract with and delivering electricity to a POU as of January 1, 2012.

II. Overall Program Guidebook

The Overall Program Guidebook is revised to incorporate definitions pursuant to SB X1-2.

Glossary of Terms

Revises or adds the following terms:

- Annual procurement target
- Biomass
- California balancing authority
- Central station facility
- Distributed generation facility
- Distribution network
- Eligible renewable energy resource
- Localized electricity generation facility
- Local publicly owned electric utility
- Market price referent
- Multi-jurisdictional utility
- NERC e-Tag
- Procurement
- Procurement entity
- Project
- Renewable Energy Certificate (REC)
- Renewable energy public goods charge
- Renewables Portfolio Standard (RPS)
- Small hydroelectric
- Water supply and conveyance system