



## CALIFORNIA ENERGY COMMISSION

***Proposed Revisions to the***  
**RENEWABLES PORTFOLIO**  
**STANDARD ELIGIBILITY**  
**GUIDEBOOK**  
***and the***  
**OVERALL PROGRAM**  
**GUIDEBOOK for the**  
**RENEWABLE ENERGY PROGRAM**

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## Guidebook Revision Process

- Staff proposes revisions in response to new legislation, CPUC decisions, and lessons learned from program implementation.
- Staff holds workshop on October 21, 2011.
- Lead Commissioner draft guidebooks released for public comment on April 18, 2012.
- Public comments due May 2, 2012.
- Guidebooks become effective upon adoption.



## Currently Proposed Revisions are Primarily in These Categories

- Publicly Owned Electric Utilities
- Small Hydroelectric
- Onsite Generation & Unbundled RECs
- Multi-Fuel Facilities
- Out-of-State/Country Facilities
- Energy Delivery
- Certification Process
- Verification Process
- Appeal Process
- Glossary of Terms
- New and Revised Forms



## Outstanding Issues Identified in RPS Eligibility Guidebook

- **Storage:** identifies issues to be addressed before storage of renewable electricity can play a major role in California's RPS.
- **33% by 2020:** issues needing further exploration will be incorporated in future guidebooks.
- **Biomethane:** the March 2012 suspension will be in effect until lifted by the Energy Commission; references to biomethane are shaded in gray.
- **Precertification:** staff plans to consider in a future guidebook after further input from stakeholders.
- **Existing Renewable Facilities Program:** RPS treatment of former participating facilities will be addressed in a future guidebook



## New Legislation Affecting RPS Eligibility

- **Senate Bill X1-2 (2011)**
  - Revises the RPS procurement requirements and sets a goal of 33% of retail sales from renewables by 2020.
  - Requires the Energy Commission to adopt new RPS regulations specifying enforcement provisions of the RPS for California publicly owned electric utilities (POUs).



## New Legislation – cont'd

- **Assembly Bill 920 (2009)**
  - Provides for surplus net metering.
  - Requires utilities to develop a standard contract or tariff for eligible wind and solar generators up to one megawatt.



## New Legislation – cont'd

- **Assembly Bill 1954 (2010)**
  - Directs the Energy Commission to set the de minimis quantity of nonrenewable fuel use for each renewable technology at no more than 2% to count 100% for RPS. Allows adjustment up to 5%.



## RPS Eligibility for Electrical Generating Facilities

- Located in California **or**
- Near the CA border and 1<sup>st</sup> point of connection to the transmission network is a California balancing authority; **or**
- 1<sup>st</sup> point of connection to non-California BA, within WECC, **and**
  - Commences operations on or after 1-1-05; **or**
  - Commenced operations before 1-1-05, **and**
    - Electricity was procured as of 1-1-10, **or**
    - Incremental generation from expansion or repowering may be eligible.



## 33% by 2020 Compliance Periods and Procurement Targets for Retail Sellers and POU's

- **Compliance Period 2011 – 2013**
  - Quantities equal to average 20% of retail sales over compliance period ending December 31, 2013
- **Compliance Period 2014 – 2016**
  - Quantities at least 25% of retail sales by December 31, 2016
- **Compliance Period 2017 – 2020**
  - Quantities at least 33% of retail sales by December 31, 2020



## Portfolio Content Categories

### Portfolio Content Category 1

- Have a first point of interconnection with a California Balancing Authority or distribution facility serving CA customers; **or**
- Schedule into CBA without substituting electricity from another source; **or**
- Have agreement to dynamically transfer electricity to a CBA.



## Portfolio Content Categories

### Portfolio Content Category 2

- Provide firm and shaped electricity products providing incremental electricity and scheduled into a CBA.

### Portfolio Content Category 3

- Eligible electricity products, including unbundled RECs, that do not qualify under categories #1 or #2.

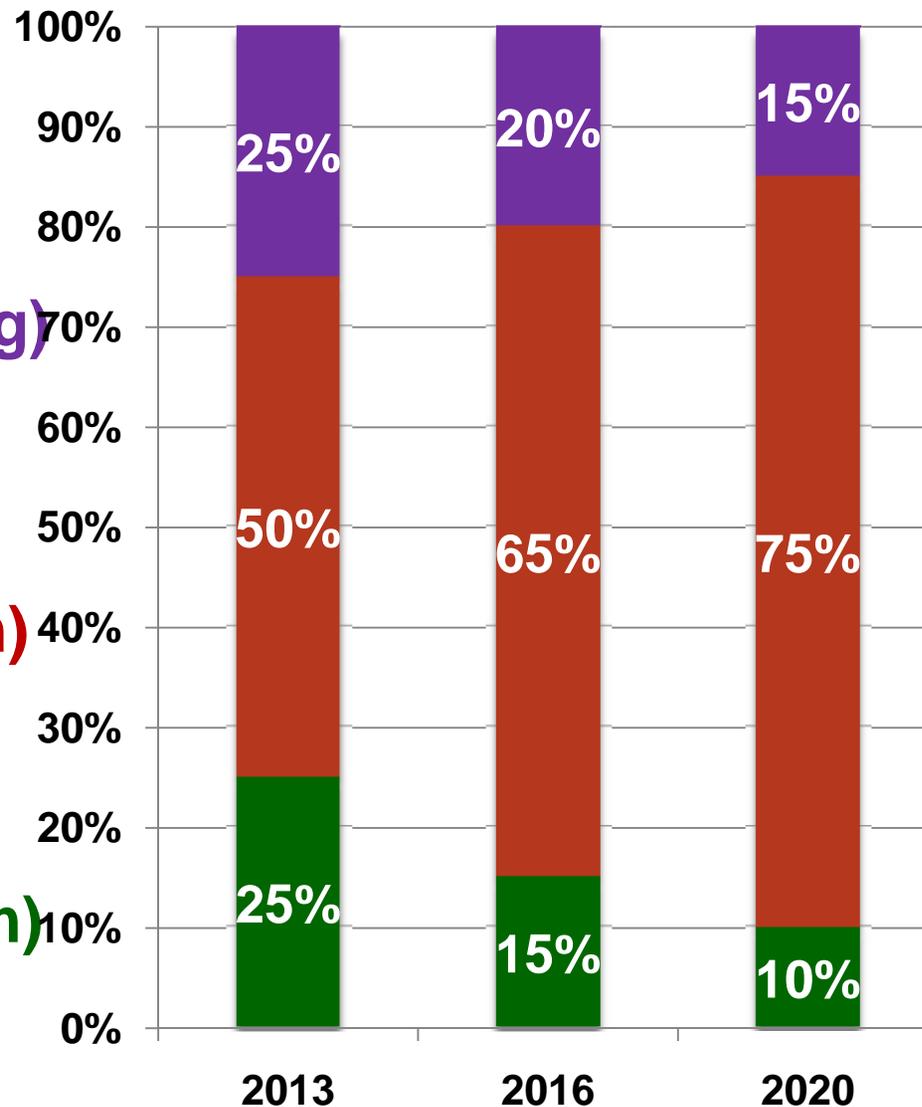


## Procurement Content Categories per Compliance Period

**Portfolio Content  
Category 2 (remaining)**

**Portfolio Content  
Category 1 (minimum)**

**Portfolio Content  
Category 3 (maximum)**





## RPS Eligibility Guidebook: *Proposed Revisions*

### Hydroelectric Facilities

- Implements SB X1-2 to allow RPS eligibility for an existing small hydroelectric unit up to 40 megawatts.
  - Must be part of a water supply or conveyance system.
  - Electricity procured by retail seller or POU by Dec. 2005.



## RPS Eligibility Guidebook: *Proposed Revisions*

### **Multifuel Facilities & De Minimis Nonrenewable Fuel**

- Facilities may use 2% de minimis nonrenewable fuels annually.
- Adjust up to 5% annually for 100% of the output to count as RPS eligible under certain conditions.
- De minimis nonrenewable fuels cannot exceed 10% annually.



## RPS Eligibility Guidebook: *Proposed Revisions*

### Repowered Facilities

- **Hydroelectric Facilities** - the entire turbine and structures directly supporting the turbine.
- **Solar Thermal Facilities** - the entire steam turbine and solar boiler.



## RPS Eligibility Guidebook: *Proposed Revisions*

### **Energy Delivery**

- Beginning January 1, 2011, the Energy Commission will no longer verify energy deliveries.

### **Facilities Located Outside USA**

- Environmental protection.

### **Unbundled Renewable Energy Credits**

- Requirements include:
  - Participation in WREGIS.
  - Meter rating of 2% or higher accuracy.
  - Only generation occurring after the certification's "beginning on date" is RPS-eligible.



## RPS Eligibility Guidebook: *Proposed Revisions*

# Certification Process & Facility Types

- Aggregated Facilities
- Facilities Serving POUs – Mass Certification
- Limited Certification
- Utility-Certified Facilities
- Special Precertification for POU-Related Facilities



## RPS Eligibility Guidebook: *Proposed Revisions*

### Tracking, Reporting & Verification

- Annual reporting will be required by June 1 for procurement retired for the previous calendar year.
- Reporting for 2011 is delayed.



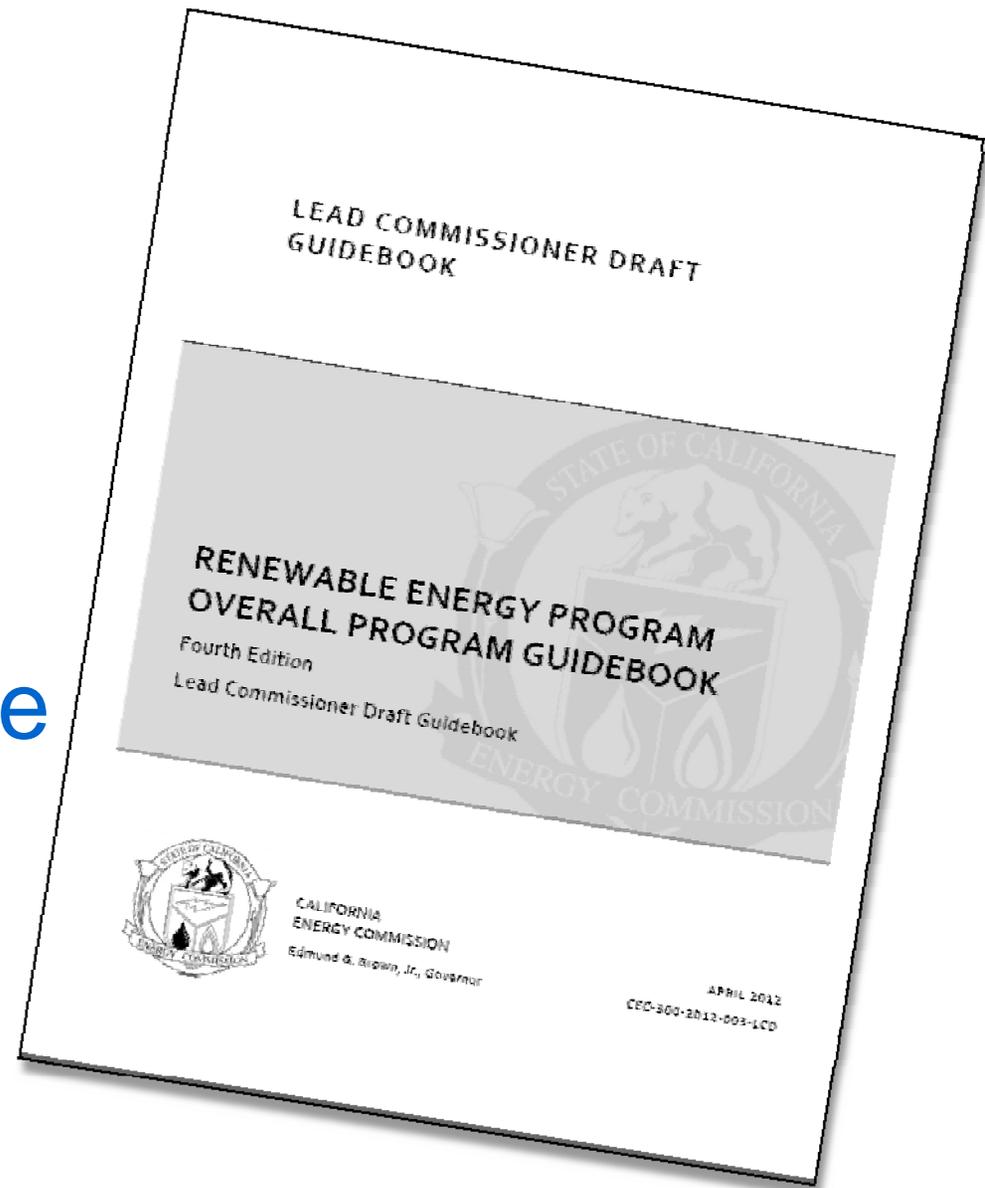
## RPS Eligibility Guidebook: *Proposed Revisions*



- Retail sellers must report procurement using WREGIS beginning with 2011 generation.
- After October 1, 2012, all load-serving entities must use WREGIS.



# Overview of Proposed Revisions to the Overall Program Guidebook for the Renewable Energy Program





## Overall Program Guidebook: *Proposed Revisions*

- **Designated Committee**
  - Revises various processes for considering actions from designated committee to the Executive Director.
- **Appeals**
  - Revises the process for appealing actions related to Renewable Energy Program funding, RPS certification, and dispute of funding award payments to incorporate a single, more centralized process using the Energy Commission's existing regulations for complaints and investigation.



## Overall Program Guidebook: *New Terms*

- Balancing Authority Area
- California Balancing Authority
- Central station facility
- Distribution Network
- Procurement Entity
- Water Supply or Conveyance System



## *Revisions to RPS Eligibility Guidebook* **Staff Proposed Errata: Nonsubstantive Corrections & Clarifications**

- **Section III. Certification Process**
  - Date correction and WREGIS ID No.
  - Utility-certified facilities
  - Limited Certification for POUs
- **CEC-RPS-1.S2 Instructions**
  - Supplement 2 Form - Hydroelectric



## *RPS Eligibility & Overall Program Guidebooks* **Upcoming Revisions: Proposed Substantive Changes**

- Effective date of RPS certification under SB X1-2.
- Aggregated units.
- Documentation for hydroelectric generating units 40 MW or smaller.
- Definition of “nameplate capacity.”