



California RPS for Publicly Owned Electric Utilities: Pre-Rulemaking Draft Amendments to Regulations

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Workshop Agenda



- Housekeeping
- Workshop Participation
- Welcome and Opening Remarks
- Purpose of Workshop
- Staff Presentation
- Public Comment Period
- Next Steps

Housekeeping



- Handouts on desk at room entrance
- Restrooms located on 1st floor
- Snack bar on 2nd floor
- Several restaurants within walking distance
- Emergency evacuation procedures
- WebEx
 - For interactive participation
 - May be recorded



Public Participation

- This presentation will be available on Energy Commission's website.
- Comments in person: Fill out blue card and hand it in; we will call you to the podium.
- Comments via WebEx: Use the "raise hand" feature; we will un-mute you and allow you to comment when it is your turn.
- Comments via phone: We will un-mute all phone lines for open 'mic' questions – please only un-mute your phone to ask a question.
- Written comments: Submit according to directions in Workshop Notice.



Purpose of Workshop

- Introduce proposed scope of amendments and issues identified to date.
- Introduce preliminary schedule for adoption of amendments to regulations.
- Solicit initial comments from stakeholders regarding scope of amendments and options for addressing issues.



Recent Legislative Background

- RPS revised by SB X1 2 in 2011
 - Requires 33% of sales from eligible renewables by 2020.
 - Establishes targets for 3-4 year compliance periods.
 - Establishes portfolio content categories.
 - Requires Energy Commission to adopt regulations specifying procedures for implementation for POUs.
 - Adopted June 12, 2013; effective October 1, 2013.

- RPS revised by SB 591 in 2013
 - Applies to a POU that receives at least 50% retail sales from its qualifying hydro.

Topics for Amendments



1. Implement Senate Bill 591
2. Clarify Portfolio Content Category for POU-owned or procured DG systems to comport with Section 3203 (a)(1)
3. Clarify/revise definition of “retail sales” in Section 3201 (bb)
4. Clarify meaning of “resale” in Sections 3202 and 3203
5. Clarify subtraction of generation under amended contracts <10 years for excess procurement in Section 3206
6. Hourly data for Dynamic Transfer Agreements in Section 3203 (a)(1)(D)

Topic 1: Implement Senate Bill 591



- SB 591 amended Public Utilities Code Section 399.30 (k), establishing an RPS exemption for a POU that receives greater than 50% of its annual retail sales from qualifying hydroelectric generation, and excusing the POU from having to procure additional eligible renewable energy resources in excess of either:
 - The portion of the POU's retail sales not supplied by its own qualifying hydroelectric generation, or
 - The POU's adopted cost limitation

Topic 1: Implement SB 591 (cont'd)



- Conditions for POU to qualify for SB 591 exemption
 - When should 50% of retail sales be calculated?
 - Annually?
 - Multi-year average? If so, over how many years?
 - When should POU report info on qualifying conditions?
- How should Energy Commission apply exemption?
 - Should RPS target be based on POU's total retail sales or remaining retail sales not met by qualifying hydro?
 - Should portfolio balance requirements be applied?
 - Should RPS requirements be annual or based on compliance period?
 - How should Energy Commission verify RPS exemption is being applied correctly?

Topic 2: PCC for POU-Owned/Procured DG



- Should generation from DG system at RPS-certified facility be classified as PCC 1 if the system is POU-owned or a POU procures bundled electricity generation from the system owner?
 - Does it matter if procured generation is measured behind the meter?
 - If generation is used onsite, is it available to be procured by a POU?
 - Does it violate Section 3203 (a)(1) if POU procures bundled product and sells electricity to system owner?
 - Should rules change if 3rd party owns/installs DG system?
 - Could facility do net metering if POU procures bundled electricity and sells electricity to system owner?

Topic 3: Definition of “Retail Sales”



- Retail sales is defined in Section 3201 (bb) as:
 - “sales of electricity by a POU to end-use customers and their tenants, measured in MWh. This does not include energy consumption by a POU, electricity used by a POU for water pumping, or electricity produced for onsite consumption (self-generation).”
- Should the definition of “retail sales” be clarified to properly exclude POUs’ consumptive loads?
 - If so, how can consumptive demand be differentiated from retail sales?

Topic 4: Definition of “Resale”



- Should “resale” be defined in the regulations?
 - Frequently Asked Questions describes “resale” as a POU purchase from another RPS-obligated entity.

Topic 5: Contract Amendments and Excess Procurement



- Should regulations address term of amended contracts for calculating excess procurement?
 - Section 3206(a)(1)(A) requires subtraction of generation under contracts < 10 yrs. from excess procurement unless contract is count in full.
 - How should contracts be treated for excess procurement if amended to lengthen contract term?

Topic 6: Dynamic Transfer Agreements



- Dynamic transfers fall into 2 categories:
 - Dynamic Schedules – not necessarily scheduled into CBA
 - Pseudo-Ties – scheduled into CBA
- Should Energy Commission verify dynamic schedules on hourly basis?

Energy Commission Preliminary Schedule



Event	Date
Energy Commission Adopts Order Instituting Rulemaking to amend RPS POU Regulations	March 12, 2014
Notice of Pre-Rulemaking Staff Workshop	June 27, 2014
Pre-Rulemaking Staff Workshop on Draft Amendments to POU Regulations	July 11, 2014
End of Comment Period	July 28, 2014
Energy Commission Submits Notice of Proposed Action to Office of Administrative Law	September 2014
Energy Commission Workshop on Draft Amendments to Regulations	September 2014
OAL 45-day public comment period	September - November 2014
Energy Commission Public Hearing/Business Meeting to adopt Final Draft Regulations	November 2014
Additional 15-day comment period (if necessary)	November - December 2014
Energy Commission submits Rulemaking Package to OAL	December 2014



Public Comments

- Comments will be taken in the following order:
 - Audience in Attendance
 - Blue cards
 - WebEx participants
 - Click the “Raise Hand” button to ask a question
 - Alternatively, you can “chat” your comment to WebEx “Host”
 - Phone-only participants
 - We will un-mute all phone lines for open ‘mic’ comments - *Please only un-mute your phone to speak*

Next Steps



- Stakeholders are encouraged to submit written comments regarding these topics by 4 pm on July 28, 2014 to:

docket@energy.ca.gov

and

RPS33@energy.ca.gov

- Include docket number 14-RPS-01 and indicate “Renewables Portfolio Standard” in the subject line or first paragraph of your comments.

Contact information



Submit questions on subject matter to:

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