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City of Arts & Innovation

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California Energy Commission
Dockets Office, MS-4
Docket No. 13-RPS-01
Lead Commissioner Workshop for RPS Implementation for POU's
1516 Ninth Street
Sacramento, CA 95814-5512

RE: The City of Riverside Comments on Reporting and Implementation Issues: Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities

The City of Riverside (Riverside) appreciates the opportunity to provide additional follow-up comments on the implementation issues discussed at the CEC workshop on July 29 concerning the *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities* that were approved by the Commission on June 12, 2013. Riverside once again is particularly thankful of CEC staff's willingness to engage in open dialogue with the municipal community in general, and Riverside in particular, on our issues and concerns. The comments below provide more detail on Riverside's current implementation concerns and recommendations.

A. General Comments

Riverside fully supports the comments provided by California Municipal Utilities Association (CMUA) and Southern California Public Power Authority (SCPPA) at this workshop and once again urges the Commission to incorporate them in the final regulations.

B. e-Tagging errors associated with PCC-2 ("Bucket-2") Electricity Products

Riverside remains very concerned and urges the Commission to reconsider its stand on the review process for approving PCC-2 Electricity products where inadvertent human e-Tagging errors have precluded the NERC e-Tags to be automatically picked up by WREGIS. This situation can and has occurred when schedulers have incorrectly entered or labeled the RPS ID information on the NERC e-Tag.

Per informal CEC staff direction, Riverside has been advised that when this situation occurs, the following protocol should be used to report the PCC-2 energy transaction to the CEC:

1. Fill out the CA RPS e-Tag report (CEC report) for all e-Tags not picked up by WREGIS.
2. Assemble electronic copies of all e-Tags in question.
3. Assemble documentation that identifies the REC's (transferred into the compliance entity's WREGIS account) that correspond to the incorrectly tagged e-Tags.

4. Submit items 1, 2 and 3 above to the CEC, along with attestations from the compliance entity (and incremental energy supplier, if necessary) stating that all submitted information is true and correct.

While Riverside greatly appreciates the informal CEC staff guidance provided on this topic, we respectfully request that the CEC develop a formal review process for conducting timely and efficient rulings on the validity of such transactions, outside of and independent of the CP1 POU RPS Verification reporting process. This latter reporting process is currently anticipated to take up to three additional years to finalize after the end of the CP1 reporting period (i.e., this final report may not be issued until on/after December 2016). This time lag introduces significant uncertainty that will effectively preclude a POU from being able to reliably count any PCC-2 products associated with e-Tagging errors for CP1 compliance goals with any degree of certainty.

Riverside respects and understands that the CEC RPS verification process is very data and time intensive. However, in situations where a POU (or IOU) can supply all of the necessary documentation and attestations to support the validity of an RPS transaction, the development of a concurrent CEC review and approval process for transaction exceptions would be both very helpful and of great benefit. If such a process can be implemented by the Commission, at least some of the transaction exceptions that now must be formally reviewed and approved (or denied) through the RPS Verification reporting process could instead be reviewed in a much more expedient and efficient manner. Such a process would be to everyone's benefit, since it would facilitate a more timely determination of each compliance entity's progress towards meeting its RPS goals.

The Commission should strive to put in place simple administrative processes that provide timely determination of the validity of the RECs in situation caused by human errors. To do otherwise will add costs to the compliance entities and thus thwarting the achievement of RPS goals in a cost effective manner.

C. Historic Carry-Over Provisions

Riverside appreciates that the Commission recognizes the importance of historic carry-overs for the municipal community and incorporates it in the Proposed Regulations as one of the optional compliance measures.

Riverside also appreciates that CEC staff provided additional clarity regarding how such historic carry-overs should be calculated and reported, specifically with respect to the use of historic carry-overs for Compliance Period 1. Riverside <u>strongly</u> <u>supports</u> CEC staff's guidance expressed at the workshop to allow for the use of historic carry-overs for compliance purposes for Compliance Period 1 pending verification. We urge the Commission to memorialize CEC staff's guidance provided at the workshop in an implementation Frequently Asked Questions (FAQ) document.

Respectfully submitted,

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