

**Section 1: Definitions**

The definitions set forth in Public Resources Code (PRC) § 25741 and Public Utilities Code (PUC) § 399.12 are incorporated herein.

The following definitions shall also apply to the Pooling Authority RPS Enforcement Program:

CPUC: The California Public Utilities Commission.

Energy Commission: The State Energy Resources Conservation and Development Commission.

General Manager: The person responsible for implementing the Pooling Authority RPS Enforcement Policy.

Governing Board: The regulatory authority for the Power & Water Resources Pooling Authority.

Pooling Authority: Power & Water Resources Pooling Authority.

Renewable Energy Resources: An electrical generating facility or product that complies with the requirements of PUC §§ 399.12(e), 399.12(h), or 399.16(d).

Renewable Energy Resources Procurement Plan: The plan adopted by the Pooling Authority pursuant to PUC § 399.30.

**Section 2: Compliance Periods**

The Governing Board adopts the following compliance periods as required by PUC § 399.30(b):

Compliance Period One: January 1, 2011 through December 31, 2013

Compliance Period Two: January 1, 2014 through December 31, 2016

Compliance Period Three: January 1, 2017 through December 31, 2020

**Section 3: Calculation of Retail Sales**

For purposes of calculating the Pooling Authority's Renewable Energy Resources Procurement Targets, as adopted in Section 4, the Pooling Authority's retail sales shall be based on the Pooling Authority's average retail sales over the previous seven years, consistent with PUC § 399.30(j). The Pooling Authority's initial date of operation was January 1, 2005. The calculation of retail sales for 2011 shall be based on the Pooling Authority's average retail sales between January 1, 2005 and December 31, 2010.

## **Section 4: Renewable Energy Resources Procurement Targets**

The Governing Board adopts the following Renewable Energy Resources Procurement Targets as a percentage of retail sales, pursuant to PUC § 399.30(c)(1)-(2):

### Compliance Period One:

- An average of 20% Renewable Energy Resources procurement for the period starting with the later of January 1, 2011, or the effective date of PUC § 399.30, through December 31, 2013.

### Compliance Period Two:

- By December 31, 2016: 25% Renewable Energy Resources procurement.
- January 1, 2014 through December 31, 2016, sufficient procurement to reflect reasonable progress to ensure the above goal is achieved.

### Compliance Period Three:

- By December 31, 2020: 33% Renewable Energy Resources resource procurement.
- January 1, 2017 through December 31, 2020, sufficient procurement to reflect reasonable progress to ensure the above goal is achieved.

## **Section 5: Procurement Content Categories**

The Pooling Authority General Manager shall assign all Renewable Energy Resources procured by the Pooling Authority to the appropriate procurement content category in accordance with the provisions of PUC § 399.30(c)(3), consistent with PUC § 399.16.

## **Section 6: Grandfathering of Procurement Content Category Requirements**

The Pooling Authority General Manager shall count all Renewable Energy Resources meeting the requirements of PUC § 399.16(d) in full towards the procurement requirements set forth in this enforcement program, if all of the following conditions are met: (1) the Renewable Energy Resource was eligible under the rules in place as of the date when the contract was executed; and (2) any contract amendments or modifications occurring after June 1, 2010, do not increase the nameplate capacity or expected quantities of annual generation, or substitute a different Renewable Energy Resource; provided that the duration of the contract may be extended if the original contract specified a procurement commitment of 15 or more years.

## **Section 7: Deviation From Procurement Content Category Requirements**

The Governing Board may reduce a procurement content category requirement set forth in this enforcement program to the extent the Pooling Authority demonstrates that it cannot comply with such requirements because of conditions beyond the control of the Pooling Authority due to any one of the conditions set forth in PUC § 399.15(b)(5).

## **Section 8: Delay of Timely Compliance**

The Governing Board may adopt measures permitting the Pooling Authority to delay timely compliance with the requirements of this enforcement program pursuant to PUC § 399.30(c)(2), consistent with the requirements of PUC § 399.15(b)(5).

## **Section 9: Banking Rules**

The Governing Board may adopt measures permitting the Pooling Authority to accumulate, beginning January 1, 2011, excess procurement in one compliance period to be applied to any subsequent compliance period provided that the quantity of excess procurement is determined in the same manner as allowed for retail sellers pursuant to PUC § 399.13(a)(4)(B).

## **Section 10: Cost Limitations**

The Governing Board may establish a limitation on the procurement expenditures for all Renewable Energy Resources used to comply with this enforcement program. In establishing such limit, the Governing Board shall rely on elements consistent with PUC § 399.15(c)(1)-(3). The Pooling Authority General Manager shall include a cost limitation value in the Renewable Energy Resources Procurement Plan. This cost limitation value shall be updated on a periodic basis.

## **Section 11: Renewable Energy Resources Procurement Plan**

The Governing Board expressly directs the Pooling Authority General Manager to develop and present a Renewable Energy Resources Procurement Plan to the Governing Board. At a minimum, the Renewable Energy Resources Procurement Plan shall include: (1) the specified resources that the Pooling Authority plans to use to meet the procurement targets adopted in Section 4 above; and (2) the flexible compliance mechanisms to be utilized by the Pooling Authority pursuant to Sections 7, 8, 9, and 10 above. The Governing Board staff shall post a public notice whenever the Governing Board will deliberate in public on the Renewable Energy Resources Procurement Plan. The Governing Board staff shall also provide data annually to the Energy Commission and to report annually to the Pooling Authority customers and the Energy Commission in accordance with PUC § 399.30.

## **Section 12: Enforcement**

The Governing Board directs the Pooling Authority General Manager to inform the Governing Board at a public meeting in the event that Pooling Authority will not meet the procurement requirements set out in Sections 4 and 5 above, subject to flexible compliance mechanisms of Sections 7, 8, 9 and 10. The Pooling Authority General Manager shall develop and present a plan to bring the Pooling Authority into compliance.