

MEETING OF THE BOARD OF DIRECTORS OF THE MERCED IRRIGATION DISTRICT

DATE: November 19, 2013

SUBJECT:

Renewable Portfolio Standard (RPS) Procurement Plan

RECOMMENDED ACTION:

Staff recommends the Board adopt Resolution No. 2013-36 the RPS Procurement Plan (Attachment A).

BACKGROUND:

As required by PUC § 399.30, the Board of Directors adopted the Renewable Energy Resources Enforcement Program (“RPS Enforcement Program”) on August 6, 2013. Through the RPS Enforcement Program, the Board of Directors established three compliance periods, adopted RPS-eligible procurement targets, and described the framework for how the District would implement its RPS program. Section [9] of the RPS Enforcement Program directed the Deputy General Manager to develop and present an RPS Procurement Plan to the Board of Directors.

The Energy Commission adopted new regulations to establish enforcement rules and procedures for the Renewable Portfolio Standard (RPS) for local publicly owned utilities (POUs), and these regulations have been approved by the Office of Administrative Law, with an effective date of October 1, 2013. This action triggered a sixty day period in which a POU is required to adopt a Procurement Plan (December 1, 2013).

This Procurement Plan (Attachment A) describes the intended strategy to comply with the Renewable Portfolio Standard (“RPS”) requirements of Senate Bill X1-2 (“SBX1-2”) as detailed in the District’s adopted RPS Enforcement Program.

PROS AND CONS/ALTERNATIVES OF RECOMMENDED ACTION:

PROS:

- Compliance with Public Utilities Code section 399.30(a)

CONS:

- Not adopt RPS Procurement Plan consistent with Public Utilities Code section 399.30(a) and be subject to unknown penalties and fines.

ALTERNATIVES:

- Advise Staff to change all or any part of Procurement Plan based on Board recommendation.

DEPARTMENT CONCURRENCES:

Not applicable.

FISCAL IMPACT:

There are no additional fiscal impacts for Compliance Period One (2011-2013) at this time. Fiscal obligations for Compliance Period One per Section [8] of the Procurement Plan to be satisfied with existing wind and small hydro contracts. Future fiscal impacts for Compliance Period Two (2014-2016) and Compliance Period Three (2017-2020) are yet to be determined per Section [4] of the Procurement Plan. Fiscal Impacts are not to exceed cost limitations set forth in Section [8] of the Procurement Plan.

MERCED IRRIGATION DISTRICT

RESOLUTION NO. 2013-36

**RESOLUTION OF MERCED IRRIGATION DISTRICT ADOPTING A RENEWABLE ENERGY RESOURCES
PROCUREMENT PLAN PURSUANT TO PUBLIC UTILITIES CODE SECTION 399.30(a)**

WHEREAS, the Merced Irrigation District (District) provides cost effective, reliable electric services to residents and businesses in portions of eastern Merced County;

WHEREAS, on April 12, 2011, Governor Brown signed the California Renewable Energy Resources Act (Senate Bill 2 (1st Ex. Session) (Simitian) (SBX1-2)), with an effective date of December 10, 2011;

WHEREAS, the California Energy Commission adopted regulations specifying procedures for the enforcement of the requirements of SBX1-2 on June 12, 2013, and which became effective on October 1, 2013;

WHEREAS, Public Utilities Code §399.30(a) requires California's publicly owned utilities to adopt a Renewable Energy Resources Procurement Plan (Procurement Plan), and further, Public Utilities Code §399.30(e) requires publicly owned utilities to adopt and implement a Renewable Energy Resources Enforcement Program (Enforcement Program) to enforce the implementation of the District's Procurement Plan;

WHEREAS, pursuant to Public Utilities Code §399.30(e), the District adopted an Enforcement Program on August 6, 2013, which established compliance periods, adopted RPS procurement targets, authorized the District to establish cost limitations on procurement expenditures, and directed the General Manager or his/her duly authorized designee to develop and present to the Board a Procurement Plan.

WHEREAS, pursuant to this direction, staff has prepared a proposed Procurement Plan in compliance with Public Utilities Code §399.30(a) for consideration by the Board, which is attached as Attachment 'A' hereto;

WHEREAS, consistent with the Public Utilities Code, the proposed Procurement Plan establishes specific procurement targets for each of the compliance periods, specifies procurement requirements consistent with Public Utilities Code §399.16, describes the District's existing and planned procurement activities, forecasts the District's retail sales and RPS obligations in the first three compliance periods, and adopts rules for excess procurement;

WHEREAS, the proposed Procurement Plan (a) adopts rules for cost limitations on procurement expenditures for compliance with the RPS requirements, (b) adopts factors and findings used to determine what cost limitation is necessary to prevent disproportionate rate impacts on the District's

customers, (c) adopts a methodology for calculating the cost limitation, (d) adopts a cost limitation specified as a dollar amount, and (e) requires the Deputy General Manager, Energy Resources to notify the General Manager and the Board if the District anticipates that the projected costs of meeting the RPS requirements will exceed the adopted cost limitation and to propose planned actions to take in response to RPS expenditures exceeding the cost limitation;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The facts contained in the recitals above are true and correct, and the Board so finds and determines.
2. The Board hereby approves in substantive form the Renewable Energy Resources Procurement Plan included as Attachment 'A' hereto, in compliance with Public Utilities Code section 399.39(a).
3. The General Manager, or his/her duly authorized designee, is hereby authorized and directed to implement, administer, and carry out any such actions as are necessary or advisable in the furtherance of the District's Renewable Energy Resources Procurement Plan.
4. The Board authorizes the General Manager and any such employees or consultants as the General Manager may designate, to execute such additional agreements and/or documents, and to take such additional actions as may be reasonably necessary or convenient to carry out and implement the intent of this Resolution.

PASSED AND ADOPTED by the Board of Directors of Merced Irrigation District this 19th day of November, 2013, by the following vote:

Ayes: Directors:
Noes: Directors:
Abstain: Directors:
Absent: Directors:

Tim Pellissier
President
Merced Irrigation District

Dave Long
Vice President/Secretary
Merced Irrigation District

Attachment A
Renewable Energy Resources Procurement Plan

This Renewable Energy Resources Procurement Plan (“RPS Procurement Plan”) shall apply to the Merced Irrigation District (“the District”).

Section 1: Purpose

This document comprises the District’s RPS Procurement Plan. This RPS Procurement Plan describes how the District will achieve its RPS procurement requirements in each compliance period.

Section 2: Definitions

The definitions set forth in Public Resources Code (“PRC”) § 25741 and Public Utilities Code (“PUC”) § 399.12 are incorporated herein. Capitalized terms in this RPS Procurement Plan, as first identified in parentheses, shall have the meaning given to such term in the body of this RPS Procurement Plan

Section 3: Previous Adoption of the RPS Enforcement Program

As required by PUC § 399.30, the Board of Directors adopted the Renewable Energy Resources Enforcement Program (“RPS Enforcement Program”) on August 6, 2013. Through the RPS Enforcement Program, the Board of Directors established three compliance periods, adopted RPS-eligible procurement targets, and described the framework for how the District would implement its RPS program. Section [9] of the RPS Enforcement Program directed the Deputy General Manager to develop and present an RPS Procurement Plan to the Board of Directors.

Section 4: SB 591

The District owns and operates the Merced River Hydroelectric Project. It is located in central California in Mariposa County in the western foothills of the Sierra Nevada. The existing Project consists of two developments-New Exchequer and McSwain. Project facilities are located on the main stem of the Merced River, which is part of the San Joaquin River Basin. The original dam and reservoir , Old Exchequer Dam and Reservoir, was placed into service in 1926. Construction of the Merced River Hydroelectric Project began in 1964. The facilities were completed and placed into operation in 1966. Pursuant to an existing contract between the District and Gas & Electric (“PG&E”) Company, PG&E receives the total electrical output benefits of the Project until the contract expires on June 30, 2014. When the contract expires, the District is expected to receive the full electrical output benefits of the Project.

The Legislature recognized that the RPS requirements would disproportionately harm the District both because the District will have the ability to provide a significant portion of its load with a single, zero GHG-emitting Project and because the District serves a significantly disadvantaged region with some of the highest poverty and unemployment rates in the State and Nation . To limit this harm, the Legislature passed SB 591 (Stats. 2013, Ch.520), which could provide the District with significant relief from the RPS procurement obligations. The District will coordinate with the California Energy Commission (“CEC”) to implement the new provisions of SB 591. Pursuant to SB 591, the targets and obligations identified in this Procurement Plan for all compliance periods beginning January 1, 2014, are subject to reduction or elimination. The Board of Directors directs the General Manager/Deputy

General Manager Energy Resources to consult with the CEC as may be appropriate, and present an updated Procurement Plan to the Board, pursuant to SB 591 for Compliance Periods Two and Three.

Section 5: Specified RPS Procurement Targets

In the RPS Enforcement Program, the Board of Directors adopted general RPS procurement targets for each of the three compliance periods. Pursuant to PUC § 399.30(b) and (c), the Board of Directors adopts and further specifies the RPS procurement targets, as follows:

Compliance Period 1

For the three-year period beginning January 1, 2011 and ending December 31, 2013, the District shall procure sufficient RPS-eligible resources to equal an average of 20 percent of retail sales. The District shall not be required to procure a specific quantity of RPS-eligible resources in any individual year during this compliance period.

Compliance Period 2

For the three-year period beginning January 1, 2014 and ending December 31, 2016, the District shall procure sufficient RPS-eligible resources to equal the sum of the following: (20 percent of 2014 retail sales) + (20 percent of 2015 retail sales) + (25 percent of 2016 retail sales). The District shall not be required to procure a specific quantity of RPS-eligible resources in any individual year during this compliance period.

Compliance Period 3

For the four-year period beginning January 1, 2017 and ending December 31, 2020, the District shall procure sufficient RPS-eligible resources to equal the sum of the following: (27 percent of 2017 retail sales) + (29 percent of 2018 retail sales) + (31 percent of 2019 retail sales) + (33 percent of 2020 retail sales). The District shall not be required to procure a specific quantity of RPS-eligible resources in any individual year during this compliance period.

Subsequent Annual Compliance Periods

For each subsequent annual compliance period, the District shall procure sufficient RPS-eligible resources to equal an average of 33 percent of retail sales.

As stated in Section 4 above, the targets for Compliance Periods beginning January 1, 2014 or later are subject to reduction by the provisions of SB 591.

Section 6: RPS Procurement Requirements

PUC § 399.30(c)(3), consistent with PUC § 399.16, as implemented by the CEC's RPS Regulations specifies certain procurement requirements that are applicable to "electricity products," which refers to either: (1) electricity and the associated renewable energy credit ("REC") generated by an eligible renewable energy resource; or (2) unbundled REC.

A. Procurement Associated with Pre-June 2010 Contracts and Ownership Agreements

Pursuant to PUC § 399.16(d), electricity products associated with contracts or ownership agreements that were executed prior to June 1, 2010 and which met certain specified eligibility requirements, must count toward the POU's RPS Procurement Targets without regard to the portfolio content categories ("PCCs").

B. Procurement Associated with Post June 2010 Contracts and Ownership Agreements

Pursuant to PUC § 399.16(b)-(c), as implemented by the CEC's RPS Regulations, electricity products associated with contracts or ownership agreements that were executed after June 1, 2010 must count be classified into the following three PCCs:

PCC1: Electricity products that are procured as bundled and that are associated with an eligible renewable energy resource that either: (1) has its first point on interconnection within a California balancing authority ("BA"); (2) has its first point of interconnection to a distribution system used to serve end users within a California BA; (3) is scheduled into a California BA without substituting electricity from another source; or (4) is dynamically transferred into a California BA.

PCC2: Electricity products that are procured as bundled and that are associated with an eligible renewable energy resource that is located within the WECC but outside of a California BA, and for which the renewable energy is matched with an equal amount of incremental energy that is scheduled into a California BA.

PCC3: All electricity products that are associated with eligible renewable energy resources, but that do not meet the definition of PCC1 or PCC2.

C. Portfolio Balance Requirements Applicable to Procurement Associated with Post June 2010 Contracts and Ownership Agreements

Pursuant to PUC § 399.16(c), as implemented by the CEC's RPS Regulations, the following portfolio balance requirements are applicable to all electricity products that are credited towards the RPS Procurement Quantity Requirements that are associated with contracts or ownership agreements executed after June 1, 2010:

	Compliance Period 1	Compliance Period 2	Compliance Period 3	Subsequent Annual
PCC1	≥ 50%	≥ 65%	≥ 75%	≥ 75%
PCC2	No Limitation	No Limitation	No Limitation	No Limitation
PCC3	≤ 25%	≤ 15%	≤ 10%	≤ 10%

As stated in Section 4 above, all RPS procurement obligations beginning January 1, 2014 or later including the portfolio balance obligations, are subject to reduction or elimination by the provisions of SB 591.

Section 7: RPS Procurement

A. RPS Contracts Executed Prior to June 1, 2010

1. **High Winds:** The District entered into a long-term power purchase agreement November of 2003 (25 year contract) for electric energy generated by wind turbines located in Solano County, CA.
2. **WAPA Small Hydro:** Is a reoccurring Base Resource contract in which output and environmental attributes are generated from multiple small hydroelectric units and purchased by the District. Generating units include the Nimbus, Stampede and Lewiston units all located in CA.

Existing RPS Procurement		
Counter Party	Iberdrola	Western Area Power Admin.
Resource Name	High Winds Energy Center	Multiple Resources
Technology Type	Wind	Small Hydro
Contract Execution Date	November 17, 2003	December 4, 2000
CP 1 Forecasted Generation	37,500	900
CP 2 Forecasted Generation	37,500	900
CP 3 Forecasted Generation	50,000	1200

B. Planned RPS Procurement

1. **McSwain Small Hydro:** The District owns and operates the Merced River Hydroelectric Project, which runs along the Merced River in Mariposa and Merced counties. The project includes the McSwain Dam and McSwain Powerhouse, which is an RPS-eligible small hydroelectric generating facility. Pursuant to the same agreement described in Section 4 above, PG&E receives the output of the McSwain Powerhouse until June 30, 2014. After that date, the District will have the rights to the total output of the facility.
2. **New Exchequer Runner Upgrade:** The District recently completed replacing the turbine runner at the New Exchequer Dam. This efficiency improvement will result in an incremental increase in the electrical output of the facility. Pursuant to PUC § 399.12.5, this incremental increase will be eligible to count towards the District’s RPS targets. The District intends to submit an application for certification of the upgrade early in 2014.

Planned RPS Procurement		
Owner	Merced Irrigation District	Merced Irrigation District
Resource Name	McSwain	New Exchequer

Technology Type	9 mw hydro generator	Runner Upgrade
Planned date of Delivery	July 1, 2014	TBD
CP 2 Forecasted Generation	108,000	45,000
CP 3 Forecasted Generation	144,000	60,000

Section 6: Forecast of Retail Sales and RPS Compliance Obligations

Compliance Period 1
January 1, 2011 – December 31, 2013

	2011	2012	2013	Total
Actual/Forecasted Retail Sales	442,087	447,369	450,795	1,340,251
RPS Procurement Obligation (% of total)				20%
RPS Procurement Obligation (MWh)				268,050
Forecasted Procurement from Pre-June 2010 Contracts				38,400

Compliance Period 2
January 1, 2013 – December 31, 2016

	2014	2015	2016	Total
Forecasted Retail Sales	454,223	457,680	461,167	1,373,070
RPS Procurement Obligation (% of total)	20%	20%	25%	
RPS Procurement Obligation (MWh)	90,845	91,536	115,292	297,672
Forecasted Procurement from Pre-June 2010 Contracts				38,400
Forecasted Procurement from Planned Projects (Category 1)				153,000
Remaining Minimum Procurement of Portfolio Content Category 1				15,527
Maximum Procurement of Portfolio Content Category 3				38,891

Note: Procurement Obligations in Compliance Period 2 are subject to reduction or elimination by SB 591.

Compliance Period 3

January 1, 2017 – December 31, 2020

	2017	2018	2019	2020	Total
Forecasted Retail Sales	464,683	468,229	471,806	475,413	1,880,131
RPS Procurement Obligation (% of total)	27%	29%	31%	33%	
RPS Procurement Obligation (MWh)	125,464	135,786	146,260	156,886	564,397
Forecasted Procurement from Pre-June 2010 Contracts					51,200
Forecasted Generation from Planned Projects (Category 1)					204,000
Remaining Minimum Procurement of Portfolio Content Category 1					180,898
Maximum Procurement of Portfolio Content Category 3					51,320

Note: Procurement Obligations in Compliance Period 3 are subject to reduction or elimination by SB 591.

Section 7: Banking Rules

Pursuant to PUC § 399.30(d)(1), and consistent with Section 8 of the RPS Enforcement Program, the Board of Directors adopts the following rules for excess procurement:

- A. The District may apply excess procurement in one compliance period to a subsequent compliance period, subject to the following limitations:
 - 1. Electricity products that exceed the maximum limit for PCC3, as specified in PUC § 399.16(c), must be subtracted from the calculation of excess procurement.
 - 2. Electricity products procured under contracts of less than 10 years in duration shall be subtracted from the calculation of excess procurement, unless the electricity product meets the grandfathering requirements of PUC § 399.16(d).
- B. The District may begin accruing excess procurement as of January 1, 2011.
- C. Excess procurement meeting these requirements may be applied to any future compliance period and shall not expire.

Section 8: Cost Limitation

- A. Cost Limitation Rule

Pursuant to PUC § 399.30(d)(3), and consistent with Section 9 of the RPS Enforcement Program, the Board of Directors shall rely on the following information to establish a limitation on the procurement expenditures for all RPS-eligible resources:

1. The information contained in this RPS Procurement Plan.
2. Procurement expenditures that approximate the expected cost of building, owning, and operating eligible renewable energy resources.
3. The potential that some planned resource additions may be delayed or canceled.

In developing the cost limitation, the Board of Directors shall ensure that:

1. The limitation is set at a level that prevents disproportionate rate impacts.
2. The costs of all procurement credited toward achieving the renewables portfolio standard are counted towards the limitation.
3. Procurement expenditures do not include any indirect expenses, including imbalance energy charges, sale of excess energy, decreased generation from existing resources, transmission upgrades, or the costs associated with relicensing any utility-owned hydroelectric facilities.

If the cost limitation is insufficient to support the projected costs of meeting the District's RPS targets, as specified in Section 9 above, the District must refrain from executing any further contracts for eligible renewable energy resources.

B. Relevant Factors and Findings

To determine what cost limitation is necessary to prevent disproportionate rate impacts, the Board of Directors has considered the following factors and made the following findings:

1. *Economic Hardship*

Merced County is one of the most economically disadvantaged counties in the state. In 2011, Merced had the highest poverty rate in the entire state, at 27.4%.¹ This was substantially higher than the statewide average of 16.6%. While this region has historically struggled with poverty levels, the housing crisis exacerbated these problems. During the height of the crisis (2008-2010), Merced County had the highest foreclosure rate in the state at 12.4%.² This meant that 1 in every 8 households was in foreclosure. While the county has started to recover, it still lags far behind the rest of the state. These hardships mean that the District's customers are disproportionately harmed by rate increases compared to other parts of the state.

¹ American Community Survey (2011).

² http://oag.ca.gov/system/files/attachments/press_releases/n2641_ca_foreclosure_rates.pdf.

Finding: The Board of Directors finds that the District’s cost limitation must be structured and set at a level that avoids further harm to the local economy and limits impacts on economically vulnerable residents.

2. *Unemployment*

A key driver for the region’s high poverty levels is the high and persistent unemployment rate. Merced County has one of the highest unemployment rates in the state. In 2012, the county’s unemployment rate was 17%, compared to a statewide average of 10.5%. Over the past ten years, the county’s unemployment rate has exceeded the state average by a substantial amount in every single year. Improving the local economy and creating opportunities for job growth in the local community is a central purpose for the District. Toward this end, the District must ensure that its rates do not result in an increase to the unemployment rate.

Maintaining competitive electric rates is essential to keeping local businesses from relocating to other parts of the state, and more importantly, from leaving the state altogether. The District has a long history of working with businesses to keep them viable. The District works closely with all of their customers to support their continued success.

Finding: The Board of Directors finds that the District’s cost limitation must be set at a level that does not directly result in any net job losses.

3. *Customer Make-up*

Unlike most other POUs in the state, the District’s customer base is disproportionately made up of a few large commercial and industrial customers, with a relatively small percentage made up of small commercial and residential customers. The District’s revenue comes primarily from its largest customers, with its top customers accounting for nearly 30% of all revenue. Conversely, the District’s approximately 6,600 residential customer accounts contribute less than 16% to the District’s annual revenue.

The large IOUs and other POUs may target RPS-related rate increases at the higher tiers of their residential customers in order to limit impacts on the low-income customers and to avoid harming the local economy by limiting impacts on the large industrial and commercial customers. Due to the both the high levels of poverty and to the small percentage of revenue that comes from residential customers, any RPS-related rate increases would need to be borne primarily by a few large customers. As discussed above, these are the very same customers that are providing employment in a significantly disadvantaged community.

Finding: The Board of Directors finds that the District’s cost limitation must be designed so that it does not overly burden any one-customer class.

4. *Utility Model*

The District is unique among POUs because it competes for all of its customers with PG&E, the local investor owned utility. Unlike most other POUs, the District does not have an exclusive service territory. This means that any of the District’s customers can leave at anytime. As described above, the bulk of the District’s retail sales come from a handful of large commercial and industrial customers. This makes it extremely difficult to enter into long-term contracts and to develop utility-owned resources because

at any time, the District's forecasted load could drop by a substantial percentage. On October 3, 2013, the CPUC adopted Decision 13-10-019, which authorizes PG&E to create both a Standard and Enhanced Economic Development Rate ("EDR"). These rates are targeted at large customers located in areas with high unemployment. In light of Merced County's unemployment rates, the District's large customers may potentially qualify for PG&E's Enhanced EDR, which provides a 30% discount off of the otherwise applicable rate.

Finding: The Board of Directors finds that the District's cost limitation must be set at a level that accounts for the District's risk of losing significant amounts of customer load.

5. *PPA with Turlock ID*

The District currently receives 100% of its electricity through a Power Purchase Agreement ("PPA") with the Turlock Irrigation District ("TID"). The PPA is an "All Requirements Contract" and stipulates that TID will supply all of the District's power requirements and District may not supply its own generation. Certain limitations of this arrangement made it cost prohibitive for the District to procure or construct new renewable generation where the resulting energy would be used by the District to serve its own customers during Compliance Period 1.

Finding: The Board of Directors finds that due to the limitations of the TID PPA, it would not have been reasonable for the District to meet its PCC1 procurement obligations with renewable energy that could not be delivered to the District's customers during Compliance Period 1.

6. *Improving the Financial Stability of the District*

The District only began providing electric service to retail customers in 1996, and is therefore a relatively new electric utility. The District's initial capital investments were financed with bonds and meeting the associated financial obligations requires that the District maintain or grow its existing customer base. Additionally, the District has continuing financial obligations associated with stranded infrastructure that was installed in planned residential developments that, due to the financial crisis, were ultimately never built. In order to address these and other concerns, the District is continuing to improve its financial position to ensure continued access to capital at reasonable costs. These actions include complying with its reserve policy, debt management policy, and maintaining bond coverage ratios.

Finding: The Board of Directors finds that the District's cost limitation should be set at a level that does not threaten the long-term financial stability of the district by reducing its existing customer base and that the District's cost limitation is also set at a level that allows the District to comply with its reserve policy, debt management policy, and other related financial obligations.

C. Adoption of Methodology for Calculating Cost Limitation for Compliance Period 1

In reliance on the information, factors, and findings specified above, the Board of Directors determines that in order to avoid disproportionate rate impacts for Compliance Period 1:

1. The average cost increase for all of the District's customers must not be greater than 1.2% per year.
2. RPS Procurement Expenditures shall not exceed 1.2% of gross annual retail sales.

D. Adoption of Methodology for Calculating Cost Limitation for Compliance Periods 2 and 3

In reliance on the information, factors, and findings specified above, the Board of Directors determines that in order to avoid disproportionate rate impacts for Compliance Periods 2 and 3:

1. The average cost increase for all of the District's customers must not be greater than 1.6% per year.
2. RPS Procurement Expenditures shall not exceed 1.6% of gross annual retail sales.

E. Adoption of Cost Limitation for Compliance Period 1

Pursuant to the methodology for calculating the cost limitation for Compliance Period 1, established above, the cost limitation for Compliance Period 1 is determined to be \$1,800,000. For the first compliance period, the District is not obligated to expend any funds on RPS procurement in excess of the amount identified.

If the Deputy General Manager anticipates that the District's RPS procurement expenditures may exceed the cost limitation Amount specific above, the Deputy General Manager shall:

1. Notify the General Manager and Board of Directors that the District's cost limitation may be reached.
2. Identify the costs of all procurement credited towards the cost limitation calculation.
3. Provide the General Manager and Board of Directors with the dollar amount that the District has spent on RPS procurement expenditures up to that point in Compliance Period 1.
4. Provide the General Manager and Board of Directors with an estimate of the total cost of fully complying the RPS procurement targets.
5. Identify actions that the District should take in response to RPS procurement expenditures exceeding the cost limitation.