

RESOLUTION NO. 2011 - 101

**RESOLUTION ADOPTING THE TURLOCK IRRIGATION DISTRICT'S
ENFORCEMENT PROGRAM**

WHEREAS, Senate Bill 2 (First Extraordinary Session) was signed into law by California Governor Edmund G. Brown on April 12, 2011; and

WHEREAS, Senate Bill 2 (First Extraordinary Session) establishes that the governing board of the local publicly owned electric utility shall adopt a program for the enforcement of a Renewable Portfolio Standard on or before January 1, 2012.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Turlock Irrigation District that the Enforcement Program, which is attached and made part of this resolution, is hereby adopted effective December 6, 2011, in accordance with the requirements of Senate Bill 2 (First Extraordinary Session).

Moved by Director Fernandes, seconded by Director Santos, that the foregoing resolution be adopted.

Upon roll call the following vote was had:

Ayes: Directors Fernandes, Santos, Alamo, Macedo, Frantz
Noes: Directors None
Absent: Directors None

The President declared the resolution adopted.

I, Tami Wallenburg, Executive Secretary to the Board of Directors of the TURLOCK IRRIGATION DISTRICT, do hereby CERTIFY that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the said Board of Directors held the 6th day of December, 2011.



Executive Secretary to the Board of
Directors of the Turlock Irrigation District

TURLOCK IRRIGATION DISTRICT
PROGRAM FOR ENFORCEMENT OF THE
RENEWABLE PORTFOLIO STANDARD POLICY
Adopted December 6, 2011

PURPOSE

The purpose of this Enforcement Program, established in compliance with California Public Utilities Code (PUC) § 399.30, is to create a program to review TID's annual compliance with the mandates of Senate Bill X1-2 (SBX1-2), regarding California's Renewable Portfolio Standard (RPS).

In conformance with PUC § 399.30, TID shall amend its RPS Policy for the Board of Directors (Board) to consider for adoption. The RPS Policy, at minimum, will:

- Require TID to procure a minimum quantity of electricity products from eligible renewable energy resources as a specified percentage of total kilowatt hours sold to the utility's retail end-use customers, each compliance period to achieve the targets of subdivision § 399.30 (c)(1) and (2) ;
 - During Compliance Period 1, January 1, 2011 to December 31, 2013, TID shall procure renewable energy resources equivalent to an average of twenty percent (20%) of retail sales.
 - By the end of Compliance Period 2, December 31, 2016, TID shall procure renewable energy resources equivalent to twenty-five percent (25%) of retail sales.
 - By the end of Compliance Period 3, December 31, 2020, TID shall procure renewable energy resources equivalent to thirty-three percent (33%) of retail sales.
 - Commencing on December 31, 2021, and annually thereafter, TID shall procure renewable energy resources equivalent to thirty-three percent (33%) of retail sales.
 - Ensure reasonable progress in each of the intervening years of each compliance period.

- Include requirements consistent with PUC section 399.16(b) regarding the appropriate portfolio content categories (Content Categories*) for RPS procurement.

- Include provisions regarding the treatment of contract or ownership agreements originally executed prior to June 1, 2010 for renewable energy resources (§ 399.16(d))

- Include a measure to apply excess procurement (Excess Procurement*) from one compliance period to subsequent compliance periods, pursuant to § 399.30(d)(1), and in the same manner as §399.13(a)(4)(B).

- Include a measure to waive timely compliance (Waiver of Timely Compliance*) pursuant to § 399.30(d)(2) and consistent with § 399.15(b)(5)).
- Include a measure to establish a cost limitation for all eligible renewable energy resources used to comply with the renewables portfolio standard (Cost Limitations for Expenditures*) pursuant to § 399.30(d)(3) and consistent with § 399.15(c).
- Include a measure that in all matters regarding compliance with the RPS policy, TID shall retain exclusive control and discretion over the mix of eligible renewable energy resources procured by TID and those additional generation resources procured by TID for purposes of ensuring resource adequacy and reliability, and the reasonable costs incurred by TID for eligible renewable energy resources owned by it, pursuant to § 399.30(m).
- Include a provision to post annually public notice whenever the TID Board will deliberate in public on the RPS procurement plan pursuant to § 399.30(f).
- Include a provision regarding an annual report to California Energy Commission (CEC) regarding RPS contracts execution pursuant to § 399.30(g);
- Include a provisions regarding an annual report to the CEC and TID customers pursuant to § 399.30(l).

** All capitalized terms, unless otherwise noted, shall have the same definition as set forth in TID's RPS Policy.*

ENFORCEMENT PROGRAM

1. Enforcement Program: TID shall have a program for the enforcement of the RPS policy, which shall include all of the provisions set forth herein and shall be known as TID's "RPS Enforcement Program";
2. Effective Date: The RPS Enforcement Program shall be effective January 1, 2012;
3. Notice of Revisions: Not less than ten (10) days' advance notice shall be given to the public before any meeting is held to make a substantive change to the RPS Enforcement Program;
4. Annual Review: Annually, TID's General Manager shall cause to be reviewed, TID's RPS Policy to determine TID's compliance;
5. Elements of the Annual Review: Annual review of the RPS Policy shall include consideration of each of the following elements:
 - A. By December 31, 2013 (end of Compliance Period 1):
 - Verify that TID has met an average of twenty percent (20%) of retail sales with eligible renewable resources from the specified Content Categories for the period January 1, 2011 to December 31, 2013.
 - If targets are not met, TID must:
 - Ensure that any Waiver of Timely Compliance was compliant with the provisions in the RPS Policy,
 - Review the applicability and appropriateness of excusing performance based on the Cost Limitations on Expenditures provisions of the RPS Policy.
 - B. By December 31, 2014:
 - Ensure that TID is making reasonable progress toward meeting the December 31, 2016 compliance obligation of twenty-five percent (25%) of retail sales with eligible renewable resources, consistent with the RPS Policy.
 - C. By December 31, 2015:
 - Ensure that TID is making reasonable progress toward meeting the December 31, 2016 compliance obligation of twenty-five percent (25%) of retail sales with eligible renewable resources, consistent with the RPS Policy.
 - D. December 31, 2016 (end of Compliance Period 2):

- Verify that TID has met twenty-five percent (25%) of retail sales with eligible renewable resources from the specified Content Categories for the period ending December 31, 2016;
 - If targets are not met, TID must:
 - Review the applicability of applying Excess Procurement from Compliance Period 1 consistent with the provisions of the RPS Policy,
 - Ensure than any Waiver of Timely Compliance was compliant with the provisions in the RPS Policy,
 - Review applicability and appropriateness of excusing performance based on the Cost Limitations on Expenditures provisions of the RPS Policy.
- E. By December 31, 2017:
- Ensure that TID is making reasonable progress toward meeting the December 31, 2020 compliance obligation of thirty-three percent (33%) renewable resources electricity, consistent with the RPS Policy.
- F. By December 31, 2018:
- Ensure that TID is making reasonable progress toward meeting the December 31, 2020 compliance obligation of thirty-three percent (33%) renewable resources electricity, consistent with the RPS Policy.
- G. By December 31, 2019:
- Ensure that TID is making reasonable progress toward meeting the December 31, 2020 compliance obligation of thirty three percent (33%) renewable resources electricity, consistent with the RPS Policy.
- H. December 31, 2020 (end of Compliance Period 3);, and annually thereafter,
- Verify that that TID met thirty-three percent (33%) of retail sales with eligible renewable resources from the specified Content Categories, consistent with the RPS Policy;
 - If targets are not met, TID must:
 - Review the applicability of applying Excess Procurement from a previous Compliance Period consistent with the provisions of the RPS Policy,
 - Ensure than any Waiver of Timely Compliance was compliant with the provisions in the RPS Policy,
 - Review applicability and appropriateness of excusing performance based on the Cost Limitations on Expenditures provisions of the RPS Policy.
- G. On December 31, 2021, and annually thereafter:

- Verify that that TID met thirty-three percent (33%) of retail sales with eligible renewable resources from the specified Content Categories for period January 1 to December 31, consistent with the RPS Policy;
- If targets are not met, TID must:
 - Review the applicability of applying Excess Procurement from a previous Compliance Period consistent with the provisions of the RPS Policy,
 - Ensure than any Waiver of Timely Compliance was compliant with the provisions in the RPS Policy,
 - Review applicability and appropriateness of excusing performance based on the Cost Limitations on Expenditures provisions of the RPS Policy.

6. Non Compliance: If it is determined that the TID has failed to comply with the provisions of its RPS Policy, the TID Board shall take steps to correct any untimely compliance, including:
- a. Direct staff to develop and present to the Board a plan to bring the District into compliance
 - b. Direct staff to review TID's RPS Policy to determine what changes, if any, are necessary to ensure compliance in the next Compliance Period;
 - c. Direct staff to report quarterly to the Board regarding the progress being made toward meeting the compliance obligation;
 - d. Direct staff to report to the Board regarding the status of meeting subsequent compliance targets, and all steps being taken to ensure that the obligation is timely met.