

Memorandum

To: Chair David Hochschild
Commissioner Karen Douglas
Commissioner Andrew McAllister
Commissioner Patty Monahan
Commissioner Janea A. Scott

Date: February 1, 2020

From: Drew Bohan
Executive Director

Subject: APPROVAL OF A TURLOCK IRRIGATION DISTRICT EMISSION PERFORMANCE STANDARD COMPLIANCE FILING

On January 27, 2020, the Turlock Irrigation District (TID) submitted a compliance filing requesting the California Energy Commission (CEC) find that TID's covered procurement for biomass energy from the Weed Cogeneration Plant be determined to be compliant with the CEC Greenhouse Gases Emission Performance Standard (EPS), pursuant to Title 20 of the California Code of Regulations, §2900, et seq.

Senate Bill 1368 (Perata, Chapter 598, Statutes of 2006) limits long-term investments in baseload generation by the state's utilities to power plants that meet an EPS jointly established by the CEC and the California Public Utilities Commission. The CO₂ emission rate limit is 1,100 pounds per megawatt-hour. The EPS establishes a public process for determining the compliance of proposed utility investments. Utilities are required to submit a compliance filing upon committing to an investment that is required to meet the EPS.

On January 21, 2020, the TID Board of Directors approved a power purchase agreement (PPA) with Roseburg Forest Products Co. for a term of five years. The PPA has a total capacity of 11 megawatts (MW) and TID's share is 0.4928 MW (4.48 percent). The Weed Cogeneration Plant has been in commercial operation since 2011 and is considered to be a renewable biomass power plant as it utilizes wood waste from the forest. The facility is certified under the Renewables Portfolio Standard (RPS) with an RPS identification number of 60501.

TID is one of five buyers under the PPA. The other buyers are the Modesto Irrigation District, the City of Riverside, the Sacramento Municipal Utility District, and the Southern California Public Power Authority. The five buyers are procuring power for compliance with Senate Bill 859 (Committee on Budget and Fiscal Review, Chapter 368, Statutes of 2016). SB 859 requires local publicly owned electric utilities serving more than 100,000 customers to procure their proportionate shares of 125 MW of cumulative rated capacity from bioenergy projects for terms of at least five years.

Chair David Hochschild
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Page Two

Staff has evaluated TID's compliance filing and concludes that the PPA is compliant with the EPS pursuant to §2903(b)(2); specifically, that the biomass facility listed in the PPA utilizes only biomass fuels that would otherwise be disposed of utilizing open burning, forest accumulation, spreading, composting, uncontrolled landfill, or landfill utilizing gas collection with flare or engine. Biomass includes but is not limited to agriculture waste, wood waste, and landfill gas. Staff recommends the CEC find that the covered procurement as described in TID's filing complies with the CEC's EPS, Title 20, §2900 et seq., of the California Code of Regulations.

(Original signed by Drew Bohan)

(1/31/20)

Drew Bohan
Executive Director

Date

Attachment: TID Letter

DOCKETED	
Docket Number:	20-EPS-01
Project Title:	Emission Performance Standard
TN #:	231758
Document Title:	Turlock Irrigation District Comments - Roseburg SB 859 Purchase Agreement EPS Compliance Filing
Description:	*** THIS DOCUMENT SUPERSEDES TN 231750 ***
Filer:	System
Organization:	Turlock Irrigation District
Submitter Role:	Applicant
Submission Date:	1/27/2020 3:12:35 PM
Docketed Date:	1/27/2020

Comment Received From: Turlock Irrigation District
Submitted On: 1/27/2020
Docket Number: 20-EPS-01

Roseburg SB 859 Purchase Agreement EPS Compliance Filing

*** THIS DOCUMENT SUPERSEDES TN 231750 ***

Additional submitted attachment is included below.

January 24, 2020

California Energy Commission
EPS Compliance
1516 Ninth Street
Sacramento, CA 95814-512
Attention: Compliance Filing

This is to inform you that Turlock Irrigation District (“TID”) entered into a contract for renewable energy on January 24, 2020. The contract information is as follows:

[Name of Counterparty]: Roseburg Forest Products Co.
[Name of Facility]: Weed Cogeneration Plant
[Location of Facility]: 98 Mill Street, Weed, CA 96094
[Technology/Fuel]: Biomass
[Nameplate Capacity of Facility]: 13.4 MW
[Product description; e.g., as-available energy]: Capacity and SB 859 attributes.
[Substitute energy allowed: yes/no]: No.
[Delivery Start Date – Delivery End Date]: Delivery begins upon achievement of the Commercial Operation Date as defined in the purchase agreement (“PA”) and will continue for 5 years unless terminated sooner as provided for in the PA.

Although the nameplate capacity of the plant is 13.4 MW, the buyers are only contracting for 11 MW in the aggregate. TID share of the aggregate capacity is 0.4928 MW.

TID is asking that the Commission find that this PA is compliant with the Greenhouse Gases Emissions Performance standard set forth in Chapter 11 of Title 20 of the California Code of Regulations (“EPS Regulations”). Specifically, TID asserts herein that the facility under contract is compliant pursuant to Section §2903(b)(2) of the regulations.

On behalf of TID’s Board of Directions (“Board”) I make the following attestations:

1. I am authorized by the Board to file this compliance filing and make the attestations herein on behalf of the Board.
2. The Board has reviewed and approved in a noticed public meeting both the contract with Roseburg Forest Products Co. described above (“PPA”) and this compliance filing.
3. Based on the Board’s knowledge, information or belief, this compliance filing does not contain a material misstatement or omission of fact.
4. Based on the Board’s knowledge, information or belief, the PPA complies with the EPS Regulations.

Sincerely,

A handwritten signature in blue ink, appearing to be 'BK', with a long horizontal flourish extending to the right.

Brad Koehn
Chief Operating Officer

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

*Turlock Irrigation District
Emission Performance Standard
Compliance Filing*

Docket No. 20-EPS-01

I. INTRODUCTION

Pursuant to Public Utilities Code section 8341(e)(1), the California Energy Commission established a greenhouse gases emission performance standard (EPS) of 1,100 pounds carbon dioxide per megawatt hour, as codified in Title 20 of the California Code of Regulations, section 2900 et seq. The Energy Commission is responsible for reviewing all long-term financial commitments entered into by local publicly owned electric utilities for compliance with the EPS.

II. FINDINGS

- a. On January 27, 2020, the Turlock Irrigation District (TID) submitted a compliance filing requesting that the Energy Commission find that TID's Power Purchase Agreement with Roseburg Forest Products Co. for electricity from the Weed Cogeneration Plant be determined to be compliant with the EPS;
- b. Energy Commission staff reviewed TID's filing and found it complete. Based on its review, staff recommended that the procurement be found to be in compliance with the EPS; specifically, staff concluded that the facility listed in the PPA is determined to be compliant with the EPS under section 2903(b)(2) of the Public Resources Code; and
- c. The Energy Commission concurs with staff's recommendation that TID's compliance filing is complete and that the contract with Roseburg Forest Products Co. as described in the compliance filing, complies with the EPS.

III. CONCLUSION AND ORDER

The California Energy Commission hereby adopts staff's recommendation and orders that the long-term financial commitment described in TID's compliance filing complies

with the Energy Commission's Greenhouse Gases Emission Performance Standard, as codified in Title 20 of the California Code of Regulations, section 2900 et seq.

CERTIFICATION

The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of an Order duly and regularly adopted at a meeting of the CEC held on February 20, 2020.

AYE:

NAY:

ABSENT:

ABSTAIN:

Cody Goldthrite
Secretariat