

Memorandum

To: Chair David Hochschild
Commissioner Karen Douglas
Commissioner Andrew McAllister
Commissioner Patty Monahan
Commissioner Siva Gunda

Date: March 2, 2021

From: Drew Bohan
Executive Director

Subject: APPROVAL OF A SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY EMISSION PERFORMANCE STANDARD COMPLIANCE FILING

On February 5, 2021, the Southern California Public Power Authority (SCPPA) submitted a compliance filing requesting the California Energy Commission (CEC) find that SCPPA'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, section 2900, et seq.

Senate Bill (SB) 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 October 17, 2019, SCPPA's board of directors approved a power purchase agreement (PPA) with Roseburg Forest Products Co. for five years. The PPA has a total capacity of 11 megawatts (MW) and SCPPA's share is 6.8 MW (62 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.

SCPPA 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 Turlock Irrigation District. SCPPA is procuring power on behalf of the City of Anaheim (0.5 MW), the Imperial Irrigation District (0.9 MW), and the Los Angeles Department of Water and Power (5.4 MW). The five buyers are procuring power for compliance with SB 859 (Committee on Budget and Fiscal Review, Chapter 368, Statutes of 2016). SB 859 requires local publicly owned electric utilities serving more

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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.

Staff has evaluated SCPPA's compliance filing and concludes that the PPA is compliant with the EPS pursuant to section 2903(b)(2); specifically, that the biomass facility listed in the PPA is determined to be compliant because it 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 SCPPA's filing complies with the CEC's EPS, Title 20, section 2900 et seq., of the California Code of Regulations.

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

IN THE MATTER OF:

*Southern California Public Power Authority
Emission Performance Standard
Compliance Filing*

Docket No. 21-EPS-01

I. INTRODUCTION

Pursuant to Public Utilities Code section 8341(e)(1), the California Energy Commission (CEC) 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 CEC 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 February 5, 2021, the Southern California Public Power Authority (SCPPA) submitted a compliance filing requesting that the CEC find that SCPPA'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. CEC staff reviewed SCPPA'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 CEC concurs with staff's recommendation that SCPPA'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 CEC hereby adopts staff's recommendation and orders that the long-term financial commitment described in SCPPA's compliance filing complies with the CEC'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 CEC 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 March 17, 2021.

AYE:

NAY:

ABSENT:

ABSTAIN:

Patricia Carlos
Secretariat