

Memorandum

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

Date: March 29, 2019

From: Drew Bohan
Executive Director

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

On March 18, 2019, the Southern California Public Power Authority (SCPPA) submitted the attached compliance filing requesting the Energy Commission find SCPPA's covered procurement for power from the Mammoth Casa Diablo IV Geothermal Energy Project facility compliant with the Energy Commission's Greenhouse Gases Emission Performance Standard (EPS), pursuant to Title 20 of the California Code of Regulations, Section 2900, et seq.

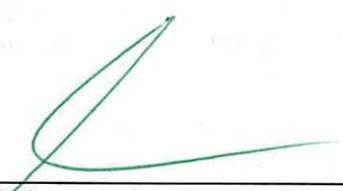
Under Senate Bill 1368 (Perata, Chapter 598, Statutes of 2006), the EPS limits long-term investments in baseload generation by the state's utilities to power plants that meet the EPS jointly established by the Energy Commission and the California Public Utilities Commission. The emission rate limit is set at 1,100 pounds of carbon dioxide per megawatt-hour. The EPS regulations established 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 February 21, 2019, the SCPPA Board of Directors approved a power purchase agreement (PPA) with ORNI 50 LLC for a term of twenty-five years, starting on December 31, 2021. The PPA, entered into by SCPPA on behalf of the City of Colton, is for up to 16 megawatts (MW) of long-term renewable electricity supply. The Mammoth Casa Diablo IV geothermal facility, located in Mono County, is currently listed as having pre--certification status approval under the renewable portfolio standard (RPS) with an RPS identification number of 62659.

Staff has evaluated SCCPA's compliance filing and concludes that the contract is compliant with the EPS pursuant to Section 2903(b)(1); specifically, that the geothermal facility listed in the PPA meets the criteria of a renewable electricity generation facility as defined in Chapter 8.6 of Division 15 of the Public Resources Code and as such is determined to be compliant with the EPS.

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Staff recommends the Energy Commission find that the covered procurement described in SCPPA's compliance filing complies with the Energy Commission's EPS, Title 20, Section 2900 et seq., of the California Code of Regulations.



Drew Bohan
Executive Director

Date

4/5/19

Attachment

CALIFORNIA ENERGY COMMISSION

1516 Ninth Street
Sacramento, California 95814

**STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION**

IN THE MATTER OF:)	DOCKET No. 19-EPS-01
)	[PROPOSED] ORDER No.
SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY)	
EMISSION PERFORMANCE STANDARD)	
COMPLIANCE FILING)	
)	

I. INTRODUCTION

Pursuant to Public Utilities Code section 8341(e)(1), the 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, sections 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 March 19, 2019, the Southern California Public Power Authority (SCPPA) submitted a compliance filing requesting that the Energy Commission find that SCPPA's Power Purchase Agreement with ORNI 50 LLC for electricity from the Mammoth Casa Diablo IV geothermal plant be determined to be compliant with the EPS;

b. Energy Commission 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 the geothermal plant listed in the PPA meets the criteria of a renewable electricity generation facility as defined in Chapter 8.6 of Division 15 of the Public Resources Code and as such is determined to be compliant with the EPS; and

c. The Energy Commission concurs with staff's recommendation that SCPPA's compliance filing is complete and that the contract with ORNI 50 LLC, 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 SCPPA'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 California Energy Commission held on April 10, 2019.

AYE:

NAY:

ABSENT:

ABSTAIN:

Cody Goldthrite, Secretariat
California Energy Commission