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VIA E-MAIL AND CEC DOCKET SUBMISSION

June 19, 2026

California Energy Commission
Docket Unit, MS-4
Docket No. 24-RPS-01

Re: CEC Docket 24-RPS-01 Renewables Portfolio Standard Compliance Period 4 (2021 – 2024) Verification and Compliance – Ava Community Energy Comments

To California Energy Commission Docket Unit, MS-4:

Ava Community Energy ("Ava") appreciates the opportunity to submit comments on the California Energy Commission's ("CEC") Renewables Portfolio Standard 2021–2024 Retail Sellers Procurement Verification Results Staff Draft Report ("Staff Draft Report") issued on June 9, 2026. As a load-serving entity ("LSE") committed to meeting Ava's Board adopted clean energy targets as well as California's ambitious clean energy and greenhouse gas reduction mandates under SB 100, Ava takes compliance and the accurate reporting of Renewables Portfolio Standard ("RPS") procurement claims very seriously.

While Ava generally supports the Staff Draft Report and commends the CEC staff for their comprehensive administrative review and verification of Compliance Period 4 ("CP 4") procurement claims, structural timeline conflicts between the California Public Utilities Commission's ("CPUC") Voluntary Allocation and Market Offer ("VAMO") program and the CEC's RPS tracking protocols present ongoing, unresolved accounting challenges for retail sellers. Because LSEs do not control the execution or timing of VAMO allocations, additional eligible RECs are frequently deposited into an LSE's account substantially after the close of a compliance period and after standard reporting deadlines have passed.

To address these timing frictions and maintain the structural integrity of the RPS accounting framework, Ava respectfully requests that the CEC address two important, interrelated administrative issues in the final report or through coordinated interagency guidance with the CPUC:

1. Authorize the banking and subsequent retirement of VAMO-allocated Renewable Energy Credits ("RECs") that are transferred to LSEs well after the standard July 1 regulatory cut-off date for a given delivery year's REC retirements.
2. Provide formal guidance on reconciling accounting discrepancies that arise when delayed VAMO transfers create a mismatch between prior annual compliance submissions made to the CEC and active tracking records in the Western Renewable Energy Generation Information System ("WREGIS") database.

I. The CEC Should Permit Flexibility to Bank and Later Retire RECs Distributed Post-July 1 via the CPUC's VAMO Program

Under standard California RPS compliance rules, retail sellers must retire RECs in WREGIS by the annual regulatory cut-off date of July 1 following the close of the compliance year. However, the commercial execution, contract finalization, and data reconciliation parameters of the CPUC's VAMO program frequently result in physical REC allocations being deposited into LSE accounts well past this July 1 deadline.

Because these RECs are generated by historical legacy portfolios designed to serve departed load, they legally and financially belong to the customers of the receiving LSE. Under a rigid application of current rules, LSEs find themselves possessing valid, eligible VAMO RECs that are difficult to utilize or retire for the intended delivery year due solely to administrative delays inherent in the multi-party utility settlement process.

To resolve this issue, the CEC should update the Final Verification Results Report or issue a clarifying resolution confirming that RECs received through the VAMO process after applicable retirement deadlines may be retained in an LSE's account and safely retired in a subsequent reporting cycle without penalty. This treatment would appropriately recognize the unique timing constraints associated with CPUC-directed program administration while maintaining the strict tracking integrity of the RPS framework. Punishing LSE customers for structural scheduling frictions between separate state agencies undermines the statutory intent of the VAMO framework.

II. CEC SHOULD ISSUE CLEAR GUIDANCE TO RESOLVE VERIFICATION AND COMPLIANCE REPORTING RECONCILIATION CAUSED BY RETROACTIVE VAMO ALLOCATIONS

A major challenge in the CP 4 verification process is maintaining absolute administrative alignment across multiple datasets. Under current practice, an LSE may have accurately reported its REC retirements and account balances as of the applicable reporting deadline. However, when additional RECs are retroactively distributed through the VAMO process after that formal filing has been submitted, a systemic discrepancy is created.

An LSE's prior formal submissions to the CEC naturally reflect the data available at the time of filing, whereas the live WREGIS database subsequently shows a different volume of retired or pending RECs following the late VAMO transfer. The Staff Draft Report does not address how these post-submission VAMO allocations should be treated for verification purposes, creating an un-reconciled reporting gap, administrative confusion, and potential compliance friction.

To resolve this issue, Ava requests that the CEC explicitly outline a standard operating protocol or "true-up" bridge for LSEs to follow when completing verification accounting under these circumstances. Specifically, Ava respectfully requests that the Commission provide formal guidance regarding:

1. **Filing Amendments**: Whether LSEs should formally amend previously submitted compliance documentation when VAMO RECs are received after reporting deadlines, and how to note late-arriving data without triggering administrative eligibility errors.
2. **Evidentiary Documentation**: What specific documentation or transfer logs should be provided by the LSE to demonstrate that any discrepancy is attributable solely to the external timing of a VAMO allocation.
3. **Audit Reconciliation Mechanism**: The precise mechanism CEC auditors will use to cross-reference and evaluate differences between an LSE's previously reported retirement information and later account balances that have shifted dynamically post-submission due to CPUC-directed portfolio transfers.

Providing this explicit clarification would vastly improve transparency, reduce unnecessary administrative burdens on staff and market participants, and ensure equitable, consistent treatment of similarly situated LSEs.

III. CONCLUSION

Joint administration of the California RPS program requires close, proactive synchronization between the CEC and the CPUC to shield clean energy ratepayers from administrative non-compliance risks. Providing flexibility for latterly-received VAMO REC retirements and formalizing a clear true-up mechanism for mismatched databases will significantly improve accounting accuracy, streamline the verification timeline, and ensure the regulatory framework fairly accommodates the operational realities of state-mandated procurement programs.

Ava appreciates the Commission's consideration of these comments and welcomes the opportunity to discuss these technical accounting issues further with Commission staff.

Respectfully submitted,

/s/ John Newton

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