

DOCKETED

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On Proposed Modifications to Power Source Disclosure Regulations

Additional submitted attachment is included below.

BEFORE THE CALIFORNIA ENERGY COMMISSION

In the Matter of:

Power Source Disclosure Program

Docket No. 14-OIR-01

**RE: Proposed Modifications to Power
Source Disclosure Regulations**

**COMMENTS OF THE CITY OF LANCASTER
ON PROPOSED MODIFICATIONS TO POWER SOURCE DISCLOSURE
REGULATIONS**

The City of Lancaster (“Lancaster”), a California municipal corporation and charter city, operating its Community Choice Aggregation (“CCA”) program by and through an enterprise division of the city (“Lancaster Choice Energy” or “LCE”), respectfully submits these comments in response to the California Energy Commission’s (“Commission”) January 6, 2016 Workshop on the Proposed Modifications to Regulations Governing the Power Source Disclosure Program and December 18, 2015 Express Terms and Initial Statement of Reasons provided for the proposed regulation modifications.

I. INTRODUCTION

Lancaster is a thriving community of nearly 158,630 residents located approximately one-hour north of Los Angeles. Attainable housing and recent economic growth have made Lancaster a very attractive choice for families and businesses that are looking to relocate, but wish to enjoy all the advantages that Southern California has to offer. Lancaster's business-friendly atmosphere has contributed to dramatic economic growth in recent years. New businesses often choose to relocate or open another location in Lancaster, which translates to increases in local job opportunities for the city and the region.

Lancaster continues to aggressively pursue alternative energy solutions in hopes of

bettering the current and future environmental and economic conditions of its community, region, country, and the world. With the Lancaster City Council's approval of rates for LCE on February 24, 2015, Lancaster is now the third operational CCA program in California. Lancaster's CCA program, LCE, was launched on May 1, 2015, to a first phase of customers (principally municipal accounts and a representative sample of other customer classes). The second and final phase was launched on October 1, 2015, for all other customers.

II. COMMENTS

A. Proposed Section 1394(a)(2)(A)(1) – Lancaster requests that the Commission not require WREGIS certificate numbers.

As proposed, Section 1394(a)(2)(A)(1) would require Retail Suppliers to report, among other things, WREGIS certificate numbers of any WREGIS certificates issued for each source of generating facility output from which a specific purchase was made:

For each source of generating facility output ~~from which being claimed as~~ a specific purchase was made, the retail ~~provider~~ supplier must include the following information: facility name or pool name, fuel type, state or province the facility is located in, facility or pool number ~~(a facility number will be provided by the U.S. Energy Information Agency (EIA), or, if one is not provided, by the Energy Commission~~ WREGIS, or the Federal Energy Regulatory Commission (FERC), and pool number will be provided by the Energy Commission), certificate number of any WREGIS certificates issued ...

Lancaster requests that the Commission not require WREGIS certificate numbers since this information is currently provided to the Commission through the existing RPS reporting process. In light of this observation, providing WREGIS certificate numbers as part of Power Source Disclosure reporting is redundant and appears unnecessary. Further, modifying this proposed

requirement so that WREGIS certificate numbers are not required would better streamline the reporting process and reduce the associated administrative burden.

B. Proposed Section 1394(b)(2) – Lancaster urges the expansion of coverage for public agencies with more than one electricity product.

Under Section 1394(b)(2) of the proposed regulations, public agencies are not required to provide an audit report specified in Section 1394(b)(1) if the public agency provides one electricity product and the agency’s board of directors approves the annual report at a public meeting:

A retail ~~provider~~ supplier that is a public agency providing electric services is not required to comply with the provisions of subdivision (b)(1) if that public agency offers only one electricity product to its customers and if the board of directors of the public agency approves at a public meeting the submission to the Energy Commission of an attestation of the veracity of the annual report.

Lancaster appreciates the Commission’s proposed language in Section 1394(b)(2) that public agencies may provide an annual report through a public meeting process in lieu of the requirements in subdivision (b)(1). The public meeting process described in Section 1394(b)(2) is more appropriate for public agencies than the requirements provided in subdivision (b)(1), since an audit report would be duplicative given a public agency’s procurement approval process. For this reason, Lancaster is concerned with comments made by Pacific Gas and Electric Company (“PG&E”) at the January 6, 2016 Workshop, where PG&E requested that all retail suppliers be subject to identical audit requirements. Unlike investor-owned utilities, Community Choice Aggregators (“CCA Providers”) and other public agencies are subject to the information disclosure and transparency measures in California Public Records Act¹ and other requirements that are

¹ See Cal. Gov’t Code § 6250 *et seq.* (for California Public Records Act requirements).

distinctly different from those of the investor-owned utilities. For this reason, Lancaster urges the Commission to reject PG&E's request.

Additionally, Lancaster requests that the Commission modify Section 1394(b)(2) to permit public agencies with more than one electricity product to also utilize the public meeting process in lieu of subdivision (b)(1). Lancaster, as well as other CCA Providers, provide their customers with multiple electricity products with increasing degrees of renewable energy content. Restricting Section 1394(b)(2) to only one electricity product would unnecessarily hinder efforts by CCA Providers to encourage customer choice and offer customers products with high renewable energy content and competitive pricing. Lancaster's offering of additional products does not impact the process required from CCA Providers and other public agencies for information evaluation and disclosure – the same open and transparent process remains. Thus, public agencies with multiple products should be permitted to exercise the same public meeting option afforded to public agencies with only one product.

C. Lancaster requests an extension of the filing date provided in the proposed regulations given existing time constraints.

The proposed regulation references a June 1 filing date in Sections 1394(a)(1) and 1394(a)(2)(A)(3). Since the proposed regulation was released on December 18, 2015, the public hearing for consideration and adoption of the Power Source Disclosure Express Terms (initially scheduled for March 9, 2016) has been postponed. Given this postponement, it is possible that retail suppliers will have difficulty in meeting the filing deadline specified in the proposed regulation. For this reason, Lancaster respectfully requests that the Commission extend the filing deadline to later in 2016.

III. CONCLUSION

Lancaster appreciates the opportunity to provide comments on the proposed changes to the

Power Source Disclosure Program regulations, and thanks the Commission for its review and consideration of these comments.

Respectfully submitted,

A handwritten signature in cursive script that reads "Dan Griffiths".

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