STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:

Amendments to Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities

California Air Resources Board Pre-Rulemaking to Consider Potential Regulations on Renewables Portfolio Standard Penalties for Local Publicly Owned Electric Utilities Docket No. 14-RPS-01

California Energy Commission

DOCKETED

14-RPS-01

TN # 75721

MAY 08 2015

COMMENTS OF THE CALIFORNIA FARM BUREAU FEDERATION ON AMENDMENTS TO REGULATIONS SPECIFYING ENFORCEMENT PROCEDURES FOR THE RENEWABLES PORTFOLIO STANDARD FOR LOCAL PUBLICLY OWNED ELECTRIC UTILITIES

The California Farm Bureau Federation ("Farm Bureau")¹ appreciates the opportunity to provide comments on the regulations regarding the enforcement of the Renewable Portfolio Standard ("RPS") for local publicly owned utilities. Farm Bureau's comments here are directed at the changes to the regulations, Section 3204(a)(10), necessary for the implementation of SB 591 (Canella – 2013). Farm Bureau supports

¹ The California Farm Bureau Federation is California's largest farm organization with approximately 57,000 agricultural and associate members in 53 county Farm Bureaus. California farmers and ranchers sell \$44.7 billion in agricultural products annually, accounting for 9 percent of the gross state product, and hundreds of thousands of jobs in California. Merced County Farm Bureau represents farmers and ranchers in Merced County, the 5th top producing agricultural county in California.

the methodology and parameters which Merced Irrigation District ("MEID") has proposed be utilized for development of the regulations for application to SB 591.

As the provisions of the legislation made clear, particularly explained through the multiple analyses throughout the course of the legislative process, SB 591 was prepared and written to apply to MEID. The stand-alone provision that evolved for MEID did so because it had become apparent that the circumstances faced by MEID were unique to them, requiring refinements for a realistic application of important RPS provisions to them. In fact, as revisions were made to the legislation throughout the process, such revisions brought increased focus upon the particular circumstances faced by MEID in addressing the mandates for meeting the RPS. The particular challenges faced by MEID at the time the legislation was considered have only been intensified since that time due to the ongoing drought in California.

Implications from the drought in considering adoption of the regulations are manifested in at least two ways. First, an important reason for adoption of a separate provision for MEID within the RPS compliance requirements was the economic circumstances faced by the community it served. As assessed a year ago by the UC Davis Center for Watershed Sciences, by 2014 the drought had significant negative consequences to the farming regions of the state, such as the area served by MEID. (Economic Analysis of the 2014 Drought for California Agriculture (Revised July 23, 2014).) Although the Report was prepared a year ago, the impacts have been compounded significantly and the concern for any negative economic effects from compliance has only been intensified.

Secondly, because the separate provision developed for MEID is directly tied to its hydroelectric facility, the New Exchequer Dam, the effects of the drought on the output of the facility will continue to be significant. Although some level of recognition of the vagaries of water availability was evident in the discussions leading up to the adoption of SB 591, the importance the vagaries play on MEID's operations has been brought into sharp focus. At this time, perhaps more than any other time, it is important that pragmatic solutions be found to resolve any implementation questions.

Farm Bureau urges the Commission to consider the challenges SB 591 sought to address and adopt implementing regulations which provide real and consistent relief.

Dated: May 8, 2015

Respectfully submitted,

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