DOCKETED

Docket Number:	16-OIR-05
Project Title:	Power Source Disclosure - AB 1110 Implementation Rulemaking
TN #:	222704
Document Title:	UCS NRDC TCR CEERT CPC comments on Power Source Disclosure
Description:	N/A
Filer:	System
Organization:	UCS NRDC TCR CEERT CPC/Laura Wisland
Submitter Role:	Public
Submission Date:	2/23/2018 3:18:07 PM
Docketed Date:	2/23/2018

Comment Received From: Laura Wisland
Submitted On: 2/23/2018
Docket Number: 16-OIR-05

UCS NRDC TCR CEERT CPC comments on Power Source Disclosure

Additional submitted attachment is included below.

February 23, 2018

Jordan Scavo
Renewable Energy Office
California Energy Commission
1516 Ninth Street, MS 45
Sacramento, CA 95814-5512

Docket No. 16-OIR-05: Comments of the Union of Concerned Scientists, the Natural Resources Defense Council, The Climate Registry, the Center for Energy Efficiency and Renewable Technologies, and the Clean Power Campaign on February 1, 2018 Pre-Rulemaking Workshop on Updates to the Power Source Disclosure (PSD) Regulations and the January 17, 2018 Revised Assembly Bill 1110 Implementation Proposal for PSD Draft Staff Paper

Dear Mr. Scavo,

The following organizations—the Union of Concerned Scientists, the Natural Resources Defense Council, The Climate Registry, the Center for Energy Efficiency and Renewable Technologies, and the Clean Power Campaign—appreciate the opportunity to comment on the California Energy Commission's Revised Assembly Bill 1110 Implementation Proposal for Power Source Disclosure released on January 17, 2018 ("Revised Proposal"). We believe that it is important for electricity customers in California to have access to transparent information explaining where their power comes from and the associated greenhouse gas ("GHG") emissions. However, we are concerned with certain aspects of the Revised Proposal that diverge from best practice accounting for renewable energy generation in voluntary and compliance programs, and the negative effect that this may have on renewable energy markets and development.

By proposing that electricity suppliers not be required to retire renewable energy certificates ("RECs") when reporting delivery of power from renewable energy to their customers, the Revised Proposal contradicts internationally accepted guidance on corporate emissions reporting from GHG Protocol, a joint initiative of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).[1] By denying that RECs substantiate delivery of the GHG emissions associated with renewable energy generation, the Revised Proposal may infringe on the legal rights and claims of REC owners, under California law[2] and per the terms of use of REC tracking systems[3] and bilateral contracts for power and attributes. The proposal also increases the risk that the zero emissions associated with renewable energy generation could be double counted by California and other states.

Implementation of the Revised Proposal would also have a significant negative impact on voluntary and corporate renewable energy purchasing and investment in California. The Revised Proposal

---

[1] Sotos, M. (2015) *GHG Protocol Scope 2 Guidance: An Amendment to the GHG Protocol Corporate Standard*. World Resources Institute. Available online: http://www.wri.org/sites/default/files/Scope_2_Guidance_Final.pdf
[2] See CAL. PUB. UTIL. CODE § 399.12 (h)(2) and § 399.21(a)(2).
[3] See Western Electricity Coordinating Council, WREGIS Operating Rules (July 15, 2013). Section 2, pg. 2, 4-5. Available at: https://www.wecc.biz/Corporate/WREGIS%20Operating%20Rules%20072013%20Final.pdf.

effectively invalidates several important corporate and voluntary renewable energy purchasing options, which would no longer meet corporate emissions reporting and credible renewable energy usage claims criteria. Perhaps more importantly, this would fundamentally change the accounting instrument used across all corporate purchasing options and complicate how to purchase and verify exclusive delivery of renewable power in California and across the West. It is extremely important that the REC remain the basis of corporate renewable energy usage and GHG claims, and that accounting and claiming rules for fuel type and GHG emissions attributes are consistent with each other and across the country. The geographic inconsistency and uncertainty, attribute disaggregation, and ultimately smaller markets created by implementation of the Revised Proposal would negatively affect corporate purchasers in California.

We respectfully request that power source and emissions disclosure requirements recognize RECs as the accounting tool for retail claims to renewable fuel types and emissions, and follow international guidance on GHG accounting for purchased electricity from WRI and WBCSD and the International Organization for Standardization (ISO)[4]. Specifically, we recommend the following requirements for power source disclosure:

1. Renewable energy and the emissions associated with renewable energy can only be reported as delivered to retail customers with REC retirement. RECs should convey the GHG emissions profile of renewable generation for consumer claims.

2. Null power and unspecified power should be assigned a residual mix emissions factor.

3. All eligible RECs retired by retail suppliers, bundled or unbundled, for retail sales should be reported in power source disclosure. Only RECs that have been retired should be included on power source disclosure forms. Our organizations support distinguishing between bundled and unbundled REC procurement on power source disclosure forms without creating entirely new power mix categories.

Thank you for this opportunity to provide comment.

Sincerely,

Laura Wisland
Union of Concerned Scientists

Peter Miller
The Natural Resources Defense Council

Peggy Kellen
The Climate Registry

Liz Anthony
Center for Energy Efficiency and Renewable Technologies

V. John White
Clean Power Campaign

[4] See ISO 14064-1 and 14067.