



Taylor Miller
Senior Environmental Counsel

925 L Street, Suite #650
Sacramento, CA 95814

Tel: 916-492-4248
Fax: 916-448-1213
tmiller@sempra.com

Ms. Kate Zochetti
Renewable Energy Office
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

DOCKET	
02-REN-1038	
DATE	SEP 10 2010
RECD.	SEP 10 2010

Re: Docket Numbers 02-REN-1038 and 03-RPS-1078; Proposed Changes to RPS Eligibility Guidebook

Dear Ms. Zochetti:

Sempra Generation submits these comments concerning the proposed revisions to the Renewables Portfolio Standard Eligibility Guidebook Draft Fourth Edition, August, 2010 (“the Draft Revisions”). Our comments are as follows:

1. Instructions for Additional Required Information for Out-Of-State Facilities

The Draft Revisions add new section c) on page 56. This paragraph states that documentation must be submitted to substantiate the applicant's assessment concerning whether the facility's development or operation will cause or contribute to a violation of any LORS in the region of California most likely to be affected by the facility's development or operation. We are concerned that this addition suggests that analysis of out-of-state projects may be unnecessarily complex. The statutory requirement, as noted in the draft revision, footnote 71, is that one of the prerequisites for certification is that the facility will not "cause or contribute to a violation of a California environmental standard or regulation." There must be an effect in California for this to occur. This analysis must be clearly distinguished from the additional statutory requirement, only applicable to out-of-country projects, to show that the project will be regulated in a manner equivalent to regulation in a California jurisdiction (these are discussed separately in the Handbook, pages 58 -- 59).

Current practice, unchanged in the Draft Revisions, is to require a comprehensive listing of LORS in the local California jurisdiction closest to the proposed project in all of the 17 listed topical areas required to be analyzed in a full Application for Certification. Then an assessment is required concerning whether any of these LORS could be violated by development project. For many topical resource areas, no effect on the nearest California jurisdiction is physically possible. See, e.g., paleontological resources, geological hazards and resources, agriculture and soil resources, and worker safety. However, a lot of research time and application pages are

spent identifying LORS requirements only to find in the second step of the analysis that the project has no prospect of affecting them.

We suggest that rather than being required to engage in an unnecessary exercise, the procedure set forth in paragraphs a) and b) on page 56 should be reversed. An assessment should first be made, perhaps utilizing a checklist, of whether the project has the physical capability of causing effects in any of the 17 resource areas in California. Only after having identified some prospect of an effect would a limited set of relevant LORS need to be identified in the region of California with the potential to be affected by the project. Only for these topical areas would documentation need to be submitted in accordance with new subsection c).

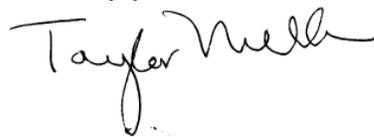
This approach is fully consistent with the statutory directive and would save both applicants and staff much unnecessary work. Many renewables projects, particularly photovoltaic projects, located even a short distance from the California border are unlikely to produce physical effects upon California resources. Therefore, in many cases no LORS will be applicable in California or will only need to be analyzed in a few topical areas. Yet by requiring an analysis of the potential for effects in all topical areas, the Commission will have a complete record that the possibility of such effects was examined in the application process.

2. Appendix B Questions; Biogas Delivery

Sempra Generation does not support further restrictions concerning the location of eligible biogas production facilities. The redrafting of the biogas section of the Handbook at pages 17-19 (Fourth Edition) already tightens requirements for delivery by adding additional conditions concerning pipeline operator contracting and attestations. Particularly until such time as more abundant supplies of biomethane are available, out-of-state supplies should not be restricted. The Commission should also consider development of an alternative means of qualifying biomethane acquisition and crediting through transactions which effectively displace combustion of natural gas without requiring contractual delivery and associated costs.

Thank you for considering these comments. We appreciate the level of detail and careful consideration given by you and your staff to refining the process to certify eligible renewable energy facilities. Sempra Generation also appreciates the courtesies and cooperation you have extended to us in the course of processing of our previous applications for pre-certification and certification.

Sincerely yours,

A handwritten signature in black ink that reads "Taylor Miller". The signature is written in a cursive style with a large, looped initial "T".

Taylor O. Miller