March 25, 2013

California Energy Commission
Dockets Office, MS-4
Renewable Portfolio Standard Proceeding
1516 Ninth Street
Sacramento, CA 95814-5512

RE: Proposed Revisions to the Renewable Portfolio Standard ("RPS") Eligibility Guidebook, Docket Nos. 11-RPS-01; 02-REN-1038

To Whom It May Concern:

CalEnergy Operating Corporation ("CalEnergy") appreciates the opportunity to comment on the Proposed Revisions to the Renewable Portfolio Standard Eligibility Guidebook (Seventh Edition, Staff Draft Guidebook). The proposed revisions were discussed at the California Energy Commission ("CEC") workshop on March 14, 2013.

In the draft RPS Eligibility Guidebook, CEC staff currently proposes adopting the Western Renewable Energy Generation Information System ("WREGIS") policy regarding station service. CalEnergy recommends that the CEC instead adopt the Federal Energy Regulatory Commission ("FERC") definition for station service. Applying the FERC definition will enhance regulatory stability, particularly between the crucial state and federal nexus. This would support rather than hinder the commercial transactions that underline the development of RPS-eligible renewable facilities (in California and within the Western Electricity Coordinating Council ("WECC")), and it will significantly enhance business and developer certainty. The need for consistency in the treatment of station power between the state and federal agencies should be the principle objective.

FERC has defined station power service to be electrical energy used for the heating, lighting, air-conditioning and office equipment needs of the building on a generating facility’s site, as well as that used for operating the electric equipment that is on the generating facility’s site.

The CEC should prompt the resolution process already in place to address discrepancies between the CEC and WREGIS to the extent discrepancies arise related to station service and renewable energy credit ("REC") creation to adopt the industry standard of the FERC definition of station service.
CalEnergy thanks the CEC for the opportunity to comment on the Draft Renewable Portfolio Standard Eligibility Guidebook.

Sincerely,

Steve Larsen
President