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September 20, 2013

California Energy Commission
Dockets Office, MS-4
RPS Proceeding – Docket No. 11-RPS-01
1516 Ninth Street
Sacramento, California 95814-5512

California Energy Commission

DOCKETED

11-RPS-01

TN 71987

SEP 20 2013

RE: Staff Workshop on Definition of “Station Service” (Docket No. 11-RPS-01)

Thank you for the opportunity to provide comments regarding the Energy Commission's ongoing effort to define “station service” at eligible renewable generation facilities participating in the Renewables Portfolio Standard (RPS) program. To best advance California's market-based clean energy goals, the Southern California Public Power Authority (SCPPA) strongly encourages the Energy Commission to formalize a definition in the *RPS Eligibility Guidebook* that would most encourage in-State renewable energy investments while complementing other established regulatory regimes.

SCPPA is a joint powers authority consisting of eleven municipal utilities and one irrigation district. SCPPA members deliver electricity to approximately two million customers over an area of 7,000 square miles, with a total population of 4.8 million people. SCPPA members include the municipal utilities of the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District.

SCPPA members remain concerned with the Energy Commission's deference to the Western Renewable Energy Generation Information System (WREGIS) definition of “station service,” as proposed in the *RPS Eligibility Guidebook (Seventh Edition)*. The WREGIS definition offers a strict interpretation that could convolute industry compliance efforts with California's RPS program and, unfortunately, potentially undermine certain renewable energy project investments for the State.

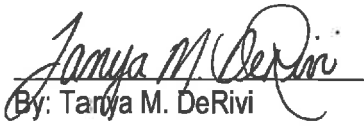
The WREGIS definition differs from the Federal Energy Regulatory Commission's (FERC) definition. FERC defined “station service” to be the “*electrical energy used for the heating, lighting, air-conditioning, and office equipment needs of the building on a generating facility's site, and for operating the electric equipment that is on the generating facility's site.*”¹ The current WREGIS definition would limit the amount of Renewable Energy Credits (RECs) associated with a facility; a difference that significantly and particularly impacts geothermal facilities. Geothermal plants will not be able to obtain RECs for energy associated with compression or pumping (e.g., an ancillary service), which typically constitutes a significant portion of a geothermal facility's energy output. That inconsistency decreases the value of investing in or owning one particular type of renewable generation, which could raise reasonable concerns over technology neutrality in the State of California. It also reduces the attractiveness of geothermal generation which, unlike wind or solar for example, is a baseload (i.e. non-intermittent) resource and therefore important for grid reliability as intermittent renewable penetration increases.

SCPPA respectfully requests that the Energy Commission consider changing the definition of “station service” to complement the FERC definition that is already applied to utilities across the nation. Doing so would ensure consistency across regulatory agencies and for regulated entities, would maximize ratepayer benefits on a diverse portfolio of renewable energy generation investments, and would enhance regulatory stability in the creation of RECs, REC accounting, and REC verification.

¹ PJM Interconnection, LLC, 94 FERC 61,251 (2001)

Thank you once again for your consideration of SCPPA's comments on this important matter.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Tanya M. DeRivi", written over a horizontal line.

By: Tanya M. DeRivi

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