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California Energy Commission

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Docket Office, MS-4
RPS Proceeding
1516 Ninth Street
Sacramento, CA 95814-5512

Subject: Docket No. 11-RPS-01

*NextEra Energy Resources, LLC's Comments on
California Energy Commission Staff's proposed definition of station service for
treatment in the Renewables Portfolio Standard ("RPS") program*

NextEra Energy Resources, LLC ("NextEra") appreciates the opportunity to comment on the California Energy Commission ("CEC") Staff's proposed definition and clarification on the station service definition and treatment for purposes of the Renewables Portfolio Standards ("RPS") program as set forth in Staff's concept paper issued with the notice of the September 10, 2013 workshop ("Staff's Concept Paper").

These Comments explain NextEra's position that the definition of station service load should not be expanded to periods when a facility is not operating. As explained below, this position is consistent with Staff's proposal to use the Western Renewable Energy Generation Information System ("WREGIS") definition of and guidance on "station service."

Background

NextEra owns and operates the Solar Electric Generation Station ("SEGS") solar thermal facility. The SEGS facility consists of seven units totaling 310 MW of solar thermal capacity. SEGS uses two means to supply onsite electric generation load: 1) withdrawals from the power grid; and 2) consumption of generation produced from SEGS itself. SEGS withdraws power from the grid only when the SEGS units are not generating power. This means that the SEGS units exclude all station power (parasitic load) from counting toward renewable energy generation during operation. When the plants are not operating (e.g. off-line, start-up, and shut-down), the SEGS units purchase power from Southern California Edison. This purchased power is therefore not included in the calculation of the net energy produced at the plants. In other words, the power output measured for creation of Renewable Energy Credits ("RECs") inherently deducts, or nets, the station service (parasitic load).

The seventh edition of the *Renewables Portfolio Standard Eligibility Guidebook* ("RPS Guidebook") follows the WREGIS definition of station service and provides that the

electricity used to meet the facility's station service load is not eligible for the RPS. WREGIS defines station service definition as: "*the electric supply for the ancillary equipment used to operate a generating station or substation.*"

Staff's Concept Paper supports the continued treatment of station service as set forth in the WREGIS operating rules and as further described in the May 2012 *Program Administrator's Advice Letter to WREGIS Regarding Station Service* ("May 2012 Advice Letter"). The May 2012 Advice Letter states:

*"To avoid unwieldy extension of station service into the handling and extraction process, station service should be circumscribed to represent only the immediate conveyance of fuel or resource to and from the power generation unit."*¹

NextEra Opposes Expanding the Definition of Station Service Load to Periods When the Facility is Not Operating.

Staff's Concept Paper lists which activities fall under "ancillary equipment," but also states that it remains unclear whether station service should be netted when the facility is not operating.² Staff's Concept Paper also notes that some station service load, such as pumps, must begin before the generation of electricity can commence.³

NextEra supports continuing the practice of not applying the power taken from the grid to start the facility toward the netting of total production. Because the power used to start the facility does not represent "the immediate conveyance of fuel or resource to and from the power generation unit," NextEra does not believe that netting power that is required to start the facility, but not directly used in the generation process, is consistent with the May 2012 Advice Letter.

Conclusion

NextEra appreciates the opportunity to comment on CEC Staff's proposal.

Sincerely,

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¹ Staff's Concept Paper at 11.

² Staff's Concept Paper at 3.

³ Staff's Concept Paper at 6.

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