September 1, 2015

Robert Oglesby, Executive Director
California Energy Commission (CEC)
Office of the Executive Director
1516 9th Street, MS-39
Sacramento, CA 95814-5512

Re: Extensions of Certification Application Deadlines – New Hogan Power Plant

Dear Mr. Oglesby:

The Modesto Irrigation District (MID or District) respectfully requests that the California Energy Commission (CEC or Commission) extend the application deadline for an amended certification of the New Hogan Small Hydroelectric Power Plan (New Hogan Power Plant).1 The New Hogan Power Plant, which was first RPS Certified by the CEC in December 2004 and duly registered with the Western Renewable Energy Generation Information System (WREGIS) in July 2008, is an essential part of MID’s portfolio of renewable energy used to meet its compliance obligation under the State’s renewable portfolio standard (RPS) program. MID has demonstrated its commitment to procuring renewable energy resources, even in advance of specific state mandates, and the New Hogan Power Plant is part of that commitment. However, on August 10, 2015, MID was notified by CEC staff that 19,768 renewable energy credits (RECs) for generation from the New Hogan Power Plant would not be eligible to count towards MID’s RPS compliance obligation for the first compliance period.2 As more fully described in the attached extension request, RPS certification for the facility lapsed due to an administrative matter and during a time when the state’s RPS requirements for publicly owned utilities differed from those for other retail sellers. As such, despite MID’s diligent commitment to procurement of renewable generation during this time period, a total of 28,919 RECs would not be eligible to count towards MID’s RPS compliance obligation from this RPS-eligible resource, at a cost to the District of more than $1.6 million dollars. Since the lapse in RPS Certification for the facility was not caused by a change in the facility’s RPS-eligibility, and due to the extenuating circumstances and procedural history discussed in the attached request, MID seeks an extension of the deadline for amending the RPS Certification for the New Hogan Power Plant.

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1 MID submits this request pursuant to the provisions of Section VII.D.3 of the Renewables Portfolio Standard Eligibility Guidebook (RPS Guidebook), Eighth Edition, dated June 2015.
2 Email correspondence from Emily Chisholm (CEC) to David Olivas (MID).
As the RPS program has significantly changed since adoption of Senate Bill (SB) X1-2 in 2011, necessitating changes to both the administrative practices of the District and the CEC to comply with the new mandates, MID appreciates the willingness of CEC staff to work with the District on implementing the new RPS procedures and requirements. The evolving nature of the RPS program – and specifically the mandates applicable to the state’s POUs – have presented unique implementation challenges for MID, and the District looks forward to continuing to work with the Commission to resolve this issue. Please do not hesitate to contact me if you have any questions regarding the attached extension request.

Respectfully submitted,
Modesto Irrigation District

Greg Salyer
Assistant General Manager, Electric Resources

cc: Lynette Green, RPS Program, Certification Unit (via electronic mail)

Attachment: Modesto Irrigation District Request for an Extension to the RPS Certification Deadline for an Amended RPS Certification for the New Hogan Hydroelectric Generation Facility.
MODESTO IRRIGATION DISTRICT REQUEST FOR AN EXTENSION TO THE RPS CERTIFICATION DEADLINE FOR AN AMENDED RPS CERTIFICATION FOR THE NEW HOGAN HYDROELECTRIC GENERATION FACILITY

For the reasons set forth herein, and in compliance with Section VII.D.3 of the Renewables Portfolio Standard Eligibility Guidebook (RPS Guidebook), Eighth Edition, dated June 2015, the Modesto Irrigation District (MID or District) requests that the deadline for amending the RPS Certification of the New Hogan Hydroelectric Power Plant (New Hogan Power Plant) be extended through to an effective date of January 31, 2014 so that all of the RECs created for generation from the New Hogan Power Plant from June 2010 through January 2014 be eligible for meeting MID’s compliance obligation under the RPS program.

I. INTRODUCTION AND OVERVIEW

On August 10, 2015, MID was notified by CEC staff that 19,768 renewable energy credits (RECs) for generation from the New Hogan Power Plant would not be eligible to count towards MID’s RPS compliance obligation for the first compliance period ending December 31, 2013.\(^1\) The New Hogan Power Plant was RPS Certified in December 2004 and registered with the Western Renewable Energy Generation Information System (WREGIS) in July 2008. At no time since the New Hogan Power Plant was first certified in 2004 have there been any changes to the facility that would affect its RPS-eligibility. The original RPS Certification was done by Pacific Gas and Electric Company (PG&E), who received the generation from the facility under a standard offer agreement. This standard offer agreement between the facility owner and PG&E was terminated in June 2010. From that time forward, MID received the generation from the New Hogan Power Plant, and counted it towards the District’s RPS goals, as the specific RPS mandates set forth in subsequent legislation were not applicable to publicly owned utilities such as MID at that time.\(^2\) In mid-January 2014, CEC staff notified MID that the RPS Certification for New Hogan Power Plant must be amended. MID promptly submitted an application for certification on January 31, 2014, and the updated certification was effective February 3, 2014. However, due to the administrative lapse resulting from the changes in the RPS requirements for publicly owned utilities and uncertainties associated with those changes, generation from the New Hogan Power Plant from June 2010 through January 2014 has been deemed ineligible to be counted towards meeting MID’s RPS procurement obligations. As such, and in order to avoid a significant adverse economic impact on MID and its electricity customers, MID requests that the deadline for amending the New Hogan Power Plant RPS Certification be extended to an effective date of January 31, 2014.

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\(^1\) Exhibit 1, Email from Emily Chisholm (CEC) to David Olivares (MID), dated August 10, 2015.

\(^2\) In 2011, the state’s RPS program was expanded to include new mandates for POUs; prior to that time, POUs were encouraged to meet the State’s RPS goals, which MID did by adopting RPS procurement targets consistent with those applicable to retail sellers.
MID Request For Extension - New Hogan Hydroelectric Generation Facility

II. SUPPORTING INFORMATION

A. Applicant and facility information.

| Applicant          | Modesto Irrigation District  
|                   | 1231 11th Street, P.O. Box 4060  
|                   | Modesto, CA 95352  
| Electric Generation Facility | New Hogan Hydroelectric Power Plant  
|                   | Valley Springs, Calaveras County, California  
| Nameplate Capacity | 2.8 MW  
| Owner              | Calaveras County Water District  
| Original RPS Certification | 60153E, December 2002  
| Amended RPS Certification | 60153A, February 3, 2015  
| WREGIS Generator ID | 571, July 2008¹

B. Additional time requested.

MID was notified by CEC staff via telephone in mid-January 2014 that an amended RPS Certification was necessary for the New Hogan Power Plant. On January 31, 2014 MID submitted an application to amend the RPS Certification for the New Hogan Power Plant.⁴ The application was approved by the CEC with an effective date of February 3, 2014.⁵ Therefore, MID requests an extension of the deadline through to January 31, 2014 so that the amendment to the RPS Certification submitted by MID on that date is deemed timely.

C. Explanation of the circumstances why MID was unable to submit a timely application for certification by the deadline specified in the RPS Guidebook.

The RPS Guidebook requires representatives of facilities to notify the CEC of any changes in information previously submitted in an application for certification.⁶ As evidenced by the following summary, MID did not submit a timely application for an amended RPS Certification because the District was not aware that the amendment was necessary based on the status of the emerging RPS program and the specific statutory and regulatory requirements applicable to MID at the time this occurred.

The New Hogan Power Plant was developed as a joint small hydroelectric energy project between Calaveras County Water District (CCWD) and MID. CCWD owns the facility, which is

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¹ See Exhibit 2, WECC; Generator Information for New Hogan Power Plant.
⁴ Exhibit 3, Email from David Olivares (MID) to RPSTrack@energy.ca.gov (CEC), dated January 31, 2014.
⁵ Exhibit 4, Letter from Lynette Green (CEC) to David Olivares, dated November 5, 2104.
⁶ Under the RPS Guidebook in effect at the time the PG&E/CCWD Standard Offer Agreement was terminated, representatives were required to notify the CEC “promptly” of any changes. (Renewables Portfolio Standard Eligibility Guidebook, Third Edition, dated January 2008) The current edition of the RPS Guidebook specifies that the notification should be made within 90 days.
operated by MID. The facility has been in operation since the 1980s. Under the terms of the Power Purchase Agreement between MID and CCWD, MID is entitled to receive all of the energy and capacity from the plant or may direct CCWD as to the disposition of the energy output from the New Hogan Power Plant. Beginning in 1985, the output from the facility was sold to PG&E under a Standard Offer Agreement between PG&E and CCWD.

In 2002 the Legislature passed and the Governor signed Senate Bill (SB) 1078 (Chapter 516, Statutes of 2002) establishing the RPS mandate for retail sellers. In order to meet the requirements of the new RPS program, PG&E submitted an Application for RPS Certification for the New Hogan Power Plan, and the facility was RPS Certified in December 2004. Also following the passage of SB1078, MID took actions to adopt its own RPS mandates, and in December 2003, MID’s governing board adopted an RPS for MID to meet the intent of the then-effective law applicable to the state investor owned utilities, setting an RPS target of meeting its retail sales with 20 percent renewable energy by 2017.

In 2006, SB 107 (Chapter 464, Statutes of 2006) updated the state’s RPS mandates applicable to retail sellers. Likewise, MID updated its own renewable energy procurement strategy with an eye towards meeting the state’s new targets and the 33% by 2020 RPS requirement that was recommended in the California Air Resources Board’s Climate Change Scoping Plan.7 MID’s efforts between 2003 and 2010 to take early action in procuring additional renewable resources are depicted in Figure 1.

As demonstrated in Figure 1, MID adopted an aggressive renewable procurement target. In furtherance of meeting that target, in 2009, MID decided to take the steps necessary to use the

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MID Request For Extension - New Hogan Hydroelectric Generation Facility

renewable power from the New Hogan Power Plant to serve its own load.8 At the same time, and in order to effect the change, MID notified CCWD to terminate the Standard Offer Contract with PG&E.9

MID began taking power from the New Hogan Power Plant in June 2010, prior to adoption of SBX1-2 in 2011, and its subsequent implementation at the Commission. From June 2010 forward, the District included generation from the New Hogan Power Plant as part of a portfolio to meets is RPS obligations. While it was not required that POUs use only generation from RPS-certified facilities to meet their RPS obligations,10 the District was aware that the power plant was RPS-certified prior to taking generation from the facility and believed that there were no changes to the certification. Further, despite the ability to use the interim tracking system, since June 2010 MID has reported generation from New Hogan Power Plant through WREGIS, where there was no lapse in the creation of RECs since MID began receiving energy from the facility. In October 2013 MID timely submitted to the Commission its first RPS Compliance Reports under the new RPS program. As required, the 2011 and 2012 Annual Reports included all of the relevant contracts for which the District was making RPS claims, including those related to the New Hogan Power Plant.11

Not until January 2014, when MID was notified by CEC staff that an amended certification was necessary, did MID know that the RPS Certification for the New Hogan Power Plant had lapsed. MID was not aware that the RPS Certification for the New Hogan Power Plant was exclusive to the retail seller submitting the application (at that time, PG&E), nor that the change in entity receiving the power from the facility necessitated an amended certification, despite the fact that there were no physical changes to the facility itself impacting the power plant’s RPS-eligibility. For these reasons, believing that the RPS Certification for the facility was unaffected by the recipient of the generation, MID did not seek to amend the RPS Certification for the New Hogan Power Plant.

D. Explanation of the financial consequences or other consequences to MID if an extension of time is not granted.

The New Hogan Power Plant is a significant and important part of MID’s renewable energy portfolio, and disallowance of generation from the facility from June 2010 through January 2014 will have considerable adverse economic impacts on the District and its customers. As depicted in Table 1 below, a total of 28,919 RECs would be impacted in the event that the extension to January 31, 2014 is not granted, at a potential cost to the District of more than $1.6 million dollars.

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9 Exhibit 6, Letter from Roger Van Hoy (MID) to Larry Diamond (CCWD), dated January 8, 2010.
11 Exhibit 7, Email from Angela Gould (CEC) to David Olivares (MID), dated November 18, 2013.
In addition to the 19,768 RECs that would be ineligible to count towards MID’s compliance obligation for the first compliance period ending December 31, 2013, if the extension is not granted, an additional 3,516 RECs that would otherwise be eligible for historic carryover would also be impacted. The lapse in RPS certification also impacts 5,628 RECs generated in 2012 and 2013 that were retired for calendar year 2014, and an additional 7 RECs generated in January 2014 that would not count towards MID’s RPS claims for the second compliance period. In total, if the extension is not granted, 28,919 RECs from an RPS-eligible facility would be ineligible to count towards MID’s compliance obligations under the RPS Program.

Table 1 includes an accounting of the generation New Hogan Power Plant and corresponding WREGIS retirements in compliance with the CEC’s RPS Program for publicly owned utilities. The WREGIS Retirement Subaccounts are aligned in the table with the corresponding compliance periods that were defined by SBX1-2.

### Table 1. New Hogan Small Hydroelectric Project Generation Claims 2010-2015

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
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<tbody>
<tr>
<td>2010</td>
<td>3,516</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td>12,839</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td>2,265</td>
<td>4,664</td>
<td>1,223</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,405</td>
</tr>
<tr>
<td>2014 (Jan)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7</td>
</tr>
</tbody>
</table>

Notes:
- PCC HCO: Portfolio Content Category Historic Carryover
- PCCO: Portfolio Content Category 0 (grandfathered product)
- HCO: Historic Carryover
- CPI and CP2: Compliance Period 1 and Compliance Period 2

As explained herein, the financial impacts on the District would be material. In order to make up the shortfall from the RECs deemed ineligible, MID would need to procure additional resources at the current market price. It is most likely that the available renewable energy resource would be solar. As a benchmark to quantify the financial impact, MID reviewed a recent power purchase agreement between the City of Riverside and the Southern California Public Power Authority for generation from a solar photovoltaic project. The City of Riverside recently entered into a power purchase agreement to procure RPS-eligible solar power from a 25 MW share of a 50MW project at a fixed cost of $53.75 per MWH. Based on this market comparison, MID estimates that the additional cost to MID’s ratepayers would be approximately

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12 Exhibit 8, Riverside Public Utilities Board Memorandum, Item No. 7, dated June 19, 2015.
$1.6 million dollars in order to make up for the 28,919 REC shortfall that would result if the request for an extension of the RPS Certification deadline is not granted.\(^{13}\)

**E. Explanation of any other good cause that exists for granting the request for an extension of time.**

MID first adopted a RPS program in 2003, long before the passage of SBX1-2, and before the CEC’s RPS Guidebooks included specific directions for applicability of the CEC-administered program to the publicly owned utilities such as MID.

Table 2 provides a summary of MID’s other renewable energy resources that were included in the adopted MID RPS Procurement Plan in November 2013.

**Table 2. MID Renewable Energy Resources Added To Its RPS As Part Of Its Early Action**

<table>
<thead>
<tr>
<th>Technology/Projects</th>
<th>PCC Category</th>
<th>MW</th>
<th>Annual GWh</th>
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<tbody>
<tr>
<td>Small Hydroelectric</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Stone Drop Mini Hydro</td>
<td>PCC0</td>
<td>0.260</td>
<td>0.6</td>
</tr>
<tr>
<td>Wind</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• High Winds Project</td>
<td>PCC0</td>
<td>50</td>
<td>128</td>
</tr>
<tr>
<td>• Shiloh Wind Project</td>
<td>PCC0</td>
<td>50</td>
<td>140</td>
</tr>
<tr>
<td>• Big Horn Wind Project 1</td>
<td>PCC0</td>
<td>25</td>
<td>70</td>
</tr>
<tr>
<td>• Big Horn Wind Project 2</td>
<td>PCC0</td>
<td>33</td>
<td>80</td>
</tr>
<tr>
<td>• Star Point Wind Project</td>
<td>PCC0</td>
<td>100</td>
<td>250</td>
</tr>
<tr>
<td>Digester Gas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Fiscalini Farms</td>
<td>PCC0 and PCC1</td>
<td>0.750</td>
<td>4</td>
</tr>
<tr>
<td>Solar</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• McHenry Solar Farm</td>
<td>PCC0</td>
<td>0.25</td>
<td>60</td>
</tr>
<tr>
<td>• Small Solar Photovoltaic Systems(^{14})</td>
<td>PCC0 and PCC1</td>
<td>0.080</td>
<td>0.070</td>
</tr>
</tbody>
</table>

As explained above and demonstrated in Table 2, MID has a robust RPS portfolio and demonstrated actions to procure RPS-eligible resources to meet its RPS requirements. At the same time, the state legislature was expanding and refining the RPS mandates, which culminated in the passage of SBX1-2, and the current requirements for POUs. During this period of time, the Commission has refined and updated its own RPS Guidebooks and program requirements, including revisions to the manner in which the various requirements apply to the POUs. All of these circumstances contributed to the lapse in RPS Certification for the New Hogan Power Plant. Despite these circumstances, at no time where there changes to the New Hogan Power Plant that otherwise impacted its status as an RPS-eligible facility under the Commission’s eligibility rules. MID believes that good cause exists, based on the nascent nature of the

\(^{13}\) The cost of energy takes advantage of economies of scale and the Federal Production Tax Credits set to expire December 31, 2016. It would most likely be more expensive to replace these RECs.

\(^{14}\) This figure does not include approximately 9 MW of rooftop solar energy systems that are certified as RPS eligible resources and an additional 13 MW of rooftop solar energy systems that are not certified yet. These systems receive a rebate from MID at the cost of all ratepayers. At this time the certified units have been categorized as Portfolio Content Category 3 (PCC3) Products by the CEC and because MID took early action and is banking it’s RECs, the use of PCC3 Products is not possible until post 2022.
applicability of the program requirements to the POUs, the demonstrated early actions that MID has taken to procure renewable energy resources to meet its RPS obligations, and the fact that there were no changes to the underlying RPS-eligibility of the facility itself, to extend the deadline for amending the New Hogan Power Plant RPS Certification.

F. Documentation to support the information provided in items (1) through (5).

- **Exhibit 1:** Email from Emily Chisholm (CEC) to David Olivares (MID), dated August 10, 2015
- **Exhibit 2:** WECC; Generator Information for New Hogan Power Plant
- **Exhibit 3:** Email from David Olivares (MID) to RPSTrack@energy.ca.gov (CEC), dated January 31, 2014
- **Exhibit 4:** Letter from Lynette Green (CEC) to David Olivares, dated November 5, 2104
- **Exhibit 5:** MID Board Resolution 2009-46, dated May 26, 2009
- **Exhibit 6:** Letter from Roger Van Hoy (MID) to Larry Diamond (CCWD), dated January 8, 2010
- **Exhibit 7:** Email from Angela Gould (CEC) to David Olivares (MID), dated November 18, 2013
- **Exhibit 8:** Riverside Public Utilities Board Memorandum, Item No. 7, dated June 19, 2015

III. CONCLUSION

As more fully addressed above, MID has demonstrated that good cause exists for granting the extension. Upon being notified of the need for an amendment, MID immediately submitted the application to amend the RPS Certification and diligently pursued resolution of this outstanding issue, including the timely submission of this extension request. If the extension is not granted, MID and its ratepayers will suffer material financial consequences in the need to procure more than 28,000 additional RECs to cover the generation from an otherwise RPS-eligible facility. Additionally, granting the extension would not prejudice or harm any other parties or individuals.

For the reasons set forth herein, MID respectfully requests that the Commission extend the deadline for amending the New Hogan Power Plant RPS Certification to January 31, 2014, so that the amendment to the RPS Certification submitted by MID on that date is deemed timely and ensure that all of the RECs created for generation from the New Hogan Power Plant from June 2010 through January 2014 be eligible for meeting MID’s compliance obligation under the RPS program.
Hi David,

MID retired 19,768 RECs from the New Hogan Power Plant, RPS ID 60153. Because the “Beginning On Date” is February 2014, none of the RECs with a vintage prior to February 2014 are currently eligible. Therefore, the entire 19,768 RECs have been marked as ineligible.

However, there is a process in our Guidebook for “Extensions of Certification Application Deadlines” on page 74:


If you are able to successfully request a time extension for New Hogan, we will be able to reassess whether the RECs in question are eligible. I recommend researching why your original application wasn’t received until February 2014, and the consequences of the request not being granted.

Please let me know if you have any questions! The actual waiver request will be processed by Lynette Green, so I recommend contacting her if you have any questions on that process.

Emily Chisholm
California Energy Commission
Renewable Energy Division
Renewables Portfolio Standard Unit
(916) 654-4006
### Screen 1

**Generator Information**

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
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<tbody>
<tr>
<td>Asset Type</td>
<td>Generator</td>
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<td>Facility ID, Name and Location Information</td>
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<td>GREGIS GU ID</td>
<td>571</td>
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<tr>
<td>Generating Unit Name:</td>
<td>CE-C-RPS - 60153E</td>
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<tr>
<td>External Unit ID:</td>
<td>EIA 665 Plant Code - 50755</td>
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<tr>
<td>Facility Owner Name:</td>
<td>Modesto Irrigation Dist.</td>
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<tr>
<td>Primary Facility Name:</td>
<td>Calaveras City Water D</td>
</tr>
<tr>
<td>Secondary Facility Name:</td>
<td>Oak New Hogan Power</td>
</tr>
<tr>
<td>County:</td>
<td>Calaveras</td>
</tr>
<tr>
<td>Country:</td>
<td>US</td>
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<td>State/Province:</td>
<td>CALIFORNIA</td>
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### Screen 2

**Company Information**

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<tr>
<td>Company Street Address 1:</td>
<td>1231 11th Street</td>
</tr>
<tr>
<td>Company Street Address 2:</td>
<td></td>
</tr>
<tr>
<td>Company City:</td>
<td>Modesto</td>
</tr>
<tr>
<td>Company Country:</td>
<td>US</td>
</tr>
</tbody>
</table>

**California:**

- Yes: 60153E
- No: 

**Certification #:**

- 60153E

**Good Thru Date:**

- 01/2013

**First Eligible Vintage:**

- 

**End Eligible Vintage:**

- 

**Date Certified:**

- 

**Misc.:**

- CA option 1: Yes
- No

- CA option 2: Yes
- No
EXHIBIT 3
MID hereby provides the attached as a response to your communication dated January 24, 2014. As we have been communicating behind the scenes, MID has been diligently working on gathering all of the necessary information that was requested regarding our December 23, 2013 and December 27, 2013 Historic Carryover submittal.

Attached you will find information pertaining only to our in-state facilities. We are working hard on gathering the e-Tag information for our out of state facilities and will submit that information in the near future. That will only entail information for our share of the Big Horn 1 Wind Project.

This submittal contains the RPS Track Form, the WREGIS Report/Attestation (a separate report was requested for submittal via WREGIS), the information for the certification of the New Hogan Power Plant Project in MID’s name, and the addendum you requested for the Western Area Power Administration small hydroelectric units.

The out-of-state submittal will include the RPS Track Form (and it’s signed attestation), the WREGIS Report/Attestation (and separate report via WREGIS), and the E-tag Summary and attestation.

A physical copy with wet signatures has been placed in the mail and should arrive Monday. The binder will contain a detailed explanation for each form. Please feel free to contact me if you should have any questions.

Cordially,

David Olivares
Modesto Irrigation District
Electric RP&D Engineer
P.O. Box 4060
Modesto, CA 95352
Tel: (209) 526-7595
Fax: (209) 526-7575
davido@mid.org
MID Request For Extension - New Hogan Hydroelectric Generation Facility

STATE OF CALIFORNIA
CERTIFICATION OR PRECERTIFICATION OF INDIVIDUAL FACILITIES
CEC-RPS-1 (Revised 4/13)

--All information on this form and on any attachments is subject to public disclosure--

For Energy Commission use ONLY:

Electronic copy received: _____________________________  Analyst Review: _____________________________
Analyst Review: _____________________________  Supplemental Review: _____________________________
RPS Program Lead: _____________________________  LORS Analysis: _____________________________
Office Manager: _____________________________  Other: _____________________________

Section I: Type of Certification Requested
1. Certification Type: Amendment to a Certification  Previously Assigned RPS ID, if any: 60153E

Section II: Facility Name and Location
2. Name of Facility: New Hogan Power Plant Project
   Specify any additional names this facility is or has been known by:
   a) Calaveras County Water District
   b) Calaveras City Water District
3. Facility Location:
   GPS Coordinates (e.g. 38° 34'28.47"N 121° 29'51.88"W 38° 8'58.45"N 120° 48'54.43"W
   Address: 2713 Hogan Dam Road
   City: Valley Springs  County: Calaveras
   State/Province: CA  Zip: 95386  Country: USA

Section III: Facility Operations
4. Provide the total nameplate capacity of the facility (in megawatts, AC): 3.3
5. Specify commercial operations date: 4/15/1986  Date renewable fuel first used, if different:
6. Facility operations: Prior Operating Facility
   For repowered and incremental:
   ▶ Specify date repowering/work began  ▶ Specify date repowering/work completed:
   ▶ For repowering, select method used to demonstrate compliance with the 80 percent investment threshold:
      ☐ Tax Records Methodology  ☐ Replacement Value Methodology

Section IV: Facility Resource Information
7. Indicate all energy source(s) used by the facility.
   Primary Resource: Small Hydroelectric
   Secondary Resource:
   Additional Resource:
8. For facilities using multiple resources, please indicate which of the measurement methodologies described in the RPS Eligibility Guidebook will be used to account for each energy input or fuel's contribution to electricity generation:

Actual plant efficiency:
**Section V: Application Contact Information**

**9. Application Information**

Name of Applicant: David Olivares  
Title: Electric Resources Engineer  
Company Name: Modesto Irrigation District  
Address: P.O. Box 6040  
City: Modesto  
State: CA  
Zip: 95352  
Country: USA  
Phone: (209) 526-7505  
Fax: (209) 526-7550  
Email: david@mid.org

**10. Additional Authorized Persons**

Person completing the form if different from the applicant: James McFall  
Phone: (209) 526-7521  
Email: jamesm@mid.org

List all additional persons authorized to make changes to this application:

- Name: Greg Salyer  
  Phone: (209) 526-7550  
  Email: gregss@mid.org
- Name:  
  Phone:  
  Email:
- Name:  
  Phone:  
  Email:

**Section VI: Facility Ownership and Contact Information**

**11. Facility Owner**

Name of Owner: Calaveras County Water District  
Owner Address: P.O. Box 846  
City: San Andreas  
State: CA  
Zip: 95249  
Country: USA  
Phone: (209)754-0270  
Fax: (209)754-1069  
Email: administration@ccwd.org

State or province in which facility owner/company is incorporated:

**12. Facility Contact Information**

Onsite Facility Contact Name: John Cole  
Phone: 209-535-2788  
Fax: 209-557-1431  
Email: john@mid.org

Can mail be delivered to the facility address?  
☐ Yes  ☐ No  
*If not, specify the facility mailing address:

- Address: P.O. Box 4060  
  City: Modesto  
  State: CA  
  Zip: 95352  
  Country: USA

**Section VII: Facility Identification Numbers**

**13. For a facility applying for certification, provide information for each WREGIS Generating Unit (GU) associated with the facility**

<table>
<thead>
<tr>
<th>WREGIS GU ID</th>
<th>Unit Capacity (MW AC)</th>
<th>Type of Generating Unit</th>
<th>Multi-fuel GU ID</th>
<th>WREGIS GU ID</th>
<th>Unit Capacity (MW AC)</th>
<th>Type of Generating Unit</th>
<th>Multi-fuel GU ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>571</td>
<td>3.3</td>
<td>Onsite</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

14. Other identification numbers, if available:

- EIA Plant ID: 50755
- CEC Plant ID (a.k.a. CEC 1304, EAO QFER):
- FERC QID:
MID Request For Extension - New Hogan Hydroelectric Generation Facility

Section VIII: Facility Interconnection

15. Specify the balancing authority area for the facility’s first point of interconnection to the WECC:

- California Balancing Authority: CA ISO
- Resource ID, if any: NHOGAN6UNITS
- Other:

Section IX: Other Facility Information

16. Has the facility, currently or previously, participated in a net surplus generation program created pursuant to AB 920 for both the net surplus generation and the Renewable Energy Credits or are there any plans for the facility to participate in such a net surplus generation program in the future?

- No
- Yes

Program start date: __________
Program termination date, if any: __________

17. Was the facility developed and awarded a power purchase contract under a 2002-2003 Interim RPS Procurement solicitation approved by the CPUC under Decision 02-08-071 and Decision 02-10-062?

- No
- Yes

If yes, attach supporting documentation.

Section X: Information for Limited Certification Applicants

18. The contract or ownership agreement for electricity from the facility was executed prior to June 1, 2010, and the facility met the eligibility requirements in the RPS Eligibility Guidebook effective when the contract or agreement was executed, but does not meet the current eligibility requirements.

- Yes, complete the following table
- No

<table>
<thead>
<tr>
<th>Utility Counterparty</th>
<th>Execution Date of Original Contract</th>
<th>Contracted Deliveries (MWh/year)</th>
<th>Date of First Delivery</th>
<th>Contractual Date of Final Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

19. For applicable utilities, was the contract approved by the CPUC?

- Yes, provide the information requested below
- No

- Advice letter number:
- Advice letter filing date:
- CPUC resolution number:
- CPUC resolution date:

20. Was the contract amended or modified after June 1, 2010?

- No
- Yes, attach a description of the amendments or modifications to the contract.

Section XI: General Information

The California Energy Commission reserves the right to request additional information to confirm or clarify information provided in this form, including any attachments. If a representative of a facility does not respond to the Energy Commission’s request for additional information in a timely manner, the facility risks losing its certification status as specified in the Energy Commission’s Renewables Portfolio Standard Eligibility Guidebook.

The Energy Commission may conduct an audit to verify the accuracy of any information included as part of an application for RPS certification. As part of an audit, an applicant may be required to provide the Energy Commission with any and all information and records necessary to verify the accuracy of any information included in an applicant’s application(s) or reports. An applicant may also be required to open its business records for on-site inspection and audit by the Energy Commission or its authorized agents for purposes of verifying the accuracy of any information included in the applicant’s applications and reports.

Representatives of certified facilities must notify the Energy Commission promptly of any changes in information previously submitted to the Energy Commission. Failure to do so may result in revocation of certification status. Any changes affecting the facility’s certification status must be reported on an amended CEC-RPS-1 form. If there are any changes to the status of a facility’s certification, the new information will be posted on the Energy Commission’s website.
Section XII: Attestation

This attestation must be signed by an authorized officer or agent of the electrical generation facility owner, who 1) has the authority to submit this form and any supplemenal forms and attachments included herewith on said facility owner’s behalf, 2) can attest to the accuracy of the information provided in this form and any supplemenal forms and attachments included herewith, and 3) has read and understands the requirements specified in the Renewables Portfolio Standard Eligibility Guidebook. Failure to supply an original of the properly signed attestation will prevent the Energy Commission staff from reviewing the application and may result in the denial of the application. Similarly, submission of an application with both the certification and the precertification attestation signed will also prevent Energy Commission staff from reviewing the application and may result in denial of the application.

Certification Attestation

I am an authorized officer or agent of the above-noted facility owner with authority to submit this application on said facility owner’s behalf, and hereby submit this application and any supplemenal forms and attachments included herewith on behalf of said facility owner for certification of the facility as an eligible renewable energy resource for California’s RPS. I have read the above information as well as the California Energy Commission’s Renewables Portfolio Standard Eligibility Guidebook, and understand the provisions, eligibility criteria, and requirements of that guidebook and my responsibilities under the guidebook. I acknowledge that any RPS certification approval from the Energy Commission is conditioned on the above noted facility owner’s acceptance and ongoing satisfaction of all program requirements as set forth in the Renewables Portfolio Standard Eligibility Guidebook. I further acknowledge that the Energy Commission may revise the Renewables Portfolio Standard Eligibility Guidebook in the future, and that it is my responsibility to remain informed of any changes that could affect the certification of the above noted electrical generation facility. I declare under penalty of perjury that the information provided in this form and any supplemenal forms and attachments included herewith is true and correct to the best of my knowledge and that I am authorized to submit this form and any supplemenal forms and attachments included herewith on behalf of the above noted electrical generation facility owner.

Name of Facility: New Hogan Power Plant Project

Authorized Officer/Agent: Greg Salyer

Office Title: Assistant General Manager, Electric Rsrcs. Company: Modesto Irrigation District

Signature: ___________________________ Date Signed: ___________________________

Precertification Attestation

I am an authorized officer or agent of the above-noted facility owner with authority to submit this application on said facility owner’s behalf, and hereby submit this application and any supplemenal forms and attachments included herewith on behalf of said facility owner for precertification of the facility as an eligible renewable energy resource for California’s RPS. I have read the above information as well as the California Energy Commission’s Renewables Portfolio Standard Eligibility Guidebook, and understand the provisions, eligibility criteria, and requirements of that guidebook and my responsibilities under the guidebook. I acknowledge that any RPS precertification approval from the Energy Commission is conditioned on the above noted facility owner’s acceptance and ongoing satisfaction of all program requirements as set forth in the Renewables Portfolio Standard Eligibility Guidebook, and does not guarantee the facility will be eligible for certification once it becomes operational. I further acknowledge that the Energy Commission may revise the Renewables Portfolio Standard Eligibility Guidebook in the future, and that it is my responsibility to remain informed of any changes that could affect the precertification, or future certification, of the above noted electrical generation facility. I declare under penalty of perjury that the information provided in this form and any supplemenal forms and attachments included herewith is true and correct to the best of my knowledge and that I am authorized to submit this form and any supplemenal forms and attachments included herewith on behalf of the above noted electrical generation facility owner.

Name of Facility: ___________________________

Authorized Officer/Agent: ___________________________

Office Title: ___________________________ Company: ___________________________

Signature: ___________________________ Date Signed: ___________________________
MID Request For Extension - New Hogan Hydroelectric Generation Facility

STATE OF CALIFORNIA
CALIFORNIA ENERGY COMMISSION

CERTIFICATION OR PRECERTIFICATION OF INDIVIDUAL FACILITIES
CEC-RPS-1 (Rev 02/13)
CERTIFICATION SUPPLEMENT 2 - HYDROELECTRIC

--All information on this form and on any attachments is subject to public disclosure--

Section I: Facility Information
Name of Facility: New Hogan Power Plant Project
Address: 2713 Hogan Dam Road
GPS Coordinates: 38° 8' 58.45" N 120° 48' 54.14" W
City: Valley Springs
County: Calaveras
State: CA Zip: 95386 Country: USA

Applicant's signed attestation on Form CEC-RPS-1 applies to the information provided herein.

Section II: Hydroelectric Resource
1. Indicate the type of hydroelectric facility that will be used to generate electricity and complete specified sections:
   - [ ] Yes
   - [ ] No

2. The facility, as described in the CEC-RPS-1 application and all supplemental applications, complies with the definition of a project as defined in the Renewables Portfolio Standard Eligibility Guidebook. All electricity generating equipment that could be considered part of this facility per the definition of "project" in the Renewables Portfolio Standard Eligibility Guidebook is represented in this application as part of the facility.
   - [ ] Yes
   - [ ] No

Section III: Hydroelectric Facilities Operations

New Facilities
Applicant certifies that the facility meets all the following requirements:
- The facility commenced commercial operations or was repowered on or after January 1, 2006.
- Capacity is 30 MW or less, with an exception for eligible energy efficiency improvements made after January 1, 2008.
- Located in California, has a first point of interconnection to a CBA, or satisfies the Facility With a First Point of Interconnection to a non-CBA Outside California requirements.
- The facility does not cause an adverse impact on instream beneficial uses or cause a change in the volume or timing of stream flow.

- All new hydroelectric facilities must fill out Section VIII -

Existing Facilities
Applicant certifies that the facility meets all the following requirements:
- Commenced commercial operations before January 1, 2006.
- Capacity is 30 MW or less, with an exception for eligible energy efficiency improvements made after January 1, 2008.
- Located in California, has a first point of interconnection to a CBA, or satisfies the Facility With a First Point of Interconnection to a non-CBA Outside California requirements.

Choose One:
- [ ] The facility is a conduit hydroelectric facility.
- [ ] The facility is a small hydroelectric facility that was under contract to, or owned by, a retail seller or local publicly owned electric utility as of December 31, 2005.
  - Specify the retail seller or local publicly owned electric utility: Modesto Irrigation District
  - Attach documentation on the contract with, or the ownership by, the above utility as of December 31, 2005.
**STATE OF CALIFORNIA**  
**CALIFORNIA ENERGY COMMISSION**

**CERTIFICATION OR PRE-CERTIFICATION OF INDIVIDUAL FACILITIES**  
CEC-RPS-1 (Revised 3/13)  
CERTIFICATION SUPPLEMENT 2 - HYDROELECTRIC

### Section IV: Conduit Hydroelectric Facilities

3. Applicant certifies that the conduit hydroelectric facility uses only the hydroelectric potential from an existing conduit that was built before January 1, 2006.

### Section V: Existing Water Supply or Conveyance System Facilities

4. Applicant certifies that the facility meets all the following requirements:
   - The facility commenced commercial operations before January 1, 2006.
   - The unit has a nameplate capacity of 40 MW or less.
   - The facility was initially built solely for the distribution of water for agricultural, municipal, or industrial consumption, and is operated primarily for this purpose, and not primarily for the generation of electricity.
   - The facility is located in California, has a first point of interconnection to a CBA, or satisfies the Facilities With a First Point of Interconnection to a non-CBA Outside California requirements.
   - The facility is a small hydroelectric facility that was under contract to, or owned by, a retail seller or local publicly owned electric utility as of December 31, 2000.
     - Specify the retail seller or local publicly owned utility:
     - Attach documentation on the contract with, or ownership by, the above utility.

### Section VI: Pumped Storage Hydroelectric Facilities

5. Applicant certifies that the facility meets all of the following requirements:
   - The facility meets the RPS eligibility requirements for conduit hydroelectric, small hydroelectric, or incremental hydroelectric facilities as more fully described in the Renewables Portfolio Standard Eligibility Guidebook.
   - The electricity used to pump the water qualifies as RPS-eligible. (The amount of energy that may qualify for the RPS is the amount of electricity dispatched from the pumped storage facility.)
   - A facility certified as RPS-eligible may include an electricity storage device if it does not conflict with other RPS-eligibility criteria, but the storage unit itself will not be separately certified.

### Section VII: Existing Incremental Hydroelectric Facilities

6. The incremental increase in generation that results from efficiency improvements to a hydroelectric facility, regardless of the electrical output of the facility, is eligible for the RPS if all of the following conditions are met:
   - The facility is owned by a retail seller or a local publicly owned electric utility.
     - Specify utility:
   - The facility was operational before January 1, 2007.
   - The efficiency improvements are initiated on or after January 1, 2008, and are not the result of routine maintenance activities and were not included in any resource plan sponsored by the facility owner before January 1, 2008.
   - The facility has, within the immediately preceding 15 years from the date the efficiency improvements are initiated, received certification from the State Water Resources Control Board (SWRCB) pursuant to Section 401 of the Clean Water Act (33 U.S.C. Sec. 1341), or has received certification from a regional board to which the SWRCB has delegated authority to issue certification, unless the facility is exempt from certification because there is no potential discharge into waters of the United States.
   - The incremental increase is the result of efficiency improvements from a retrofit, and the efficiency improvements do not result in an adverse impact on instream beneficial uses or cause a change in the volume or timing of stream flow.
   - All of the incremental increase in electricity generation resulting from the efficiency improvements must be demonstrated to result from a long-term financial commitment by the retail seller.
   - Applicant certifies that the incremental generation and facility comply with the above requirements as more fully described in the Renewables Portfolio Standard Eligibility Guidebook.

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CEC-RPS-1.52  
17  
7th Ed. - April 2013
## Section VIII: Supplemental Information For All New Hydroelectric Facilities

All applicants for hydroelectric facilities commencing, or planning to commence, commercial operations, repowered operations, or operations with efficiency improvements on or after January 1, 2006, must submit supporting documentation for the following points. Documents with relevant information for each point should be listed below including sections or pages of importance.

If any of the additional required information is unavailable at the time the pre-certification application is submitted, due to the facility's stage in development, the Energy Commission may accept a list of all information that will be available and submitted with the certification application, the date the documents or other information will be finalized, and a summary of the expected results, where applicable.

More information on the following sections can be found in the instructions section or in the RPS guidebook.

<p>| | | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>7.</td>
<td>Source Water Description:</td>
<td>If supplemental documentation provided, indicate page number:</td>
</tr>
<tr>
<td>8.</td>
<td>Water Rights:</td>
<td>If supplemental documentation provided, indicate page number:</td>
</tr>
<tr>
<td>9.</td>
<td>Hydrologic Data:</td>
<td>If supplemental documentation provided, indicate page number:</td>
</tr>
<tr>
<td>10.</td>
<td>Other Permits:</td>
<td>If supplemental documentation provided, indicate page number:</td>
</tr>
<tr>
<td>11.</td>
<td>Environmental Documentation:</td>
<td>If supplemental documentation provided, indicate page number:</td>
</tr>
<tr>
<td>12.</td>
<td>Capacity:</td>
<td>If supplemental documentation provided, indicate page number:</td>
</tr>
<tr>
<td>13.</td>
<td>Efficiency Improvements:</td>
<td>If supplemental documentation provided, indicate page number:</td>
</tr>
<tr>
<td>14.</td>
<td>Incremental Hydroelectric Generation:</td>
<td>If supplemental documentation provided, indicate page number:</td>
</tr>
</tbody>
</table>
EXHIBIT 4
November 5, 2014

David Olivares
Modesto Irrigation District
1231 11th Street
Modesto, CA 95354

RE: Approval of Application for RPS Certification, New Hogan Power Plant Project Facility, RPS ID 60153A.

Dear David Olivares:

The California Energy Commission has evaluated the application you submitted on behalf of Calaveras County Water District for the New Hogan Power Plant Project facility for certification and determined that the facility is eligible for California’s Renewables Portfolio Standard (RPS) under the criteria specified in the Renewables Portfolio Standard Eligibility Guidebook, Seventh Edition, publication number CEC-300-2013-005-ED7-CMF, April 2013. The facility is assigned CEC-RPS-ID number 60153A. Please use this number in all future correspondence with the Energy Commission regarding this facility’s RPS certification status. A certificate confirming the RPS certification of the facility is enclosed.

This certification is effective on February 3, 2014, and will remain in effect unless certification is voluntarily withdrawn by an authorized representative of the facility, the facility is permanently shut down or decommissioned, or the certification is revoked by the Energy Commission because of noncompliance with the applicable RPS requirements. Beginning with the month containing February 3, 2014, all generation from New Hogan Power Plant Project may be used for RPS compliance purposes if all of the requirements specified in the RPS Eligibility Guidebook, Seventh Edition, continue to be met.

This certification is based on an evaluation of the RPS-eligibility of the facility, as described in the application and supporting documentation you submitted to the Energy Commission in February, 2014, the accuracy of which was attested to by Greg Salyer, the Assistant General Manager Electric Resources of Modesto Irrigation District.

As described in the submitted application, the facility is using Small Hydroelectric as the only energy resource used to generate electricity, and the facility, as described, is incapable of using any other energy resource to generate electricity.

To maintain the certification of this facility, you must comply with all applicable requirements for certified facilities set forth in the RPS Eligibility Guidebook, Seventh Edition. The Energy Commission must be notified promptly of any changes to the information included in the application for RPS certification of the facility. Failure to do so within 90 days of the change in the information may result in the suspension of the facility’s RPS certification. Any changes in the information submitted in the application for RPS certification must be reported to the Energy Commission in an amended certification application (CEC-RPS-1), and the amended application will supersede the original application. If any supporting documentation is necessary for the certification of the facility, it must be submitted with the amended application. The applicant may submit a letter confirming the applicant’s desire to use the previously submitted supporting documentation and confirming that the documentation previously submitted is the most accurate.
and current information available for the facility in lieu of resubmitting the supporting documentation.

The Energy Commission may request additional information to monitor compliance with RPS requirements, and may conduct periodic or random reviews to verify records submitted for certification. The Energy Commission may also conduct on-site audits and facility inspections to verify compliance with the certification requirements specified in the RPS Eligibility Guidebook, Seventh Edition. If you do not respond to the Energy Commission's request for an information update in a timely manner, the facility's RPS certification status may be suspended.

The Energy Commission will list facilities that are participating in the RPS or have applied for participation in the RPS on its website. Any changes in a facility's certification or precertification status will also be posted on the Energy Commission's website.

If you have any questions about your certification, please do not hesitate to contact Christina Crume by phone at (916) 654-4674 or by e-mail at christina.crume@energy.ca.gov.

Sincerely,

Lynette Green
RPS Certification Lead
Renewable Energy Office

Enclosure
Certified Eligible for California’s Renewables Portfolio Standard

This is to officially state that beginning on February 3, 2014, the facility:

New Hogan Power Plant Project

Owned by Calaveras County Water District,
Located in Valley Springs, CA,
And having Commenced Commercial Operations on:
April 15, 1986

Is certified by the California Energy Commission as eligible for California’s Renewables Portfolio Standard (RPS) under the criteria specified in the Renewables Portfolio Standard Eligibility Guidebook, Seventh Edition, publication number CEC-300-2013-005-EDT-CMF, April 2013, and assigned CEC-RPS ID number: 60153A

The application for RPS certification of this renewable electrical generation facility was submitted by David Olivares, of Modesto Irrigation District, on behalf of the facility owner, Calaveras County Water District. The accuracy of the information in the submitted application for RPS certification was attested to by Greg Salyer, the Assistant General Manager Electric Resources of Modesto Irrigation District.

The facility has a total nameplate capacity, measured in alternating current, of 2.8 MW

Using the following renewable energy resource(s):

- Small Hydroelectric

And using the following nonrenewable energy resource(s):

- None

The contribution of each energy resource to the electrical generation is based on the No nonrenewable fuel use! measurement methodology, as identified in the submitted application for RPS certification. California RPS-eligible Renewable Energy Credits will not be created for any electricity resulting from the use of nonrenewable energy resources, except in cases where the use of nonrenewable energy resources does not exceed a de minimis quantity or other allowance as specified in the Renewables Portfolio Standard Eligibility Guidebook, Seventh Edition, and sufficient evidence has been submitted in support of compliance with those requirements.

The RPS certification of the New Hogan Power Plant Project facility may be revoked if any of the information presented in the application for RPS certification, or supporting documentation, submitted to the California Energy Commission is determined to be false or inaccurate.

The California Energy Commission must be promptly notified of any changes to the information included in the application for RPS certification of the facility, including changes in the facility’s operations, ownership, or representation, as specified in the Renewables Portfolio Standard Eligibility Guidebook, Seventh Edition. Failure to do so within 90 days of the change in the information may result in the revocation of the facility’s RPS certification.
EXHIBIT 5
RESOLUTION NO. 2009-46
APPROVING THE PARTICIPATING GENERATOR AGREEMENT (PGA) AND THE METER SERVICE AGREEMENT (MSA) BETWEEN MODESTO IRRIGATION DISTRICT AND THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO), THE NEW HOGAN POWER PLANT AGREEMENTS BETWEEN MODESTO IRRIGATION DISTRICT AND CALAVERAS COUNTY WATER DISTRICT (CCWD), AND AUTHORIZING THE GENERAL MANAGER TO EXECUTE AND TAKE ALL ACTION NECESSARY TO IMPLEMENT THE AGREEMENTS

WHEREAS, the Modesto Irrigation District is the operator and Calaveras County Water Department (CCWD) is the licensee of the New Hogan Power Plant Project (Project), a 3.3 megawatt (MW) hydroelectric facility owned by CCWD and located at CCWD's New Hogan Dam on the Calaveras River in Calaveras County, California; and

WHEREAS, the power output from the Project was sold to an investor owned utility (IOU) under a Purchase Power Agreement (PPA) that was executed in 1985; and

WHEREAS, MID has the right under existing agreements to begin using the renewable power to serve its own load; and

WHEREAS, in order to deliver power from the Project, MID must enter into two contracts with the California Independent System Operator (CAISO): the Participating Generator Agreement (PGA) and the related Meter Service Agreement (MSA).

BE IT RESOLVED, That the Board of Directors of the Modesto Irrigation District does hereby authorize and direct the General Manager to execute the Participating Generator Agreement (PGA) and the Meter Service Agreement between Modesto Irrigation District and the California Independent System Operator, the New Hogan Power Plant Agreements between Modesto Irrigation District and Calaveras County Water District and further authorizes the General Manager to take all actions necessary to implement the Agreements.

Moved by Director Kidd, seconded by Director Hensley, that the foregoing resolution be adopted.

The following vote was had:
Ayes: Directors Hensley, Serpa, Van Groningen and Warda
Noes: Directors None
Absent: Director Kidd
The President declared the resolution adopted.

I, Pat Mills, Secretary of the Board of Directors of the MODESTO IRRIGATION DISTRICT, do hereby CERTIFY that the foregoing is a full, true and correct copy of a resolution duly adopted at a special meeting of said Board of Directors held the 26th day of May 2009.

Pat Mills
Secretary of the Board of Directors
of the Modesto Irrigation District
EXHIBIT 6
Larry Diamond  
Interim General Manager  
Calaveras County Water District  
P.O. Box 846  
San Andreas, CA 95249  

Re: New Hogan Power Plant Project – Change in Disposition of Capacity and Energy

Mr. Larry Diamond,

Since the late 1980s, capacity and energy from the New Hogan Power Plant Project (Project) has been sold to Pacific Gas and Electric Company (PG&E) under a Standard Offer #1 (SO1) contract between Calaveras County Water District (CCWD) and PG&E. Pursuant to Section 8.2 of the New Hogan Power Plant Project Power Purchase Agreement (PPA) between Modesto Irrigation District (MID) and CCWD, MID is entitled to receive all of the Project output (i.e., Project capacity and energy), or in its discretion, “to have [CCWD] sell, lease, or otherwise dispose of all or part” of the Project output. MID has worked with the California Independent System Operator Corporation (CAISO) to set in place the mechanisms required under the 2009 Market Redesign and Technology Upgrade (MRTU) for MID to receive all capacity and energy generated by the Project.

Pursuant to Section 8.3 of the PPA, MID requests that CCWD terminate the sale of Project capacity and energy to PG&E under the SO1 contract. The existing Project-related agreements for Electrical Standby Service and Special Facilities will not be changed as a result of the termination of the SO1 contract. Under the existing SO1 contract with PG&E, the PG&E is a party to various contracts with CAISO under MRTU. The CAISO is aware that it will be required to make appropriate contract changes related to the change in disposition of output from the Project and has suggested that all such changes can be finalized by February 1, 2010. MID will coordinate with CCWD, CAISO and PG&E on the termination date for the existing SO1 contract and the changes in the CAISO documentation.

Sincerely,

Roger VanHoy  
Assistant General Manager Electric Resources  
Modesto Irrigation District  

cc: Glenn Mount  
Greg Salyer  
Blair Jackson  
Mike Boas CAISO
Dear Mr. Salyer:

Thank you for submitting Modesto Irrigation District’s 2011 and 2012 RPS annual reports.

The Energy Commission received Modesto Irrigation District’s 2011 and 2012 RPS annual report submittal on the following dates: October 30, 2013, and October 31, 2013. As you know, this annual report submittal was due to the Energy Commission by 5:00 pm on October 31, 2013, in accordance with the California Code of Regulations, Title 20, section 3207 (c). Your submittal contained the following forms and supporting documents:

1. Electronic and physical copies of the CEC-RPS-POU form with attestation
2. Physical copies of 11 contracts

Energy Commission staff have performed a preliminary review of the completeness of your 2011 and 2012 annual report submittal. This preliminary review was not comprehensive, and was performed using the attached checklist as a screening guide. After a more thorough review of your submittal is conducted, it is possible that Energy Commission staff may request additional information from Modesto Irrigation District as part of the RPS verification process.

Based on its preliminary review, Energy Commission staff determined that the following documents are missing from Modesto Irrigation District’s 2011 and 2012 annual report submittal and are necessary for this submittal to be considered complete:

1. Electronic copies of all contracts
2. WREGIS reports and/or CEC-RPS-Track forms for 2011 and 2012 with attestations

Please submit the documents listed above as soon as possible. On November 25, 2013, staff will provide the Energy Commission’s Executive Director with a list of all local publicly owned electric utilities (POUs) with incomplete annual report submissions and recommend that these POUs be issued correction notices in accordance with the California Code of Regulations, Title 20, section 3207 (g).

Regarding the list of narratives in the POU compliance spreadsheet (form CEC-RPS-POU; available at http://energy.ca.gov/renewables/documents/index.html#rpss), please note that any narratives not provided will be treated as an affirmative response by Modesto Irrigation District that it did not undertake the associated activity. For example, if a POU does not submit a narrative demonstrating reasonable progress for actions taken in the reporting year, the Energy Commission will assume that the POU took no actions in the reporting year that would demonstrate reasonable progress to meet the POU’s RPS procurement requirements.

Let me know if you have any questions or need assistance in submitting the remaining documentation.

Thank you,

Angie Gould

RPS Program

California Energy Commission

916-654-4881

angela.gould@energy.ca.gov
RECOMMENDATIONS:

That the Board recommend that the City Council:

1. Approve the 20-year PSA between SCPPA and the City to provide renewable solar PV energy and Renewable Energy Credits from sPower’s Antelope DSR Solar PV Project;

2. Authorize the City Manager or his designee to execute the PSA, as well as future extensions and purchase and/or storage options associated with the PSAs under terms and conditions substantially similar or superior to this PSA;

3. Authorize the City Manager or his designee to execute any documents necessary to administer the PSA; and

4. Authorize the City Manager or his designee to terminate the PSA for circumstances provided in the PSA.

BACKGROUND:

In 2012 California Senate Bill (SB) X1-2 mandated that all electric utilities, including Riverside Public Utilities (RPU), procure increasing amounts of renewable power primarily from in-state resources to serve its retail needs during specific compliance periods. RPU’s current Renewable Portfolio Standard (RPS) requires that it supply 20%, 25% and 33% of retail energy needs using renewable resources by 2010, 2015 and 2020, respectively.

On April 29, 2015 the Governor of California issued Executive Order B-30-15 establishing a Greenhouse Gas (GHG) reduction target of 40% below 1990 levels by 2030, including among other things, increasing the RPS targets to 50% by 2030. Several bills are being considered by the state legislature to codify the increased RPS mandate.

The City has been very supportive of the existing renewable targets set by the State and is committed to serving its retail energy requirement using more renewable energy. In order to satisfy the current RPS targets, while anticipating more stringent RPS requirements in the future, RPU continues to explore additional cost-effective, renewable energy procurement opportunities.
Since 2012 the Board and City Council have approved 218 Megawatts (MW) of renewable resource contracts/extensions. The RE Columbia II Solar and Cabazon Wind project (combined 50 MW), achieved Commercial Operation Dates (COD) by 2014. Tequesquite, AP Northlake and Kingbird projects (combined 41 MW) are expected to come online in 2015, and the Salton Sea expansion (first phase) and Silverado (subsequently acquired by sPower) projects (combined 40 MW) have expected CODs in 2016. These projects qualify as Portfolio Content Category 1 renewable energy resources under California SB X1-2 RPS legislation.

However, one SCPPA project (20 MW RE Clearwater solar PV) faced unanticipated permitting challenges, will not be constructed and is being unwound. To date, the developer has paid approximately $1.8 million in non-refundable liquidated damages (RPU's share is $1.3 million). Staff is looking to replace this project (using SCPPA's ongoing renewable RFP process) with sPower Solar Holding LLC (sPower), and has been negotiating for the City’s participation in the 50 MW solar PV Antelope DSR (Project) located in the City of Lancaster. The sPower solar PV price is the lowest RPU has seen in recent years and is about 20% lower than the failed RE Clearwater solar project pricing, resulting in an approximate net present value savings of $8.8 million. The competitive price offered by sPower is due to several factors:

1. The continued decline in the equipment and labor costs of solar PV projects;
2. The Project is part of a much larger transmission interconnection position with the California Independent System Operator (CAISO), with an executed interconnection agreement (with known cost exposures), and certain shared interconnection upgrades;
3. Economies of scale due to sPower's extensive holdings of more than 800 MW of solar development assets in the general Antelope Valley area; and
4. Solar developers' increased efforts to find off-takers to insure a 2016 COD, prior to expiration of the federal Investment Tax Credit (ITC).

The sPower is in the final project development stage and requires a power purchase commitment no later than fall 2015 to meet its 2016 deadline. The Antelope DSR Project will aid RPU in achieving current and future RPS goals by replacing the failed RE Clearwater project; moreover this project has the following desirable characteristics and favorable terms:

Economy of Scale of Joint SCPPA Project: A 50 MW solar PV project will be shared jointly by Riverside (25 MW) and Vernon (25 MW), through SCPPA. SCPPA will enter into a Power Purchase Agreement (PPA) with sPower, and subsequently SCPPA will enter into individual PSAs with the participating SCPPA members under the same terms and conditions of the SCPPA-Antelope DSR PPA.

Familiar Developer: sPower is formerly known as Silverado. SCPPA/RPU already have two PSAs for solar PV projects (Summer Solar and Antelope Big Sky Ranch), originally approved by the Board and City Council on December 7, 2012 and January 8, 2013, respectively, with an expected 2016 COD. sPower and its parent company, FTP Power, have a substantial solar footprint in the Antelope Valley area and as of December 2014, the companies have $500 million in equity and $60 million in cash to support its development and operation activities.

Project Site and Interconnection: sPower has either lease or purchase options over multiple parcels in the City of Lancaster, with sufficient acreage to develop the Project. All necessary interconnection studies have been completed and the interconnection agreement has been executed. The Project will be interconnected to Southern California Edison's Antelope 230kV Substation.

Term of the PSA: Twenty-year PSA commencing on the COD anticipated at the end of 2016, but absolutely no later than June 30, 2017.
Pricing: The all-in price for the energy, capacity (local) and environmental attributes is $53.75 per megawatt/hour (MWh), fixed over the term of the contract.

Performance Security: sPower will post a letter of credit (LOC) or cash in the amount of $2.25 million as Development Security. After COD, sPower will replace the Development Security with a Delivery Term Security in the amount of $6.91 million during the first 10 years and $5.41 million in the last 10 years, using a combination of cash, a LOC and a performance bond.

Mitigation of Development Risks: The PPA includes enforceable development milestone dates with significant financial penalties, ranging from $5,000 to $10,000 per day if dates are missed, or in the more severe cases, SCPPA can unilaterally terminate the PPA.

Scheduling Coordinator Fee: sPower will compensate SCPPA $91,000 each year to perform Scheduling Coordinator services for the Project. RPU intends to offer Scheduling Coordinator services to SCPPA for the Project and receive the revenues for performing such service.

Right of First Offer and Right of First Refusal: sPower must first offer to sell the Project to SCPPA before it can offer it to third parties.

Purchase Option: SCPPA has the option to purchase the Project in years 10, 15 and 20 (after COD) at the then fair market value. A Purchase Option Agreement will be an appendix to the PPA and will be executed concurrently with the PPA.

Storage Option: SCPPA has the option in the first 15 years of the contract to install up to 12 MW of energy storage at the project site. This provides the opportunity to integrate energy storage with the solar facility to: 1) shape the output of the solar production if needed, and 2) help meet any potential future storage mandates. sPower will reserve sufficient area on site to accommodate the storage installation. In addition, sPower will fund up to $182,000 for permitting and interconnection modifications. A Storage Option Agreement will be an appendix to the PPA and will be executed concurrently with the PPA.

Step-Up Provisions for Tax Exempt Debts: In case SCPPA exercises the purchase option or the storage option and issue tax exempt bonds to finance these options on behalf of the project participants, then project participants will be required to guarantee the payment of such bonds. In the event of a payment default by a project participant, then SCPPA would issue a Step-Up Invoice to the other non-defaulting participant, who would pay such invoice to cover the non-payment on behalf of the defaulting participant. The non-defaulting participant would then be reimbursed by means of a) receiving a repayment by the defaulting participant, b) taking delivery of defaulting participant’s share of the facility output, or c) collecting proceeds from the sale of defaulting participant’s share of the facility output to a third party. Such step-up provisions are typical provisions in SCPPA jointly financed projects including Palo Verde Nuclear Generating Station, Hoover Upgrading Project, Mead-Adelanto Transmission Project, Mead-Phoenix Transmission Project and Southern Transmission Project which RPU is party to.

Contribution toward RPU’s RPS Goal: RPU’s share of the Project will generate approximately 71,000 MWh of renewable energy, or 3% of the City’s RPS requirements in 2017, and is contemplated in the recently completed Integrated Resource Plan presented to the Board on February 20, 2015. This also assists the City’s GHG reduction efforts and the strategic replacement of other expiring contracts. The project qualifies as an in-state renewable resource under SB X1-2 rules.

FISCAL IMPACT:

The annual cost of power under the PSA is estimated to be approximately $1.9 million in Fiscal Year 2016/17 and $3.8 million each Fiscal Year thereafter. This cost is fixed with no annual escalation for 20 years. Staff will incorporate the costs of the PSA in future power supply budgets.
MID Request For Extension - New Hogan Hydroelectric Generation Facility

Prepared by: Reiko A. Kerr, Public Utilities Assistant General Manager/Resources
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Approved by: John A. Russo, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies availability of funds: Laura Chavez-Nomura, Public Utilities Assistant General Manager/Finance
Attachment: Power Sales Agreement between SCPPA and Riverside