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**SCPPA Comments on SB 100 Joint Agency Report Charting a Path to a
100% Clean Energy Future**

Additional submitted attachment is included below.



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December 2, 2019 | Submitted Electronically

California Energy Commission
Docket Unit, MS-4
Re: Docket No. 19-SB-100
1516 Ninth Street
Sacramento, CA 95814-5512

Re: SCPPA Comments on SB 100 Joint Agency Report: Charting a Path to a 100% Clean Energy Future

The Southern California Public Power Authority (SCPPA) thanks the California Energy Commission (CEC), the California Air Resources Board (CARB), and the California Public Utilities Commission (CPUC) for holding the November 18, 2019 technical workshop to discuss development of the SB 100 Joint Agency Report, including discussing Resource Scenario options with stakeholders. ***SCPPA believes that of the two scenario options presented, Resource Scenario 1 (“RPS+”) is a preferable choice; we look forward to discussing important reliability considerations in the next technical workshop.*** SCPPA has actively participated in discussions with CEC on implementation of the Renewables Portfolio Standard (RPS), and with CARB on implementation of a variety of climate change-related policies, and believes further advances to achieve carbon neutrality will best be achieved through implementation of the RPS+ scenario because it affords greater flexibility and will help address affordability and power resource reliability goals for our customers as well.

SCPPA is a joint powers agency whose Members include the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District. Each Member owns and operates a publicly owned electric utility (POU) governed by a board of local officials. Our Members collectively serve nearly five million people throughout Southern California, offering electric services in a manner that will help meet or exceed the State’s ambitious energy supply and greenhouse gas emissions reduction goals over the coming years.

Strong Preference for Scenario 1: RPS+

SCPPA strongly prefers the approach proposed under Scenario 1: RPS+ because this option enables SCPPA Members, and utilities in general, to continue to help the State achieve the SB 100 goals while being responsible stewards of public funds, and complying with RPS rules and climate change goals.

- **Implementation and Compliance.** The RPS+ option would enable POUs to work within existing and planned resource portfolios to avoid unnecessarily complicating RPS implementation issues. On behalf of their local community public owners, POUs face long-term considerations in planning, selecting, negotiating, executing, and then developing long-term contracts or ownership agreements that best fit their community needs. The RPS+ scenario recognizes these long-term investment options. The joint agencies should ensure that the approach to meeting the goals of SB 100 do not inadvertently punish a POU that has taken reasonable actions to secure sufficient long-term resources and remain in compliance with local, state, and federal requirements.
- **Ratepayer Protection.** The RPS+ option provides greater assurance that the current, predictable approach to RPS compliance will be maintained and allows SCPPA Members to protect their ratepayers from additional and unnecessary compliance costs. Pivots in policy direction can be costly, and should therefore be avoided. These rapid changes

significantly impact disadvantaged communities – especially if they must then pay for previously negotiated contracts (e.g., large hydro, biomass, biomethane, natural gas) which unexpectedly become ineligible for use to meet the electricity needs of ratepayers. Smaller and mid-sized POUs with portfolios that rely on a small number of resources will likely not be able to protect their ratepayers from unexpected shortfalls or the need to purchase additional power supplies at excessive costs. This is particularly impactful for smaller POUs whose ratepayer base is significantly comprised of disadvantaged communities.

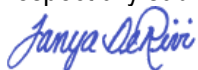
- **Consistency with Legislative Intent.** On August 30, 2018, SB 100 author and then-Senate President pro Tempore Kevin de Leon wrote a letter to the Secretary of the Senate clarifying his intent of SB 100. In this letter, Senator de Leon clearly stated that *“the zero-carbon portion of SB 100 is intended to be more inclusive than the RPS portion in terms of the types of resources that are eligible. Specifically, that portion [of the bill] is intended to be inclusive of all zero-carbon resources...”* This letter, which is recorded in the Senate Daily Journal, clearly shows that it was never the bill author’s intent to narrow the carbon-free definition to only certain types of “non-combustion” resources, but rather to be inclusive of **all zero-carbon** resources. The RPS+ option correctly reflects this more inclusive definition.

Beyond SB 100, the State Legislature has also passed – and former Governor Jerry Brown enacted – specific renewable procurement mandates of combustion resources, which the State has since grown to rely upon to help with wildfire mitigation efforts. A “no combustion” scenario would not only *penalize* utilities for procuring resources *that the State itself has mandated procurement of*, but also compromise the ability to reduce fuels from high fire threat zones across California.

Conclusion

SCPPA looks forward to working with all three agency staff leads on the SB 100 report and follow up efforts such that mutually agreeable solutions that best advance the State’s climate change goals in an affordable manner for California ratepayers can be found. This includes ensuring that implementation of SB 100 does not inadvertently compromise electric supply reliability.

Respectfully submitted,



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