

DOCKETED

Docket Number:	21-RPS-01
Project Title:	Renewables Portfolio Standard Compliance Period 3 (2017 - 2020) Verification and Compliance
TN #:	253015
Document Title:	Azusa Light and Water - Staff Draft RPS Verification Results Report for Compliance Period 3
Description:	N/A
Filer:	Gregory Chin
Organization:	California Energy Commission
Submitter Role:	Public Agency
Submission Date:	11/7/2023 10:27:14 AM
Docketed Date:	11/7/2023



**CALIFORNIA
ENERGY COMMISSION**



**CALIFORNIA
NATURAL
RESOURCES
AGENCY**

California Energy Commission

STAFF DRAFT REPORT

Renewables Portfolio Standard Verification Results

Azusa Light and Water

Compliance Period 3 (2017-2020)

November 2023 | CEC-300-2023-011-SD

California Energy Commission

Gregory Chin

Kevin Chou

Sophia Bird

Rong (Grace) Jiang

Primary Author(s)

Yoseph Saeed

Supervisor

Sean Simon

Branch Manager (Acting)

RENEWABLES PORTFOLIO STANDARD BRANCH

Sean Simon

Deputy Director

RENEWABLES AND ELECTRICITY PLANNING

Elizabeth Huber

Director

**SITING, TRANSMISSION, AND ENVIRONMENTAL PROTECTION
DIVISION**

Drew Bohan

Executive Director

DISCLAIMER

Staff members of the California Energy Commission (CEC) prepared this report. As such, it does not necessarily represent the views of the CEC or the State of California. The information contained in this draft is based on staff analysis and is not approved until the CEC officially adopts the Final Verification Results Report. The CEC makes no claims, promises, or guarantees about the accuracy, completeness, or adequacy of its contents and expressly disclaims legal liability for the contents in this report. The purpose of this draft report is for informational purposes only and it is not intended to be construed as legal advice.

RPS Verification Results: Compliance Period 3

Azusa Light and Water

Background

The California Energy Commission (CEC) administers the state's landmark Renewables Portfolio Standard (RPS), ensures the state's utilities disclose electricity sources to consumers, supports renewable energy development, and tracks the state's progress toward its renewable energy goals. Enacted by Senate Bill 1078 (Sher, Chapter 516, Statutes of 2002) and accelerated and expanded by subsequent legislation, California's RPS establishes increasing renewable energy procurement targets spanning multiyear compliance periods for the state's electric load-serving entities (LSE). Originally applicable to retail sellers, the statewide mandatory RPS was expanded by Senate Bill X1-2 (Simitian, Chapter 1, Statutes of 2011, First Extraordinary Session) to include local publicly owned electric utilities (POU). As a result of Senate Bill 100 (DeLeón, Chapter 312, Statutes of 2018), LSEs are required to increase their procurement of eligible renewable energy resources to 60 percent of retail sales by 2030.

As part of its responsibilities, the CEC verifies the eligibility of renewable energy procured by LSEs, which include retail sellers and POUs that are obligated to participate in California's RPS. The CEC is also responsible for certifying RPS-eligible renewable energy resources, designing and implementing an accounting system to track and report renewable energy procurement for all program participants, and overseeing compliance and enforcement of POUs. The CEC participated in the development of the Western Renewable Energy Generation Information System (WREGIS), an independently administered renewable energy tracking system to verify renewable energy procurement for all program participants. The California Public Utilities Commission is responsible for compliance and enforcement for retail sellers.

Report Overview

This report covers the RPS verification results for POU procurement claims for Compliance Period 3, which covers years 2017 through 2020. The verification report provides an overview of the identified POU's results and tables, including:¹

- The POU's procurement target and portfolio balance requirements and limitations.
- The amount of eligible renewable energy credits (REC) retired, and the amount applied to meet the compliance period requirements, both shown by Portfolio Content Category classification and Long-Term Procurement Requirement classification, as applicable.
- Any deficits in meeting RPS procurement requirements for the compliance period.
- Any optional compliance measures being applied by the POU for the compliance period.

¹ The contents of verification results reports will vary for POUs with specific exclusions, exceptions, or different procurement requirements under the RPS statutes and as described in the *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities* based on the requirements specific to that POU.

- A calculation of excess procurement accumulated in this compliance period.
- A summary of the POU's excess procurement and historic carryover, if any, including any prior balance, the amount accumulated and used in the current compliance period, and remaining balance.

In adopting this report, the CEC finds the procurement claim amounts listed are consistent with RPS certification and procurement requirements specified in the *Renewables Portfolio Standard Eligibility Guidebook, Ninth Edition (Revised)* and the *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities* and are eligible for the RPS as indicated. Therefore, the procurement claim amounts count toward meeting the identified POU's RPS procurement requirements.

Verification Process

The methods used by the CEC to verify load-serving entity procurement claims are detailed in the *Renewables Portfolio Standard Eligibility Guidebook, Ninth Edition (Revised)*² and further explained in the *Renewables Portfolio Standard Verification Methodology Report, Third Edition*, both of which can be found at <https://www.energy.ca.gov/programs-and-topics/programs/renewables-portfolio-standard/renewables-portfolio-standard>.

The verification results presented in this report are not a compliance determination. After the POU's verification results are adopted by the CEC, staff will use the verification results to determine if the POU complied with the RPS requirements for Compliance Period 3 in accordance with the *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities*.³ The CEC Executive Director will make a compliance determination informed by the verification results presented in each POU's verification results report and, if applicable, the application of optional compliance measures by the POU. The Executive Director will issue a letter to each POU documenting the RPS compliance determination.

Verification Results

For RPS Compliance Period 3 (2017–2020), Azusa Light and Water retired and reported 325,698 RECs, and 325,698 RECs were verified by the CEC as RPS-eligible. Each [POU's Summary Claims Report](#), which includes claim eligibility details, is available at https://www.energy.ca.gov/portfolio/documents/rps_verification_pous.html.

For Compliance Period 3, Azusa Light and Water had a procurement target of 287,693 RECs, which represents 29.95 percent of its retail sales over the years 2017-2020. Azusa Light and Water applied 287,696 RECs from Compliance Period (CP) 3 RPS-eligible RECs and Surplus RECs toward its procurement requirements, exceeding the number of RECs needed to meet its procurement target.

² Refer to Chapter 7 of the [Renewables Portfolio Standard Eligibility Guidebook, Ninth Edition \(Revised\)](#).

³ The Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities, with the most recent update having taken effect July 12, 2021, are set forth in 20 CCR §§ 1240 and 3200–3208 and establish the rules and procedures by which the California Energy Commission will assess a POU's procurement actions and determine whether those actions meet the RPS requirements.

Procurement Target Calculation (MWh) ¹	Calendar Year	Annual Retail Sales	Soft Target Percentage	Soft Targets	Verification Results	
	2017	249,412	27	67,341	Target	287,693
	2018	240,948	29	69,874	Applied	287,696
	2019	233,605	31	72,417	Deficit	0
	2020	236,551	33	78,061	Renewable Percentage	29.95%
Procurement Target						287,693

RECs Available ²	Surplus RECs	Eligible RECs Retired in CP3	Prior Balances Available	Total RECs Available
Category 0 (PCC 0)	0	127,234	0	127,234
Pre June 2010 PCC 1	0	0	0	0
Pre June 2010 PCC 2	0	0	0	0
Pre June 2010 PCC 3	0	0		0
Category 1 (PCC 1)	0	186,664	0	186,664
Category 2 (PCC 2)	0	0	0	0
Category 3 (PCC 3)	1,900	11,800		13,700
Historic Carryover			10,455	10,455
			Total	338,053

RECs Applied	Surplus RECs	Eligible RECs Retired in CP3	Prior Balances Applied	Total RECs Applied
Category 0 (PCC 0)	0	127,234	0	127,234
Pre June 2010 PCC 1	0	0	0	0
Pre June 2010 PCC 2	0	0	0	0
Pre June 2010 PCC 3	0	0		0
Category 1 (PCC 1)	0	146,762	0	146,762
Category 2 (PCC 2)	0	0	0	0
Category 3 (PCC 3)	1,900	11,800		13,700
Historic Carryover			0	0
			Total	287,696

RPS Portfolio Balance Requirements (MWh) ³	
Category 1 Balance Requirement	120,344
Category 1 Requirement Deficit	0
Category 3 Balance Limitation	16,045
Category 3 Disallowed	0

Optional Compliance Measures Applied	
Cost Limitation	No
Delay of Timely Compliance	No
Portfolio Balance Reduction	No

CP3 Excess Procurement Calculation (MWh) ⁴	Eligible RECs Retired	RECs Applied	Deductions	Accumulated in CP3
Category 0 (PCC 0)	127,234	127,234		0
Pre June 2010 PCC 1	0	0	0	0
Pre June 2010 PCC 2	0	0	0	0
Category 1 (PCC 1)	186,664	146,762	6,087	39,902
Category 2 (PCC 2)	0	0	0	0

Balance of Excess Procurement and Historic Carryover (MWh)	Beginning Balance	Applied in CP3	Accumulated in CP3	Ending Balance
Category 0 (PCC 0)	0	0	0	0
Pre June 2010 PCC 1	0	0	0	0
Pre June 2010 PCC 2	0	0	0	0
Category 1 (PCC 1)	0	0	39,902	39,902
Category 2 (PCC 2)	0	0	0	0
Historic Carryover	10,455	0		10,455

1. "Soft Target" is defined in section 3204(a)(3) of the RPS POU Regulations.
2. Total RECs Verified as Available during CP 3, does not include Disallowed PCC 3 RECs.
3. Calculated as specified in Section 3204(c) of the RPS POU Regulations.
4. Calculated as described in the RPS Verification Methodology Report, Third Edition and in section 3206(a)(1) of the RPS POU Regulations.