DOCKETED

Docket Number:	21-OIR-01
Project Title:	Rulemaking to Amend Regulations Governing the Power Source Disclosure Program
TN #:	254607
Document Title:	Turlock Irrigation District Comments On Rulemaking to Amend Regulations Governing the Power Source Disclosure Program
Description:	N/A
Filer:	System
Organization:	Turlock Irrigation District
Submitter Role:	Public Agency
Submission Date:	2/21/2024 3:55:39 PM
Docketed Date:	2/21/2024

Comment Received From: Turlock Irrigation District
Submitted On: 2/21/2024
Docket Number: 21-OIR-01

TID Comments On Rulemaking to Amend Regulations Governing the Power Source Disclosure Program

Additional submitted attachment is included below.

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February 21, 2024

California Energy Commission
Docket Unit, MS-4
Re: Docket No. 21-OIR-01
715 P Street
Sacramento, CA 95814-5512

RE: TID Response on Revised Pre-Rulemaking Proposed Updates to the Power Source Disclosure Regulations [CEC Docket No. 21-OIR-01]

Turlock Irrigation District ("TID") appreciates the opportunity to comment in response to the California Energy Commission's ("CEC") recently revised *Pre-Rulemaking Amendments to the Power Source Disclosure Program* ("Revised Proposed Updates"), issued on January 31, 2024.

1. **Grandfathered Firmed and Shaped Resources**

Consistent with previous comments, TID is concerned that the CEC's proposed Power Source Disclosure ("PSD") regulation does not capture alignment between the Power Content Label ("PCL"), the Renewable Portfolio Standard ("RPS") and the California Air Resource Board's Cap and Trade program and Mandatory Reporting Regulation ("MRR") as it pertains to unspecified power utilization through the firming and shaping process for **hourly accounting**. The most recent PSD language does not recognize for the hourly accounting rules that contractual or ownership agreements executed prior to June 1, 2010 received a Portfolio Content Category 0 ("PCC 0") designation and count in full towards the CEC's RPS procurement requirements. Presently, the associated GHG emissions accounting methodology on the PCL reflects the accounting practices established by CARB's Mandatory Regulatory Reporting Program ("MRR"). The CEC's update to the PSD should recognize this history and not assign a GHG emissions accounting methodology that conflicts with CARB's MRR program. TID would encourage the CEC to amend Section 1392(b)(6)(A) and align the grandfathered firmed-and-shaped with their hourly accounting rules. TID agrees with the California Municipal Utility Association ("CMUA") comments; if a Retail Supplier has a resource that meets the requirements of Section 1392(b)(6)(A), then the Retail Supplier should only have the renewable resource included as part of its resource stack and only the emissions associated with the renewable resource attributed to its load.[1] Applying this change to hourly accounting rules would harmonize the PCL, RPS, MRR and Cap and Trade rules. TID's specific ask to the CEC is that they apply their existing treatment of grandfathered firmed and shaped contracts towards their hourly reporting requirements. Without this change, utilities such as TID that have PCC 0 designations will be disadvantaged on their PCL due to early action efforts not being recognized

[1] February 1, 2024 California Municipal Utilities Association Comments on Revised Pre-Rulemaking Proposed Updates to the Power Source Disclosure Regulations [CEC Docket No. 21-OIR-01]

under the hourly accounting rules. TID would remind the CEC that the process of firming and shaping energy involves the substitution of energy in the same quantity as the contracted or owned RPS-eligible generation that meets the timing and quantity requirements of the POU.

2. Line Losses

TID thanks the intent of CEC staff in Section 1392(c)(2)(B) which will allow TID the opportunity to demonstrate line losses have been accounted for without having to apply a loss adjustment factor for transmission and distribution losses. TID supports the CMUA recommendation for clarity on line losses to ensure every retail supplier has the optionality to demonstrate actual line losses as opposed to the present ambiguity in the regulatory language regarding whether a retail supplier would have to adhere to the default emission factor calculation.

CMUA recommended change is below:

> (B) As an alternative to using the loss-adjustment factors for specified resources pursuant to subdivision (A), retail suppliers may provide documentation that supports the use of a different loss adjustment factor, provides the actual line losses applicable to the specified resource, or that demonstrates that transmission and distribution losses have already been accounted for.[2]

3. Annual Reporting

TID supports CMUA comments to remove the updated category proposed by the CEC for "Other Electricity End Uses," which would include "all non-retail sales end uses (such as self-consumption and municipal loads) and all electricity lost to transmission and distribution."[3] TID disagrees with CEC staff's conclusion that in order to effectuate the intent of Public Utilities Code 398.4 the use of loss-adjusted load must be utilized under the "Other Electricity End Uses," category. TID believes a utilities retail sales must be the information conveyed on the PCL without a different standard included as proposed by CEC staff. A different standard applied to the PCL would further misinterpret the distinct difference of in-state versus out-of-state renewable investment utilities such as TID make for the benefit of our customers. Transmission line losses from electricity TID delivers from Tuolumne Wind Project, ("TWP"), located in Klickitat County, Washington, would be negatively interpreted by our customers on the PCL due to the loss adjusted load criteria still being utilized by the CEC for the PCL. Should this criteria remain in the Power Source Disclosure Regulations TID would effectively be penalized for early action regarding this renewable energy investment. Utilities have a variety of methods at their disposal to address line losses that would not confuse customers viewing their electric service

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[2] February 1, 2024 California Municipal Utilities Association Comments on Revised Pre-Rulemaking Proposed Updates to the Power Source Disclosure Regulations [CEC Docket No. 21-OIR-01]

[3] Summary of Changes at 7.

provider's PCL. TID encourages the CEC to base the "total Power Content" category on the PCL with retail sales alone.

4. Conclusion

TID appreciates the opportunity to submit these comments to the CEC.

Respectfully,

Austin Avery

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