

**DOCKETED**

<b>Docket Number:</b>	21-OIR-01
<b>Project Title:</b>	Rulemaking to Amend Regulations Governing the Power Source Disclosure Program
<b>TN #:</b>	260127
<b>Document Title:</b>	EnergyTag Supplemental Comments on PSD Updated Language
<b>Description:</b>	N/A
<b>Filer:</b>	System
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<b>Submitter Role:</b>	Public
<b>Submission Date:</b>	11/18/2024 12:14:05 PM
<b>Docketed Date:</b>	11/18/2024

*Comment Received From: Alex Piper*  
*Submitted On: 11/18/2024*  
*Docket Number: 21-OIR-01*

## **EnergyTag Supplemental Comments on PSD Updated Language**

*Additional submitted attachment is included below.*

November 18, 2024

California Energy Commission  
715 P Street  
Sacramento, CA 95814

RE: EnergyTag Comments on Rulemaking to Amend Regulations Governing the Power Source Disclosure Program Updated Language

EnergyTag is an independent, not-for-profit organization focused on promoting and enabling robust hourly electricity accounting standards globally. EnergyTag maintains the world's only voluntary standard detailing how hourly Energy Attribute Certificates (EACs) can be issued and used to robustly verify hourly matching claims, including claims of deliverability and incrementality. Our standards are supported and developed alongside major stakeholders working on implementing granular electricity accounting including United Nations Energy, AES, Google, Clean Air Task Force, M-RETs, PWC, and Microsoft amongst others.

EnergyTag commends the ambition of SB 1158 which will bring greater transparency to electricity supplier energy source and emissions disclosure in California. This will, in turn, lead to improved demand signals for clean power and accelerate decarbonization in support of California's climate and energy objectives. In particular, EnergyTag commends the requirement for suppliers to disclose, on an hourly and geographic basis, the source of electricity supplied to consumers starting in 2028.

EnergyTag previously submitted comments on SB 1158 recommending the following:

1. Implement an all-generation hourly EAC registry
2. Require a standard for this hourly EAC registry
3. Ensure a fair and administrable framework for matching hourly generation to consumers
4. Enable storage with robust hourly tracking
5. Encourage robust tracking of unspecified load with a residual or fossil-only mix

In addition, EnergyTag would like to recommend the following:

6. Remove avoided emissions allocation based on oversupply of electricity

We will reiterate all of these recommendations and provide more specific feedback on a few of these points based on the most recent proposed revisions to the rulemaking to amend regulations governing the Power Source Disclosure Program.

Thank you for the opportunity to provide feedback and comment.

### **Recommendation 1: Implement an all-generation hourly Energy Attribute Certificate (EAC) registry**

The Power Source Disclosure Program update to track and report hourly generation and emissions data is an important early step in more transparent and accurate electricity accounting. The updates also present an opportunity to modernize current registry systems and track all-generation supply power to California within an all-generation hourly EAC registry. The timeline for requirements in this bill line up with expected and technically feasible updates to registries, such as WREGIS, to do hourly certificate tracking.

If this program were to require an hourly EAC registry to support its outcome goals, it would provide further support and certainty to WREGIS and other tracking systems to make the necessary updates to track all generators at an hourly level. As registries develop this capability, technologies that provide zero-carbon power at specific times of day will be valued for their clean capacity, companies and organizations will be able to more effectively work towards ambitious hourly matching climate targets, utilities will be able to offer more advanced products and tariffs to customers, and new investment will come to the region knowing it will be easier to comply with regulations like the 45V clean hydrogen tax credit and potential future Greenhouse Gas Protocol requirements.

### **Recommendation 2: Require a standard for this hourly EAC registry**

A standard for EAC registries is critical for robust, transparent, and auditable tracking. EnergyTag maintains an open-source standard for Granular Certificate registries.<sup>1</sup> It is supported by over 100 organizations globally. Our standard is being implemented by EAC registries globally, including M-RETs in the United States. It was developed by the experts who designed the European Guarantee of Origin system, the world's largest standardized EAC system. The California Energy Commission should consider adopting this standard or something similar.

### **Recommendation 3: Ensure a fair and administrable framework for matching hourly generation to consumers**

An all-generation hourly EAC registry would help ensure generation can be accurately and transparently matched to consumer demand on an hourly basis.

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<sup>1</sup> [EnergyTag - Granular Certificate Scheme Standard](#)

The proposed updates to this program represent LSE specific data and not product specific or portfolio specific data reflecting actual REC purchases. Customers hoping to use the valuable data coming out of this update to the Power Source Disclosure Program will need a system that supports the functionality to distinguish between voluntary and default customers and can allocate specific hourly generation to specific consumers.

The EnergyTag standard provides a way to match hourly generation tracked with EACs to consumers in a way that prevents double counting and ensures transparency.

#### **Recommendation 4: Enable storage with robust hourly tracking**

The rule currently proposes the accounting of storage discharge for hourly LSE total net procurements for each hour of the year, but it does not associate any generation or emissions factor with the electricity discharged. Without a methodology to track fuel type and GHG emissions attributes through electricity storage, an important market signal is lost for the value of time shifting clean electricity through the use of storage assets.

The EnergyTag standard provides a methodology for tracking hourly EACs through storage assets, preserving the fuel type and GHG emissions attributes from charge to discharge, accounting for losses and ensuring a fair and administrable discharge allocation methodology.

#### **Recommendation 5: Encourage robust tracking of unspecified load with a residual or fossil-only mix**

Ideally, the Power Source Disclosure Program would assign a residual mix emissions factor to all unspecified load. As currently described, the unspecified load emissions factor is made up of essentially a fossil-only mix, which is the best alternative to the true residual mix.

Encouraging WREGIS to track all generators with hourly EACs will also contribute to a more accurate residual mix that can be applied to unspecified power under this program.

#### **Recommendation 6: Remove avoided emissions allocation based on oversupply of electricity**

The proposed rulemaking states, "A retail supplier shall be attributed avoided emissions to the extent that its oversupplied resources reduced the hourly GHG

emissions factor of unspecified power.” EnergyTag recommends removing any attribution of avoided emissions based on oversupplied power. The emissions reduction benefits of any such power will be accounted for in the formula to calculate the emissions intensity of unspecified power. Including any sort of avoided emissions attribution to the LSE oversupplying the power risks double counting the emissions benefits of that electricity. This must be avoided to maintain a high integrity and impactful program.

Thank you for the opportunity to submit further comments and please do not hesitate to reach out with any questions.

Sincerely,

Alex Piper  
Head of US Policy and Markets