

DOCKETED

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Comment Received From: Paula Palomo

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Comments of the Small POU Coalition on the Pre-Rulemaking Amendments to the Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities

Additional submitted attachment is included below.

Braun Blaising McLaughlin & Smith P.C.

Attorneys at Law

September 9, 2016

California Energy Commission
Docket Office, MS-4
Re: Docket No. 16-RPS-03
RPS Proceeding
1516 Ninth Street
Sacramento, CA 95814-5512

Comments of the Small POU Coalition on the Pre-Rulemaking Amendments to the Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities

I. INTRODUCTION

The Small POU Coalition¹ is submitting these comments on the *Pre-Rulemaking Amendments to the Enforcement Procedures for the Renewable Portfolio Standard for Local Publicly Owned Electric Utilities*, issued by the California Energy Commission (“CEC”) on August 4, 2016 (“Proposed Amendments”).

The Small POU Coalition supports the comments of the California Municipal Utilities Association (“CMUA”), dated September 9, 2016. The Small POU Coalition is especially concerned about the proposed service area restriction on renewable resources as part of a green energy pricing program. We also believe that the CEC has the authority to provide some flexibility for smaller POU’s in defining the requirements for long term resources.

II. COMMENTS ON THE LONG TERM PROCUREMENT REQUIREMENT

The Small POU Coalition agrees that the CEC has the discretion to implement the long term procurement requirement in a way that is “reasonably necessary to effectuate the purpose of the statute.”² Many of the small POU’s are operating under cost limitations that limit the ability to contract for reserves, particularly for long term renewable resources. If a project is delayed or unavailable for some reason for a compliance period, the resources the POU would have available to make up the difference would likely come from the reserves of larger utilities who will have met their requirements and will have surplus power from long term contracts available for sale. Such purchases would be of benefit to the ratepayers of those utilities and so would meet two state goals in reducing ratepayer cost and meeting RPS goals. The CEC should accept such purchases as meeting the POU’s long term procurement obligation.

¹ The Small POU Coalition consists of the Cities of Rancho Cucamonga, Moreno Valley, Corona, Colton, Needles, Cerritos, and Victorville, Eastside Power Authority, Pittsburg Power Company and Power and Water Resources Pooling Authority.

² Cal. Gov. Code sec. 11342.2

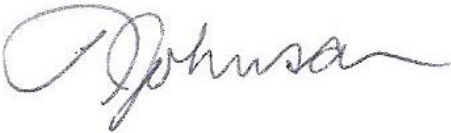
III. COMMENTS ON SERVICE AREA LIMITATION FOR RENEWABLES IN GREEN PRICING PROGRAMS

Members of the Small POU Coalition are developing green pricing programs for their customers. The most cost effective renewable resources available for these programs may not be located in the small geographical service areas of small POU's, as described in the Proposed Amendments. SB 350 does not require such a restriction and the language in the Proposed Amendments should be revised to provide as much flexibility as permitted under SB 350. The Small POU Coalition understands that customers may prefer to be served with renewable energy resources in close proximity to them, but the policy makers of the POU's serving those customers should have broad discretion to balance cost and location so that the programs can have the optimum effectiveness and growth.

III. CONCLUSION

Thank-you for the opportunity to comment. We look forward to working with the CEC in its continued development of the Proposed Amendments.

Respectfully,

A handwritten signature in cursive script, appearing to read "L. Johnson", written in dark ink.

Linda Johnson
Scott Blaising
BRAUN BLAISING McLAUGHLIN & SMITH, P.C.

Attorneys for the Small POU Coalition