| DOCKETE | D |
|-----------------------|--|
| Docket Number: | 11-RPS-01 |
| Project Title: | Renewables Portfolio Standard |
| TN #: | 215377 |
| Document Title: | Truckee Donner Public Utility District RPS Verification Results Report for Compliance Period 1 |
| Description: | N/A |
| Filer: | Emily Chisholm |
| Organization: | California Energy Commission |
| Submitter Role: | Commission Staff |
| Submission Date: | 1/13/2017 3:51:26 PM |
| Docketed Date: | 1/13/2017 |

California Energy Commission
LEAD COMMISSIONER REPORT

Renewables Portfolio Standard Verification Results

Truckee Donner Public Utility District Compliance Period 1

ENERGY COMMISSION

California Energy Commission

Edmund G. Brown Jr., Governor

January 2017 | CEC-300-2017-040-LCF

California Energy Commission

David Hochschild Lead Commissioner

Chris Metzker Olga Romaso **Primary Authors**

Emily Chisholm Theresa Daniels **Project Manager**

Natalie Lee Office Manager RENEWABLE ENERGY OFFICE

Courtney Smith Deputy Director RENEWABLE ENERGY DIVISION

Robert P. Oglesby Executive Director

DISCLAIMER

Staff members of the California Energy Commission prepared this report. As such, it does not necessarily represent the views of the Energy Commission, its employees, or the State of California. The Energy Commission, the State of California, its employees, contractors and subcontractors make no warrant, express or implied, and assume no legal liability for the information in this report; nor does any party represent that the uses of this information will not infringe upon privately owned rights. This report has not been approved or disapproved by the Energy Commission nor has the Commission passed upon the accuracy or adequacy of the information in this report.

Verification Results: Compliance Period 1 Truckee Donner Public Utility District

Background

Established in 2002, California's Renewables Portfolio Standard (RPS) is one of the most ambitious renewable energy policies in the nation. Enacted by Senate Bill 1078 (Sher, Chapter 516, Statutes of 2002) with bipartisan support, and accelerated and expanded by subsequent legislation, California's RPS establishes increasingly progressive renewable energy targets for the state's electric service providers, requiring both retail sellers and local publicly owned electric utilities (POUs) to increase their procurement of eligible renewable energy resources to 33 percent of retail sales by 2020 and 50 percent of retail sales by 2030. Originally restricted to retail sellers, Senate Bill X1-2 (Simitian, Chapter 1, Statutes of 2011, First Extraordinary Session) expanded the statewide RPS to apply to POUs starting in 2011. The POUs have the following RPS compliance period targets through 2020:

| RPS Targets for Local Publicly Owned Utilities ¹ | | | | | | | | | |
|--|------|------|------|------|------|------|------|------|------|
| Compliance Period 1Compliance Period 2Compliance Period 3 | | | | 6 | | | | | |
| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| 20% | 20% | 20% | 20% | 20% | 25% | 27% | 29% | 31% | 33% |

POU Procurement Verification Process

California's RPS is administered by the California Energy Commission (Energy Commission) and the California Public Utilities Commission (CPUC). The Energy Commission is responsible for certifying RPS-eligible renewable energy resources, developing a tracking system to verify renewable energy procurement for all program participants, and overseeing compliance of the POUs. The CPUC is responsible for overseeing compliance and enforcement of the retail sellers.

As part of its administrative responsibility, the Energy Commission verifies the procurement claims of both retail sellers and POUs. The method used by the Energy Commission to verify procurement claims for RPS program participants is detailed in the *Renewables Portfolio Standard Eligibility Guidebook*² and further explained in the *Renewables Portfolio Standard Verification Methodology Report,* which can be found at

http://www.energy.ca.gov/portfolio/documents/rps_verification.html

As POUs were mandated to comply with the statewide RPS program starting in 2011, this is the first issuance of verification results for POUs.

¹ Compliance with the RPS program is determined on a compliance period basis; however, each year within a compliance period contains a soft target that is applied to that year's retail sales in order to determine that year's contribution to the compliance period's total RPS requirement.

² Refer to Section VI of the Renewables Portfolio Standard Eligibility Guidebook, Eighth Edition.

These verification results are not a compliance determination. The Energy Commission is responsible for determining POU compliance with the RPS.³ After the Energy Commission adopts a POU's *Verification Results*, it will begin the process of determining if the POU is in compliance with the RPS requirements in accordance with the *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities*⁴ for Compliance Period 1 (2011-2013). The Energy Commission's Executive Director will make a compliance determination informed by the verification results presented here 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. If the Executive Director determines a POU is not in compliance with the RPS requirements, a complaint will be issued to the POU, and adjudicated by the Energy Commission in accordance with the *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities*.

Verification Results

This document provides the verification results for Truckee Donner Public Utility District's RPS procurement for Compliance Period 1 (2011-2013). The verification results are shown in renewable energy credits (RECs).⁵ and include the following:

- The amount of eligible renewable energy procured by Truckee Donner Public Utility District.
- The Portfolio Content Category classification of eligible renewable energy.
- Truckee Donner Public Utility District's procurement target and portfolio balance requirements.
- Any optional compliance measures being applied by Truckee Donner Public Utility District.
- Truckee Donner Public Utility District's additional procurement above requirements, which may be applied to a future compliance period.

The Energy Commission finds that the procurement claim amounts listed in this report are eligible for the RPS, consistent with the RPS certification and procurement rules and requirements specified in the *Renewables Portfolio Standard Eligibility Guidebook* and *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities*, and should therefore count toward meeting the Truckee Donner Public Utility District's RPS procurement requirements.

For Compliance Period 1, Truckee Donner Public Utility District procured eligible renewable energy equal to 20 percent of its retail sales for the period and met its procurement target.

20 CCR Section 3204 (a)(8) of the *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities* specifies that a POU that was in existence on or before

³ Pub. Util. Code § 399.30, subd. (o) and (p).

⁴ The Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities are set forth in 20 CCR §§ 1240 and 3200 – 3208, and establish the rules and procedures by which the Energy Commission will assess a POU's procurement actions and determine whether those actions meet the RPS procurement requirements in the law.

⁵ Refer to 20 CCR § 3201(v). RECs are measured in megawatt hours (MWh).

January 1, 2009, that provides retail electric service to 15,000 or fewer customer accounts in California, and that is interconnected to a balancing authority primarily located outside California but within the Western Electricity Coordinating Council, is exempt from the portfolio balance requirements. Truckee Donner Public Utility District submitted documentation demonstrating that they meet the qualifications of 20 CCR section 3204 (a)(8), and therefore do not have a Category 1 portfolio balance requirement or limitation on Category 3 procurement during Compliance Period 1.





Renewables Portfolio Standard

| Procurement Target | Calendar Year | Annual Retail Sales | Soft Target Percentage | Soft Targets |
|--------------------|------------------|------------------------|---------------------------|--------------|
| Calculation (MWh) | 2011 | 141,638 | 20% | 28,327 |
| | 2012 | 137,132 | 20% | 27,426 |
| | 2013 | 138,695 | 20% | 27,739 |
| | Pr | 83,492 | | |

| RECs Retired and Applied ¹ | Category 0 (PCC 0) | Bundled RECs | Unbundled RECs | Total ² |
|--|-----------------------|--------------|-------------------|--------------------|
| Eligible RECs Retired | 51,417 | 118,453 | 248 | 170,118 |
| Eligible RECs Applied | 0 | 83,244 | 248 | 83,492 |

| RPS Portfolio Balance Requirements (MWh) | CP 1 |
|---|------|
| Catagory 1 Balance Requirement ³ | N/A |
| Category 3 Balance Limitation ⁴ | N/A |
| Disallowed Category 3 RECs | N/A |

| RPS Requirement Deficits (MWh) | CP 1 |
|--|------|
| Procurement Target Deficit | 0 |
| Category 1 Balance Requirement Deficit | N/A |
| Percent Renewable for CP1 | 20% |

| Optional Compliance Measures Applied | CP 1 |
|--------------------------------------|------|
| Cost Limitations | No |
| Delay of Timely Compliance | No |
| Portfolio Balance Reduction | No |

| Excess Procurement Calculation (MWh) | CP 1 |
|--------------------------------------|---------|
| Total RECs Retired | 170,118 |
| RECs Applied to Target | 83,492 |
| Category 3 RECs Not Applied | 0 |
| Short Term RECs | 0 |
| Eligible Excess Procurement | 86,626 |

| Balance of Additional Procurement | Starting | Accumulated | Applied to | Remaining |
|-----------------------------------|----------|-------------|------------|-----------|
| (MWh) | Balance | in CP 1 | CP 1 | Balance |
| Historic Carryover | 0 | 0 | 0 | 0 |
| PCC 0 Excess Procurement | 0 | 51,417 | 0 | 51,417 |
| Bundled Excess Procurement | 0 | 35,209 | 0 | 35,209 |

1. Only includes REC categories that are claimed by the POU listed above

2. Total RECs Applied does not include Disallowed Category 3 RECs

3. Calculated as lesser of RECs retired or procurement target less Category 0 RECs, pre-June 2010 RECs, and Historic Carryover, multiplied by 0.5

4. Calculated as lesser of RECs retired or procurement target less Category 0 RECs, pre-June 2010 RECs, and Historic Carryover, multiplied by 0.25