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Comments of the Center for Energy Efficiency and Renewable Technologies on the Joint Agency Workshop on 2030 Greenhouse Gas Emission Reduction Targets for Integrated Resource Planning

Additional submitted attachment is included below.

Comments of the Center for Energy Efficiency and Renewable Technologies on the Joint Agency Workshop on 2030 Greenhouse Gas Emission Reduction Targets for Integrated Resource Planning

The Center for Energy Efficiency and Renewable Technologies (CEERT) appreciates the opportunity to comment on the Joint Agency Workshop on 2030 Greenhouse Gas Emission Reduction Targets for Integrated Resource Planning. CEERT previously submitted informal comments on the Staff Discussion Paper on Setting IRP GHG Planning Targets in CPUC proceeding R.16-02-007¹. In these comments, CEERT offered that the California Air Resources Board has ultimate authority in setting a GHG target for both the electric sector and Load Serving Entities (LSEs). Specifically, PUC Section 452.52(a)(1)(A) states:

“(a) (1) Commencing in 2017, and to be updated regularly thereafter, the commission shall adopt a process for each load-serving entity, as defined in Section 380, to file an integrated resource plan, and a schedule for periodic updates to the plan, to ensure that load-serving entities do the following:

“(A) Meet the *greenhouse gas emissions reduction targets established by the State Air Resources Board, in coordination with the commission and the Energy Commission*, for the electricity sector and each load-serving entity that reflect the electricity sector’s percentage in achieving the economywide greenhouse gas emissions reductions of 40 percent from 1990 levels by 2030.” (Emphasis added.)

CEERT is pleased to hear the Air Resources Board (ARB) will be undertaking the formal target setting process later this year. In meantime, this process will provide valuable discussion that may aid the formal GHG target setting process and provide a means to develop the 2017 IRPs. While the ARB has ultimate authority over GHG issues, including target setting and enforcement, it will be critical that the CEC and CPUC play a role in tracking progress and trajectories and identifying needed measures to achieve the needed reductions.

Many of the utilities commented during the workshop that they would prefer flexibility in the planning target due to unknown future conditions. While this may be appropriate when

¹ Informal Comments of the Center for Energy Efficiency and Renewable Technologies on CPUC-CEC Staff Discussion Document on Options for Setting IRP GHG Planning Targets

evaluating multiple future conditions, a single target should be utilized for the “central future”. Flexibility should play a role in *enforcement*, as factors such as vehicle electrification and hydro conditions could greatly impact the system, but the IRP is *first a planning* exercise, with procurement taking place only after, and based on, those plans once they have been approved. Planning targets are immensely valuable to guide LSEs to develop plans that will yield the resources needed to make deep GHG reductions, but such planning should not be confused with enforcement. Procurement based on an IRP that has been found to meet established GHG emission reduction goals will be authorized by the CPUC for IOUs, but this is not true for the POUs by the CEC. The enforcement of GHG reductions is under jurisdiction of the ARB.

In regards to setting the sector wide target, CEERT would like to reiterate that the Scoping Plan is the best guide for the 2017 process. However, CEERT does recognize the limitations of using the current Scoping Plan’s estimated range and cautions against using it for future iterations. The Scoping Plan estimated sector ranges which are based on projections from PATHWAYS, which is an economy level model, not a detailed electric sector model. The portfolio and resource assumptions were based off of the RPS Calculator v6.2, which likely do not reflect the “optimal portfolio” for *GHG reductions*, and, therefore, the GHG reduction costs are likely reported as higher than that of the “optimal portfolio”. Planning for the lowest end of the range in the Scoping Plan, 42 MMTCO_{2e} per year, would best ensure the resources are available to meet the needed reductions electric sector given the uncertainty of future conditions and to enable the State’s long term climate goals, which will undoubtedly be dependent on the electric sector’s ability to decarbonize.