

DOCKETED

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Comment Received From: W. Woodland Hastings

Submitted On: 7/28/2017

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Comments of the Center for Climate Protection - AB1110 Implementation

Please see attached document.

Additional submitted attachment is included below.

Our mission

To inspire, align, and mobilize action in response to the climate crisis. We work with business, government, youth and the broader community to advance practical, science-based solutions for significant greenhouse gas emission reductions.

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July 28, 2017

Jordan Scavo
California Energy Commission
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Sacramento, CA 95814
Via email: jordan.scavo@energy.ca.gov

RE: Docket #16-OIR-05 – Power Source Disclosure – AB 1110
Implementation Rulemaking

Dear Mr. Scavo:

Thank you for the opportunity to comment. The Center for Climate Protection, founded in 2001, works to identify policies that measurably reduce greenhouse gases (GHGs). We strongly support this effort to develop a uniform GHG accounting and reporting methodology for all retail sellers of electricity.

The Power Source Disclosure (PSD) program and Power Content Label (PCL) are intended to inform customers of the sources of energy for the generation of the electricity that they receive in a clear, concise, consumer-friendly way. We are concerned that some elements of the staff proposal are likely to lead to continued customer confusion.

Our comments focus on four main areas:

- 1) How Renewable Energy Credits (RECs) are addressed
- 2) The presentation of firmed-and-shaped power
- 3) The presentation of information about Asset-Controlling Suppliers on the PCL
- 4) The proposal to introduce the display of emissions related to transmission loss on the power content label

1. Renewable Energy Credit Reporting for the Power Mix, page 11:
“staff proposes that electricity from eligible renewable energy sources should be reported according to the year in which it was generated”

We are concerned that reporting RECs according to the year they were generated may result in double counting. Double counting of RECs may occur when retail suppliers are allowed to report renewable energy delivered to their retail customers through the PSD program

based on the date of generation without demonstrating retirement of the RECs from the same generation, which may be sold off and used for other state RPS programs or for other retail product claims in California or another state. RECs must be retired in order for renewable energy to be reported as a specified purchase, otherwise the REC is not traceable and there is no verification that it has been sold only once.

Recommendation: RECs should be counted when they're retired, not when they're generated.

2. GHG Emissions of Firmed-and-Shaped Electricity Products, page 12: “staff proposes to categorize firmed-and-shaped transactions based on the emissions profile of the substitute electricity.”

The sources used to firm and shape do not substitute, per se, for any part of the 1 MWh of eligible renewable energy fed to the grid. That firming and shaping fills gaps when the intermittent renewable is not producing, but does not count in the 1 MWh. Electricity produced by a renewable generating facility anywhere within the electrical grid decreases the overall GHG emissions intensity of the electricity grid. The REC is used to track the renewable attributes of electricity produced by renewable generating facilities. There is one and only one REC for each MWh of renewable electricity generated. Therefore, the owner of the REC should be able to claim the GHG emission profile of the renewable generating facility.

Recommendation: The GHG emissions intensity of firmed and shaped electricity products should be based on the emissions profile associated with the generation source of the REC, to reflect the fact that 1 MWh of renewable electricity was generated and put into the electricity grid.

Avoiding the “Weeds” in the PCL

We are supportive of full disclosure but also want the PCL to avoid unnecessary technical “weeds” that are not helpful to consumers. There are several instances where arcane aspects of the electricity sector are being considered for display on the PCL. Although discussed in the staff proposal they are not presented on the proposed PCL on page 21, so it is not clear to us how this information would be presented. In any case, in our view it would be counterproductive to include these. They are:

3. Presentation of Asset-Controlling Suppliers (ACS) reference, page 16: “Staff proposes that transactions from ACSs...should continue to be reported as a separate line item of unspecified power.”

Customers will not know what ACS products are or what their emissions mean, and it is doubtful that a cursory definition as a footnote on the PCL would be helpful. The intention of the Power Content Label is to inform customers of their electricity product content in a “user-friendly” way, not to create further confusion.

Recommendation: ACS be treated as specified power, reported based on fuel type, and the associated emissions should be prorated based on fuel type.

4. Transmission Losses from Unspecified Power, page 16: Transmission losses are a given occurrence in any long distance electricity delivery. It is not typical to assign losses or energy-related transmission services to retail disclosure since they are not helpful to consumers. While transmission losses should be taken into account for the purposes of accurately calculating GHGs/MWh, in our view it is not necessary to include any kind of presentation transmission losses on the PCL.

Recommendation: Incorporate transmission losses from unspecified power into GHG accounting, but there is no need to present transmission line losses on the PCL.

Please refer any questions about the above comments to: Woody Hastings:
woody@climateprotection.org
707-525-1665 ext. 117

Again, thank you for the opportunity to comment,

Sincerely,

A handwritten signature in black ink, appearing to read 'Woody Hastings', written in a cursive style.

Woody Hastings,
Renewable Energy Manager

