

**DOCKETED**

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*Comment Received From: Avangrid Renewables*  
*Submitted On: 10/28/2019*  
*Docket Number: 16-OIR-05*

**Avangrid Renewable Comments on Power Source Disclosure**

*Additional submitted attachment is included below.*



Margaret Miller  
Director of Regulatory Affairs

California Energy Commission  
Dockets Office, MS-4

Re: Docket No. 16-OIR-05

1516 Ninth Street

Sacramento CA, 95814-5512

October 28, 2019

***Filed Electronically***

RE: Avangrid Renewables Comments on the Commission's Proposed Modification of Regulations Governing the Power Source Disclosure Program

Dear Energy Commission,

Avangrid Renewables appreciates the opportunity to comment on the September 6, 2019 proposed modifications of regulations governing the Power Source Disclosure ("PSD") Program, and Initial Statement of Reasons. As described in more detail below, Avangrid Renewables requests the Energy Commission to modify its proposal specific to the reporting of firmed and shaped imports.

The PSD program should continue to allow firmed and shaped imports to be reported as zero GHG recognizing that all firmed and shaped imports are bundled transactions that include both energy and RECs regardless of when the transaction was executed.

Avangrid Renewables echoes comments provided by AWEA CA and CalCCA at the October 7<sup>th</sup> hearing that the proposal to report firmed and shaped imports based on the carbon attributes of the incremental energy rather than the bundled procurement creates inconsistencies with California RPS program and the California Air Resource Board's (ARB) Mandatory Reporting Regulation. Under the RPS program, a firmed and

shaped contract must be bundled, and the LSE must receive title to both the RECs and the energy from the renewable energy facility. RECs represent GHG emissions reductions even if the generation is not delivered to California. In addition, ARB in its MRR allows for an RPS adjustment for entities that import PCC2 energy to meet California RPS compliance in recognition that PCC2 imports are carbon neutral.

Further as Avangrid Renewables noted at the October 7th hearing, this change in reporting requirements, will result in load serving entities replacing firm and shaped purchases with carbon-free replacement energy at much higher costs to ratepayers, adding an estimated premium of five to eight dollars per megawatt hour.

Lastly, the proposed retrospective (January 1, 2019) grandfathering date proposed by the CEC for firm and shaped contracts is problematic as load serving entities and suppliers have already entered into contracts in some cases through 2020. As noted, in order to maintain consistency with the CA RPS program and ARB's MRR the Energy Commission should not assign emissions to firm and shaped resources. This eliminates the need for a grandfathering date for these contracts. However, if the CEC proposal is to move forward, the grandfathering date should be set prospectively or the policy implemented no earlier than 1/1/2021.

Sincerely,

/s/

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Margaret Miller

Director of Regulatory Affairs

Avangrid Renewables

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