DOCKETED	
Docket Number:	16-RPS-03
Project Title:	Amendments to Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities
TN #:	234583
Document Title:	Comments from the City of Burbank, Water and Power Department
Description:	RE: Comments from the City of Burbank, Water and Power Department ("BWP") on Amendments to Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard ("RPS") for Local Publicly Owned Electric Utilities ("POUs")
Filer:	Cody Goldthrite
Organization:	Burbank Water and Power
Submitter Role:	Public Agency
Submission Date:	9/3/2020 3:33:00 PM
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September 2, 2020

Chair David Hochschild Commissioner Karen Douglas Commissioner J. Andrew McAllister Commissioner Janea A. Scott Commissioner Patty Monahan

California Energy Commission 1516 Ninth Street Sacramento, CA 95814-5512

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RE: Comments from the City of Burbank, Water and Power Department ("BWP") on Amendments to Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard ("RPS") for Local Publicly Owned Electric Utilities ("POUs")

## **Dear Commissioners:**

As the General Manager of Burbank Water and Power, we work diligently to implement policies that reflect our community's clean energy and climate goals. BWP shares your interest in supporting renewable energy development in the State. As you are aware, last year, BWP procured over 32% of its portfolio from resources that are eligible under the Renewables Portfolio Standard (RPS) program. Our utility is committed to advancing and expanding its clean energy portfolio while balancing affordability and reliability which has been heightened by the economic downturn due to COVID-19 and the rolling blackouts by the California ISO.

BWP is a publicly owned utility, overseen by a utility governing board and City Council that provide public oversight and accountability over electric rates and services. Through this oversight the City of Burbank has established a more aggressive local aspirational goal to achieve 100% greenhouse gas-free electric power by 2040 or sooner, five years earlier than the state mandate in SB 100. BWP is currently on track to meet the state's greenhouse gas reduction targets and the more aggressive local goal while balancing affordability and reliability.

It is with this perspective that I write today, on behalf of BWP, to express great concern with newly proposed language in the Commission's pending regulations for the RPS program. Changes made in the recently released 15-day language would require Commission staff to make determinations on the long-term status of our utility's contracts. We understand the statutory provisions related to procurement from long-term contracts and ownership agreements and

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believe the proposed regulatory language does not recognize the responsibility and accountability of our governing board, and would unduly expand the Commission's role beyond that which was envisioned by the Legislature. Of more significant concern is that these changes create regulatory uncertainty and undermine local decision-making that informs BWP's resource procurement planning.

The proposed language unlawfully grants Commission staff an inappropriate amount of discretion in making a determination on the sufficiency of contract provisions relating to resource quantity, term, and delivery. This allows Commission staff to reach beyond what is defined in the Commission's RPS regulations and what is required by law. This proposed process would create regulatory uncertainty as to whether BWP's existing and future negotiated contracts would satisfy the Commission staff's review. We are further challenged by the absence of any timeline in the proposed regulation for the Commission staff to make its determination on a contract's compliance. I am concerned that this uncertainty may unnecessarily result in added compliance costs for BWP that will, in turn, increase the cost of electric service for our residents and businesses without actually providing any meaningful power delivery benefit.

For this reason, I respectfully urge you to reconsider this proposal and to work with BWP, the Southern California Public Power Authority, the California Municipal Utilities Association and the public power community to address these concerns.

Our governing body takes its utility oversight role seriously, and hopes to continue partnering with the Commission, and the state as a whole, to ensure that the policies we implement work toward renewable energy procurement goals and resource diversity that supports overall electric system reliability and afforability.

Sincerely,

Jorge Somoano General Manager

**Burbank Water and Power** 

Cc: Senator Portantino

Assemblymember Friedman

**Burbank City Council** 

Justin Hess, City Manager

**Burbank Water and Power BoardEmanuels Jones & Associates**