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CALIFORNIA ENERGY COMMISSION

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**Notice of Availability of the
March 2023 updated *Renewables Portfolio Standard
Verification and Compliance Methodology Staff
Report, 3rd Edition*
CEC-300-2022-012-SF-REV/Docket # 21-RPS-01**

The *Renewables Portfolio Standard Verification and Compliance Methodology Staff Report, Third Edition*, updated March 2023 (*RPS Methodology Report*), is available from the California Energy Commission's (CEC) website at:

<https://www.energy.ca.gov/publications/2022/renewables-portfolio-standard-verification-and-compliance-methodology-report>

The *RPS Methodology Report* presents the methods CEC staff employ to accomplish the following:

- Verify the eligibility of claims reported for the procurement of renewable energy submitted by load-serving entities (LSEs) for each compliance period of California's Renewables Portfolio Standard (RPS).
- Confirm the vintage and determine the portfolio content category classification of claims submitted by local publicly owned electric utilities (POUs).
- Confirm the retail sales for each POU and calculate each POU's procurement requirements based on their retail sales.
- Determine whether each POU has met the procurement requirements for each compliance period of the RPS.

Results from the application of the verification analyses covered in this report are issued separately for retail sellers and POUs. For retail sellers, a final verification report will be adopted by the CEC at a regularly scheduled business meeting and subsequently transmitted to the California Public Utilities Commission (CPUC) to be used for its compliance and enforcement activities. For each POU, verification results will be issued in separate reports also adopted by the CEC at a regularly scheduled business meeting to be used for compliance and enforcement activities conducted by the CEC.

The methodology and processes described in the *RPS Methodology Report* are based on the requirements specified in the CEC's [Renewables Portfolio Standard Eligibility](#)

[Guidebook, Ninth Edition](https://efiling.energy.ca.gov/getdocument.aspx?tn=217317), available at <https://efiling.energy.ca.gov/getdocument.aspx?tn=217317>, and its [Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities](https://www.energy.ca.gov/media/6111), available at <https://www.energy.ca.gov/media/6111>, as set forth in the California Code of Regulations, Title 20, Sections 1240 and 3200 – 3208.

The following summary is a list of substantive and non-substantive changes made to the *RPS Methodology Report*:

- Non-substantive grammatical fixes made throughout report.
- Chapter 3, Exemptions and Adjustments: Qualifying Large Hydroelectric Generation, page 19, the title was updated to provide more clarity regarding who the exemption applies to, a clarification was made to reflect it is “qualifying hydroelectric generation” that may satisfy electricity demand for a POU meeting the criteria listed in Public Utilities Code section 399.30(j), and a correction was made to the procurement target calculation for a POU meeting the criteria of Public Utilities Code section 399.30(j).
- Chapter 3, Exemptions and Adjustments, page 20, a new section was added to describe the exemption for generation from a hydroelectric facility owned and operated by a POU as of 1967.
- Chapter 3, Exemptions and Adjustments, page 20, a new section was added to describe the exemption for generation from a large hydroelectric facility owned by the Federal Government as part of the Central Valley Project, or a joint powers agency (JPA).
- Chapter 3, Exemptions and Adjustments, page 21, a section was added to describe the exemption for generation from large hydroelectric facility owned by a POU, the Federal Government as part of the Central Valley Project, or a JPA.
- Chapter 3, Portfolio Content Category Classification Results, page 24, a sentence was removed that stated POU had 90 days to provide Final Compliance Reports after receipt of PCC Reports, and a sentence was added to clarify that upon approval of the PCC Report, CEC will compile and send verified claims for use in the Final Compliance Reports.
- Chapter 4, Verification Level 3 – Procurement Requirement Calculations, page 25, Figure 4 was updated to remove the “Verification Results Table Report” and “Approve or Dispute” flowchart steps to align with updated Level 3 processes, and an introductory step “PCC Reports Approved” was added at the beginning of the flowchart for improved clarity regarding Level 3 verification processes.
- Chapter 4, Final Compliance Report Filing, page 30, a reference to draft verification results being described as synonymous to “PCC Reports” was removed because the two are distinctly separate sets of results reports sent to POU, and the associated footnote was updated.

Background

The enactment of Senate Bill (SB) 1078 (Sher, Chapter 516, Statutes of 2002) created California’s RPS program. California’s RPS establishes increasingly progressive renewable energy procurement targets for the state’s load-serving entities (LSEs).

Originally applicable only to retail sellers, the statewide mandatory RPS was expanded by SB X1-2 (Simitian, Chapter 1, Statutes of 2011, First Extraordinary Session) to include local publicly owned electric utilities (POUs) starting in 2011. SB 100 (De León, Chapter 312, Statutes of 2018) increased the procurement targets, requiring both retail sellers and POUs to increase their procurement of eligible renewable energy resources to 60 percent of retail sales by 2030.

California's RPS is jointly administered and implemented by the CEC and the CPUC. As part of its responsibilities, Public Utilities Code section 399.25 mandates the CEC to 1) certify eligible renewable energy resources, 2) verify the eligibility of renewable energy procured by LSEs, 3) design and implement an accounting system to track and report renewable energy procurement for all program participants, and 4) oversee compliance and enforcement of the POUs. The CPUC is responsible for overseeing the RPS compliance and enforcement programs for retail sellers.

This document is available on the California Energy Commission [website](#) at:

<https://www.energy.ca.gov/publications/2022/renewables-portfolio-standard-verification-and-compliance-methodology-report>

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