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General Counsel

In Reply Refer To: EOL0910-256

September 10, 2010

California Energy Commission Dockets Office, MS-4 RPS Proceeding 1516 9th Street Sacramento, CA 95814-5512 **DOCKET**

02-REN-1038

DATE SEP 10 2010

RECD. SEP 10 2010

Subject:

RPS Proceeding, Docket Nos. 02-REN-1038 and 03-RPS-1078 - Request to

Modify RPS Guidelines Criteria for In-Conduit Water System Hydroelectric

Generation Projects and Associated Water Storage Operations

To Whom It May Concern:

This is to request that the Energy Commission modify its RPS Guidelines to include in-conduit hydroelectric facilities that would be associated not only with <u>existing</u>, but also with <u>new</u> water system infrastructure as articulated in AB 809. El Dorado Irrigation District's water distribution system conveys tremendous amounts of water through thousands of feet of elevation change presenting opportunities for distributed energy generation. However, because of our water system design and operation, many of the in-conduit hydroelectric opportunities require new pipelines, new water storage tanks, and/or other new water system components making them seem ineligible for RPS Certification under the Energy Commission's current RPS Guidelines.

The RPS Guidelines now in place appear to define "conduit hydroelectric facility" based on Public Utility Code Section 399.12(a), which refers to projects that use "existing" conduits. This definition seems to be both inconsistent with the permitting of new facilities (i.e., the in-conduit hydroelectric facilities) and contrary to the intent of the authorizing legislation AB 809.

We respectfully request that the RPS Guidelines be modified to mimic the language in AB 809 which states in part "a conduit hydroelectric facility of 30 megawatts or less that commenced operation before January 1, 2006, is an eligible renewable energy resource. A conduit hydroelectric facility of 30 megawatts or less that commences operation after December 31, 2005, is an eligible renewable energy resource so long as it does not cause an adverse impact on instream beneficial uses or cause a change in the volume or timing of streamflow…".

We believe that the proposed modification to the RPS Guidelines described above will greatly increase public water purveyor interest and help promote the CPUC and CAISO statewide efforts to increase distributed and peak period generation. Secondary public benefits include: 1) greater

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To: California Energy Commission



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electric utility/water purveyor coordination on distributed generation resources and pumping loads, 2) increased water system storage and water supply reliability in the high fire-risk foothill and mountain regions of the state, 3) creation of opportunities to schedule in-system, small-scale pumped storage that, on a statewide basis, could help the CAISO with its need for off-peak energy storage, and 4) creation of jobs in both rural and urban counties where water purveyors decide to add small hydroelectric generation to their water system operations.

We appreciate your consideration of this request and look forward to the possibility of expanding hydroelectric generation within the El Dorado Irrigation District service area.

Sincerely,

Brian Mueller, P.E. Director of Engineering

BM:kl

cc: Petar Ristanovic

CAISO Energy Storage Program

P.O. Box 639014

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Jim Abercrombie, El Dorado Irrigation District General Manager Cindy Megerdigian, El Dorado Irrigation District Water/Hydro Engineering Manager