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**02-REN-1038**

**DOCKET**

**11-RPS-01**

DATE NOV 02 2011

RECD. NOV 02 2011

California Energy Commission  
Dockets Office, MS-4  
Re: Docket No. 11-RPS-01 and Docket No. 02-REN-1038  
RPS Proceeding  
1516 Ninth Street  
Sacramento, CA 95814-5512

**Re: Staff Workshop on the Proposed Changes to the Renewables Portfolio Standard Eligibility Guidebook and the Overall Program Guidebook for the Renewable Energy Program**

These comments are in response to the Staff Workshop on Proposed Changes to the Renewables Portfolio Standard Eligibility Guidebook (Docket No. 11-RPS-01 and Docket No. 02-REN-1038). We appreciate the opportunity to comment and would like to thank the CEC staff for all their hard work up until this point and being accessible to us over the last several months on this issue.

**Introduction**

The Leaf Exchange LLC (“Leaf Exchange”) is a Renewable Energy Credit (REC) brokerage and exchange service for California solar system owners. We have been a registered “Generating Unit Aggregator” and “Broker” in Western Renewable Energy Generation Information System (“WREGIS”) since June of 2010. We assist Distributed Generation (DG) solar system owners with the initial registration and certification of their solar systems and also with ongoing reporting requirements.

**Streamlined RPS Certification Process for Small Generators**

Our comments are mainly focused on creating a streamlined RPS certification process for small scale generators that will become eligible to sell their unbundled RECs into an RPS market, if the proposed RPS Eligibility Guidebook revisions are adopted.

As mentioned by a CEC staff presenter during the workshop on October 21, 2011 somewhere between 50,000 to 80,000 generators will become eligible if the proposed RPS Eligibility Guidebook revisions are adopted. This is in comparison to roughly 1,700 facilities that currently have received RPS certification from the CEC. We believe it is important to highlight and acknowledge the upcoming scale issue and potential administrative bottleneck that may be created by this massive influx of generators seeking RPS certification. Furthermore, the CEC should consider a few additional issues that may affect small scale generators.

**Revenue Grade Metering Requirement:**

A number of small-scale, DG solar systems in California do not necessarily have +/-2% accurate revenue grade monitoring currently installed. It is our understanding that most newer inverter equipment meets the ANSI C-12 metering standard from section 9.3.3 of the WREGIS Operating Rules.<sup>1</sup> Requiring existing generators to install additional equipment to meet this metering standard would be prohibitively expensive and could exclude class I and J generators that do not currently have ANSI C-12 compliant inverters from participating in the RPS market.

We propose two options to resolve this issue. One solution would be to include language that specifically allows class I and J generators to self-report their production directly from the display on an inverter, along with a signed attestation by the generator. The other solution would be to relax the metering requirements for class I and J generators to +/-5% accuracy.

We are very much in favor of rigorous reporting requirements and accountability for both the generating unit owner (and if applicable also their Aggregator or WREGIS Account Holder). We think a self-report taken directly from the inverter display (or from a third-party monitoring provider that is +/-5% accurate) in addition to a signed attestation would not compromise the integrity of the data. Furthermore, the WREGIS system already has built-in functionality that flags production reports that may not be technically feasible.

**Generating Facilities that Qualify for AB 920 Payments**

We foresee a potential tracking and accounting issue for facilities that are net overproducers over the course of their one-year Net Metering cycle and qualify for AB 920 payments in a given year. Clearly, RECs associated with the overproduction transfer to the utility that remits the AB 920 payment. However, it may be difficult, if not impossible, to correctly flag these facilities in advance, and often times the system owner does not know if they will get AB920 payments until the end of a particular Net Metering cycle.

Numerous scenarios exist where a generating unit may qualify for AB 920 payments in one year (*i.e.*, they net produce more than they use), and then in another year not qualify for AB 920 payments (*i.e.*, they net use more than they produce), because of changed usage patterns. It would be futile to try and aggregate “AB 920 eligible” facilities together into a specific DG-aggregated unit or flag those systems upfront. Instead some sort of dynamic tracking system that flags AB 920 excess generation on an annual basis must be developed.

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<sup>1</sup> See WREGIS Operating Rules, available at: <http://www.wregis.org/uploads/files/855/WREGIS%20Operating%20Rules%20v%2012%209%2010.pdf>

**The Bucket Status Issue with the CPUC Is Not Yet Final, and the RPS Eligibility Guidebook Should Not Yet Assume an Outcome**

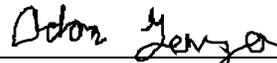
We would like to echo the comments made during the oral comments section of the Workshop, which suggested that the CEC should not yet assume that the portfolio content classification of in-state unbundled RECs has been determined. The rulemaking on this issue is still under way at the CPUC, and no final decision has been issued.

**Attachment B: Questions Concerning Possible Changes to RPS Eligibility Guidebook.**

Leaf Exchange recommends eliminating the pre-certification option. Once the final framework and rules are defined for RPS certification, there is no significant value for pre-certification in our view. Pre-certification is redundant and would consume valuable CEC staff resources, which should be fully allocated to the actual RPS certification process.

Respectfully submitted,

ADAM GERZA



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