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# DOCKET

## 02-REN-1038

DATE MAR 23 2012

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March 23, 2012

Carla Peterman, Lead Commissioner  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814-5512

Re: 02-REN-1038 and 11-RPS-01; RPS Proceeding

Dear Commissioner Peterman:

We are submitting these comments on behalf of the Coalition of California Utility Employees and the California State Association of Electrical Workers. The member unions of CUE represent employees of most the electric utilities in California, both public and private. The CSAEW represents 75,000 members employed in the construction, utility and manufacturing sectors. CUE and the State Association have been a long time supporters of California's RPS laws, and were very active in the development of the current law, SBx1-2.

The Commission has proposed to suspend the RPS eligibility of biomethane claimed to be used to generate electricity. We support an immediate suspension.

As the Commission describes in its Notice to Consider Suspension, SBx1-2 established certain limitations on the eligibility of different types of renewable generation. These limitations were designed to, among other things, ensure more environmental benefits to California by displacing fossil fuel consumption, reducing air pollution and helping meet climate change goals by reducing emission of greenhouse gases from electrical generation. The Commission's current RPS Guidebook, which predates the new law, did not consider any of those goals when the rules for the RPS eligibility of biomethane were adopted. Thus, it is entirely appropriate to review and revise the Guidebook so that it is consistent with the new legislation.

The concern about the rules for the RPS eligibility of biomethane is not merely academic. We are aware of contracts with California utilities and other load serving entities for biomethane from places such as Pennsylvania, Ohio and Tennessee. The problem with these contracts is not that they are far from California, but that it is physically impossible to deliver that gas to be used in a power plant that meets the criteria of Public Utilities Code section 399.16(b)(1). Yet those load serving entities are engaging in the fiction that such delivery is actually happening. This naked abuse of the Commission's RPS Guidebook makes a mockery of the Legislature's three year effort to carefully craft portfolio content categories that maximize the value to California of renewable generation.

Indeed, the abuse is even worse because some of these so called deliveries of biomethane are from landfills that have long since been capturing biomethane and injecting it into pipelines. Thus, there is exactly zero environmental benefit from now engaging in the fiction that such gas is magically changing its flow to end up 2,000 miles west, while passing through pipelines flowing the opposite direction.

As the Notice recognizes, this abuse of the Commission's Guidebook has been so blatant that it has attracted attention from the Legislature, which is now considering remedial legislation. Immediately suspending the RPS Guidelines for biomethane is an entirely reasonable interim action so that parties do not enter into further financial commitments that may not meet future requirements.

Indeed, our only criticism of the proposed suspension is that the Commission would continue to process applications for RPS certification even after the suspension becomes effective. The suspension should be complete and when it takes effect, should suspend all processing of applications.

Sincerely,

/s/

Marc D. Joseph

cc: Commissioner Weisenmiller  
Commissioner Douglas  
Dockets 11-RPS-01 and 02-REN-1038

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