

Comments of the Center for Energy Efficiency and Renewable Technologies to the California Energy Commission on the Renewables Portfolio Standard Eligibility Guidebook and the Overall Program Guidebook for the Renewable Energy Program

Docket Numbers 11-RPS-01 and 02-REN-1038

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CEERT appreciates staff's efforts to revise the Renewables Portfolio Standard (RPS) Eligibility Guidebook and the Overall Program Guidebook for the Renewable Energy Program, and is grateful for the opportunity to comment. Our primary reason for registering comments is to seek clarification on the tracking and verification mechanisms for energy delivery requirements. CEERT raised this concern particularly with regard to Portfolio Content Category 1 in our comments on the 33% RPS Pre-Rulemaking Draft Regulations for Publicly-Owned Utilities (POUs), and reiterates similar concerns on a broader level in this rulemaking.

Our reason for repeating this comment is that it remains somewhat unclear which agency and under which proceeding or docket number this issue will be resolved. The Eligibility Guidebook begins to address the challenge in Section F, but does not provide enough information for buyers and sellers of renewable energy to know with great certainty how various products will be treated.

CEERT urged the California Energy Commission (CEC) to adopt the exact same definitions of the product content categories as the California Public Utilities Commission 's (CPUC) in our comments on the Draft Regulations for POUs, and noted the lack of information regarding tracking and verification. In D. 11-12-052,

the CPUC includes a lengthy discussion of tracking and verification and concludes: “It is clear, at the least, that information on e-Tags will become increasingly in demand as transactions with RPS-generation outside a California balancing authority scheduled into a California balancing authority become increasingly complex and sophisticated.” The draft regulations for POUs make no suggestion as to how POUs might make an up-front showing that their resources meet the requirements of category 1. The fifth edition of the RPS Eligibility Guidebook postpones resolution of the issue indefinitely, which states “As discussed above, the Energy Commission plans to revise this guidebook to incorporate implementation details that are established after the adoption of the fifth edition of the RPS Eligibility Guidebook.”¹ Given unresolved questions in this area, CEERT continues to suggest that the CEC work in close coordination with the CPUC and CARB to ensure that monitoring and verification can be useful for all regulated entities and used both for compliance with the 33% RPS program and the Cap-and-Trade program.

In the meantime, the renewable energy market requires some certainty, and buyers and sellers of renewable energy need to verify which portfolio content category their purchases or products will fall in to. One possible option is for the agencies to settle on an interim tracking and verification protocol for existing contracts while developing a more robust tracking and verification system that will be used for the remainder of the program.

Undoubtedly, development of such a tracking and verification system will be complicated. CEERT appreciates the existing coordination between the various energy agencies, and the openness of the process thus far. We hope to continue to have the opportunity to provide input in the development of regulations, eligibility, and tracking and verification as implementation of the 33% RPS continues.

¹ Renewables Portfolio Standard Eligibility. Fifth Edition Lead Commissioner Draft Guidebook. <http://www.energy.ca.gov/2012publications/CEC-300-2012-002/CEC-300-2012-002-LCD.pdf> p. 68

