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By First Class and Electronic Mail (docket@energy.ca.gov)

California Energy Commission Docket Office, MS-4 Re: Docket No. 11-RPS-01 1516 Ninth Street Sacramento, CA 95814-5512 California Energy Commission

DOCKETED 11-RPS-01

TN # 66595

AUG 13 2012

Re: Docket No. 11-RPS-01; Renewables Portfolio Standard; Comments of Powerex Corp. on the 33 Percent Renewables Portfolio Standard Pre-Rulemaking Draft Regulations for Publicly Owned Electric Utilities

Dear Docket Office:

Powerex Corp. ("Powerex Corp.") hereby respectfully submits its comments in Docket No. 11-RPS-01 addressing the *33 Percent Renewables Portfolio Standard Pre-Rulemaking Draft Regulations for Publicly Owned Electric Utilities*. The subject comments are limited and address the following specific aspects of the Pre-Rulemaking Draft Regulations: (i) NERC e-Tags; and (ii) revising certain definitions to include third-parties.

NERC e-Tags

Section 3201 (n) of the Pre-Rulemaking Draft Regulations defines a NERC e-Tag as "an electronic record that contains the details of a transaction to transfer energy from a seller to a buyer where the energy is scheduled for transmission across one or more balancing authority area boundaries."

Powerex acknowledges that this definition of NERC e-Tags is similar to the definitions of Interchange Transaction Tag and Interchange Transactions contained in the NERC Reliability Standards. It is important to note that, although e-Tags may contain many of the details of a transaction, the e-Tag does not necessarily show the ultimate buyer of the energy when the energy is delivered into the California ISO. As the operator of an organized market, the California ISO currently acts as an agent between deliverers and receivers of energy and consequently sellers and buyers do not necessarily have direct scheduling visibility of one another. In the case where the seller of the renewable energy is also the importer, (as opposed to the Load Serving Entity acting as the importer), the ultimate consumer of the renewable energy (PCC1) or substitute energy (PCC2) will not necessarily be on the NERC e-Tags used to provide evidence of delivery the CAISO.

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Definitions

Portfolio content category

The definition of "Portfolio content category" in Section 3201 (q) should be changed to include third parties because, for example, the seller of an electricity product may be a POU reselling electricity products in excess of its needs or a power marketer. The definition would then read (additional language is underlined): "Portfolio content category" refers to one of three categories of electricity products procured from an RPS-certified facility or third party, as specified in Section 3203.

Procure

Similarly, section 3201 (s) should be amended as follows (additional language is underlined): "Procure" means to acquire electricity products from RPS-certified facilities <u>or third parties</u> through executed contracts or ownership agreements.

Powerex thanks the Energy Commission in advance for its anticipated consideration of the subject comments. Should you have any questions with regard to these comments, please contact the undersigned.

Sincerely,

Suzy Hong

On behalf of Powerex Corp.

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