

**DOCKETED****02-REN-1038**

TN # 67638

OCT 8 2012

**STATE OF CALIFORNIA****ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION**

In the matter of:	)	Docket No. 03-RPS-1078 &
	)	11-RPS-01 RPS Proceeding
Implementation of Renewables Portfolio	)	
Standard Legislation	)	Docket No. 02-REN-1038
	)	Renewable Energy Program
	)	
Implementation of Renewables Investment Plan	)	WORKSHOP
Legislation	)	RE: 2008-2012 RPS
	)	Procurement Verification
	)	and Proposed SB X 1-2 RPS
	)	Verification

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**COMMENTS OF  
NOBLE AMERICAS ENERGY SOLUTIONS LLC  
IN RESPONSE TO THE  
SEPTEMBER 21, 2012 RPS VERIFICATION  
WORKSHOP**

October 8, 2012

## **COMMENTS OF NOBLE AMERICAS ENERGY SOLUTIONS LLC**

Noble Americas Energy Solutions LLC (“Noble Solutions”) hereby offers its Comments on the proposals made by the Staff of the California Energy Commission (“CEC”) during the Renewables Portfolio Standard (“RPS”) Procurement Verification Workshop held on September 21, 2012.

In general, Noble Solutions believes that the presentations made by the CEC staff represent a coherent scheme of verifying RPS transactions. The items referenced below set forth areas where there were ambiguities in the data requested, or incompatibilities with the reporting protocols in standardized transaction records, or inconsistencies with market practices. In many, if not most of these instances, a consensus appeared to emerge as to the most practical and efficient way to collect and report the data needed for verification.

### **Retirement of RECs**

Noble Solutions would like to take this opportunity to remind the CEC that there will likely be instances where an RPS-obligated entity will retire and report a particular set or subset of WREGIS certificates to the CEC, but will not want those certificates counted toward its RPS Compliance obligation in the year of retirement, or any RPS Compliance obligation year. The CEC needs to be aware

of and provide sufficient reporting flexibility to address such circumstances, when and if they arise.

### **Verification of Import Schedules**

Noble Solutions recommends that data in a NERC e-Tag should be the source for verification of import schedules associated with all RPS import transactions. There appeared to be consensus on this point.

### **Substitute Energy in Firming and Shaping Agreements**

Noble Solutions agrees with all workshop participants that the substitute energy in Category 2 Firming and Shaping (“F&S”) agreements needs to be incremental, in that the substitute energy was not in the portfolio of the retail seller claiming the transaction for RPS compliance prior to the firmed and shaped transaction. Substitute energy also needs to be delivered within the same calendar year as the RPS-eligible Renewable Energy Credits (“RECs”) were created and on a delivery schedule greater than hourly. The initial contract for substitute energy shall also be acquired no later than prior to the initial date of generation of the RPS-eligible energy.<sup>1</sup>

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<sup>1</sup> See D 11-12-052, p. 47.

## **Firm Transmission Agreements**

Noble Solutions recommends that the Staff abandon its requirement to rely on Firm Transmission agreements as a verification tool. It is irrelevant to an after-the-fact verification whether transmission in support of a Category 1 RPS import transaction was firm or non-firm.

## **Reporting of NERC e-Tag Data**

Staff's request for data derived from e-Tag information should be harmonized with the reporting conventions of the NERC e-Tag. "Source" and "POR" ("Point of Receipt") are distinct concepts, and the Source cannot be contained in the POR field of the NERC e-Tag inasmuch as the POR can be a point where numerous facilities connect to the bulk transmission system.

## **Inter-SC Trades**

A discussion during the Workshop indicated that CEC Staff might want to examine data with respect to Inter-SC Trades that might be connected to RPS procurement transactions. Noble Solutions joined with other market participants in pointing out that Inter-SC Trades are purely financial transactions, and should have no part in an RPS verification regime that should remain focused on linking

physical creation of RPS-eligible energy and physical delivery of energy into California.

Dated: October 8, 2012

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