



California Wind Energy Association

California Energy Commission

DOCKETED
02-REN-1038

TN # 70089

MAR 26 2013

March 25, 2013

California Energy Commission
Dockets Office, MS-4 – via DOCKET@energy.state.ca.us
1516 Ninth Street
Sacramento, CA 95814-5512

Re: **Proposed Changes to the Renewables Portfolio Standard Eligibility Guidebook**
Docket No. 11-RPS-01 - Developing Regulations and Guidelines for the 33 Percent Renewables Portfolio Standard
Docket No. 02-REN-1038 - Implementation of Renewables Investment Plan Legislation

Dear Commission:

The California Wind Energy Association (“CalWEA”) appreciates the opportunity to provide comments on the March 2013 Staff Draft Renewables Portfolio Standard Eligibility Guidebook (“Staff Draft”). CalWEA wishes to express concern regarding the implementation of AB 2196 pertaining to the eligibility of biomethane in “common carrier” pipelines.

We urge the Commission to fashion the common carrier biomethane eligibility rules as conservatively as possible, given that most of the biomethane contracts already entered into are being provided by out-of-state landfills with pre-existing capture-and-injection facilities. Moreover, the gas is generally not being physically delivered to and used by any in-state power plant to generate electricity, and thus is not displacing any natural gas burned at a California power plant.

These types of contracts are inconsistent with the primary purposes of the state’s RPS law, which are to foster the development of new renewable resources, provide direct environmental and economic benefits to California, and to reduce the greenhouse gases associated with the state’s electricity consumption. Lax rules, or any lack of clarity that will almost certainly be exploited, will directly erode the market for renewable energy generators that provide the intended benefits. In turn, this laxity will undermine investors’ willingness to put capital at risk for projects that meet a higher standard. Thus, the rules governing the grandfathering of existing contracts, and the establishment of rules for additional contracts, should be subject to very strict standards.

We refer the Commission to the comments of The Utility Reform Network (TURN) for a detailed description of the specific sections of the Staff Draft that could lead unnecessarily to the erosion of the RPS market for projects that are able to deliver meaningful environmental and economic benefits to California, and we urge the Commission to remedy the identified problems.

Sincerely,

Nancy Rader
Executive Director