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June 6, 2013

VIA E-MAIL DOCKET@ENERGY.CA.GOV RPS33@ENERGY.CA.GOV

California Energy Commission Dockets Office, MS-4 **Re: Docket No. 13-RPS-01** 1516 Ninth Street Sacramento, CA 95814-5504 California Energy Commission

DOCKETED

13-RPS-01

TN 71180

JUN 06 2013

Re: 33% Renewables Portfolio Standard; Comments of Pacific Gas and Electric Company on the Second 15-Day Language for the POU RPS Regulations

Pacific Gas and Electric Company ("PG&E") appreciates the opportunity to provide comments on the "Second 15-Day Language" for the Proposed Regulations Establishing Enforcement Procedures for the Renewables Portfolio Standard ("RPS)" for Local Publicly Owned Utilities ("POU") (the "Proposed Regulation") issued by the California Energy Commission ("Commission") on May 22, 2013.

PG&E submitted comments on the 15-Day Language, the 45-Day Proposed Regulation, and prior informal drafts of the Proposed Regulation. PG&E specifically incorporates by reference in these comments PG&E's April 15, 2013 letter to the Commission commenting on the 45-Day Proposed Regulation, given that the changes made in the Second 15-Day Language failed to address fully the issues raised in PG&E's April 15, 2013 letter. Specifically:

• The 15-Day Proposed Regulation retains a flat trajectory for POU RPS compliance requirements in the 2014-2016 RPS compliance period. While PG&E appreciates that the 15-Day Proposed Regulation revised the targets in the 2017-2020 compliance period to be consistent with the RPS targets set by the California Public Utilities Commission ("CPUC") for retail sellers, the failure to make similar revisions in the 2014-2016 compliance period is legally deficient and reflects poor public policy for the reasons described in PG&E's April 15, 2013 letter. Having different RPS targets for different classes of load-serving entities based on differing agency interpretations of the statutory "reasonable progress"

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goals creates confusion, disparity, and inefficiencies in the administration of the RPS program. The 2014-2016 targets must be corrected.

- The 15-Day Proposed Regulation fails to make changes requested in PG&E's April 15, 2013 letter to ensure that the public is able to participate fully in the determination of POU compliance with the RPS regulations. In particular, the Proposed Regulation should be revised to mandate that POU submissions to the Commission are further provided to all members of the RPS-related electronic distribution lists maintained by the Commission.²/
- The 15-Day Proposed Regulation fails to correct statutory conflicts with regard to the treatment of the City and County of San Francisco ("CCSF") under the Proposed Regulation. Specifically, the statute provides no authority for the Commission to allow CCSF to ignore the product content requirements in the statute and to procure RPS-eligible products in volumes less than the retail sales remaining after CCSF's large hydro resources are subtracted.^{3/}

In its comments on the 15-Day Language, PG&E noted that changes made in that draft of the Proposed Regulation introduced a conflict with the banking provisions in Senate Bill ("SB") 2 (1x). PG&E appreciates that the Second 15-Day Language draft reverses these changes and reverts to the language in the 45-Day Proposed Regulation, which is consistent with statute.

PG&E appreciates the opportunity to provide comments on the Second 15-Day Proposed Regulation. The Commission should address the remaining issues identified in PG&E's April 15, 2013 letter on the 45-Day Proposed Language.

Best regards,

/s/

M. Grady Mathai-Jackson

cc: Paul Douglas, CPUC, via E-mail at psd@cpuc.ca.gov Sean Simon, CPUC, via E-mail at sean.simon@cpuc.ca.gov

^{2/} See id. at p. 5.

^{3/} See *id.* at pp. 5-7.

^{4/} Senate Bill 2 (2011-12 First Extraordinary Session, Stats. 2011, Ch 1).