

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

Enforcement Procedures for
the Renewables Portfolio Standard
for Local Publicly Owned Electric Utilities

Docket No. 13-RPS-01



COMMENTS OF THE UTILITY REFORM NETWORK ON
THE ADOPTION OF REGULATIONS ESTABLISHING ENFORCEMENT
PROCEDURES FOR THE RENEWABLES PORTFOLIO STANDARD
FOR LOCAL PUBLICLY OWNED UTILITIES



Matthew Freedman
The Utility Reform Network
115 Sansome Street, 9th floor
San Francisco, CA 94104
415-929-8876 x304
matthew@turn.org
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The Utility Reform Network (TURN) submits these comments on the adoption of regulations establishing enforcement procedures for the Renewables Portfolio Standard (RPS) for Local Publicly Owned Utilities (POUs). TURN responds to the second 15-day language changes released on May 22, 2013. TURN urges the Commission to adopt the regulations without further modifications.

The second 15-day language restores the prohibition on carrying over any quantities associated with procurement under short-term contracts. TURN appreciates this change. As explained in prior comments, this limitation is explicitly described in the relevant statutory provisions and cannot be waived or modified by the Commission. The previous draft (which removed the limitation) was both unlawful and unreasonable.

Although TURN remains opposed to the proposed 'stair-step' procurement targets for the second compliance period (2014-2016), the use of 'linear trend' targets for the third period (2017-2020) represents a move towards parity between the RPS obligations applied to retail sellers and Publicly Owned Utilities (POU). After reviewing the comments of various POUs and their trade associations, TURN is concerned that these parties may misunderstand the implications of the revised third period procurement targets. TURN therefore recommends that the Commission provide the following clarifications:

- (1) The third compliance period targets do not require a POU to procure a specific amount of renewable energy in a particular calendar year. The Commission should emphasize that the adopted methodology is used to establish cumulative obligations that must be satisfied by 2020. POUs retain flexibility with respect to annual procurement and need only demonstrate (in 2020) total procurement (in MWh) equivalent to the sum of the individual year calculations.

- (2) Any POU satisfying the third compliance period targets (as proposed in the latest draft regulations) should not be subject to an additional and independent requirement that it demonstrate "reasonable progress" over the same period. Since the use of the 'linear trend' methodology is an implementation of the "reasonable progress" standard, there is no need to conduct a separate after-the-fact review of actions taken by the POU.
- (3) The "reasonable progress" standard should still be applied to activities occurring during the second compliance period (2014-2016) if the targets are based on the 'stair-step' approach contained in the current draft. If the Commission adjusts the targets to reflect the 'linear trend' methodology adopted by the CPUC (and recommended by TURN), then POUs should be exempt from a separate reasonable progress review.

TURN does not believe that these clarifications require any substantive changes to the proposed rules. The Commission should, however, explain these elements of the rules more clearly in supplemental materials or via statements of staff at the Business Meeting where the rules are formally adopted.

Respectfully submitted,

MATTHEW FREEDMAN

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Attorney for
The Utility Reform Network
115 Sansome Street, Suite 900
San Francisco, CA 94104
Phone: 415-929-8876

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