

STATE OF CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the matter of:

Developing Regulations and Guidelines
for the 33 Percent Renewables Portfolio
Standard

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California Energy Commission

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COMMENTS OF THE UTILITY REFORM NETWORK ON
THE TREATMENT OF STATION SERVICE LOAD
UNDER THE RENEWABLES PORTFOLIO STANDARD



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**COMMENTS OF THE UTILITY REFORM NETWORK ON
THE TREATMENT OF STATION SERVICE LOAD
UNDER THE RENEWABLES PORTFOLIO STANDARD**

In response to the August 16, 2013 workshop notification, The Utility Reform Network (TURN) submits these comments on the treatment of station service load for purposes of Renewables Portfolio Standard (RPS) program eligibility. TURN does not support making any changes to the definition of activities that are considered station loads for purposes of determining quantities of RPS eligible electricity.

The current prohibition on allowing generators to serve station service (or parasitic) loads with non-renewable power represents a widely accepted approach to determining the net production that can be considered eligible renewable generation. Modifying the Guidebooks to accommodate changes sought by the geothermal industry would be ill-advised, could make California RPS eligible electricity ineligible for inclusion in voluntary products certified under the national Green-e standard¹, would not lead to any additional renewable energy production, and could only serve to undermine the achievement of the state's renewable energy goals.

WREGIS explicitly prohibits any generator from excluding any loads related to the process of electricity production. These loads include "geothermal pumps used to pump up from the geothermal well, and to reinject any brine originating from that same well."² There should be little doubt that pumping of brine from the geothermal well counts as a station load that should be netted against gross

¹ The Green-e national standard specifies that "renewable energy consumed as parasitic load of an eligible facility is not eligible for use in a Green-e Energy certified product. Parasitic load is a load that contributes to the process of electricity generation." (Green-e national standard, version 2.3, page 7)

² Program Administrator Advice Letter to WREGIS Regarding Station Service, page 2.

production from the facility. Absent this pumping activity, the facility could not successfully produce electricity.

Changing the CEC eligibility rules to remove pumping loads would do nothing to increase production from existing or new geothermal facilities. Instead, this change would simply enrich existing facility owners and create the appearance (but not the reality) of increased renewable energy generation. In fact, adopting a more lax definition would simply allow plant owners to procure non-renewable power as a substitute for the renewable power currently used to perform this same function. This change would violate the statutory prohibition, in Public Utilities Code §399.12(h)(3), against the creation of a renewable energy credit for nonrenewable fuels used in excess of a de minimus quantity in the same process that generates electricity.

Given the near-certainty that this change would result in a net increase in non-renewable power generation and usage, TURN urges the Commission to incorporate the WREGIS definitions of station service into the next version of the RPS Eligibility Guidebooks. If WREGIS decides, at a later date, to modify this definition to accommodate geothermal industry interests, TURN urges the Commission to solicit comments on whether it would be appropriate to adjust this definition for purposes of RPS eligibility.

Respectfully submitted,

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