



September 20, 2013

California Energy Commission  
Dockets Office, MS-4  
Docket 11-RPS-01  
1516 Ninth Street  
Sacramento, CA 95814-5512  
Submitted via email to: [docket@energy.ca.gov](mailto:docket@energy.ca.gov) and [RPS33@energy.ca.gov](mailto:RPS33@energy.ca.gov)

Re: Joint comments of the Union of Concerned Scientists and the Sierra Club on the CEC staff workshop on station service

## I. Introduction and Summary

The Union of Concerned Scientists and the Sierra Club (“Joint Environmental Parties”) appreciate the opportunity to submit comments in response to the Commission’s September 10, 2013 workshop on station service in California’s Renewables Portfolio Standard (“RPS”) program.

The Joint Environmental Parties agree with the Commission’s recommendation that the *RPS Eligibility Guidebook* be revised to clarify that the RPS program will use the WREGIS Operating Rules definition of station service and that electricity used to satisfy station service needs is not eligible for RPS credit. In other words, eligible renewable energy generators should only be able to obtain RPS credit for the net power production from their facilities and not claim RPS credit for the power generated to serve on-site generation needs.

## II. The most recent RPS Eligibility Guidebook takes the correct approach on station service power.

The most recent edition of the RPS Eligibility Guidebook states that the electricity used to meet an electric generation facility’s station service is not eligible for the RPS and that the WREGIS definition remains in effect.<sup>1</sup> WREGIS defines station service as “the electric supply for the ancillary equipment used to operate a generation station or substation.”<sup>2</sup> The WREGIS operating rules are clear about excluding station service:

<sup>1</sup> California Energy Commission, *Renewables Portfolio Standard Eligibility Guidebook, Seventh Edition*, April 2013, p.4.

<sup>2</sup> WREGIS Operating Rules, July 15, 2013, p.4. Online at <http://www.wecc.biz/WREGIS/Documents/WREGIS%20Operating%20Rules.pdf>

WREGIS Certificates will not be created for generation supplying Station Service. Generation supplying Station Service must be netted from total generation, regardless of whether the Generating Unit provides its own Station Service or purchases it from another entity.<sup>3</sup>

Since the California RPS market is open to participating eligible generators anywhere in the Western Electricity Coordinating Council (“WECC”), it is critical that California adopt rules regarding the definition of renewable energy credits (“RECs”) that’s consistent with other RPS markets in the WECC. A consistent REC definition ensures RECs are fungible and do not change in value if they are traded from one market to the next. The Joint Environmental Parties believe it is appropriate for the Commission to defer to WREGIS, which issues RECs for all RPS compliance markets in the WECC, on the definition of station service and its treatment in the generation of RECs.

The Joint Environmental Parties also agree with WREGIS’s approach of excluding station service power in RECs. The Joint Environmental Parties believe that the RPS program should be tracking and reflecting eligible renewable electricity that is provided to the grid. California electricity ratepayers should be assured that if they are paying for a third of their electricity to come from renewable energy sources by 2020, the portion of utility retail sales met by renewables reflects this assumption. In addition, since station service needs can be met by both renewable and non-renewable electricity sources, netting out station service electricity from REC calculations will prevent generators from arbitraging electricity usage to create more RECs.

### **III. Geothermal Well Pumping Loads**

The Joint Environmental Parties also agree with the Commission that energy used to transfer brine up from geothermal wells should be considered station service, not fuel delivery. Geothermal heat is the power source for geothermal facilities, and the brine is a transfer fluid for this heat source, not a fuel itself. Therefore, it is incorrect to treat the pumping of brine as a fuel delivery.

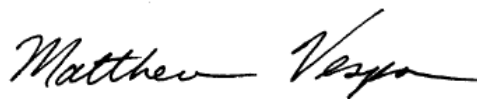
### **IV. Conclusion**

The Joint Environmental Parties request that the RPS Eligibility Guidebook be clarified to define station service as it is currently defined in the WREGIS Operating Rules, and to defer to WREGIS’s treatment of station service, which currently does not allow generation supplying station service loads to receive RPS credit.

Sincerely,



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Matt Vespa, Senior Attorney  
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<sup>3</sup> *Id.* p.31.