

California Municipal Utilities Association

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April 17, 2014

California Energy Commission Dockets Office, MS-4 <u>Docket No. 11-RPS-01</u> RPS Proceeding 1516 Ninth Street Sacramento, CA 95814-5512 California Energy Commission

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Re: Comments on the Process to Extend or Waive Deadlines for Renewable Portfolio Standard Certification

The California Municipal Utilities Association (CMUA) would like to thank the California Energy Commission (CEC) for the opportunity to provide comments on the proposed process to extend or waive deadlines for certification under the renewable portfolio standard (RPS) program.

As CMUA and its members have stated in the past, the consequences of a generating facility losing its RPS-certification can be severe both for the facility owner, which may face contractual penalties, and the purchasing utility, which may be in violation of its RPS requirements. The CEC should avoid unnecessarily disqualifying otherwise eligible generation due to simple administrative errors or mistakes. However, CMUA recognizes that it is essential that the CEC receive the information it needs for certification and verification in a timely fashion. CMUA supports a case-by-case extension process as a reasonable compromise between these two goals.

Overall, the extension process in staff's proposal is a reasonable approach. However, a few additional modifications and clarifications would greatly improve the proposal. CMUA recommends that the following changes be made:

- 1. **Retroactivity:** The proposal should clarify that an entity may file a request for an extension even if the relevant application deadline was prior to the adoption of the new extension process.
- 2. Reporting: The proposal should clarify that renewable energy credits (RECs) that are associated with the period of generation at issue in a request for extension may be claimed by a publicly owned utility (POU) towards its RPS procurement requirements. If the request for extension or the ultimate application for certification is denied, then at that point, the RECs would no longer be eligible for RPS compliance. In the event that RECs have not yet been created for the renewable generation, the process should state how a REC will be created or how the generation will otherwise be tracked.

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- Eligibility Date: The proposal should clarify that if the Executive Director grants
 the request for extension and the application for certification is granted, then the
 eligibility date for the facility is the date that would have been applicable if the
 application for certification had been timely submitted.
- 4. Discretion: The proposal should provide a non exhaustive list of circumstances where an applicant's request for extension will generally be granted, such as where: (1) the applicant can show that circumstances beyond the applicant's control caused the deadline to be missed; or (2) the facility's generation can be tracked through WREGIS or the Interim Tracking System, and granting the applicant's request would not impose an unreasonable burden on CEC staff.

In addition, the CEC should consider applying the proposed extension process to other deadlines in the RPS program, such as deadlines to participate in the Western Renewable Energy Information Generation System. Alternatively, the CEC should establish similar flexibility measures that would apply to these deadlines.

Finally, CMUA believes that the best approach to addressing these issues is to work to ensure that deadlines are not missed in the first place. The CEC can assist in this goal through improving communication between the project developers, POUs, other RPS stakeholders, and CEC staff. In addition to better communication, the CEC could develop training programs, guidance documents, and notification protocols to assist generators in meeting the various deadlines, as well as help the utilities to understand any reporting issues that arise with contracted generators.

CMUA appreciates the opportunity to provide these comments on the proposed extension process and urges the CEC Commissioners to adopt staff's proposal. CMUA also asks that the Commissioners consider CMUA's recommended changes.

Sincerely,

Anthony Andreoni, P.E.

Director of Regulatory Affairs