BEFORE THE CALIFORNIA ENERGY COMMISSION

In the matter of:
Developing Regulations and Guidelines
For the 33 Percent Renewables Portfolio
Standard

Docket No. 11-RPS-01

California Energy Commission DOCKETED I. I-RPS - 0
TN# 13604

M-S-R COMMENTS ON PROPOSED PROCESS TO ALLOW CREATION OF RETROACTIVE RECS AND EXTEND THE DEADLINE FOR POUS TO USE THE ITS

The M-S-R Public Power Agency¹ (M-S-R) appreciates the opportunity to provide these comments to the California Energy Commission (Commission or CEC) in support of a proposed process "that would (1) allow the Executive Director to request the retroactive creation of renewable energy credits in the Western Renewable Energy Generation Information System (WREGIS) and (2) extend the deadline for local publicly owned electric utilities (POUs) to use the Energy Commission's Interim Tracking System to report procurement of generation not tracked in WREGIS to December 31, 2013." Both of these provisions should be adopted by the Commission in order to ensure that all eligible renewable generation is accurately tracked and available to load serving entities to meet their compliance obligations under the state's renewable portfolio standard (RPS) laws.³

Extended Use of the Interim Tracking System: The Commission should approve the extended use of the Interim Tracking System (ITS). M-S-R understands the CEC's desire to consolidate all renewable energy certificate (REC) tracking and to use the WREGIS platform for that purpose. Unfortunately, registering facilities in the WREGIS system sometimes involves multiple parties and steps, often times outside the control of the load serving entity that has contracted for the renewable energy to be produced. Allowing the use of the ITS for tracking renewable generation through December 31, 2013 will allow POUs that procure electricity from generation resources that did not timely complete the WREGIS processes to use that valuable resource for RPS compliance. Being able to do so without the added expenses of initiating a

¹ Created in 1980, the M-S-R Public Power Agency is a public agency formed by the Modesto Irrigation District, the City of Santa Clara, and the City of Redding. M-S-R is authorized to acquire, construct, maintain, and operate facilities for the generation and transmission of electric power and to enter into contractual agreements for the benefit of any of its members. As such M-S-R does not serve retail load within California but supplies wholesale power under long-term contracts to its retail load-serving members.

² The proposal was set forth in the September 26 Notice of Proposed Process to Allow Creation of Retroactive Renewable Energy Certificates and Extend the Deadline for the Interim Tracking System for the Renewables Portfolio Standard (September 26 Notice).

³ The Northern California Power Agency, Southern California Public Power Authority, and the California Municipal Utilities Association have also expressed support for the Commission's adoption of Staff's proposal.

process for retroactive creation of the RECs in WREGIS provides a significant benefit to electric customers. ⁴ M-S-R appreciates this proposed extension and urges the Commission to adopt it.

Retroactive Creation of RECs in WREGIS: M-S-R fully supports a formal CEC process whereby entities can seek creation of retroactive RECs for generation in WREGIS. With changes to the WREGIS processes associated with the creation of retroactive RECs, generators can petition the CEC for creation of RECs that would not otherwise be available for meeting California's RPS requirements. The Commission should adopt the proposed process outlined in the Notice for the authorized representative of an electrical generating facility to request the creation of a retroactive REC through the CEC's Executive Director. In order to facilitate the process, and in order to ensure that a party seeking the creation of retroactive RECs has knowledge of all the information to be used in making a determination whether or not to approve the request, M-S-R recommends that the resolution adopting the process lay out the grounds upon which the Executive Director may deny a request. Additionally, M-S-R recommends that the proposal include defined timelines for the CEC's review of the request and associated response times in the event that additional information is needed, in order to provide certainty regarding the ultimate use of the requested compliance instruments.

M-S-R is pleased that the CEC Staff has recommended these changes to the current RPS program, and encourages the Commission to adopt both the extended timeline for utilization of the ITS and a process for requesting the retroactive creation of RECs with the minor revisions addressed herein.

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⁴ Such an extension is also consistent with the extension granted to retail sellers in the Fourth Edition of the RPS Guidebook, adopted January 2011.