

STATE OF CALIFORNIA
STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION
RESOLUTION

California Energy Commission

DOCKETED

11-BSTD-01

TN 73825

OCT 10 2014

WHEREAS, the California Energy Commission is charged with designing and implementing an accounting system to verify compliance with California's Renewables Portfolio Standard (RPS), to ensure that electricity generated by an eligible renewable energy resource is counted only once for the purpose of meeting the renewables portfolio standard of this state or any other state, and to verify retail product claims in this state or any other state pursuant to Public Utilities Code section 399.25; and

WHEREAS, the California Energy Commission implemented two tracking systems to carry out its responsibilities under Public Utilities Code section 399.25 – the Western Renewable Energy Generation Information System (WREGIS), which was developed in consultation with other western states and provinces to track generation from facilities in the Western Interconnect, and the Interim Tracking System (ITS), which was developed for use on an interim basis while WREGIS was being developed; and

WHEREAS, WREGIS became operational in June 2007 and electronically tracks generation from RPS certified facilities by issuing a renewable energy credit, termed a WREGIS Certificate, for each megawatt-hour of generation that is reported to the system; and

WHEREAS, the California Energy Commission has adopted guidelines, as currently set forth in the *Renewables Portfolio Standard Eligibility Guidebook, Seventh Edition* (RPS Guidebook), to address requirements and processes for using WREGIS and the ITS to verify compliance with the RPS; and

WHEREAS, the RPS Guidebook specifies that the ITS would only be used for a limited period of time while WREGIS was being developed, and sets deadlines for using the ITS of January 2009 for generating facilities serving retail sellers and October 2012 for facilities serving local publicly owned electric utilities (POUs); and

WHEREAS, the RPS Guidebook does not provide a process for retail sellers or POUs to report renewable energy generation not tracked in WREGIS after the Energy Commission's deadlines for using the ITS have passed; and

WHEREAS, WREGIS Operating Rules allow for the creation of retroactive WREGIS Certificates (retroactive RECs) for generation that occurred prior to when a generating facility first registers with and is approved in WREGIS, and the use of such retroactive RECs could allow a retail seller or POU to claim for the RPS facility generation that occurred after the ITS deadline but before the facility is registered with and approved in WREGIS; and

WHEREAS, the RPS Guidebook does not address the creation of retroactive RECs or provide the process, conditions or requirements for an applicant under the RPS to request the creation of such retroactive RECs; and

WHEREAS, to address this issue staff is recommending a process that would allow the Energy Commission's Executive Director or his designee to request that WREGIS create retroactive RECs in accordance with the WREGIS Operating Rules and subject to any specified conditions, based on the following criteria and process:

1. An authorized representative of an electrical generating facility may request the Energy Commission's Executive Director to authorize the creation of retroactive RECs consistent with WREGIS Operating Rule 12.9. At the time of the request the electrical generating facility shall be RPS certified as an eligible renewable energy resource by the Energy Commission and registered and approved by WREGIS as a Generating Unit consistent with WREGIS Operating Rules.
2. Retroactive RECs shall not be permitted for any generation that precedes the date of the request by more than 24 months OR the RPS eligibility date assigned to the generating facility by the Energy Commission, whichever is earlier.
3. A request for creation of retroactive RECs shall be made only once for a generating facility. Multiple requests for the same generating facility are not permitted.
4. A request for creation of retroactive RECs shall be made by an authorized representative of the generating facility as reflected in facility's certificate of RPS certification issued by the Energy Commission.
5. A request for creation of retroactive RECs shall be submitted in writing to the Executive Director at the following address:

California Energy Commission
Office of the Executive Director
1516 9th Street, MS-39
Sacramento, CA 95814-5512

6. A request for creation of retroactive RECs shall include the following information:
 - a. The name and address of the authorized representative submitting the request and the name, location, and other identifying information of the generation facility for which the creation of retroactive RECs is being requested.

- b. The generating facility's RPS identification number issued by the Energy Commission.
 - c. The generating facility's WREGIS Generating Unit identification number.
 - d. The vintage month(s) and year(s) of the generating facility's generation for which the creation of retroactive RECs is being requested.
 - e. An explanation of the reason(s) why retroactive RECs are needed.
 - f. Documentation, if available, to support the information provided in items (a) through (e).
 - g. An attestation by the authorized representative of the generating facility declaring the following:
 - 1) That the renewable energy credits, as defined in Public Utilities Code section 399.12 and the *Renewables Portfolio Standard Eligibility Guidebook*, associated with the generation for the vintage month and year specified in Item 6.d have not been sold, traded, or otherwise transferred to any other individual or entity or used to satisfy any state regulatory or voluntary program.
 - 2) That the representative will submit an audit report as specified in Item 8 within 90 days of submitting the request, if the request is approved.
 - 3) That the representative will pay for all costs and expenses incurred by WREGIS staff to create the retroactive RECs, if the request is approved.
 - 4) That the information contained in the request and any supporting documentation is true, correct, and complete to the best of the representative's knowledge.
7. If a request for creation of retroactive REC is incomplete, the Executive Director may either request additional information or return the request unprocessed.
8. The authorized representative of the generating facility shall submit an audit report to the Executive Director within 90 days of the date of the request, if the request is approved by the Executive Director. The audit report shall meet the following criteria.
- a. The audit report shall be prepared by an independent accountant or certified internal auditor in accordance with standards of the American Institute of Certified Public Accountants. The audit report shall summarize the auditor's findings.
 - b. The auditor shall verify that the renewable energy credits, as defined in Public Utilities Code section 399.12 and the *Renewables Portfolio Standard Eligibility Guidebook*, associated with the generation for the vintage month(s) and year(s) specified in Item 6.d have not been sold, traded, or otherwise transferred to any

other individual or entity or used to satisfy any state regulatory or voluntary program. This verification shall be satisfied as follows:

- 1) The auditor shall determine whether the renewable credits in question would have been eligible to satisfy any state regulatory or voluntary program. If so, the auditor must obtain the following:
 - a) A letter from the administrator of each state regulatory or voluntary program documenting that the renewable energy credits in question were not used to satisfy that program; or
 - b) A letter from the administrator of each state regulatory or voluntary program documenting that the renewable energy credits in question were tracked for purposes of that program, but have been retired without having been claimed to satisfy the requirements of that program.
 - 2) The auditor shall confirm that the renewable energy credits in question were not sold, traded, or otherwise transferred to any other individual or entity. The auditor shall satisfy this criterion by reviewing contracts, invoices and other accounting documents prepared for, by or on behalf of the generating facility, and confirming that the renewable energy credits in question were not sold, traded, or otherwise transferred to any other individual or entity, or used to satisfy any state regulatory or voluntary program.
 - 3) If the renewable energy credits in question have already been sold, traded, or otherwise transferred to other individuals or entities, the auditor shall identify the name and address of these other individuals and entities and the corresponding amounts, vintages, and transaction dates of the transferred renewable energy credits.
9. If the request for creation of retroactive RECs is approved, the Executive Director shall do the following:
- a. Notify the authorized representative of the generating facility that the request for creation of retroactive RECs has been approved by the Energy Commission, subject to any specified conditions, and will be forwarded to WREGIS staff for its consideration and approval.
 - b. Request WREGIS staff to create retroactive RECs consistent with the Executive Director's approval and in accordance with WREGIS Operating Rule 12.9.
 - c. Request WREGIS staff to invoice the authorized representative of the generation facility for all costs and expenses incurred by WREGIS staff to create the retroactive RECs.
10. Retroactive RECs, if created by WREGIS, shall not be used to satisfy an RPS procurement requirement if the authorized representative of the generating facility fails to submit an audit report as specified in Item 8.

WHEREAS, to reduce the number of requests for the creation of retroactive RECs staff is recommending that the Energy Commission extend the deadline for POU's to use the ITS from October 2012 to report procurement of generation occurring through December 31, 2013, subject to the following requirements:

1. A POU shall report procurement data not tracked in WREGIS by submitting a completed CEC-RPS-Track form to the Energy Commission no later than 30 calendar days after the Energy Commission adopts the resolution extending the ITS deadline.
2. To report e-Tag data not available in WREGIS, a POU reporting through the ITS shall submit a completed CA-RPS e-Tag Summary Report with the CEC-RPS-Track form.
3. When the ITS is used for reporting procurement, the generating facility (or POU, if the generating facility is owned by the POU) shall report monthly generation data to the Energy Commission on the CEC-RPS-GEN form for the entire previous calendar year for which any WREGIS data are unavailable.
4. WREGIS shall be used to track generation for the entire month for which reporting is available in WREGIS; reporting is available during the earliest active certificate creation cycle at the time the generating facility is registered and approved in WREGIS, as described in WREGIS Operating Rules Section 5. WREGIS shall be used to track all months of generation thereafter.
5. The ITS shall not be used to report generation or procurement data from aggregated generating facilities. Generation and procurement data for aggregated generating facilities shall be reported using WREGIS.
6. A generating facility (or POU) that reports generation using the ITS must comply with all other requirements set forth in the *Renewables Portfolio Standard Eligibility Guidebook*.
7. All POU generation and procurement data must be tracked and reported using WREGIS beginning January 1, 2014.

WHEREAS, the California Energy Commission has considered staff's recommended criteria and process for requesting the creation of retroactive RECs and extending the deadline for POU's to use the ITS, and accepts staff's recommendations.

THEREFORE BE IT RESOLVED, the California Energy Commission hereby adopts staff's recommended criteria and process for requesting the creation of retroactive RECs and extending deadline for POU's to use the ITS.

The Executive Director, or his designee, is hereby authorized and directed to implement the adopted criteria and process specified herein to request WREGIS to create retroactive RECs and extend the deadline for POU's to use the ITS.

CERTIFICATION

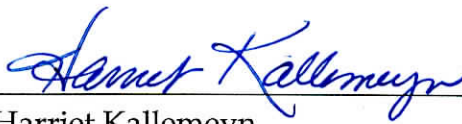
The undersigned Secretariat to the California Energy Commission does hereby certify that the foregoing is a full, true, and correct copy of a RESOLUTION duly and regularly adopted at a meeting of the California Energy Commission held on October 7, 2014.

AYE: Weisenmiller, Douglas, McAllister, Hochschild

NAY: None

ABSENT: Scott

ABSTAIN: None



Harriet Kallemeyn,
Secretariat