

DOCKETED

Docket Number:	16-RPS-03
Project Title:	Amendments to Regulations Specifying Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities
TN #:	233360
Document Title:	Presentation - Modifications to RPS Enforcement Regulations for Local Publicly Owned Electric Utilities
Description:	Presentation for the June 8, 2020, Lead Commissioner Workshop/Hearing on the RPS POU regulations.
Filer:	Gregory Chin
Organization:	California Energy Commission
Submitter Role:	Commission Staff
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Modifications to RPS Enforcement Regulations for Local Publicly Owned Electric Utilities

Lead Commissioner Workshop/Hearing

Presenter: Katharine Larson, CEC staff

Date: June 8, 2020



(Virtual) Housekeeping

- Workshop/hearing conducted remotely via Zoom
 - Recorded and transcribed by court reporter
- To comment or ask questions...
 - By computer: use the “raise hand” feature in Zoom
 - Over the telephone: dial *9 to “raise hand” and *6 to mute/unmute your phone line
- Written comments due **Monday, June 22, 2020**.
 - Submit through the [e-commenting system](https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=16-RPS-03) at:
<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=16-RPS-03>



Agenda

- Background
- Changes to proposed regulations
- Next steps
- Q&A
- Public comment



Overview of Regulations

- Specify RPS enforcement procedures for local publicly owned electric utilities (POUs)
 - Assess POU compliance with RPS requirements
 - Notice of Violation, referral to California Air Resources Board
- Adopted pursuant to Public Utilities Code section 399.30
- California Public Utilities Commission (CPUC) oversees RPS requirements, compliance, and enforcement for retail sellers



Statutory Changes

Bill	Summary of Changes to POU RPS Program
Senate Bill (SB) 350 (2015)	New: • Compliance periods (2021-2030 and beyond) • RPS procurement targets • Long-term procurement requirement (LTR) • Voluntary green pricing program (GPP) retail sales reduction • Exemption for large hydro generation • Exemption for unavoidable procurement of coal-fired generation Revised: Requirements for excess procurement, delay of timely compliance, cost limitations, PBR exemption for electrical corporation successor
SB 1393 (2016)	Revised: Requirements for limited hydro generation exemption, procurement plans, reporting
SB 100 (2018)	Revised: Procurement targets, exemptions for hydro generation
SB 1110 (2018)	New: Exemption for generation from qualifying gas-fired power plant with outstanding public indebtedness



Rulemaking

VOLUME NUMBER 19-Z

TITLE 20. CALIFORNIA ENERGY COMMISSION

MODIFICATION OF REGULATIONS SPECIFYING ENFORCEMENT PROCEDURES FOR THE RENEWABLES PORTFOLIO STANDARD FOR LOCAL PUBLICLY OWNED ELECTRIC UTILITIES

California Energy Commission
Docket No. 16-RPS-03
May 2020



Proposed Express Terms

- Largely consistent with December 2019 pre-rulemaking draft
- Main changes:
 - LTR
 - Clarifications to exemptions, reporting
- Overall changes:
 - Formatting (spacing, numbering, references)
 - Typos

Section	Changes since December 2019 draft?
3201	Minor
3202	Minor
3204	Yes
3205	No
3206	Minor
3207	Yes
3208	Minor
1240	No



Section 3201: Definitions

- **New definition**
 - “Joint Powers Agency” or “Joint Powers Authority”
- **Clarifications:**
 - Compliance period
 - Contract execution date, ownership agreement execution date



Section 3202: Qualifying Electricity Products

- No substantive changes since December 2019 pre-rulemaking draft – formatting (reference consistency) only!



Section 3204 (a): RPS Procurement Targets

- No substantive changes since December 2019 pre-rulemaking draft – formatting (reference consistency) only!



Section 3204 (b): Exemptions and Adjustments

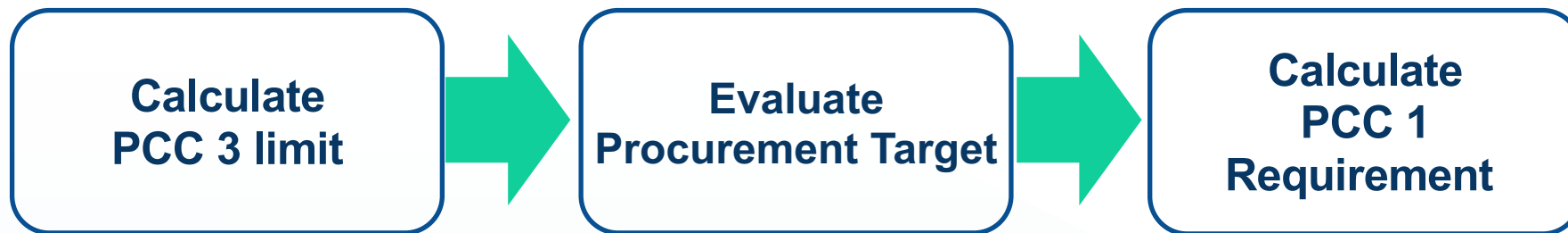


Exemption	Changes
Section 3204 (b)(7)-(8) Qualifying large hydro generation	• Generation must be applied to retail sales • Removed duplicative requirements
Section 3204 (b)(9) Retail sales reduction for qualifying GPP	• “Exclude” • “Monetized” • “Reasonable proximity” in CA balancing authority (CBA) area • Limited exceptions for POUs not part of CBA
Section 3204 (b)(10) Qualifying procurement of coal-fired generation	• Revised definition to better align with statute
Section 3204 (b)(11) Generation from qualifying gas fired power plant	• New provision addressing statutory requirement • “Resource shuffling” • Clarify interpretation of “during”



Section 3204 (c): Portfolio Balance Requirements

- Major reorganization but no substantive change since December 2019 pre-rulemaking draft
 - Better illustrate clarification to “order of operations” beginning CP 3:



- No changes relative to current regulations for CP 1 or CP 2



Section 3204 (d): Long-Term Procurement Requirement

- **Clarify** calculation for POUs with exemptions or adjustments
- **Revised** definition of long-term procurement requires 10-year procurement commitment from one or more RPS-certified facilities
 - Also requires 10-year commitment between POU and counterparty, unless counterparty is another POU, a joint powers authority, or retail seller
- **Clarify** effect of amendments/assignments/modifications
 - Efficiency improvements
 - Other increases
 - Joint contracting
 - Assignments



Section 3205: Procurement Plans and Enforcement Programs

- No changes since December 2019 pre-rulemaking draft!



Section 3206: Optional Compliance Measures

- Excess procurement
 - **Changed** deadline to apply banked PCC 2 to CP 5 (2025-2027)
- Delay of timely compliance
 - Unanticipated curtailment: **clarify** information for finding
 - Transportation electrification: **clarify** forecast information



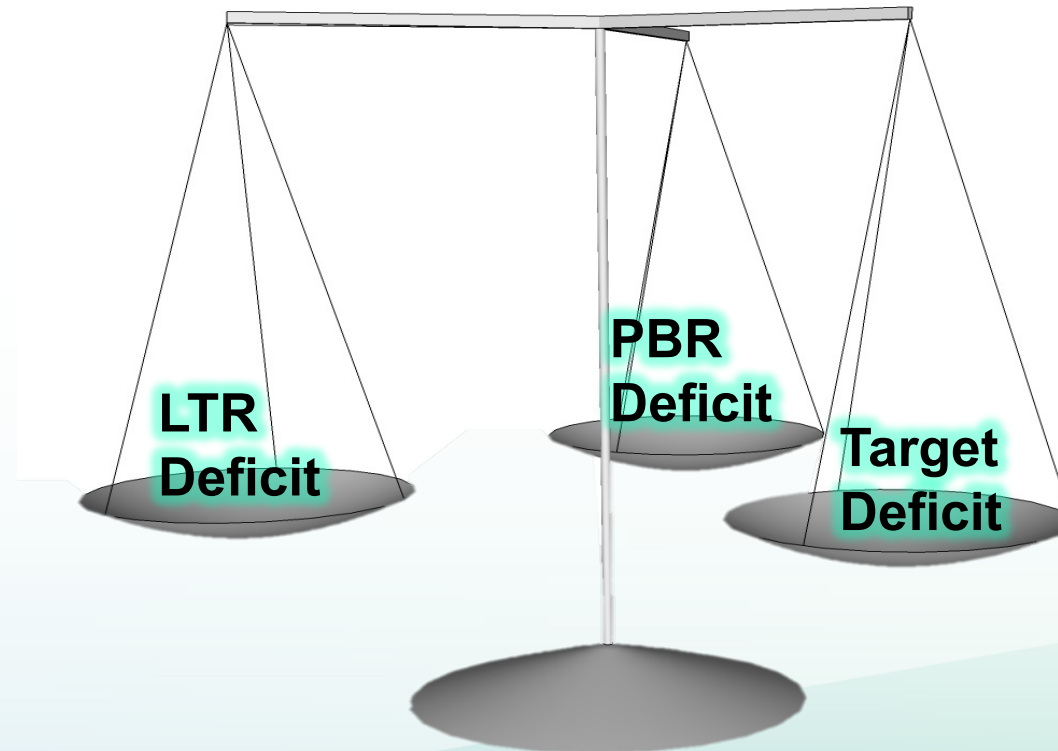
Section 3207: Compliance Reporting for POUs

- Annual report
 - **Clarify** retail sales exclusion reporting
- Compliance report
 - **Clarify** information reported
 - **Changed** due date
 - **New** extension request process
- Exemptions and adjustments
 - **Revised** reporting for SB 350 hydro exemption, GPP retail sales reduction
- Missing reports



Section 3208: Enforcement

- **Clarify** deficits in any procurement requirement treated equally in the CEC complaint process





Section 1240: Renewables Portfolio Standard Enforcement

- No changes since December 2019 pre-rulemaking draft!



Next Steps

Public Comments Due

June 22, 2020

Anticipated Adoption Hearing*
(APA Public Hearing)

August 12, 2020

Anticipated Effective Date of Regulations

December 2020

Beginning of Compliance Period 4

January 1, 2021

Annual Report for 2020
(last annual report for CP 3)

July 1, 2021

Compliance Report for CP 3

90 days after receipt of CEC
draft verification results

*Could be delayed by revisions to proposed regulations



Rulemaking Document Availability

- Copies of the rulemaking documents available on the [rulemaking docket log](https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=16-RPS-03) at:
<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=16-RPS-03>
- Also available on [CEC website](https://www.energy.ca.gov/portfolio/pou_rulemaking/) at:
https://www.energy.ca.gov/portfolio/pou_rulemaking/



Contacts

RPS Rulemaking

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General RPS Questions

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Public Comment (Written)

- Written comments due **June 22, 2020**
- Comments may be submitted directly to the RPS rulemaking docket through the e-commenting system at:
<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=16-RPS-03>



Q&A

- Clarifying technical and process questions specific to proposed regulatory language and rulemaking
- Public comment to follow



Public Comment (Oral)

- Limited to 3 minutes per comment
- To comment or ask questions...
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Thank You!