

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue  
Implementation and Administration of  
California Renewables Portfolio Standard  
Program.

Rulemaking 11-05-005  
(Filed May 5, 2011)

**LATE-FILED NOTICE OF EX PARTE COMMUNICATION**

Pursuant to Rule 8.3 of the Commission's Rules of Practice and Procedure, the Center for Energy Efficiency and Renewable Technologies (CEERT) hereby gives late-filed notice of the following ex parte communication.

The communication occurred on Monday, November 28, 2011, at 3:30 p.m. The communication was both oral and written (see attached Appendix A) and took place at the Commission's offices at 505 Van Ness Avenue, San Francisco, California 94102.

The communication was initiated by Sara Steck Myers, attorney for CEERT, with Scott Murtishaw, advisor to Commission President Michael Peevey. Varner Seaman, Senior Manager, Government and Regulatory Affairs, for EDPR NA, was also present at each of these communications.

Ms. Myers provided Mr. Murtishaw a copy of the attachment included and incorporated in this notice as Appendix A, which addresses suggested disposition of issues addressed in the pending Proposed Decision of Administrative Law Judge (ALJ) Simon issued in R.11-05-005 (RPS) on the Renewable Portfolio Standard (RPS) portfolio content categories. Both Ms. Myers and Mr. Seaman stated that Appendix A identified certain changes or clarifications to be made in the Proposed Decision that would ensure consistency with Senate Bill (SB) 1X 2, while promoting greater certainty

in the Commission's directions to both RPS obligated retail sellers and RPS-eligible renewable energy resources.

To obtain a copy of this notice, please contact:

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Respectfully submitted by:

December 2, 2011

/s/ SARA STECK MYERS

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## APPENDIX A

# R.11-05-005 (RPS)

## Proposed Decision on RPS Portfolio Content Categories Category Issue Solutions & Biomethane Treatment

Center for Energy Efficiency and Renewable Technologies  
November 28, 2011

## RPS Portfolio Content Categories: Striking a Balance on Key Outstanding Issues

- Multi-party “consensus” proposal addressed many issues satisfactorily.
- Objectives for resolving remaining issues.
  - Address Commissioners’ concerns about flexibility and cost.
  - Address Commissioners’ concerns about providing real products to electric consumers.
  - Ensure consistency with SB(1x) 2.

## Resolving Certain Category 1 Issues

- RECs that are unbundled and remarketed apart from the underlying electricity become Category 3 RECs (with one clarification).
  - Approach is consistent with PD.
  - Applies to all four types of Category 1 products.
  - One clarification: bundled energy and RECS may be instantaneously resold without changing their original (Category 1 or 2) attributes.
- Firm transmission should not be a requirement for Category 1 product.
- Combination of metered data, eTags, and WREGIS certificates are sufficient to verify Category 1 imports until a new tracking system is implemented.

## Resolving Certain Category 2 Issues

- Flexibility to firm and shape (F/S) in Category 2.
  - Bring contract for F/S services, not specific energy procurement, to CPUC for approval simultaneously with procurement of eligible renewable resource.
  - No minimum length for Category 2 contract, but must align with underlying renewable energy procurement.
    - e.g., 2-year Eligible Renewable Resource (ERR) procurement with 2-year F/S contract.
    - However, for ERR procurement greater than 5 years with F/S service, the F/S contract must be for a minimum 5 year-term, but need not match exactly because of limited availability of F/S contracts greater than 5 years (see example on following slide).
  - No NERC subregion requirement for F/S energy that complements eligible renewable resource.

## Category 1/2 Product Chronology

1. Utility negotiates a purchase from a wind facility in BPA's control area delivered to COB.
2. Utility brings the following to the Commission for approval:
  - 15 year PPA.
  - 10 year firming and shaping contract. (F/S energy under the contract is additive to utility's portfolio.)
  - A non-binding estimate of quantities of each product categories to be provided.
3. Commission reviews and approves procurement.



## Category 1/2 Product Qualification

- Products procured under these approved agreements will qualify in part as Category 1 and in part as Category 2 as follows:
  - When the project is generating energy sufficient to meet the delivery requirement, the power is scheduled “source-to-sink” within the hour to COB.
    - This quantity qualifies as Category 1.
  - When the project is not generating energy sufficient to meet the delivery requirement, F/S energy from other sources is scheduled to COB to meet the delivery obligation and matched with RECs from generation not delivered under Category 1.
    - This quantity qualifies as Category 2.

## Category 1/2 Product Verification

- Category 1 verification can be demonstrated by:
  - Hourly metered data demonstrating actual generation.
  - NERC eTags demonstrating generation source (specific facility and CEC ID#), transmission path(s), sink.
  - WREGIS certificates.
- Category 2 verification can be demonstrated by:
  - F/S energy and RECs are reconciled over a calendar year.
  - eTags for F/S energy deliveries matched with WREGIS certificates.

# Pipeline Biomethane

## *Decision Forums & Timeline:*

- CEC will address RPS eligibility for generation facilities that combust nonrenewable natural gas as a proxy for biomethane in the RPS Eligibility Guidebook.
- CPUC should work with the CEC to develop product content categories that are consistent with the RPS Eligibility Guidebook.
- To the extent that the CPUC decides the content category for this resource now, CEERT believes its recommendations to the CEC (following slide) on this issue are appropriate .

# Pipeline Biomethane

## *Treatment:*

- CEERT’s proposal to the CEC on the treatment of this resource is equally applicable to the CPUC’s consideration of this issue in the Proposed Decision.

<b>Category 1</b>	<b>Uncertain</b>	<b>Category 3</b>
In-state onsite biogas	Out-of-state biogas injected into a pipeline that can be demonstrated – on a net-basis – to flow into California	Out-of-state biogas that cannot on a net-basis be demonstrated to physically flow into California
In-state directed biogas		

**Source:** CEERT Suggested Categorization of Various Biomethane Transactions for Portfolio Content Categories under SB X1 2 (CEERT Comments to CEC: September 30, 2011).

## VERIFICATION

### (Rule 1.11)

I am the attorney for the Center for Energy Efficiency and Renewable Technologies (CEERT). Because CEERT is absent from the City and County of San Francisco, California, where I have my office, I make this verification for said party for that reason. The statements in the foregoing Late-Filed Notice of Ex Parte Communication, have been prepared and read by me and are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct and executed on December 2, 2011, at San Francisco, California.

Respectfully submitted,

/s/ SARA STECK MYERS

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