

June 21, 2013

**By Electronic Mail
(Service List R.11-05-005)**

Robert Blackney
Energy Division/Renewable Energy Policy & Procurement
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

***Re: R.11-05-005; Comments of Powerex Corp. on the proposed 2012
Renewables Portfolio Standard compliance reporting documents***

Dear Mr. Blackney:

Powerex Corp. (“Powerex”) hereby respectfully submits its comments regarding the Energy Division’s proposed 2012 Renewables Portfolio Standard (“RPS”) compliance reporting documents. The subject comments focus on concerns regarding: (i) reporting transactions in which third-party power marketers import and deliver renewable energy to California retail sellers for the purpose of meeting the retail sellers’ RPS compliance requirements; (ii) the proposed “Hourly Meter and e-Tag Reconciliation Report”; and (iii) the proposed “Hourly e-Tag Summary Report.”

Third-party power marketers/importers and the WREGIS NERC e-Tag Summary Report

The CPUC Portfolio Content Category Classification Staff Proposal (“Staff Proposal”) states that the WREGIS Report and NERC e-Tag Summary Report (“NERC e-Tag Summary Report”) will be one of the primary reporting documents retail sellers should use to report RPS compliance. As described more fully below, due to WREGIS functionality limitations, retail sellers currently cannot generate NERC e-Tag Summary Reports for renewable generation imported into California by third-party power marketers on behalf of the retail seller. In those cases, retail sellers should be allowed to rely on the “RPS Hourly e-Tag Summary Report” submitted to the CPUC, which essentially contains the same information that would be reflected in the NERC e-Tag Summary Report. This approach is consistent with the approach

taken by the California Energy Commission for publicly-owned utilities (“POUs”). According to the CEC’s RPS Eligibility Guidebook, “If a third party is responsible for e-Tag import data on behalf of a POU and, as a result, the POU is unable to provide e-Tag data to the Energy Commission using WREGIS, the POU may use the CA RPS e-Tag Summary Report for reporting to the Energy Commission.”¹ The CA RPS e-Tag Summary Report is substantially similar to the RPS Hourly e-Tag Summary Report to be submitted to the CPUC.

SBX1 2 allows third-party power marketers to import renewable energy to their load-serving entity (“LSE”) customers in California for the purpose of those LSEs meeting their RPS compliance obligations. In cases where third-party power marketers import energy into California on behalf of a LSE, the third-party marketer is typically the entity that matches the NERC e-Tag with the REC in WREGIS. The current report structure in WREGIS only allows the entity that performed the matching of the NERC e-tag and REC to generate the WREGIS NERC e-Tag Summary Report. Consequently, in the case where a third-party marketer imports the renewable energy, it is only the third-party marketer that is able to generate the WREGIS NERC e-Tag Summary Report.

Powerex is working with WREGIS and other stakeholders, including the CPUC, to address this issue. In the meantime, the CPUC can address this limitation on the use of NERC e-Tag Summary Reports by allowing retail sellers to rely on the RPS Hourly e-Tag Summary Report in instances in which a retail seller is unable to generate a NERC e-Tag Summary Report.

Hourly Meter and e-Tag Reconciliation Report

In general, the instructions for the Hourly Meter and e-Tag Reconciliation Report (“Reconciliation Report”) should more closely correspond to the columns on the spreadsheet for ease of use. For instance, while the instructions refer to “Final e-Tag Volume,” and “Percent share of facility’s output,” there do not appear to be corresponding columns on the spreadsheet for the report.

The instructions also refer to entering the “Percent share or fixed volume of schedule.” However, the corresponding spreadsheet column appears to perform a calculation rather than allowing information to be entered by the user. If this column was intended to perform a calculation, that calculation should be clarified since it is unclear how the formula is intended to operate.

There also does not appear to be a column in the spreadsheet for the “Amount of Hourly Meter Data Associated with Each Final Hourly Schedule (MWh).” Powerex believes that the spreadsheet column entitled “Amount of Energy Taken by Retail Seller” may correspond to the instructions regarding the Amount of Hourly Meter Data Associated with Each Final Hourly Schedule, however, this is not clear.

¹ California Energy Commission Guidebook, *Renewables Portfolio Standard Eligibility*, p. 104 (7th Ed.) (April 2013).

In addition, the instructions refer to “Maximum Eligible PCC 1 Volume,” however, there is no corresponding column on the spreadsheet for this information. There is only a column for “Eligible PCC 1 Volume Procured (MWh).” Further, the formula in this column of the spreadsheet does not appear to match the instructions for “Eligible PCC 1 Volume Procured (MWh).” Instead, the formula in the column for “Eligible PCC 1 Volume Procured (MWh)” appears to correspond to the instructions for calculating the “Maximum Eligible PCC 1 Volume.”

Finally, the instructions do not include a description of the information that should be provided for “Amount (Percent Share) of Final Hourly Schedule Procured,” and the formula in the spreadsheet column entitled “Percent Share of Final Schedule (%)” does not appear to actually calculate the percent share of the final hourly schedule procured.

Changes corresponding to the changes described above should also be made to the Staff Proposal to ensure consistency between the Staff Proposal and the Reconciliation Report.

“Hourly e-Tag Summary Report”

The column heading in the spreadsheet of the “Hourly e-Tag Summary Report” entitled “Load Serving Entity (PSE Sink)” does not correspond with the report’s instructions, the Staff Proposal or the fields available in the WREGIS NERC e-Tag Summary Report. The NERC e-Tag Summary Report uses the term “Importing Entity” to refer to the WREGIS account holder that is able to upload or “import” the e-Tags into their account, and defines “Importing Entity” as the PSE on the line in the physical path of the e-Tag with “RPS_ID” in the Miscellaneous token field. However, the spreadsheet used the term “Load Serving Entity (PSE Sink)” instead of the term “Importing Entity.” The column heading “Load Serving Entity (PSE Sink)” should be replaced by the heading “Importing Entity” to align correctly with the report instructions, Staff Proposal and the fields available in the WREGIS NERC e-Tag Summary Report. It should be noted that the term “Importing Entity” as used by WREGIS in the NERC e-Tag Summary Report refers neither to the entity importing the energy into California nor the LSE, it refers only to the WREGIS account holder that receives the output of the WREGIS query (e-Tag delivery data).

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Conclusion

Powerex thanks the Commission for this opportunity to provide comments on the proposed 2012 RPS compliance reporting documents, and looks forward to working closely with staff to address the issues raised in these comments. Should you have any questions with regard to these comments, please contact the undersigned.

Sincerely,

/s/

Suzy Hong

Suzy Hong
On behalf of Powerex Corp.