



Clay Faber - Director
Regulatory Affairs
8330 Century Park Court
San Diego, CA 92123-1548

Tel: 858.654.3563
Fax: 858.654.1788
cfaber@semprautilities.com

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Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94012

Re: Comments of San Diego Gas & Electric Company Regarding Proposed Changes to the RPS Compliance Report Spreadsheet and New Reporting Documents Related to New Portfolio Content Categories

Dear Sir or Madam:

In accordance with the direction provided on June 14, 2013, by the staff of the Energy Division of the California Public Utilities Commission (“Commission”), San Diego Gas & Electric Company (“SDG&E”) provides these comments regarding proposed changes to the Renewables Portfolio Standard (“RPS”) Compliance Report spreadsheet and new reporting documents related to new portfolio content categories (“PCCs”).

SDG&E appreciates this opportunity to comment on the *CPUC Portfolio Content Category Classification Staff Proposal* (the “Staff Proposal”) and related Excel workbooks. SDG&E notes, however, that a five-day review period is insufficient in this case, given the addition of multiple tabs in the Compliance Report Template, the addition of two new workbooks (Hourly Meter and e-Tag Reconciliation Report, and RPS Hourly e-Tag Summary Report), and the addition of required documentation as proposed in the Staff Proposal.^{1/} A thorough review and understanding of the new requirements within the brief time period allotted is simply not possible. Accordingly, SDG&E provides comments below based upon its initial review and reserves the right to provides further comments in the future, as appropriate.

Proposed changes to the Compliance Report requirements must be fully vetted through the stakeholder process in order to ensure that the data ultimately required are the best sources of information available to answer the Commission’s various categorization questions, and that any duplicative reporting requirements are eliminated. Thus, the very short time period (less than 6 weeks) between the deadline for submittal of informal comments and the required compliance filing poses an additional concern. SDG&E recommends that the Commission delay implementation of the additional data requirements until after the August RPS Compliance

^{1/} SDG&E notes further that the e-mail requesting informal comments included over 500 recipients. As a result, the e-mail was captured by SDG&E’s spam filter and not received by relevant SDG&E staff until June 18. See e-mail from Robert Blackney to the R.11-05-005 service list dated June 14, 2013.

Reports have been filed. SDG&E believes that the requirement to submit RPS Compliance Reports for the year 2012 on August 1, 2013 can be satisfied by utilizing the workbook developed for this purpose in 2012 (the Preliminary Annual 33% RPS Compliance Report). Once the additional requirements have been fully vetted through the stakeholder process, a date for submittal of this additional data can be determined.

In addition, SDG&E requests clarification regarding the date upon which it will receive a determination from the Commission regarding the accuracy of its PCC designations. SDG&E has raised this issue previously and notes that the lack of timely confirmation of PCC designations creates regulatory uncertainty and could negatively impact RPS compliance efforts.

Comments on Staff Proposal

SDG&E's threshold concern regarding the Staff Proposal relates to the requirement that it obtain documentation from counterparties in order to provide such documentation to the Commission. As discussed more specifically below, this requirement is unworkable and unduly burdensome.

- *Documentation Required to Substantiate Generation from Facilities that have a First Point of Interconnection within a CBA* (p. 5)
 - This section proposes to require investor-owned utilities ("IOUs") to provide a copy of each facility's interconnection agreement or distribution interconnection agreement. SDG&E does not have access to this documentation for facilities that do not interconnect to SDG&E. SDG&E has not previously requested this information from facilities outside of its territory and it is not clear if these facilities would be able to provide this documentation in a timely manner. The California Energy Commission ("CEC") requires this same information from publicly-owned utilities ("POUs") in the recently adopted Seventh Edition of its *RPS Guidebook*, and is currently "working to obtain interconnection agreement information for facilities that are currently RPS-certified."² To the extent the information on-hand at the CEC (or that which it is currently collecting) regarding interconnection agreements for RPS-certified facilities would satisfy this requirement, SDG&E recommends that the Commission coordinate its efforts with the CEC to gain access to this information.

- *Documentation Required to Substantiate Generation from Facilities that have Agreements to Dynamically Transfer Electricity to a CBA or Scheduling Generation into a CBA, Information Specific to Portfolio Content Category 2 Claims, Information Specific to Portfolio Content Category 3 Claims, and Information Specific to REC Claims Outside Portfolio Content Classifications* (pp. 6, 9, 11)
 - These sections would require IOUs to provide various documents, including executed Power Purchase Agreements ("PPAs"), information that can be found in an executed PPA, and information that can be found in an executed PPA's corresponding advice letter ("AL"). As explained above, these documents are

² *Renewables Portfolio Standard Eligibility*, Seventh Edition, CEC Guidebook, p. 99.

already on-hand at the Commission as they are filed as part of the contract approval process. Requiring the resubmittal of this information would create a duplicative filing requirement and increase the administrative (including document retention) burden placed on the Commission and the IOUs. To ensure that resources are managed in the most efficient manner, SDG&E recommends that the Commission utilize the information in the already submitted ALs for each project in order to satisfy the data requirements under these sections.

Given the concerns identified above, SDG&E encourages the Commission to (i) work with the CEC to share project-specific information; and (ii) utilize the project-specific information already collected by the Commission in the form of filed power purchase agreements (“PPA”) and their corresponding Advice Letters (“AL”) in order to obtain the requested information.

Comments on the “Hourly Meter and e-Tag Reconciliation Report” Spreadsheet

In its initial review of this workbook, SDG&E notes two main concerns. First, formatting and summarizing the data sources for this spreadsheet would be a manual process involving the review of hourly data by day. While this may be feasible if this spreadsheet is required for a small number of contracts, as the volume of contracts increases this requirement would create a significant administrative burden. SDG&E recommends further review of this spreadsheet and its intended purpose, and additional consideration of the information that it should include. The second concern relates to the data field identified below. SDG&E notes that the data fields listed in the Instructions tab do not correspond with those listed in the Hourly Verification tab; the comment below is based on a data field listed in Instructions tab:

- *Expected Reporting Year for which Eligible PCC1 Procurement may be retired*
 - This data field should be removed from the spreadsheet as it would require the IOUs to specify the retirement date for renewable energy credits (“RECs”) that have not yet entered into the RPS compliance system. Per Decision (“D.”) 12-06-038, a REC “must be retired within 36 months of the initial date of the associated generation.”^{3/} D.12-06-038 further notes that prior to this retirement, “a REC maintained in a retail seller’s ‘active’ WREGIS subaccount may be sold or transferred at any time before it is retired for RPS compliance. [Until the retail seller has retired the REC, it] has not yet committed to use that REC for RPS compliance; it may determine that the REC is not needed for RPS compliance and sell it at any time. Only when the REC has been retired in WREGIS for RPS compliance does it enter into the RPS compliance system.”^{4/} At the time of filing of the Hourly Meter and e-Tag Reconciliation Report, an IOU may have not yet retired, and therefore not yet *committed*, to using a REC for RPS compliance. An IOU cannot be required to preemptively designate the retirement date for a REC that it has not yet committed to using for RPS compliance.

^{3/} D.12-06-038, *mimeo*, p. 48.

^{4/} *Id.* at p. 50.

Comments on Revised “Annual 33% RPS Compliance Report Template” Spreadsheet

In general, SDG&E notes that many of the added data fields are duplicative with other reports already submitted to the Commission, as well as with other data fields within the workbook itself. SDG&E recommends the removal of any duplicative requirements between this workbook, the Project Development Status Report (“PDSR”), and the RPS Procurement Plan. SDG&E also recommends that the Commission review the data fields and titles in this workbook to ensure consistency between spreadsheets, and to determine where links can be made to improve the workbook’s functionality. SDG&E details its specific concerns below, listed by spreadsheet:

- *Instructions tab, Narrative Reporting Requirements*
 - The requirement for these narratives should be removed as this data can either be found in other tabs in this workbook, or in other reports submitted to the Commission. Item 1 (status of developing projects, row 50) can be found in the PDSR which is submitted to the Commission twice per year, items 2-3 (list of out-of-state facilities and REC contracts, rows 55 and 58) can be found in the Procurement Detail tab in this workbook, and item 4 (strategies for reaching compliance, row 60) can be found in the Portfolio Optimization Strategy section of the RPS Procurement Plan, which is submitted in draft and final form to the Commission on an annual basis. Requiring these narratives would create a duplicative filing requirement and unnecessarily increase the administrative burden to the IOU. Additionally, the extra item required for electrical corporations (transmission and distribution information, row 71) is not a procurement function and does not relate to the content categorization of procurement, therefore it should be removed.

- *Procurement Detail tab*
 - Several columns of data in this spreadsheet should be deleted as they are also available in the PDSR submitted to the Commission twice per year. Specifically columns AG (Contract Volume [MWh]), AH (Contracted Capacity [Expected MWh]), and AI (Levelized TOD Adj \$/MWh) are all contained in the PDSR report. Requiring this data would create a duplicative filing requirement and increase the administrative burden to the utility.
 - In addition, this tab should end at 2020 as in prior versions. The expansion to 2030 is unnecessary in determining compliance.

- *RECs Required to meet PQR tab*
 - Cells E46-N58 should contain a SUMIF formula to collect data from the cells below based on technology, such as the formula found in cells E26-S39 in the Procurement Detail tab. Also, cells P44-P58 should be removed as there is no expected category classification by technology.

- *36 Month Retirement tab and Static Contract Information tab*
 - These tabs are duplicative and should be consolidated. Additionally, a substantial portion of the data required in the Static Contract Information tab is already available to the Commission in the PDSR, specifically columns C, D, H, I, N, R, U, W, and Y. These columns are duplicative with current reporting requirements, would increase the administrative burden to the utility, and should therefore be removed.

Respectfully Submitted

/s/ Clay Faber

Clay Faber

Director, Regulatory Affairs

Cc: Service List R.11-05-005