

**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)

**RENEWABLES PORTFOLIO STANDARD PROCUREMENT PLAN OF
COMMERCIAL ENERGY OF CALIFORNIA
(PUBLIC VERSION)**

Commercial Energy of California
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Dated: June 27, 2013

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In accordance with the May 10, 2013 Assigned Commissioner's Ruling Identifying Issues and Schedule of Review for 2013 Renewables Portfolio Standard Procurement Plans Pursuant to Public Utilities Code Sections 399.11 et seq. and Requesting Comments on A New Proposal (the "ACR"), Commercial Energy of California, Inc. ("Commercial Energy") hereby submits this 2013 Renewables Portfolio Standard ("RPS") Procurement Plan for the period of 2013-2033.

1. Assessment of RPS Portfolio Supplies and Demand - § 399.13(a)(5)(A)

Commercial Energy currently serves a small portion of the state's direct access (DA) load and expects that will not increase unless and until the legislature increases the amount of load that is eligible for DA service. Commercial Energy does not expect that portion to change significantly during the planning period covered by this RPS Procurement Plan. Commercial Energy has been able to meet its pre-2011 RPS obligations and has made significant progress toward its RPS obligations for the 2011-2013 compliance period through a mix of bundled and REC-only transactions.

Specifically, Commercial Energy is actively working toward contracting for the majority of its category 1 and 2 obligations, and will work to round out category 3 procurements for the 2011-2013 compliance period as final load numbers become available. Regarding long-term contracting requirements, Commercial Energy is actively pursuing opportunities to satisfactorily comply with these requirements. However, Commercial Energy's relatively small market size creates a significant challenge in identifying viable options for long-term contracts. As a result, Commercial Energy is increasingly concerned about its ability to identify cost-effective opportunities to satisfy the long-term contract requirement.

Similarly, Commercial Energy plans to meet its future RPS obligations through a mix of bundled and REC-only transactions in compliance with the minimums and maximums allowed and/or required for the various categories. The exact portfolio mix will depend on pricing and availability for various products. Commercial Energy's goal is to meet most if not all of the RPS-eligible energy procurements from in-state resources and/or resources that have their first point of interconnection with a California balancing authority. Commercial Energy expects to eventually meet most if not all of its RPS compliance through capital investments in new renewable generation capacity during the planning period.

Commercial Energy is primarily focused on meeting the demands of the RPS requirements, and considers the importance of deliverability characteristics such as peaking, dispatchable, baseload, firm and as-available capacity as a secondary concern.

2. Project Development Status Update - § 399.13(a)(5)(D)

Commercial Energy has no information to report in this section, as Commercial Energy has not entered into any contracts with facilities that are not yet in commercial operation.

3. Potential Compliance Delays - § 399.13(a)(5)(B)

Given the simplicity of Commercial Energy's category 1 and 2 RPS procurement strategy described above, Commercial Energy does not anticipate any compliance delays in these categories. If, however, fundamental barriers to the development of new renewable generation facilities that may be needed to meet the state's 33% RPS goal arise during the 2013-2033 planning period, any corresponding deficiency in the overall amount of RPS products could possibly result in compliance delays for Commercial Energy. In addition, given Commercial Energy's relatively small current market activity, compliance with the long-term RPS contracting requirements presents a significant obstacle, as Commercial Energy's long-term contract requirements constitute quantities that are not readily tradable in the current market.

If and when an inability to meet the long-term contracting requirements becomes a barrier to complete compliance in any compliance period, Commercial Energy will address this concern directly with the CPUC.

4. Risk Assessment - § 399.13(a)(5)(F)

Commercial Energy has concerns regarding the availability of long-term contracts consistent with its market needs. Commercial has no information to report regarding risks associated with facilities that are not yet in commercial operation.

5. Quantitative Information - §399.13(a)(5)(A),(B), (D) and (F)

Please see the spreadsheet attached hereto as Appendix A for the required quantitative information.

6. Portfolio Optimization Strategy

Commercial Energy aims to make cost effective procurements within the parameters of current statutory requirements, and will work to continue to do so. Commercial Energy will remain flexible in their procurement strategy in order to respond to changes in market conditions

and regulations. To minimize and control RPS costs and optimize its portfolio, Commercial has taken steps to:

- Procure the maximum amount of category 3 resources allowed pursuant to Public Utilities Code Section 399.16(c)(2)
- Procure the minimum amount of category 1 resources required pursuant to Public Utilities Code Section 399.16(c)(1); and
- Procure the balance of its RPS resource requirements from category 2 resources.
- Continue to work toward identifying available and cost-effective long-term procurement opportunities.

Commercial will continue to evaluate market pricing for each category of RPS resources and adjust its procurement strategy accordingly.

Respectfully submitted this 27 day of June, 2013 at Oakland, California.

/s/ Patrick VanBeek

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VERIFICATION

I am an officer of Commercial Energy of California and am authorized to make this verification of its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information and 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 that this verification is executed on this 27 day of June, 2013 at Oakland, California.

/s/ Patrick VanBeek

Patrick VanBeek

Director of Client Services

Commercial Energy of California, Inc.

Appendix A: Quantitative Analysis §399.13(a)(5)(A), (B), (D) and (F)

Year	2011	2012	2013	CP1	2014	2015	2016	CP2
Load Estimate	21826							
RPS %	0.20	0.20	0.20		0.22	0.23	0.25	
Estimated Procurement Obligation	4365							
Margin of Over Procurement	0							
Online Generation	1000.00							
Risk Adj Forecast Generation	0							
Preapproved Generic Generation	0							
Banked from prior compliance period	0							
Net RNS	3365							

2017	2018	2019	2020	CP3	2021	2022	2023	2024	2025
36,072	36,072	36,072	36,072	144288	36,072	36,072	36,072	36,072	36,072
0.27	0.29	0.31	0.33		0.33	0.33	0.33	0.33	0.33
9739	10461	11182	11904	43286	11904	11904	11904	11904	11904
0	0	0	0	0	0	0	0	0	0
84.85	84.42	84.00	83.58	337	83.16	82.75	82.33	81.92	81.51
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
9655	10376	11098	11820	42950	11821	11821	11821	11822	11822

2026	2027	2028	2029	2030	2031	2032	2033
36,072	36,072	36,072	36,072	36,072	36,072	36,072	36,072
0.33	0.33	0.33	0.33	0.33	0.33	0.33	0.33
11904	11904	11904	11904	11904	11904	11904	11904
0	0	0	0	0	0	0	0
81.10	80.70	80.30	79.89	79.49	79.10	78.70	78.31
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
11823	11823	11823	11824	11824	11825	11825	11825

CERTIFICATE OF SERVICE

I certify that I have this day served a copy of the 2013 Renewables Portfolio Standard Procurement Plan on behalf of Commercial Energy of California, Inc. on all parties of record in proceeding R.11-05-005 by serving an electronic copy on their email address of record and by mailing a properly addressed copy by first-class mail with postage prepaid to each party for whom an email address is not available.

Executed on June 27, 2013, at Philadelphia, PA.

/s/ Ariel Lager

Ariel Lager

On Behalf of Commercial Energy of California, Inc.