

**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 R.11-05-005

**REPLY COMMENTS OF THE GREEN POWER INSTITUTE  
ON THE 2013 RPS PROCUREMENT PLANS**

July 22, 2013

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## REPLY COMMENTS OF THE GREEN POWER INSTITUTE ON THE 2013 RPS PROCUREMENT PLANS

Pursuant to 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*, as modified by a May 23, 2013, email *Ruling* by ALJ DeAngelis granting an extension of time to file Comments and Replies, in Proceeding R-11-05-005, the **Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program**, the Green Power Institute (GPI), a program of the Pacific Institute for Studies in Development, Environment, and Security, provides these *Reply Comments of the Green Power Institute on the 2013 RPS Procurement Plans*. Our *Reply* covers two topics that are covered in the opening *Comments* of the parties on the IOU RPS Procurement Plans, the statutorily-specified over-procurement margin, and TOU factors.

### **Over-Procurement Margin**

In the GPI's opening *Comments* we complained that, with the Commission having ordered the utilities to voluntarily comply with the statutory requirement to maintain a reasonable over-procurement margin in their RPS procurement programs, it appeared that PG&E and SCE had chosen to essentially rationalize away the obligation, rather than to embrace it. UCS, in their opening *Comments*, also expresses concern about the failure of the utilities to comply with this statutory provision, and calls on the Commission to impose a mandatory minimum over-procurement obligation on the utilities. We fully support UCS in their call for setting a mandatory over-procurement requirement, and request that it be set at 43 percent, which corresponds to an expected success rate of 70 percent for projects-in-development ( $1.0 - [1.0 / .70] = 43\%$ ).

We note that PG&E, in their opening *Comments*, claim that they are adjusting upward their own internal working assumptions about project-success rates based on an observed improvement in success rates for the projects in their portfolio over the past couple of years. Unless or until such an improvement is reliably documented and publicly vetted, we urge the Commission to continue to hold to assumptions that have been fully documented in a public forum, and withstood the test of time.

### **TOU Factors**

In their opening *Comments*, IEP and Calpine express concern about the changes in TOU factors that the utilities have proposed for the 2013 RPS solicitations. IEP, in particular, objects in principle to any changes in TOU factors that are not developed in an open and transparent public process. We agree with IEP that any adjustments in TOU factors should be developed in a proper public process, and we agree with Calpine that TOU factors need to accurately reflect market signals. The GPI has long called for improving the TOU profiling of energy prices, as a part of the process of improving the overall least-cost / best-fit (LCBF) bid-ranking process used in the RPS program (see, for example, the GPI's November 20, 2012, *Comments of the Green Power Institute on the RPS Procurement Reform Proposals*, in this proceeding). The operant *Scoping Memo* for this proceeding promises a LCBF overhaul in this phase of the proceeding, and we ask the Commission to please initiate the process now.

Dated July 22, 2013  
Respectfully Submitted,



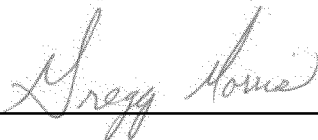
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VERIFICATION

I, Gregory Morris, am Director of the Green Power Institute, and a Research Affiliate of the Pacific Institute for Studies in Development, Environment, and Security. I am authorized to make this Verification on its behalf. I declare under penalty of perjury that the statements in the foregoing copy of *Reply Comments of the Green Power Institute on the 2013 RPS Procurement Plans*, filed in R.11-05-005, 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.

Executed on July 22, 2013, at Berkeley, California.



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Gregory Morris