BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.

Rulemaking 13-12-010 (Filed December 19, 2013)

COMMENTS OF THE CENTER FOR ENERGY EFFICIENCY AND RENEWABLE TECHNOLOGIES ON DECEMBER 18, 2013 WORKSHOP MATERIALS

January 8, 2014

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The Center for Energy Efficiency and Renewable Technologies (CEERT) respectfully submits these Comments on the December 18, 2013 Workshop Materials identified in the Administrative Law Judge's (ALJ's) Ruling served by electronic mail to the service list in the prior Long Term Procurement Plan (LTPP) Rulemaking (R.) 12-03-014 on December 19, 2013 (12-19-13 ALJ's Ruling). These Comments are filed and served pursuant to the Commission's Rules of Practice and Procedure and the 12-19-13 ALJ's Ruling, which included the direction to file these Comments in R.13-12-010, the "successor proceeding" to R.12-03-014.

I. INTRODUCTION

On December 18, 2013, the Commission held a Workshop during which the staffs of this Commission, the California Energy Commission (CEC), and the California Independent System Operator (CAISO) introduced proposed joint CPUC-CEC-CAISO planning assumptions, scenarios, and renewable portfolios to be used in the 2014 CPUC LTPP and the 2014-2015 CAISO Transmission Planning Process (TPP) cycles. By the 12-19-13 ALJ's Ruling, parties were given the opportunity to comment on these proposals and the related materials discussed at the December 18 Workshop and distributed by the ALJ. CEERT offers its Comments below.

II. RESPONSE TO KEY TECHNICAL QUESTION #1

Among the attachments to the 12-19-13 ALJ's Ruling was a list of "Key Technical Questions" for parties' responses. CEERT offers its response to Questions 1 below. CEERT, however, reserves the right to address this and the other questions posed in the attachment in Reply Comments due on January 15, 2014.

<u>OUESTION 1</u>: Is the current range of scenarios sufficient to cover current policy issues facing the CPUC?

In the CPUC Staff's presentation slides used at the December 18 Workshop (as posted to the CPUC website with a date of December 26, 2013),¹ the Staff states that the "purpose" of the scenarios is, among other things, to "inform policy-makers by providing information on a range of plausible futures." ² According to the Staff's presentation, reliability studies using the scenarios will, in turn, be intended to "help answer" what "new infrastructure needs to be constructed to ensure adequate reliability" and "what mix of infrastructure achieves California's policy goals while minimizing cost to customers over the planning horizon."³

Among the scenarios, Staff included "Scenario 5" entitled "40% RPS [Renewable Portfolio Standard] in 2030."⁴ In addition, Staff offered a "Scenario 6," entitled "Expanded Preferred Resources," but the assumption regarding renewables for purposes of that "expanded" scenario remains at "40% RPS in 2030."⁵

It is CEERT's position that a single scenario assuming a 40% RPS in 2030 shortchanges and inappropriately limits the role that renewables can and should play in the "mix of

¹December 18 Workshop Presentation, at p. 7 (<u>http://www.cpuc.ca.gov/NR/rdonlyres/CBE28E290E3D-481F-AF5C-54FB2C6A1224/0/2014LTPPASWorkshopDec182013slides.pd</u>**f**.

²December 18 Workshop Presentation, at p. 7 (<u>http://www.cpuc.ca.gov/NR/rdonlyres/CBE28E290E3D-481F-AF5C-54FB2C6A1224/0/2014LTPPASWorkshopDec182013slides.pd</u>**f**.

 $[\]frac{1}{4}$ <u>Id</u>.

 $[\]frac{4}{5}$ <u>Id.</u>, at pp. 12, 18.

⁵ <u>Id</u>., at pp. 12, 18, 28.

infrastructure" to meet energy needs through 2030. Thus, the Staff should either include an additional scenario based on a 50% RPS in 2030 or, at the least, amend the "Expanded Preferred Resources Scenario" (Scenario 6) to *effect* a meaningful, expanded reliance on renewables as a preferred resource by assuming a 50% (not 40%) RPS by 2030.

Since the 40% RPS scenario is already included, CEERT's primary recommendation is for Scenario 6 to be modified to include an *expanded* assumption of renewables increased by at least 10% (50% RPS by 2030). This forecast should also include reasonable assumptions regarding the probability and cost-effectiveness of achieving this goal by adjusting constraints and using a balanced portfolio of renewables resource types and technologies.

III. CONCLUSION

CEERT appreciates the opportunity to provide these comments on Question #1 and urges inclusion of a 50% RPS scenario in the 2014 LTPP analysis. CEERT reserves the right to respond on other questions in Reply Comments due on January 15, 2014.

Respectfully submitted,

January 8, 2014

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