

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Continue
Implementation and Administration, and Consider
Further Development of, California Renewables
Portfolio Standard Program.

Rulemaking 15-02-020
(Filed February 26, 2015)

**COMMENTS OF THE INDEPENDENT ENERGY PRODUCERS
ASSOCIATION ON THE PROPOSED DECISION**

**INDEPENDENT ENERGY PRODUCERS
ASSOCIATION**

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Dated: June 15, 2017

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The Independent Energy Producers Association (IEP) offers its comments on the Administrative Law Judge Anne Simon's *Proposed Decision Revising Compliance Requirements for the California Renewables Portfolio Standard in Accordance with Senate Bill 350* (PD), mailed on May 26, 2017.

IEP supports the PD but comments on what appears to be an omission in the treatment of renewable energy credits (RECs) associated with Portfolio Content Category (PCC) 2 products in the calculation of excess procurement. The PD addresses this issue in Ordering Paragraph 20 related to RECs associated with PCC-3 products, but the PD omits parallel treatment for RECs associated with PCC-2 products.

As background, in addition to declaring that PCC-2 and PCC-3 electricity products shall not be counted as excess procurement, Public Utilities Code section 399.13(a)(4)(B)(ii) states:

Contracts of any duration for electricity products meeting the portfolio content requirements of paragraph (2) or (3) of subdivision (b) of Section 399.16 that are credited towards a compliance period shall not be deducted from a retail seller's procurement for purposes of calculating excess procurement.

In addressing how to calculate excess procurement, the PD appears to address the treatment of RECs associated with PCC-2 and PCC-3 electricity products somewhat in parallel. For example, the PD addresses the treatment of RECs from PCC-2 electricity products in Ordering Paragraphs 17 and 18 and the treatment of RECs from PCC-3 electricity products in Ordering Paragraphs 19 and 20.

IEP is concerned that the PD addresses the second provision of section 399.13(a)(4)(B)(ii), quoted above, for RECs associated with PCC-3 electricity products but omitted parallel treatment provided in section 399.13(a)(4)(B)(ii) for PCC-2 electricity products. The PD does not provide an Ordering Paragraph or other discussion that parallels the treatment of PCC-2 products presented in Ordering Paragraph 20 for PCC-3 electricity products. The PD and its Ordering Paragraphs should be carefully reviewed and modified if necessary to ensure that, with regard to the calculation of excess procurement, **both** PCC-2 and PCC-3 electricity products are treated as prescribed in section 399.13(a)(4)(B)(ii).

Respectfully submitted this 15th day of June, 2017 at San Francisco, California.

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By /s/ Brian T. Cragg

Brian T. Cragg

Attorneys for the Independent Energy
Producers Association

VERIFICATION

I am the attorney for the Independent Energy Producers Association in this matter. IEP is absent from the City and County of San Francisco, where my office is located, and under Rule 1.11(d) of the Commission's Rules of Practice and Procedure, I am submitting this verification on behalf of IEP for that reason. I have read the attached "Comments of the Independent Energy Producers Association on Proposed Decision," dated June 15, 2017. I am informed and believe, and on that ground allege, that the matters stated in this document are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 15th day of June, 2017, at San Francisco, California.

/s/ Brian T. Cragg

Brian T. Cragg