



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

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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)

**2016 RENEWABLES PORTFOLIO STANDARD PROCUREMENT PLAN
OF SONOMA CLEAN POWER AUTHORITY**

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Dated: August 8, 2016

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I. INTRODUCTION

In accordance with the California Public Utilities Commission’s (“Commission”) May 17, 2016 *Assigned Commissioner and Assigned Administrative Law Judge’s Ruling Identifying Issues and Schedule of Review for 2016 Renewables Portfolio Standard Procurement Plans* (“ACR”), and the June 8, 2016 *Email Ruling Granting, In Part, IOUs Request for an Extension of Time to Produce the 2016 RPS Procurement Plans*, Sonoma Clean Power Authority (“SCPA”) hereby submits this 2016 Renewables Portfolio Standard Procurement Plan (“RPS Procurement Plan”). As directed by the ACR, this RPS Procurement Plan includes responses for the issues expressed in ACR sections 6.1-6.5, 6.7, 6.8, and 6.12-6.14. SCPA notes that certain issues and requests in these ACR sections apply to the other retail sellers (electrical corporations and electric service providers), and do not extend to Community Choice Aggregators (“CCAs”). SCPA is nevertheless voluntarily providing complete responses to these ACR sections in the interest of transparency and in order to ensure the Commission that SCPA is meeting and exceeding California’s RPS standards. The submission of this RPS Procurement Plan pursuant to the ACR, however, should not be construed as a waiver of the right to assert that some

requirements in the ACR go beyond those imposed on CCAs by Senate Bill (“SB”) 350, and SCPA reserves the right to challenge any such assertion of jurisdiction over these matters.

II. RPS PROCUREMENT PLAN

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

SCPA is the second operational CCA program in California, and currently serves about 196,000 accounts encompassing a population of approximately 450,000, which includes all of Sonoma County except for the City of Healdsburg, which has its own municipal utility. SCPA provides its customers with stable and competitive electric rates, providing a power portfolio with a higher renewable content than the incumbent utility. Facilitating the development of new renewable energy resources and reducing greenhouse gas emissions are among the reasons for SCPA’s formation.

SCPA expects to meet the RPS compliance obligations for the 2014-2016 compliance period. SCPA also forecasts meeting these RPS obligations over a twenty-year timeframe, though the exact portfolio characteristics may vary depending on policy changes, technological improvements, preferences of the community, or other developments. To manage this future uncertainty, SCPA examines and estimates customer demand—currently forecast out to 2030—and structures its procurement efforts to balance customer demand with resource commitments. SCPA also considers the deliverability characteristics of its resources (including the resource’s dispatchability and available capacity) and reviews the respective risks associated with short and long term purchases as part of its forecasting and procurement processes. These efforts will lead to a more diverse resource mix, address grid integration issues, and provide value to the local community. A quantitative description of this forecast is attached to the RPS Procurement Plan in Appendix A. SCPA notes that the current process for disclosing RPS-eligible procurement and

retirements on a contract-by-contract basis for RPS compliance, as required by Energy Division and used as the basis for Attachment A, is inconsistent with reporting to both the California Energy Commission in the procurement of renewable energy credits (“RECs”) by vintage, and by the retirement of RECs in WREGIS. SCPA will address this more fully as part of its annual compliance filing.

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

SCPA has entered into contracts with facilities that are not yet in commercial operation. These contracts have the following status:

- Pristine Sun Fund 8, LLC – 12.5 MW of solar facilities are in pre-construction status and have not yet broken ground.
- Golden Hills North Wind, LLC – 46 MW of wind facilities that are being repowered.

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

SCPA does not anticipate any compliance delays for the 2014-2016 compliance period. If a future compliance issue is identified, then SCPA will address those issues and then describe them in the following RPS Procurement Plan. Specifically with regard to new electricity demand associated with electric vehicles, a factor in § 399.15(b)(5), Sonoma will consider changing retail sales requirements as part of its integrated resource planning process. Sonoma is in the process of developing 500 new electric vehicle charging stations at public and private locations.

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

SCPA does not anticipate any particular risk that any eligible renewable energy resource under contract will not be built or that construction will be delayed, but the possibility always exists that electricity will not be delivered as required under contract. For 3.5 MW of the Pristine

Sun Fund 8 contract, interconnection issues are being reviewed with the developer and Pacific Gas & Electric. As noted in § 399.13(a)(5)(A), and the ACR, generation variability and resource availability may impact the amount of future electricity delivered. SCPA considers this potential risk in forecasting as well as during procurement review and decision-making.

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

SCPA has provided a quantitative assessment to support the qualitative descriptions provided in this Procurement Plan, which is attached as Appendix A.

6.7. Bid Solicitation Protocol, Including Least-Cost Best Fit Methodologies - § 399.13(a)(5)(C) and D.04-07-029

SCPA conducts ongoing, informal bid solicitations for procuring energy resources that includes specific need for eligible renewable energy resources, generating capacity, locational preference, and required online dates. These solicitation and procurement decisions are overseen by SCPA's Board of Directors (comprising or appointed by elected representatives of the community), and comply with local targets that exceed the RPS requirement and focus on carbon-free resources.

6.8. Consideration of Price Adjustment Mechanisms - § 399.13(a)(5)(E)

Consistent with SB 350, SCPA is evaluating the prospects of incorporating price adjustments in contracts with online dates more than 24 months after the date of contract execution. As noted in the ACR, such price adjustments could include price indexing to key components or to the Consumer Price Index.

6.12. Important Changes to Plans Noted

As CCAs previously were not required to submit RPS Procurement Plans,¹ there is no prior plan from which to identify and summarize changes.

6.13. Redlined Copy of Plans Required

As CCAs previously were not required to submit RPS Procurement Plans,² there is no redlined plan to attach.

6.14. Safety Considerations

SCPA holds safety as a top priority. Presently, SCPA does not own, operate, or control generation facilities, there are no present safety considerations to report. Moreover, as a CCA, Sonoma does not own or operate and distribution or transmission infrastructure.

Respectfully submitted,

/s/ Debra Emerson

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Dated: August 8, 2016

¹ See ACR at 7 (summarizing SB 350's new requirements for CCAs).

² *Id.*

VERIFICATION

I, Geof Syphers, am authorized to make this Verification on behalf of Sonoma Clean Power Authority. I declare under penalty of perjury that the statements in the foregoing 2016 Renewables Portfolio Standard Procurement Plan 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 August 8, 2016, at Santa Rosa, California.



8-8-2016

Chief Executive Officer
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APPENDIX A

Variable	Calculation	Item	Deficit from RPS prior to Reporting Year	2011 Actuals	2012 Actuals	2013 Actuals	2011-2013	2014 Actuals	2015 Actuals	2016 Forecast	2014-2016	2017 Forecast	2018 Forecast
		Forecast Year					CP1	1	2	3	CP2	4	5
Annual RPS Requirement													
A		Bundled Retail Sales Forecast (LTTP)		N/A	N/A	N/A	N/A	581	1,987	2,207	4,775	2,314	2,323
B		RPS Procurement Quantity Requirement (%)				20.0%	20.0%	21.7%	23.3%	25.0%	23.3%	27.0%	29.0%
C	A*B	Gross RPS Procurement Quantity Requirement (GWh)						126	463	552	1,113	625	674
D		Voluntary Margin of Over-procurement						132	342	239	1,060	157	347
E	C+D	Net RPS Procurement Need (GWh)						258	805	790	2,173	782	1,020
RPS-Eligible Procurement													
Fa		Risk-Adjusted RECs from Online Generation						258	805	1,110	2,173	779	828
Faa		Forecast Failure Rate for Online Generation (%)						-	-	-	-	-	-
Fb		Risk-Adjusted RECs from RPS Facilities in Development						-	-	-	-	3	193
Fbb		Forecast Failure Rate for RPS Facilities in Development (%)						-	-	-	-	-	-
Fc		Pre-Approved Generic RECs						-	-	-	-	-	-
Fd		Executed REC Sales						-	-	(319)	-	-	-
F	Fa + Fb + Fc - Fd	Total RPS Eligible Procurement (GWh)						258	805	790	2,173	782	1,020
F0		Category 0 RECs						-	-	-	-	-	-
F1		Category 1 RECs						106	307	389	803	546	827
F2		Category 2 RECs						86	409	500	996	236	194
F3		Category 3 RECs						66	89	(100)	55	-	-
Gross RPS Position (Physical Net Short)													
Ga	F-E	Annual Gross RPS Position (GWh)						-	-	-	-	-	-
Gb	F/A	Annual Gross RPS Position (%)						44.4%	40.5%	35.8%	45.5%	33.8%	43.9%
Application of Bank													
Ha	H - Hc (from previous year)	Existing Banked RECs above the PQR						-	-	-	-	-	-
Hb		RECs above the PQR added to Bank						-	-	-	-	-	-
Hc		Non-bankable RECs above the PQR						-	-	-	-	-	-
H	Ha+Hb	Gross Balance of RECs above the PQR						-	-	-	-	-	-
Ia		Planned Application of RECs above the PQR towards RPS Compliance											
Ib		Planned Sales of RECs above the PQR											
J	H-Ia-Ib	Net Balance of RECs above the PQR											
J0		Category 0 RECs											
J1		Category 1 RECs											
J2		Category 2 RECs											
Expiring Contracts													
K		RECs from Expiring RPS Contracts											
Net RPS Position (Optimized Net Short)													
La	Ga + Ia - Ib - Hc	Annual Net RPS Position after Bank Optimization (GWh)						-	-	-	-	-	-
Lb	(F + Ia - Ib - Hc)/A	Annual Net RPS Position after Bank Optimization (%)						44.4%	40.5%	35.8%	45.5%	33.8%	43.9%

Note: Fields in grey are protected as Confidential under CPUC Confidentiality Rules

Note: Values are shown in GWhs

2019 Forecast	2020 Forecast	2017-2020	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2021-2024	2025 Forecast	2026 Forecast	2027 Forecast	2025-2027	2028 Forecast	2029 Forecast	2030 Forecast	2028-2030	2031 Forecast	2032 Forecast	2033 Forecast	2034 Forecast	2035 Forecast
6	7	CP3	8	9	10	11	CP4	12	13	14	CP5	15	16	17	CP6	18	19	20	21	22
2,324	2,325	9,286	2,328	2,332	2,335	2,338	9,332	2,341	2,344	2,347	7,033	2,351	2,354	2,357	7,061					
31.0%	33.0%	33.0%	33.0%	37.0%	37.0%	40.0%	40.0%	40.0%	42.5%	45.0%	45.0%	45.0%	47.5%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
720	767	3,064	768	863	864	935	3,733	936	996	1,056	3,165	1,058	1,118	1,179	3,531					
403	454	1,083	62	(33)	(35)	(106)	(416)	(110)	(171)	(670)	(1,127)	(673)	(734)	(796)	(2,379)					
1,123	1,221	4,147	831	829	828	829	3,317	826	825	386	2,037	385	384	383	1,152					
924	1,021	3,552	631	630	629	629	2,518	627	626	187	1,440	186	185	184	555					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
199	200	595	200	200	200	200	799	199	199	199	598	199	199	199	597					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
1,123	1,221	4,147	831	829	828	829	3,317	826	825	386	2,037	385	384	383	1,152					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
832	833	3,037	831	829	828	829	3,317	826	825	386	2,037	385	384	383	1,152					
292	388	1,110	-	-	-	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
48.3%	52.5%	44.7%	35.7%	35.6%	35.5%	35.4%	35.5%	35.3%	35.2%	16.4%	29.0%	16.4%	16.3%	16.2%	16.3%					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
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-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
48.3%	52.5%	44.7%	35.7%	35.6%	35.5%	35.4%	35.5%	35.3%	35.2%	16.4%	29.0%	16.4%	16.3%	16.2%	16.3%					