

**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 TIGER NATURAL GAS, INC.**

**(PUBLIC)**

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August 8, 2016

**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  
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**2016 RENEWABLES PORTFOLIO STANDARD PROCUREMENT PLAN  
OF TIGER NATURAL GAS, INC.**

**I. INTRODUCTION**

In accordance with the May 17, 2016 Assigned Commissioner and Administrative Law Judge’s Ruling Identifying Issues and Schedule of Review for 2016 Renewables Portfolio Standard Procurement Plans (“May 17 Ruling”) and the June 13, 2016 email ruling of Administrative Law Judge (“ALJ”) Mason revising the procedural schedule set forth in the May 17 Ruling, Tiger Natural Gas, Inc. (“Tiger”) hereby submits this 2016 Renewables Portfolio Standard Procurement Plan (“RPS Plan”).<sup>1</sup> Tiger’s RPS Plan consists of the information described in Sections 6.1-6.5, 6.7, 6.8, and 6-12-6.14 of the Ruling.<sup>2</sup> In accordance with the May 21, 2014 ALJ’s Ruling on Residual Net Short, Tiger’s RPS Plan also includes a Residual Net Short (“RNS”) report and responses to the questions posed in said ruling.

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<sup>1</sup> Tiger is registered with the Commission as an electric service provider (“ESP”) authorized to provide direct access (“DA”) service to retail customers in the service territories of Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company.

<sup>2</sup> Because the Commission does not regulate the rates or terms and conditions of service offered by ESPs (*see* Pub. Util. Code § 394(f)) and its oversight of the participation of ESPs in the RPS program is largely limited to compliance and enforcement matters (*see, generally*, D.05-11-025), much of the RPS procurement planning information requested in the Ruling is either inapplicable or ungermane to ESPs.

## **II. RPS PROCUREMENT PLAN**

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

Tiger has procured sufficient RPS products to meet its RPS obligations for the 2014-2016 compliance period using a mix of bundled and REC-only transactions. Tiger plans to meet its RPS obligations for future compliance periods through a similar mix of bundled and REC-only transactions; the exact portfolio mixes for the current and future compliance periods will reflect the applicable portfolio category requirements and limitations, and will largely be dependent on the pricing of the various RPS-eligible products available. Tiger does not have any need for RPS resources with specific deliverability characteristics. Given the relatively small size of the load it serves compared to overall system load, Tiger does not have any plans to diversify its overall RPS portfolio in response to grid integration issues or the potential for overgeneration. None of the other information specified in Section 6.1 of the ruling is applicable or germane to Tiger's RPS procurement planning.<sup>3</sup> Lastly, Tiger anticipates that its RPS procurement planning will remain largely the same under the 50% RPS.

### **6.2 Project Development Status Update – § 399.13(a)(5)(D)**

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

### **6.3. Potential Compliance Delays – § 399.13(a)(5)(B)**

Tiger does not anticipate any compliance delays for the 2014-2016 compliance period. If any compliance impediments become evident in the future, Tiger will identify and address them in future RPS Procurement Plans.

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<sup>3</sup> Tiger does not expect to make any direct capital investments in new renewable generation capacity during the 10-year planning period specified in Section 6.1 of the Ruling; however, Tiger will comply with the minimum long-term RPS contracting requirement, which will indirectly support the development of new capacity.

**6.4. Risk Assessment – § 399.13(a)(5)(F)**

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

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

Please see the RNS report attached hereto as Appendix A.

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

The information identified in Section 6.7 of the Ruling is neither applicable nor germane to Tiger’s RPS procurement and the Commission’s limited oversight thereof.

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

The information identified in Section 6.8 of the Ruling is neither applicable nor germane to Tiger’s RPS procurement and the Commission’s limited oversight thereof.

**6.12. Important Changes to Plans Noted**

Tiger has not made any important changes in this RPS plan as compared to the company’s 2015 RPS Plan.

**6.13. Redlined Copy of Plans Required**

A redlined copy of this RPS Plan showing the changes from Tiger’s 2015 RPS Plan is attached hereto as Appendix B.

**6.14. Safety Considerations**

Given that Tiger does not own, operate or control any RPS-eligible generation facilities, the company’s RPS plan does not give rise to any safety considerations.

### III. RESPONSES TO ALJ QUESTIONS

#### RPS Compliance Risk

- 1. How do current and historical performance of online resources in your RPS portfolio impact future projections of RPS deliveries and your subsequent RNS?**

There is no impact, as Tiger currently does not have any RPS contracts with forward delivery obligations that are dependent on the performance of a specific RPS-eligible generator.

- 2. Do you anticipate any future changes to the current bundled retail sales forecast? If so, describe how the anticipated changes impact the RNS.**

As a non-utility retail seller, Tiger does not forecast “bundled retail sales.”

- 3. Do you expect curtailment of RPS projects to impact your projected RPS deliveries and subsequent RNS?**

No, unless the impact is so large as to impair the ability of non-utility retail sellers to meet their RPS obligations.

- 4. Are there any significant changes to the success rate of individual RPS projects that impact the RNS?**

Tiger has no information on this subject.

- 5. As projects in development move towards their COD, are there any changes to the expected RPS deliveries? If so, how do these changes impact the RNS?**

Tiger has no information on this subject.

#### RECs above the Procurement Quantity Requirement

- 6. What is the appropriate amount of RECs above the PQR to maintain? Please provide a quantitative justification and elaborate on the need for maintaining banked RECs above the PQR.**

This topic is not applicable to Tiger, as the company is not under any requirement to procure RECs in excess of the company’s RPS obligations.

7. **What are your strategies for short-term management (10 years forward) and long-term management (10-20 years forward) of RECs above the PQR? Please discuss any plans to use RECs above the PQR for future RPS compliance and/or to sell RECs above the PQR.**

See response to Question 6.

#### **Voluntary Margin of Over-Procurement**

8. **Provide VMOP on both a short-term (10 years forward) and long-term (10-20 years forward) basis. This should include a discussion of all risk factors and a quantitative justification for the amount of VMOP.**

See response to Question 6.

9. **Please address the cost-effectiveness of different methods for meeting any projected VMOP procurement need, including application of forecast RECs above the PQR.**

See response to Question 6.

#### **Cost-effectiveness**

10. **Are there cost-effective opportunities to use banked RECs above the PQR for future RPS compliance in lieu of additional RPS procurement to meet the RNS?**

Tiger currently has no opinion on this topic.

11. **How does your current RNS fit within the regulatory limitations for PCCs? Are there opportunities to optimize your portfolio by procuring RECs across different PCCs?**

Tiger currently has no opinion on this topic.

Respectfully submitted,



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August 8, 2016

**APPENDIX A**

**RESIDUAL NET SHORT REPORT**

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
		Forecast Year		-	-	-	CPI	-	-	1	CP2	2
<b>Annual RPS Requirement</b>												
A		Bundled Retail Sales Forecast (LTPP)		24.734	32.569	15.869	73.172	7.902				
B		RPS Procurement Quantity Requirement (%)		20.0%	20.0%	20.0%	20.0%	21.7%	23.3%	25.0%	23.3%	27.0%
C	A*B	Gross RPS Procurement Quantity Requirement (GWh)		4.974	6.514	3.174	14.662	1.715				
D		Voluntary Margin of Over-procurement		-	-	-	-	-	-	-	-	-
E	C+D	Net RPS Procurement Need (GWh)		4.947	6.514	3.174	14.635	1.715				
<b>RPS-Eligible Procurement</b>												
Fa		Risk-Adjusted RECs from Online Generation		-	5 148	8 720	13 868	3 050	0 050	0 050	3.150	0.070
Faa		Forecast Failure Rate for Online Generation (%)										
Fb		Risk-Adjusted RECs from RPS Facilities in Development										
Fbb		Forecast Failure Rate for RPS Facilities in Development (%)										
Fc		Pre-Approved Generic RECs										
Fd		Executed REC Sales										
F	Fa + Fb + Fc - Fd	Total RPS Eligible Procurement (GWh)		1 100	6 109	6 659	13 868	3.050	0.050	3.050	6.150	0.070
F0		Category 0 RECs		-	-	-	-	-	-	-	-	-
F1		Category 1 RECs		-	4 048	5 040	9 088	2.250	-	3.000	5.250	-
F2		Category 2 RECs		-	-	-	-	-	-	-	-	-
F3		Category 3 RECs		1 100	2 061	1 619	4 780	0.800	0.050	0.050	0.900	0.070
<b>Gross RPS Position (Physical Net Short)</b>												
Ga	F-E	Annual Gross RPS Position (GWh)		(3.847)	(0.405)	3.485	(0.767)	1.335				
Gb	F/A	Annual Gross RPS Position (%)		4.4	18.8	42.0	19.0	38.6				
<b>Application of Bank</b>												
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										
<b>Expiring Contracts</b>												
K		RECs from Expiring RPS Contracts		1.100	6.109	6.659	13.868	3.050	0.050	3.050	6.150	0.070
<b>Net RPS Position (Optimized Net Short)</b>												
La	Ga + Ia - Ib - Hc	Annual Net RPS Position after Bank Optimization (GWh)		1.100	6.109	5.546	(0.756)	1.335				
Lb	(F + Ia - Ib - Hc)/A	Annual Net RPS Position after Bank Optimization (%)		4.4	18.8	42.0	19.0	38.6				



Facility Name	Technology	Contract Expiration Date	MW	Expected Annual Generation (GWh)	Location	PCC Classification
Geysers Unit 16A (Onsite Load)	Geothermal	12/31/2011	N/A	1.100	Middleton, CA	Category 3
Pastoria Energy Facility	Landfill Gas	12/31/2012	N/A	4 080	Lebec, CA	Category 1
Geysers Unit 20	Geothermal	12/31/2013	N/A	5 040	Middleton, CA	Category 1
Geysers Unit 18A (Onsite Load)	Geothermal	12/31/2013	N/A	2 061	Middleton, CA	Category 3
Geysers Unit 16A (Onsite Load)	Geothermal	12/31/2013	N/A	0.619	Middleton, CA	Category 3
Pilgrim Stage Station Wind Park	Wind	12/31/2013	N/A	1 000	Hagerman, ID	Category 3
Unspecified	Wind	12/31/2022	N/A	0 050	TBD	Category 3
Geysers Unit 18A (Onsite Load)	Geothermal	12/31/2014	N/A	0.750	Middleton, CA	Category 3
Geysers	Geothermal	12/31/2014	N/A	2 250	Middleton, CA	Category 1
Unspecified	Unspecified	12/31/2026	N/A	0 020	TBD	Category 3
Unspecified	Unspecified	12/31/2016	N/A	3 000	TBD	Category 1

**APPENDIX B**

**REDLINE OF 2016 RPS PLAN**

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(Filed February 26, 2015)

**2015-2016 RENEWABLES PORTFOLIO STANDARD PROCUREMENT PLAN OF  
TIGER NATURAL GAS, INC.**

**I. INTRODUCTION**

In accordance with the ~~May 28, 2015 Assigned Commissioner's~~ May 17, 2016 Assigned Commissioner and Administrative Law Judge's Ruling Identifying Issues and Schedule of Review for 2015-2016 Renewables Portfolio Standard Plans ("ACR May 17 Ruling") and the ~~June 30, 2015~~ June 13, 2016 email ruling of Administrative Law Judge ("ALJ") Mason ~~extending the due date for the submission of such plans revising the procedural schedule set forth in the May 17 Ruling,~~ Tiger Natural Gas, Inc. ("Tiger") hereby submits this 2015-2016 Renewables Portfolio Standard Procurement Plan ("RPS Plan").<sup>1</sup> ~~As required by the ACR,~~ Tiger's RPS Plan consists of the information described in Sections ~~6.1, 6.2, 6.3, 6.4, 6.6, 6.13 and 6.15 of the ACR~~ 6.1-6.5, 6.7, 6.8, and 6-12-6.14 of the May 17 Ruling.<sup>2</sup> In accordance with the May 21, 2014 Administrative law Judge's Ruling on Residual Net Short ("ALJ Ruling"), ~~this Tiger's~~ Tiger's RPS Plan also includes a Residual Net Short ("RNS") ~~report filing in the form of the template attached as Appendix C to~~

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<sup>1</sup> Tiger is registered with the Commission as an electric service provider ("ESP") authorized to provide direct access ("DA") service to retail customers in the service territories of Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company.

<sup>2</sup> Because the Commission does not regulate the rates or terms and conditions of service offered by ESPs (see Pub. Util. Code § 394(f)) and its oversight of the participation of ESPs in the RPS program is largely limited to compliance and enforcement matters (see, generally, D.05-11-025), much of the RPS procurement planning information requested in the Ruling is either inapplicable or ungermane to ESPs.

~~Attachment A of the ALJ Ruling, as well as and~~ responses to the questions posed in ~~Appendix D to Attachment A of~~ said ruling.

## II. RPS PROCUREMENT PLAN

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

~~Tiger currently serves a relatively small portion of the state's direct access ("DA") load under contracts with annual or month-to-month terms. Absent legislation further increasing the amount of load that is eligible for DA service, Tiger does not expect that portion to change significantly during the ten-year planning horizon, much less the twenty-year time frame, covered by this RPS Plan. Tiger expects to meet its RPS obligations for the 2014-2016 compliance period though Tiger is well on its way to meeting its RPS obligations for the 2014-2016 compliance period using~~ a mix of bundled and REC-only transactions. ~~Similarly,~~ Tiger plans to meet its RPS obligations for future compliance periods through a similar mix of bundled and REC-only transactions; ~~T~~the exact portfolio mix for the current and future compliance periods will reflect the applicable portfolio content categories, and will largely be dependent on the pricing that is ~~available for the~~ various RPS-eligible products available, as well as the applicable portfolio category requirements. Tiger does not have any need for RPS resources with specific deliverability characteristics. Given the relatively small size of the load it serves compared to overall system load, Tiger does not have any ~~specific~~ plans to diversify its overall RPS portfolio in response to grid integration issues or the potential for overgeneration. None of the other information specified in Section 6.1 of the ruling is applicable or germane to Tiger's RPS procurement planning.<sup>3</sup> ~~Tiger also does not expect to make any capital investments in new renewable generation capacity during~~

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<sup>3</sup> Tiger does not expect to make any direct capital investments in new renewable generation capacity during the 10-year planning period specified in Section 6.1 of the Ruling; however, Tiger will comply with the minimum long-term RPS contracting requirement, which will indirectly support the development of new capacity.

~~the planning period; however, Tiger will plan to comply with the minimum long-term contracting quota, which will indirectly support the development of such capacity. Lastly, Tiger anticipates that its RPS procurement planning will remain largely the same under the 50% RPS.~~

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

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

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

~~Given the straightforward nature of Tiger's RPS procurement strategy (see Section 1 above), Tiger does not anticipate any compliance delays for the 2014-2016 compliance period. If, however, fundamental barriers to the development of new renewable generation facilities that may be needed to meet the state's overall 33% RPS goal arise during the 2015-2034 forecast period, any corresponding deficiency in the overall amount of RPS products could possibly result in compliance delays for Tiger. If and when any such potential compliance delays become evident, Tiger will identify those barriers and address in future RPS Procurement Plans the steps it plans to take to account for and minimize their impact on the company's RPS compliance. Tiger does not anticipate any compliance delays for the 2014-2016 compliance period. If any compliance impediments become evident in the future, Tiger will identify and address them in future RPS Procurement Plans.~~

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

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

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

Please see the RNS report attached hereto as Appendix A.

**~~6.6. “Minimum Margin of Procurement” – § 399.13(a)(4)(D)~~**

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

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

The information identified in Section 6.7 of the Ruling is neither applicable nor germane to Tiger’s RPS procurement and the Commission’s limited oversight thereof.

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

The information identified in Section 6.8 of the Ruling is neither applicable nor germane to Tiger’s RPS procurement and the Commission’s limited oversight thereof.

**6.12. Important Changes to Plans Noted**

Tiger has not made any important changes in this RPS plan as compared to the company’s 2014-2015 RPS Plan.

**6.13. Redlined Copy of Plans Required**

A redlined copy of this RPS Plan showing the changes from Tiger’s 2015 RPS Plan is attached hereto as Appendix B.

**6.14. Safety Considerations**

Given that Tiger does not own, operate or control any RPS-eligible generation facilities, the company’s RPS plan does not give rise to any safety considerations.

**[NO OTHER CHANGES BEYOND THIS POINT]**

## VERIFICATION

I, Bob Smith, am authorized to make this verification on the behalf of Tiger Natural Gas, Inc. I declare under penalty of perjury that the statements in the foregoing *2016 Renewables Portfolio Standard Procurement Plan of Tiger Natural Gas, Inc.* 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 Tulsa, Oklahoma.



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