

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



FILED
08/20/18
04:59 PM

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)

**2018 RENEWABLES PORTFOLIO STANDARD PROCUREMENT PLAN
OF THE CLEAN POWER ALLIANCE OF SOUTHERN CALIFORNIA**

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August 20, 2018

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I. INTRODUCTION

In accordance with the California Public Utilities Commission’s (“Commission”) June 21, 2018 *Assigned Commissioner and Assigned Administrative Law Judge’s Ruling Identifying Issues and Schedule of Review for 2018 Renewables Portfolio Standard Procurement Plans* (“ACR”), the Clean Power Alliance of Southern California (“CPA”) hereby submits this 2018 Renewables Portfolio Standard Procurement Plan (“RPS Procurement Plan”). On July 20, 2018, CPA filed a Motion for Party Status in this proceeding. Also on July 20, 2018, CPA filed a Motion to Extend the 2018 RPS Procurement Plan Schedule. As directed by the ACR, this RPS Procurement Plan includes responses for the issues expressed in ACR sections 5.1-5.8 and 5.11-5.13.

CPA 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”). CPA is nevertheless voluntarily responding to these ACR sections in the interest of transparency and in order to collaborate with the Commission. 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 components of Senate Bill (“SB”) 350 or in

Commission decisions and rulings on RPS Procurement Plan submittals, do not extend to CCAs, and CPA reserves the right to challenge any such assertion of jurisdiction over these matters.

II. RPS PROCUREMENT PLAN

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

CPA is a new CCA entity and expects to meet all of its RPS compliance obligations. CPA began offering service to municipal customers of unincorporated Los Angeles County on February 1, 2018 and initiated the second phase of its roll-out to non-residential customers of unincorporated Los Angeles County, Rolling Hills Estates, and South Pasadena beginning June 25, 2018. It is anticipated that CPA will enroll all residential customers of its 31 member jurisdictions in February 2019, and complete enrollment of the remainder of its non-residential customers in May 2019. At that time, CPA will serve over one million customer accounts and will become the largest CCA in the state.

CPA has entered into multiple power supply agreements, which will contribute to some of CPA's RPS compliance over the upcoming twenty-year period. CPA expects to meet pertinent RPS compliance obligations during the coming twenty-year timeframe by entering into a variety of other renewable energy supply agreements. CPA will be launching its first solicitation for long-term renewable contracts in Fall 2018 to ensure compliance with all long-term contracting requirements. The exact portfolio characteristics selected may vary depending on legislative and policy changes, technological improvements, preferences of the CPA and its governing body, or other developments. To manage this future uncertainty, CPA examines and estimates supply and customer demand, and will structure its future procurement efforts to balance customer demand with resource commitments. This examination of customer demand and other market developments will help reduce costs and assist in meeting planned procurement

for the period in the 2018 RPS Procurement Plans. CPA will also consider the deliverability characteristics of its future generating resources placed under contract (such as the resource's dispatchability and available capacity) and will review the respective risks associated with short- and long-term purchases as part of its forecasting and procurement processes. These efforts will lead to a diverse resource mix, address grid integration issues, and provide value to the local community, including a significant population residing in disadvantaged communities. A quantitative description of this forecast is attached to the RPS Procurement Plan in Appendix A.

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

CPA does not have any renewable energy supply agreements with facilities that are not yet in commercial operation.

5.3 Potential Compliance Delays - § 399.13(a)(5)(B)

CPA does not anticipate any compliance delays for this compliance period. If a future compliance issue is identified, then CPA will address those issues and then describe them in a subsequent RPS Procurement Plan.

5.4 Risk Assessment - § 399.13(a)(5)(F)

CPA does not anticipate any particular development risk associated with its existing renewable energy supply commitments, but the possibility always exists that future renewable energy supply will not be delivered as required under the respective contract. As noted in Public Utilities Code section 399.13(a)(5)(A) and the ACR, generation variability and resource availability may impact the amount of future electricity delivered. CPA considers this potential risk in forecasting as well as during procurement review and decision-making.

5.5 Quantitative Information - §§ 399.113(a)(5)(A), (B), (D) and (F)

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

5.6 Minimum Margin of Procurement - § 399.13(a)(4)(D)

CPA has Total RPS Eligible Procurement in excess of the Gross RPS Procurement Quantity Requirement for 2018 as shown in Appendix A. CPA's target Total RPS Eligible Procurement amount every year is based on its customer's RPS tiered rate selection. CPA offers its customers different product levels, including a compliance RPS, 50% RPS and 100% RPS product offering. Because a majority of CPA member agencies and its customers have elected the 50% RPS or 100% RPS option, CPA anticipates meeting and exceeding the requirements of RPS every year. CPA continually tracks the variability in forecasted versus actual load and generation and can utilize short-term contracts for additional RPS quantities, if necessary.

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

Consistent with Section 399.13(a)(5)(C), CPA conducts bid solicitations for procuring energy resources that includes specific needs for eligible renewable energy resources, generating capacity, locational preference, and required online dates to assist in determining what resources fit best within a portfolio. Since CCA program governing boards are comprised of local elected officials, these solicitation and procurement decisions are overseen by the elected representatives of the community. These decisions seek to comply with locally-set targets that tend to exceed the RPS requirement.

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

In the future, and consistent with SB 350, CPA will review 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.

5.11 Important Changes to Plans Noted

Because CPA did not submit a 2017 RPS Procurement Plan, no changes are identified.

5.12 Redlined Copy of Plans Required

No redlined copy of plans is provided because CPA has not submitted a 2017 plan.

5.13 Safety Considerations

CPA holds safety as a top priority. There are no unique safety issues related to CPA's procurement of resources. Since CPA does not own, operate, or control generation facilities, there are no present safety considerations to report.

August 20, 2018

Respectfully submitted,

/s/ Natasha Keefer

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VERIFICATION

I am the Executive Officer for the Clean Power Alliance of Southern California, a public agency, and am authorized to make this verification on its behalf. The statements in the foregoing 2018 Renewables Portfolio Standard Procurement Plan are true of my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 20, 2018 at Los Angeles, California.



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APPENDIX A
QUANTITATIVE RESPONSE

Renewable Net Short Calculations - 2018 RPS Procurement Plans

Clean Power Alliance of Southern California
August 20, 2018

Input required No input required Hard-coded

Variable	Calculation	Item	Deficit from RPS prior to Reporting Year	2011 Actual	2012 Actual	2013 Actual	2011-2013 CPI	2014 Actual	2015 Actual	2016 Actual	2014-2016 CP2	2017 Actual	2018 Forecast 1	2019 Forecast 2	2020 Forecast 3	2017-2020 CP3	2021 Forecast 4	2022 Forecast 5	2023 Forecast 6	2024 Forecast 7	2025 Forecast 8	2026 Forecast 9	2027 Forecast 10	2028 Forecast 11	2029 Forecast 12	2030 Forecast 13	
Annual RPS Requirement																											
A		Total Retail Sales					-				-		765	10,077	12,207	23,049	12,121	12,036	11,952	11,868	11,785	11,703	11,621	11,539	11,459	11,378	
B		RPS Procurement Quantity Requirement (%)		20.0%	20.0%	20.0%	20.0%	21.7%	23.3%	25.0%	23.3%	27.0%	29.0%	31.0%	33.0%	33.0%	34.8%	36.5%	38.3%	40.0%	41.7%	43.3%	45.0%	46.7%	48.3%	50.0%	
C	A*B	Gross RPS Procurement Quantity Requirement (GWh)		-	-	-	-	-	-	-	-	-	222	3,124	4,028	7,606	4,218	4,393	4,578	4,747	4,914	5,067	5,229	5,389	5,535	5,689	
D		Voluntary Margin of Over-procurement																									
E	C+D	Net RPS Procurement Need (GWh)		-	-	-	-	-	-	-	-	-	222	3,124	4,028	7,606	4,218	4,393	4,578	4,747	4,914	5,067	5,229	5,389	5,535	5,689	
RPS-Eligible Procurement																											
Fa		Risk-Adjusted RECs from Online Generation											395	1,205	205												
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																									
Fe		Executed REC Sales																									
F	Fa+Fb+Fc+Fe	Total RPS Eligible Procurement (GWh)		-	-	-	-	-	-	-	-	-	395	1,205	205	-	-	-	-	-	-	-	-	-	-	-	-
F0		Category 0 RECs																									
F1		Category 1 RECs											248	1,127	128												
F2		Category 2 RECs											147	78	78												
F3		Category 3 RECs																									
Gross RPS Position (Physical Net Short)																											
Ga	F-E	Annual Gross RPS Position (GWh)		-	-	-	-	-	-	-	-	-	173	(1,919)	(3,823)	(7,606)	(4,218)	(4,393)	(4,578)	(4,747)	(4,914)	(5,067)	(5,229)	(5,389)	(5,535)	(5,689)	
Gb	F/A	Annual Gross RPS Position (%)		0%	0%	0%	0%	0%	0%	0%	0%	0%	52%	12%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Application of Bank																											
Ha		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)		-	-	-	-	-	-	-	-	-	173	(1,919)	(3,823)	(7,606)	(4,218)	(4,393)	(4,578)	(4,747)	(4,914)	(5,067)	(5,229)	(5,389)	(5,535)	(5,689)	
Lb	(F+Ia-Ib-Hc)/A	Annual Net RPS Position after Bank Optimization (%)		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	52%	12%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	

Note: Values are to be shown in GWhs