FILED
06-28-12
04:59 PM

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.	Rulemaking 11-05-005 (Filed May 5, 2011)

MOTION OF 8MINUTENERGY RENEWABLES, LLC FOR LEAVE TO FILE COMMENTS ONE DAY LATE

Martin Hermann
8minutenergy Renewables, LLC
111 Woodmere Road, Suite 190
Folsom, CA 95630
Telephone: (916) 608-9060
Facsimile: (916) 608-9861
E-mail: mhermann@8minutenergy.com

June 28, 2012

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.	Rulemaking 11-05-005 (Filed May 5, 2011)

MOTION OF 8MINUTENERGY RENEWABLES, LLC FOR LEAVE TO FILE COMMENTS ONE DAY LATE

This Motion of 8minutenergy Renewables, LLC ("8minutenergy") for Leave to File Comments One Day Late is filed pursuant to Rules 11.1 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission").

I. REQUEST TO FILE COMMENTS ONE DAY LATE

8minutenergy is requesting permission to file comments on the Investor-Owned Utilities' Renewable Portfolio Standard Program Plans and the New Proposals required and identified in the Assigned Commissioner's Ruling Identifying Issues and Schedule of Review for 2012 Renewables Portfolio Standard Procurement Plans Pursuant to Public Utilities Code Section 399.11 Et Seq. and Requesting Comments on New Proposals, issued on April 5, 2012. The comments were due yesterday, June 27, 2012; as such we are requesting the ability to file our comments one day late. Attached hereto as Appendix I are the comments that we request leave to file one day late.

8minutenergy attempted to file these comments in a timely manner, but realized too late that it was not a party to this proceeding, and thus, was precluded from filing the comments. As such, 8minutenergy is concurrently filing a Motion for Party Status, and respectfully requests

the Commission's permission to file these comments one day late. We did serve the comments timely, yesterday, so no party should be disadvantaged.

II. CONCLUSION

For the foregoing reasons, 8minutenergy respectfully requests that the Commission grant this Motion for Leave to File Comments One Day Late.

Dated: June 28, 2012

Respectfully submitted,

/s/ Martin Hermann

Martin Hermann
8minutenergy Renewables, LLC
111 Woodmere Road, Suite 190
Folsom, CA 95630
Telephone: (916) 608-9060
Facsimile: (916) 608-9861
E-mail: mhermann@8minutenergy.com

Appendix I

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.	Rulemaking 11-05-005 (Filed May 5, 2011)

COMMENTS OF 8MINUTENERGY RENEWABLES, LLC ON RPS PLANS AND NEW PROPOSALS

June 27, 2012

Martin Hermann
8minutenergy Renewables, LLC
111 Woodmere Road, Suite 190
Folsom, CA 95630
Telephone: (916) 608-9060
Facsimile: (916) 6089861
E-mail: mhermann@8minutenergy.com

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program.	Rulemaking 11-05-005 (Filed May 5, 2011)

COMMENTS OF 8MINUTENERGY RENEWABLES, LLC ON RPS PLANS AND NEW PROPOSALS

8minutenergy Renewables, LLC ("8minutenergy") respectfully submits these Comments on the Investor-Owned Utilities' (IOUs') Renewable Portfolio Standard (RPS) Program Plans and the New Proposals required and identified in the Assigned Commissioner's Ruling Identifying Issues and Schedule of Review for 2012 Renewables Portfolio Standard Procurement Plans Pursuant to Public Utilities Code Section 399.11 Et Seq. and Requesting Comments on New Proposals (ACR) issued on April 5, 2012 (April 5 ACR). These Comments are timely filed and served pursuant to the Commission's Rules of Practice and Procedure and the April 5 ACR.

A. Imperial Valley Issues as Required By D.09-06-018 and D.11-04-030 can be better addressed

Both the April 5 ACR and, in turn, the RPS Plans filed by the IOUs can more adequately address critical "Imperial Valley Issues," as directed by D.09-06-018 and D.11-04-030. Specifically, by D.09-06-018, the Commission adopted RPS solicitation requirements that were an outgrowth of its authorization of a Certificate of Public Convenience and Necessity (CPCN) for the Sunrise Powerlink in D.08-12-058 and intended to yield "prompt proposals from RPS-eligible renewable developers for viable, competitively priced projects in the Imperial Valley."[1]

[1] D.09-08-018, at pp. 10-11.

To that end, for the 2009 RPS solicitation cycle, the Commission ordered each utility to hold a special Imperial Valley bidders conference and the Energy Division to conduct special monitoring to determine "whether attractive Imperial Valley projects" make it through the solicitations.[2] While other "remedial measures" were not adopted in D.09-06-018, the Commission made the following commitment:

> "Nonetheless, we will consider remedial measures if future evidence shows the LCBF methodology fails to properly value Imperial Valley resources and their unique access to transmission, or that there are other infirmities. Those measures might include automatic shortlisting, a special bid evaluation metric, special solicitation, or other remedies a party may propose."[3]

In D.11-04-030, in reviewing and approving the IOUs' 2011 RPS Plans, the Commission assessed the "Sunrise/Imperial Valley Remedial Measures," which had been required by D.09-06-018 (e.g., "a special Imperial Valley bidders conference" and "specific proposal and project monitoring") as part of the 2009 RPS solicitation. The Commission reiterated its commitment to '"consider remedial measures if future evidence shows the LCBF methodology fails to properly value Imperial Valley resources.'"[4] However, for purposes of the 2011 RPS plans, the Commission concluded that such additional measures were not necessary due to the "robust response" ("offers") from such resources in the 2009 RPS solicitation and a "confiden[ce] that IOUs will select all reasonable bids within the LCBF process."[5] The Commission nevertheless committed to "continue specific monitoring of Imperial Valley proposals and projects" and "encourage[d] all three IOUs to do outreach, and take all reasonable and necessary action to secure optimal RPS development and reach RPS targets," which "should include special Imperial

---

[2] D.09-08-018, at pp. 11-16.
[3] D.09-06-018, at p. 18.
[4] D.11-04-039, at p. ___.
[5] D.11-04-030, at p. 25.

Valley bidder's conferences, when useful, to continue to ensure robust response in this important region."[6]

Despite this ongoing recognition by the Commission of the importance of the Imperial Valley resources, the IOUs' RPS Plans do not provide an assessment of any "response" (offers) from these resources in their 2011 RPS solicitations or any indication of whether those earlier offers actually resulted in procurement from this region. 8minutenergy does acknowledge and appreciate SDG&E being the first IOU to sign a PPA procuring power (200MW) from a project in the Imperial Valley resulting from the 2011 RPS RFO. However, there has been little other progress to date. Moreover, there has been no progress for Imperial Valley projects that directly interconnect to the Imperial Irrigation District. The RPS Plans should include resource adequacy (RA) valuation protocols required by a Assigned Commissioner's Ruling (ACR) issued in June 2011 (discussed below) in their LCBF methodologies or criteria.

Continued attention to these issues in the 2012 RPS Plans was intended by D.11-04-030, which placed those issues among its "Summary of *Key* Items" in Appendix A to that order, as follows:

> "4. Sunrise/Imperial Valley Issues: Decline to order any remedial measures, *but* continue monitoring of Imperial Valley proposals and projects, encourage each IOU to do appropriate outreach, including possible special Imperial Valley bidder's conferences."[7]

Such direction was specifically incorporated in Conclusion of Law 12 of D.11-04-030, which made clear that "specific monitoring of Imperial Valley proposals and projects should continue;

[6] D.11-04-030, at p. 26.
[7] D.11-04-030, Appendix A, at p. 2.

and IOUs should be encouraged to do outreach and take all reasonable action to secure *optimal* resource development,…"[8]

The attention to Imperial Valley resource in the IOUs 2012 plans is warranted pursuant to two even more recent Commission actions. First, on June 7, 2012, Assigned Commissioner Ferron issued a ruling (June 2011 ACR) to specifically address and redress the IOUs intention to "apply a zero or near zero RA [resource adequacy] value as part of the LCBF [least cost best fit] analysis of bids for RPS projects in the Imperial Irrigation District (IID) Balancing Authority Area (BAA), based on the maximum import capability (MIC) current assigned to the interties between the California Independent System Operator (CAISO) and IID."[9] The ACR specifically finds this approach to be "unreasonable," especially based on expected revisions by the CAISO to MIC values, and instructed the IOUs not to use a MIC less than 1,400 MW for imports from the IID BAA as part of its LCBF evaluation not project bids within the 2011 RPS solicitation," unless it could "present clear and convincing evidence" for not doing so.[10] The ACR in reaching this finding also *specifically* noted the ongoing commitment of the Commission to "consider any and all remedial measures going forward as necessary" to further and foster "Imperial Valley resource development.[11]

Second, on May 16, 2012, CPUC Commission President Michael R. Peevey and Commissioner Michel P. Florio jointly with California Energy Commission (CEC) Chair Robert B. Weisenmiller wrote to Steven Berberich, the CAISO's President and CEO, to express concern, among other things, regarding Imperial Valley renewable development and related

[8] D.11-04-030, Conclusion of Law 12, at p. 62; emphasis added.
[9] June 2011 ACR, at p. 1.
[10] June 2011 ACR, at pp. 6-7.
[11] June 2011 ACR, at p. 6.

transmission infrastructure requirements. Thus, the Commissions state in that letter that, while there had been expectations that IID could "upgrade its transmission system to support greater export from IID to the CAISO footprint," the "Commissions now understand the cost of IID reinforcements recovered from generation development in the area may be a further impediment to the development of renewable generation resources in the region north of the Imperial Valley substation."[12]

Clearly, the issue of Imperial Valley resource development is at a critical stage and *must* be addressed in the IOUs' 2012 RPS Plans, including any recommended "remedial measures." The absence of this issue from the April 5 ACR and the IOUs' 2012 RPS Plans needs to be addressed.

B. Need for the Commission to Require Compliance with Commission Precedent Governing Imperial Valley Resources.

By their joint letter to the CAISO dated May 16, 2012, the CPUC and CEC collectively recognize the ongoing need to address Imperial Valley renewable resource development. Not only has this examination been required by D.09-06-081 and D.11-04-030 (Imperial Valley remedial measures) and the June 2011 ACR (appropriate Imperial Valley RA valuation), as noted above, but this recent letter is confirmation of the Commissions' joint position as follows:

> "The Commissions now understand that the cost of IID [Imperial Irrigation District] reinforcements recovered from generation development in the area may be a further impediment to the development of renewable generation resources in the region north of the Imperial Valley substation. In light of the continued objective of effectively and efficiently meeting California's 33 percent RPS goals and the identification of parts of the Imperial Valley in the Desert Renewable Energy Conservation Plan as a Renewable Energy Study Area, the Commissions encourage the CAISO to consider (or investigate) and advance as

[12] Appendix A hereto, at p. 3.

> necessary additional transmission reinforcements into the region to enable delivery of at least 1,400 MW of renewable generation from IID."[13]

Clearly, the Commission's previous "remedial measures" to consider and remove barriers to development of renewable resources in the Imperial Valley have not been wholly successful and much more needs to be meet the Commissions' joint objective of delivering electricity from the vast and abundant renewable resources in the Imperial Valley. The transmission upgrades needed to enable export of energy from IID's Balancing Authority (BA) will yield significant system reliability benefits to the CAISO BA and significantly improve the integration of SDG&E and SCE owned transmission systems. However, these upgrades will not be realized , unless/until there are sufficient projects that are guaranteed to pay for the upgrades. The developers who ordinarily would pay for such upgrades, without PPAs, cannot put up the money given their own uncertainty of recovering their costs.

In this environment, "remedial measures" to procure Imperial Valley renewable resources must be considered for inclusion in a 2012 RPS solicitation. Among them, as the Commission has previously considered, is a requirement that the IOUs procure a level of renewable resources within the IID balancing authority that can stimulate the financing to achieve the needed upgrades. 8minutenergy believes that this issue should and can be further explored by bringing together key representatives of the CPUC, CEC, CAISO, IID, and the IOUs, along with all stakeholders to work toward solutions to this pressing problem and need.

[13] May 16 Commissions Letter, at pp. 3-4.

C. Conclusion

8minutenergy appreciates the opportunity to offer its opening comments on IOUs' RPS Plans and the ACR's new proposals.

Respectfully submitted,

June 27, 2012

/s/ Martin Hermann

Martin Hermann
CEO, 8minutenergy Renewables, LLC
111 Woodmere Road, Suite 190
Folsom, CA 95630
Telephone: (916) 608-9060
Facsimile: (916) 608-9861
E-mail: mhermann@8minutenergy.com

VERIFICATION

(Rule 1.11)

I, Martin Hermann, am the CEO of 8minutenergy Renewables, LLC. Because 8minutenergy Renewables, LLC is absent from the City and County of San Francisco, California, where I have my office, I make this verification for said party for that reason. The statements in the foregoing *Comments of 8minutenergy Renewables, LLC on RPS Plans and New Proposals*, have been prepared and read by me and 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.

I declare under penalty of perjury that the foregoing is true and correct and executed on June 27, 2012, at Folsom, California.

Respectfully submitted,

/s/ Martin Hermann

June 27, 2012

Martin Hermann
8minutenergy Renewables
111 Woodmere Road, Suite 190
Folsom, CA 95630
Telephone: (916) 608-9060
Facsimile: (916) 6089861
E-mail: mhermann@8minutenergy.com

VERIFICATION

(Rule 1.11)

I, Martin Hermann, am the CEO of 8minutenergy Renewables, LLC. Because 8minutenergy Renewables, LLC is absent from the City and County of San Francisco, California, where I have my office, I make this verification for said party for that reason. The statements in the foregoing *Motion of 8minutenergy Renewables, LLC for Leave to File Comments One Day Late*, has been prepared and read by me and 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.

I declare under penalty of perjury that the foregoing is true and correct and executed on June 28, 2012, at Folsom, California.

Respectfully submitted,

/s/ Martin Hermann

June 28, 2012

Martin Hermann
8minutenergy Renewables, LLC
111 Woodmere Road, Suite 190
Folsom, CA 95630
Telephone: (916) 608-9060
Facsimile: (916) 6089861
E-mail: mhermann@8minutenergy.com