



California Public Utilities Commission
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PRESS RELEASE

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**CPUC REPORT SHOWS INVESTOR-OWNED UTILITIES REMAIN
ON TRACK WITH RENEWABLE ENERGY GOALS
IN FIGHT AGAINST CLIMATE CHANGE**

SAN FRANCISCO, November 2, 2020 – The California Public Utilities Commission (CPUC) today issued its annual Renewables Portfolio Standard (RPS) report showing that the program, which is one of the most ambitious in the country, remains on track to meet the 2020 renewable energy requirements and continues to help drive down renewable contract prices and increase in-state procurement.

The state's RPS requires investor-owned utilities (IOUs), small and multi-jurisdictional utilities (SMJUs), electric service providers (ESPs), and community choice aggregators (CCAs) to procure 33 percent of retail sales per year from eligible renewable sources by 2020 and 60 percent by 2030. In 2018, Senate Bill (SB) 100 was signed by then-Governor Brown, setting a target goal of a 100 percent carbon free electric grid by 2045. In June 2019, the CPUC began implementing SB 100, accelerating and increasing the RPS procurement quantity requirements to 60 percent by 2030.

As of 2020, the IOUs have executed renewable electricity contracts necessary to meet 2020 RPS requirement and are forecasted to have excess renewable procurement through 2027. The SMJUs, CCAs, and ESPs collectively need to procure additional renewable resources to meet the 2021-2024 compliance period requirements, as well as future requirements.

The aggregated actual and forecasted RPS percentages for the retail sellers are as follows:



Aggregated Actual and Forecasted RPS Percentages				
Year	2017	2018	2019	2020
Compliance Period Requirement	33% Requirement			
Investor-Owned Utilities	35%	39%	46%	52%
Small and Multi-Jurisdictional Utilities	25%	24%	23%	48%
Community Choice Aggregators	52%	50%	55%	41%
Electric Service Providers	40%	39%	41%	32%

The aggregated percentages show that over the last four years, IOU RPS procurement has increased by 17 percent. This increase is primarily driven by load departure from IOU service to CCAs. SMJU RPS procurement has been steady, but then it sharply increases by 25 percent in 2020 to meet the RPS requirements. CCA procurement has been fairly steady, but the aggregate percentage dropped 14 percent from 2019 to 2020 primarily because of several new CCAs coming online with minimal to no RPS procurement and expiring short-term contracts. ESPs similarly have had steady RPS procurement, but experienced a 9 percent drop from 2019 to 2020 due to decreasing forecasted RPS procurement in 2020 compared to 2019.

The RPS program has helped achieve large reductions in costs for renewable electricity. Contract prices for RPS-eligible energy dropped an average of 13 percent per year between 2007 and 2019. In 2019, the trend of falling contract costs continued and reached a historic low average price of \$28/MWh, a significant decrease from \$38/MWh in 2018. An average of 73 percent of the IOU, SMJU, and CCA renewable portfolios were solar and wind resources in 2019.

The report shows that the IOUs and SMJUs are well-positioned to meet RPS requirements, including the 65 percent long-term contracting requirement that begins in Compliance Period 2021-2024. Approximately 25 CCAs and 13 electric service providers were notified by the CPUC of being at risk for not meeting the RPS requirements in the current and/or next compliance period. These CCAs and ESPs must procure more RPS resources and additional long-term contracts in the near term to meet the RPS requirements.

The report is available at: www.cpuc.ca.gov/RPS_Reports_Data.



The CPUC regulates services and utilities, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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