

**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 18-07-003

**COMMENTS OF THE
CALIFORNIA WIND ENERGY ASSOCIATION
ON PROPOSED DECISION ON 2021 RENEWABLES
PORTFOLIO STANDARD PROCUREMENT PLANS**

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*On behalf of the California Wind
Energy Association*

December 30, 2021

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I. INTRODUCTION AND SUMMARY

Pursuant to the California Public Utilities Commission’s (“Commission”) Rule of Practice and Procedure 14.3, the California Wind Energy Association (“CalWEA”) respectfully submits these comments on the December 10, 2021, *Proposed Decision on 2021 Renewables Portfolio Standard Procurement Plans* (“Proposed Decision”).

As explained further below, CalWEA generally supports the Proposed Decision – in particular, the sections relating to (a) requiring retail sellers to analyze curtailment impacts in their procurements of renewable resources and to consider portfolio diversity as a mitigation measure for curtailment, and (b) requiring retail sellers to differentiate between their Minimum Margin of Procurement (“MMoP”) and their Voluntary Margin of Over-Procurement (“VMoP”). To ensure that the required curtailment analysis is implemented, CalWEA recommends that the Commission revise the Proposed Decision by adding an ordering paragraph explicitly requiring the final renewables portfolio standard (“RPS”) procurement plans (“Final RPS Plans”) to include a section addressing the applicable retail seller’s approach to analyzing resource-differentiated curtailment risk and the use of portfolio diversity as a mitigation measure for curtailment.

II. ARGUMENTS

A. **The Proposed Decision Should be Modified to Include an Ordering Paragraph Requiring Final RPS Plans to Include Discussion of the Retail Seller’s Approach to Analyzing Curtailment Impact on a Resource-Differentiated Basis and Use of Portfolio Resource Diversity as a Curtailment Mitigation Measure**

CalWEA supports the Proposed Decision’s determination that retail sellers should analyze curtailment impacts for procurement of renewable resources and consider portfolio diversity as a mitigation measure for curtailment. The Proposed Decision describes CalWEA’s argument “that all retail sellers should analyze curtailment impacts on a resource-differentiated basis and consider portfolio diversity as a mitigation measure for curtailment.”¹ The Proposed Decision further concludes that CalWEA’s argument “holds merit” and directs “SCE and other retail sellers considering procurement in their 2021 RPS Plans to analyze curtailment impacts and consider portfolio diversity as a mitigation measure for curtailment either in each separate RFP or comprehensively in their portfolio diversity updates. . . .”²

To ensure that the required curtailment analysis is implemented, CalWEA recommends that the Commission revise the Proposed Decision by adding an ordering paragraph explicitly requiring the Final RPS Plans to include a section addressing the applicable retail seller’s approach to analyzing resource-differentiated curtailment risk and the use of portfolio diversity as a mitigation measure for curtailment. Many of the conclusions reached in the discussion sections of the Proposed Decision are reflected explicitly in the ordering paragraphs, including requirements for retail sellers to update their Final RPS Plans to include additional information relating to long-term procurement efforts,³ project development status tracking and impacts,⁴ methodology for deriving MMoP,⁵ and distinguishing between the established statutory MMoP and the VMoP,⁶ among others.

The Proposed Decision’s determination that retail sellers should analyze curtailment impacts for procurement of renewable resources and consider portfolio diversity as a

¹ Proposed Decision at pp. 32-33.

² *Id.* at p. 33.

³ *Id.* at pp. 19-21 and Ordering Paragraph 29.

⁴ *Id.* at pp. 54-56 and Ordering Paragraph 31.

⁵ *Id.* at pp. 59-61 and Ordering Paragraph 33.

⁶ *Id.*

mitigation measure for curtailment is equally important. To that end, CalWEA recommends that the Commission modify the Proposed Decision to include the following additional ordering paragraph:

“The final 2021 Renewables Portfolio Standard (RPS) Procurement Plans of each retail seller shall include a description of how they analyze resource-differentiated curtailment risk and a discussion of their approach to the use of portfolio diversity as a mitigation measure for curtailment.”

B. CalWEA Supports the Proposed Decision’s Requirement for Retail Sellers to Differentiate Between Minimum Margin of Procurement and Voluntary Margin of Over-Procurement

CalWEA also supports the Proposed Decision’s determination that retail sellers should be required to differentiate between their established statutory MMoP and their VMoP.⁷ As CalWEA highlighted in its opening comments in this proceeding, many of the initial RPS procurement plans appeared to treat voluntary procurement of renewable energy as the method by which the retail seller would ensure that it also met its MMoP.⁸ This approach creates confusion because it does not independently establish the statutorily-required MMoP for purposes of determining the retail seller’s RPS compliance, and it also risks creating customer confusion in the event that renewable energy procured for voluntary product offerings is used instead for the retail seller’s RPS compliance. The Proposed Decision would clarify the relationship between MMoP and VMoP by requiring that “[r]etail sellers should clearly distinguish between the established, statutory MMoP and VMoP and should only have a VMoP after establishing and quantifying an MMoP.” As a result, CalWEA supports the Proposed Decision’s determination on this issue.

⁷ *Id.* at p. 60.

⁸ *See* Comments of the California Wind Energy Association on Draft 2021 Renewables Portfolio Standard Procurement Plans (July 30, 2021), R. 18-07-003, at pp. 12-15.

III. CONCLUSION

For the foregoing reasons, the Commission should adopt the recommendations set forth in these comments.

Respectfully submitted,

/s/ Nancy Rader

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***On behalf of the California Wind Energy
Association***

December 30, 2021

VERIFICATION

I, Nancy Rader, am the Executive Director of the California Wind Energy Association. I am authorized to make this Verification on its behalf. I declare under penalty of perjury that the statements in the foregoing copy of “Comments of the California Wind Energy Association on Proposed Decision on 2021 Renewables Portfolio Standard Procurement Plans” are true of my own knowledge, except as to the 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 December 30, 2021, at Berkeley, California.

/s/ Nancy Rader
Nancy Rader
Executive Director
California Wind Energy Association