



# California Wind Energy Association

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February 23, 2018

California Energy Commission  
Docket No. 16-OIR-05  
Docket Office  
1516 Ninth Street  
Sacramento CA 95814

*Submitted Electronically via CEC website to Docket 16-OIR-05*

**Re: CalWEA Comments Following the Staff Pre-Rulemaking Workshop on Updates to the Power Source Disclosure Regulation**

The California Wind Energy Association (CalWEA) offers these brief comments on the revised staff proposal for the implementation of Assembly Bill 1110, which was presented at the February 1 pre-rulemaking workshop.

CalWEA urges the Commission to reconsider PG&E's proposed "Clean Net Short" methodology, particularly given the fact that, since the workshop, the Public Utilities Commission (CPUC) has adopted this methodology for its GHG emissions accounting.<sup>1</sup> The CNS methodology will properly account for the GHG emissions associated with the sources of energy actually used to serve each LSE's load on an hourly basis and will produce a total sum of LSE emissions that matches the Air Resources Board's annual statewide electric sector calculation.<sup>2</sup> It is appropriate to use the same methodology as the CPUC's so that what LSEs are actually using on an hourly basis to serve their customers will match what customers are told on product content disclosures.

CalWEA offers the following arguments in support of the CNS methodology:

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<sup>1</sup> CPUC Decision 18-02-018 (February 8, 2018).

<sup>2</sup> CEC Docket 16-OIR-05, Pacific Gas and Electric Company's Comments on the July 14, 2017 Staff Pre-Rulemaking Workshop on Updates to the Power Source Disclosure Regulations (July 28, 2017).

- For California to truly serve as a leader in demonstrating how an economy can reduce its reliance on GHG-emitting resources, it can't rely on paper accounting – it has to demonstrate how it will actually serve load with GHG-free resources.
- Therefore, each LSE needs to procure resources that serve its load as closely as possible.
- While this may favor larger entities with larger loads (because they will be better able to assemble a diverse portfolio), for the same reason there is risk in allowing each of many small LSEs to assemble a portfolio that is mismatched to its load. The risk is that the sum of such portfolios could promote system overgeneration and curtailment and/or dumping of exports on neighboring states, while California loads are actually served with system power containing higher GHG emissions. This could also lead to the need for more storage to ensure system reliability, making it more expensive to achieve our GHG goals. The CNS methodology will encourage LSEs to assemble resource portfolios that match their loads.

For these reasons, we strongly support PG&E's CNS proposal and encourage the Commission to give it careful consideration during the formal rulemaking process.

Sincerely,

/s/

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