

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

Order Instituting Rulemaking to Develop an  
Electricity Integrated Resource Planning  
Framework and to Coordinate and Refine  
Long-Term Procurement Planning  
Requirements.

Rulemaking 16-02-007  
(Filed February 11, 2016)

**COMMENTS OF THE CALIFORNIA WIND ENERGY ASSOCIATION  
ON RULING SEEKING COMMENT ON GREENHOUSE GAS EMISSIONS  
ACCOUNTING METHODS AND ADDRESSING UPDATED GREENHOUSE GAS  
BENCHMARKS**

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

April 20, 2018

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**I. INTRODUCTION AND SUMMARY**

Pursuant to the April 3, 2018, Ruling of Administrative Law Judge Julie Fitch Seeking Comment on Greenhouse Gas Emissions Accounting Methods and Addressing Updated Greenhouse Gas Benchmarks (“Ruling”), the California Wind Energy Association (“CalWEA”) submits these comments. The comments address the method included in the Ruling as Attachment A and proposed by California Public Utilities Commission (“Commission”) staff for load-serving entities (“LSEs”) to use in accounting for the greenhouse gas (“GHG”) emissions associated with the electricity resource portfolios included in their proposed integrated resource plans to be filed in August 2018.

In summary, CalWEA believes that Commission staff has done an excellent job in describing the rationale and methodology for the proposed clean net short (“CNS”) accounting methodology and CalWEA supports that methodology.

**II. RESPONSES TO THE RULING’S QUESTIONS ON PROPOSED GHG ACCOUNTING METHODOLOGY**

**Question 1** – CalWEA believes that the basic steps in the CNS accounting methodology, as described in Attachment A, are internally consistent and technically sound.

**Question 2** – The CNS methodology will have a very important, positive, impact on an individual LSE’s long-term resource investment decisions because it will incentivize each LSE to plan for a portfolio of GHG-free resources that will physically match the LSE’s

load profile. Without such an incentive, as staff suggests on page A-2, each LSE could plan to oversupply GHG-free generation during midday hours and rely on market-supplied power during evening hours. While this would enable the LSE to report zero GHG emissions on a net annual basis, if all LSEs were to plan and procure this way, the result would be a massive midday oversupply that would have to be curtailed or exported – with no GHG benefit to California – or stored at an added cost, making it more expensive to achieve our GHG goals. By accounting for emissions on an hourly basis, reflecting the resources that actually serve an LSE’s load, the CNS methodology will greatly improve the state’s ability to achieve its long-term GHG emissions reduction goals.

**Question 3** – See response to Question 2.

**Question 4** – This question asks about the characterization, in Attachment A, of renewable energy credits (RECs) related to compliance with the renewables portfolio standard (RPS) program and the relationship of RECs to IRP’s GHG emissions goals. While Attachment A does not specifically discuss RECs, it does indicate, in describing the conceptual steps of the CNS method, that only RPS “Bucket 1” products (i.e., not Bucket 2 “firmed and shaped” products or Bucket 3 RECs) will be credited to LSEs as a GHG-free generating resource. CalWEA believes this is appropriate because, while they should continue to count for RPS compliance, RECs do not represent actual delivered GHG-free energy. Weaning California’s electricity system off of fossil fuels will require all LSEs to work towards physically serving their loads with renewable energy.

**Questions 5-8** – At this time, CalWEA has no suggestions for improving the GHG calculator tool, no disagreements with any specific aspects of the proposed methodology, no alternative proposal, and no other comments.

Respectfully submitted,

/s/ Nancy Rader  
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***On behalf of the California Wind Energy Association***

April 20, 2018

## 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 Ruling Seeking Comment on Greenhouse Gas Emissions Accounting Methods and Addressing Updated Greenhouse Gas Benchmarks” 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 April 20, 2018, at Berkeley, California.

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