Comment 1 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Bill
Last Name: Buchan
Email Address: buchan@mktpotential.com
Affiliation: Cardinal Cogen, Inc.

Subject: Equal Treatment of All First Delivers of Electricity, Including 3rd Party Combined Heat an
Comment:

At Cardinal Cogen, we are pleased that the ARB is setting a goal of treating of first delivers of electricity equally. As the ARB considers how to implement this goal, we ask that ARB also include 3rd party Combined Heat and Power delivering retail electricity as one of the groups for equal treatment under the cap and trade regulation.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2012-05-10 11:15:26

No Duplicates.

Comment 2 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Braydon
Last Name: Boulanger
Email Address: braydon_boulanger@transalta.com
Affiliation:

Subject: MAY 4 Comments
Comment:

TransAlta strongly encourages CARB to consider the following points regarding Resource Shuffling:

1.Upfront determination of Resource Shuffling must occur. We are seeking an upfront process to individually determine what is, or is not, considered Resource Shuffling.

2.If no changes are made to the current definition,there needs to be a guidance document related to Resource Shuffling to expand on the current definition.

3.CARB needs to be aware of the implications of how the MRR creates a competitive advantage for those firms who can dispatch out of their “system” versus those that do not.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2012-05-10 14:03:15

No Duplicates.

Comment 3 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Zoltan
Last Name: Nagy-Kovacs
Email Address: znagy-kovacs@capitalpower.com
Affiliation: CP Energy Marketing (US) Inc.

Subject: Comments of CP Energy Marketing (US) Inc.
Comment:

```
To Whom it May Concern:

Attached please find comments of CP Energy Marketing (US) Inc. with
respect to the May 4, 2012 Public Workshop to Discuss Requirements
For First Deliverers of Electricity in the Cap and Trade Program.
We appreciate your consideration of our comments.
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/3-comments_of_cp_energy_marketing__may_10_2012_.pdf

Original File Name: Comments of CP Energy Marketing (May 10 2012).pdf

Date and Time Comment Was Submitted: 2012-05-10 14:50:51

No Duplicates.

Comment 4 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Martin
Last Name: Hopper
Email Address: sberlin@mccarthylaw.com
Affiliation: M-S-R Public Power Agency

Subject: Comments re May 4 Workshop
Comment:

```
Attached please find the comments of the M-S-R Public Power Agency
on the May 4 Electricity Sector Workshop.
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/4-m-s-r_comments_re_may_4_2012_carb_workshop__5-11-12_.pdf

Original File Name: M-S-R comments re May 4 2012 CARB Workshop 5-11-12_.pdf

Date and Time Comment Was Submitted: 2012-05-11 13:46:40

No Duplicates.

Comment 5 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Shawn
Last Name: Bailey
Email Address: sbailey@semprausgp.com
Affiliation:

Subject: May 4 2012 Electric Sector Workshop
Comment:

```
Please find attached Sempra US Gas and Power comments on the May 4
2012 workshop.
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/5-carb_5-4-2012_electricity_sector_workshop_-_sempra_usgp_comments.docx

Original File Name: CARB 5-4-2012 Electricity Sector Workshop - Sempra USGP Comments.docx

Date and Time Comment Was Submitted: 2012-05-11 14:05:48

No Duplicates.

Comment 6 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Kassqandra
Last Name: Gough
Email Address: kassandra.gough@calpine.com
Affiliation: Calpine Corporation

Subject: Calpine Corporation Comments
Comment:

```
Attached are Calpine Corporation's Comments on Public Meeting to
Discuss Compliance Requirements for First Deliverers of Electricity
in the Cap-and-Trade Program (May 4, 2012).
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/6-5-11-2012_calpine_comments_on_public_meeting_-_first_deliverers_.pdf

Original File Name: 5-11-2012 Calpine Comments on Public Meeting - First Deliverers .pdf

Date and Time Comment Was Submitted: 2012-05-11 15:15:17

No Duplicates.

Comment 7 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Bonnie
Last Name: Blair
Email Address: bblair@thompsoncoburn.com
Affiliation: Six Cities

Subject: COMMENTS OF THE CITIES OF ANAHEIM, AZUSA, BANNING, COLTON, PASADENA, AND RIVERSIDE, CA
Comment:

Please see the attached comments

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/7-wscomments.docx

Original File Name: wscomments.docx

Date and Time Comment Was Submitted: 2012-05-11 15:05:38

No Duplicates.

Comment 8 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Tamara
Last Name: Rasberry
Email Address: trasberry@semprautilities.com
Affiliation: San Diego Gas & Electric Co.

Subject: May 4 Electricity Issues Workshop
Comment:

Resource Shuffling

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/8-sdge_commts-resource_shuffling_carb.5.11.12.docx

Original File Name: SDGE Commts-Resource Shuffling CARB.5.11.12.docx

Date and Time Comment Was Submitted: 2012-05-11 15:31:10

No Duplicates.

Comment 9 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Judi
Last Name: Mosley
Email Address: jkm8@pge.com
Affiliation: Pacific Gas and Electric Company

Subject: PG&E's Comments on Compliance Requirements
Comment:

```
Attached, in PDF format, are Pacific Gas and Electric Company's
Comments on Compliance Requirements for First Deliverers of
Electricity in the Cap and Trade Program.
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/9-051112_pg_e_comments_on_compliance_requirements_00125651-2_.pdf

Original File Name: 051112_PG&E Comments on Compliance Requirements(00125651-2).pdf

Date and Time Comment Was Submitted: 2012-05-11 15:30:37

No Duplicates.

Comment 10 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Dan
Last Name: Severson
Email Address: dbseverson@tid.org
Affiliation: Turlock Irrigation District

Subject: May 4th Cap-&-Trade Electricity Workshop Comments from Modesto, Redding, & Turlock.
Comment:

```
Attached please find comments from the Modesto Irrigation District,
Redding Electric Utility, and Turlock Irrigation District on the
May 4, 2012 Cap-and-Trade Electricity Workshop.
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/10-120511_mid_reu_tid_cap-and-trade_may_4_workshop_comments_vfin__00069692_.pdf

Original File Name: 120511_MID_REU_TID_Cap-and-Trade May 4 Workshop Comments_vFIN (00069692).PDF

Date and Time Comment Was Submitted: 2012-05-11 15:37:48

No Duplicates.

Comment 11 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Mary
Last Name: Wiencke
Email Address: Mary.Wiencke@PacifiCorp.com
Affiliation: PacifiCorp

Subject: PacifiCorp's Comments on the May 4, 2012 Public Meeting
Comment:

```
Attached please find PacifiCorp's comments on the May 4, 2012
Public Meeting to Discuss Compliance Requirements for First
Deliverers of Electricity under the California Cap on Greenhouse
Gas Emissions and Market Based Compliance Mechanisms Regulation,
Including Compliance Offset Protocols.
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/11-arb_may_4_workshop_comments_pacificorp_051112.pdf

Original File Name: ARB May 4 Workshop Comments PacifiCorp 051112.pdf

Date and Time Comment Was Submitted: 2012-05-11 15:49:41

No Duplicates.

Comment 12 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Thomas
Last Name: Corr
Email Address: thomaspcorr@gmail.com
Affiliation:

Subject: Comments of Noble Americas Energy Solutions LLC
Comment:

Attached are the Comments of Noble Americas Energy Solutions LLC in response to the Cap-and-Trade Program Electricity Workshop held on May 4, 2012.

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/12-final_noble_comments_to_arb_11may2012.pdf

Original File Name: Final NOBLE COMMENTS TO ARB 11may2012.pdf

Date and Time Comment Was Submitted: 2012-05-11 15:53:08

No Duplicates.

Comment 13 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Nancy
Last Name: Allred
Email Address: nancy.allred@sce.com
Affiliation: Southern California Edison

Subject: SCE Comments on May 4 Electricity Imports Workshop
Comment:

```
Please see the attached comments of Southern California Edison
Company on the May 4, 2012 Electricity Imports Workshop held by the
California Air Resources Board.
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/13-2012-05-11_sce_comments_on_electricity_imports_workshop.pdf

Original File Name: 2012-05-11 SCE Comments on Electricity Imports Workshop.pdf

Date and Time Comment Was Submitted: 2012-05-11 15:58:40

No Duplicates.

Comment 14 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Amber
Last Name: Riesenhuber
Email Address: amber@iepa.com
Affiliation: IEP

Subject: IEP's Comments on CARB's Cap and Trade Program Electricity Workshop
Comment:

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IEP's Comments on CARB's Cap and Trade Program Electricity Workshop
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Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/14-iep_comments_on_carb_electricity_workshop_final.pdf

Original File Name: IEP comments on CARB Electricity Workshop FINAL.pdf

Date and Time Comment Was Submitted: 2012-05-11 16:13:42

No Duplicates.

Comment 15 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Lily
Last Name: Mitchell
Email Address: lmitchell@hanmor.com
Affiliation: SCPPA

Subject: SCPPA comments on 5/4/12 electricity workshop
Comment:

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Please find attached the comments of the Southern California Public
Power Authority on the electricity issues raised at the cap and
trade workshop held on May 4, 2012.
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Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/15-300226001lmm05111201_scppa_comment_to_arb_on_050412_electricity_workshop.pdf

Original File Name: 300226001lmm05111201 SCPPA comment to ARB on 050412 electricity workshop.pdf

Date and Time Comment Was Submitted: 2012-05-11 16:30:14

No Duplicates.

Comment 16 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Jeanine
Last Name: Divis
Email Address: jeanine.divis@aps.com
Affiliation: APS

Subject: Public Comments Related to the May 4th Public Workshop
Comment:

Arizona Public Service Company ("APS") is a wholly-owned subsidiary of Pinnacle West Capital Corporation and is engaged in the business of generating, transmitting, and distributing electricity in eleven of Arizona's fifteen counties. APS serves more than one million retail electric customers in Arizona and participates in the wholesale energy market. APS purchases from and sells energy to the California Independent System Operator ("CAISO") at delivery points outside the state of California. APS does not own generation or serve retail or wholesale customers within the state of California.

Sales to CAISO outside the state of California

The California Air Resource Board ("ARB") applies its greenhouse gas cap-and-trade rules to the first deliverers of electricity. ARB defines the first deliverer of electricity as the operator of an electricity generating facility in California or an electricity importer. ARB identifies the electricity importer on the NERC E-tag as the purchasing-selling entity ("PSE") on the last segment of the tag's physical path with the point of receipt located outside the state of California and the point of delivery located inside the state of California or as the facility operator or scheduling coordinator for generation facilities physically located outside the state of California with the first point of interconnection to a California balancing authority's transmission and distribution system. APS does not own facilities whose first point of delivery is a California balancing authority's transmission or distribution system.

APS sells energy to CAISO at delivery points located outside the state of California. Pursuant to NAESB tagging rules, APS is not identified as the PSE for the line segment entering California on the NERC E-tags. NAESB Electronic Tagging – Functional Specifications, Version 1.8.1, Section 6.1.3, identifies the PSE as the entity responsible for the physical segment. APS does not own any transmission delivered into the state of California and cannot be identified as the PSE on the NERC E-tag for the physical path entering into California.

Furthermore, a sale to CAISO does not necessarily result in an energy import into California. A variety of market participants purchase energy from CASIO at delivery points located outside the state of California for use outside the state of California. These purchases are often sourced from day-ahead sales to CAISO and result in no import of energy to California.

In the Final Statement of Reasons issued by ARB in October 2011, ARB clearly indicates its intention that sales to CAISO incur reporting obligations. However, as the regulations currently are written, sales to CAISO, such as those transacted by APS, do not qualify APS as an electric importer. ARB should revise its regulations to clearly include or exclude electricity generated and sold to CAISO outside the state of California.

Netting out-of-state CAISO purchase against CAISO sales

To mitigate the potential for Commerce Clause violations, ARB should allow CAISO purchases outside the state of California to be netted against CAISO sales outside the state of California. As currently drafted, it appears that ARB intends that sales to CAISO would incur carbon obligations. Absent the ability to net out-of-state CAISO purchases against out-of-state CAISO sales, the ARB rules would resemble an energy tax for purchases from CAISO conducted outside the state of California; carbon obligations would be needlessly incurred by out-of-state entities.

There would be no adverse impacts on California nor would the goals of AB 32 be thwarted by allowing such netting. In the Final Statement of Reasons issued by ARB in October 2011, ARB discusses that it permits simultaneous netting of imports and exports “in that not all of the electricity being imported is actually used to serve California load.” Similarly, not all sales to CAISO serve California load. When considering out-of-state purchases and sales to CAISO, a single entity’s simultaneous netting of imports and exports does not accurately reflect the amount of load being served in California, nor does it accurately capture the annual emissions related to these net transactions. APS proposes expanding the ability to net as it relates to out-of-state purchases from CAISO to allow netting on an annual basis. Allowing netting on an annual basis would result in out-of-state entities incurring only the carbon obligations attributable to their actual imports into California during the reporting year. Additionally, netting in the manner described above would (i) effectively prevent the extraterritorial reach of the cap-and-trade program’s carbon obligations into out-of-state markets without frustrating the goals of AB 32; and (ii) mitigate the extent to which the program might otherwise unfairly discriminate against out-of-state competitors.

ARB should modify its regulations to allow CAISO purchases outside the state of California to be netted from CAISO sales, consistent with the annual ARB reporting periods.

Resource Shuffling

APS seeks clarification regarding “resource shuffling.” APS owns generation in Arizona and New Mexico. To the extent that APS may qualify as an importer, APS intends to use the Default Emissions Factor. APS received guidance at the May 4, 2012 ARB Public Workshop confirming that use of the Default Emissions Factor would be appropriate; however, APS received previous verbal guidance suggesting that APS should register as an Asset Controlling Supplier and, thus, use a system-wide emission rate. APS intends to source sales to CAISO using unspecified resources, which may involve purchases from other counterparties, rather than specific units. APS believes that the Default Emissions Rate is appropriate because the sale may not be sourced from its system. APS seeks further clarification from ARB to ensure that APS is fully

compliant.

Conclusion

APS respectfully requests ARB to (1) evaluate its identification threshold for energy importer as identified on the NERC E-tag and to determine to what extent sales outside the state of California to CAISO, which do not identify the seller as the PSE, qualify APS as an energy importer; (2) allow for purchases from CAISO outside the state of California to be netted against any import obligation incurred by out-of-state sales to CAISO on an annual basis; and (3) clarify its intentions related to emission rate requirements from potential energy importers outside the state of California.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2012-05-11 16:19:04

No Duplicates.

Comment 17 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Harry
Last Name: Singh
Email Address: harry.singh@gs.com
Affiliation:

Subject: Comments of J. Aron & Company
Comment:

Please find attached comments of J. Aron & Company on the May 4 2012 workshop.

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/17-j_aron_capandtrade_comment_may4_2012_workshop.pdf

Original File Name: j aron capandtrade comment may4 2012 workshop.pdf

Date and Time Comment Was Submitted: 2012-05-11 16:31:05

No Duplicates.

Comment 18 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Jodean
Last Name: Giese
Email Address: jodean.giese@ladwp.com
Affiliation: LADWP

Subject: LADWP Comments on May 4 Cap-and-Trade Electricity Workshop
Comment:

See attached comments.

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/18-ladwp_comments_on_may_4_electricity_workshop_5-11-12.pdf

Original File Name: LADWP Comments on May 4 Electricity Workshop 5-11-12.pdf

Date and Time Comment Was Submitted: 2012-05-11 16:46:26

No Duplicates.

Comment 19 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Jennifer
Last Name: Chamberlin
Email Address: jchamberlin@lspower.com
Affiliation: LS Power

Subject: Comments of LS Power on the May 4th Cap-and-Trade Workshop
Comment:

```
LS Power offers the attached comments on the California Air
Resources Board ("CARB") May 4, 2012 workshop on compliance
requirements for first deliverers of electricity ("Cap-and-Trade
Regulation").
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Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/19-120511_ls_power_comments_on_may_4_cap-and-trade_workshop_vfin__00069706_.pdf

Original File Name: 120511_LS Power Comments on May 4 Cap-and-Trade Workshop_VFIN (00069706).PDF

Date and Time Comment Was Submitted: 2012-05-11 16:48:53

No Duplicates.

Comment 20 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Susie
Last Name: Berlin
Email Address: sberlin@mccarthylaw.com
Affiliation: Northern California Power Agency

Subject: Comments re May 4 Workshop
Comment:

```
Attached please find NCPA's comments on the May 4 First Deliverer
Workshop
```

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/20-ncpa_comments_re_5-4-12_carb_workshop__5-11-12_.pdf

Original File Name: NCPA Comments re 5-4-12 CARB workshop _5-11-12_.pdf

Date and Time Comment Was Submitted: 2012-05-11 16:53:07

No Duplicates.

Comment 21 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Nicholas
Last Name: van Aelstyn
Email Address: nvanaelstyn@bdlaw.com
Affiliation: Beveridge & Diamond, PC

Subject: Powerex Comments on May 4 Imported Electricity Workshop
Comment:

Please see the attached letter setting forth Powerex's comments.

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/21-powerex_comments_re_cap-and-trade_imported_electricity_workshop__2012-05-11_.pdf

Original File Name: Powerex Comments re Cap-and-Trade Imported Electricity Workshop (2012-05-11).PDF

Date and Time Comment Was Submitted: 2012-05-11 16:02:18

No Duplicates.

Comment 22 for May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) - 1st Workshop.

First Name: Clare
Last Name: Breidenich
Email Address: ombcomm@arb.ca.gov
Affiliation: WPTF

Subject: Comments
Comment:

See attachment

Attachment: www.arb.ca.gov/lists/5-4-electricity-ws/22-5-11-12_final_wptf_comments_to_carb_on_electricity_issues.pdf

Original File Name: 5-11-12 Final WPTF Comments to CARB on Electricity Issues.pdf

Date and Time Comment Was Submitted: 2012-05-15 11:57:26

No Duplicates.

There are no comments posted to May 4 Cap-and-Trade Electricity Workshop Comments (5-4-electricity-ws) that were presented during the Workshop at this time.