

Energy Commission Staff Proposal for Allocating GHG Emissions Targets to Publicly Owned Utilities



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POU IRP Requirements

POUs must:

- Adopt initial IRP and process for updating by January 1, 2019
- Submit IRP Filing to Energy Commission by April 30, 2019
- Update IRP at least once every five years

IRPs must meet the following requirements

- Meet CARB-established utility-specific GHG reduction targets for 2030
- Ensure procurement of at least 50% renewables by 2030
- Address procurement of other selected resources, reliability needs and impact of investments on disadvantaged communities

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POU IRP Guidelines

Energy Commission

- Adopted guidelines to govern the submission and review of POU IRPs
- Consistent with the requirements of SB 350 and subsequent legislation
- Will be updated periodically as new POU requirements are mandated
- Track local POU IRP proceedings to keep stakeholders informed

More info about Energy Commission IRP activities at:

<http://www.energy.ca.gov/sb350/IRPs/>



POUs Adopting IRPs

POUs with 700 GWh over a 3-year average (2013-2016) required to have IRPs:

- | | |
|-----------------------------------|---------------------------------|
| 1. Burbank Water and Power | 9. Imperial Irrigation District |
| 2. City & County of San Francisco | 10. LADWP |
| 3. City of Anaheim | 11. Modesto Irrigation District |
| 4. City of Palo Alto | 12. Redding Electric Utility |
| 5. City of Pasadena | 13. Roseville Electric |
| 6. City of Riverside | 14. Silicon Valley Power |
| 7. City of Vernon | 15. SMUD |
| 8. Glendale Water and Power | 16. Turlock Irrigation District |





IRP Proceeding and Target Allocation

Energy Commission held numerous workshops and webinars to obtain stakeholder feedback. Those relevant to GHG emission target setting and allocation:

- February 23, 2017: Joint agency workshop on 2030 GHG reduction targets for IRP (Energy Commission, CPUC, and CARB)
- April 17, 2017: Joint Agency Workshop on Potential Methodologies to Establish Publicly Owned Utility Greenhouse Gas Reduction Targets for Integrated Resource Planning (Energy Commission and CARB)

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Based on CARB's Cap-and-Trade Allowance Allocation to EDUs for 2021 - 2030

- This methodology was proposed by the Energy Commission and CPUC for use in allocating the sector target between CPUC-jurisdictional entities and publicly owned utilities in aggregate.
- Energy Commission staff proposes that it be used to further allocate the latter share to individual POUs.
- The CPUC is allocating "its share" to individual entities under its jurisdiction in a manner being established in its IRP proceeding
- Specific targets for individual utilities depend upon the sector-wide target or range determined by CARB

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CARB's Cap-and-Trade Allowance Allocation to EDUs for 2021 - 2030

For each utility, the following were estimated

- Net energy for load and retail sales in 2030
 - Source: 2015 IEPR Demand Forecast for 2015 – 2026 extrapolated to 2030
- Non-RPS zero-carbon energy in utility's 2030 portfolio
 - Source: 2015 IEPR, Utility Supply Form (S-2) filings

A utility's residual need for natural gas-fired generation was estimated as

$$\text{Net Energy for Load} - (\text{Retail Sales} * 45\%) - \text{Non RPS Zero-Carbon Energy}$$

- The emissions content of this residual is assumed to be 0.4354 mt CO₂-e/MWh

Each POU's share of total emissions (across all EDUs) is its proposed share of CARB's sector emissions target

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Proposed Targets (mt CO₂-e)

Utility	Share of Target	Sector Target (million MT CO ₂ -e)		
		30	42	53
City and County of San Francisco	0.041%	12,219	17,107	21,587
Anaheim	1.015%	304,611	426,456	538,146
Burbank	0.430%	129,007	180,610	227,912
Glendale	0.396%	118,922	166,491	210,096
Palo Alto	0.174%	52,152	73,013	92,135
Riverside	0.918%	275,348	385,487	486,448
Roseville	0.452%	135,586	189,821	239,536
Vernon	0.497%	149,195	208,872	263,577
Imperial Irrigation District	1.745%	523,358	732,702	924,600
LADWP	8.851%	2,655,165	3,717,230	4,690,791
Modesto Irrigation District	1.055%	316,568	443,196	559,271
Pasadena	0.426%	127,906	179,068	225,967
Redding	0.191%	57,175	80,045	101,010
SMUD	3.621%	1,086,301	1,520,821	1,919,131
Silicon Valley Power	0.915%	274,595	384,432	485,117
Turlock Irrigation District	0.629%	188,832	264,365	333,604
Total Filing POU	21.356%	6,406,940	8,969,716	11,318,928
Exempt POU	1.667%	500,234	700,327	883,746
CPUC Jurisdictional Entities	76.976%	23,092,826	32,329,957	40,797,326

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