

California Environmental Protection Agency

AIR RESOURCES BOARD

Stakeholder Comments on RES Concept Outline

Public Workshop
December 14, 2009

RES Concept Outline

Draft Concept Outline

**Released at October 30, 2009, Workshop
Potential Implementation Approach
Encourage Stakeholder Comments and Input
Specific Feedback Request Areas**

Major Sections of Outline

**Applicability of the RES
Eligible Resources
Compliance Approaches
Monitoring, Verification and Enforcement
Reporting and Recordkeeping**



RES Applicability

Proposed Regulated Parties

(Electrical Corporations, Electric Service Providers, Electrical Cooperatives, Community Choice Aggregators, and Local Publicly Owned Utilities)

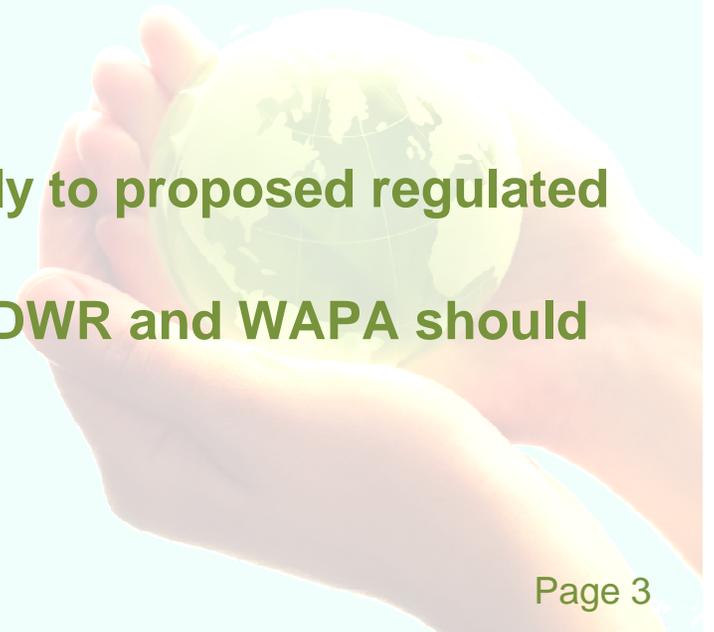
Other Potential Parties

(California Department of Water Resources and Western Area Power Administration)

Comment Summary:

Near universal belief RES should apply to proposed regulated parties.

For those commenting, most believe DWR and WAPA should be excluded.



RES Threshold

Potential Application Threshold

(500 GWh/yr example provided)

Comment Summary:

Most POUs and smaller utilities support exemption threshold.

Most IOUs and others commenting are opposed.

Several prefer flexible compliance as alternative, or for those with legacy hydropower.

Overall, comments were mixed.



RES Eligible Resources

Eligibility Issues

Continue RPS-eligible resources

Evaluate RPS resource limitations

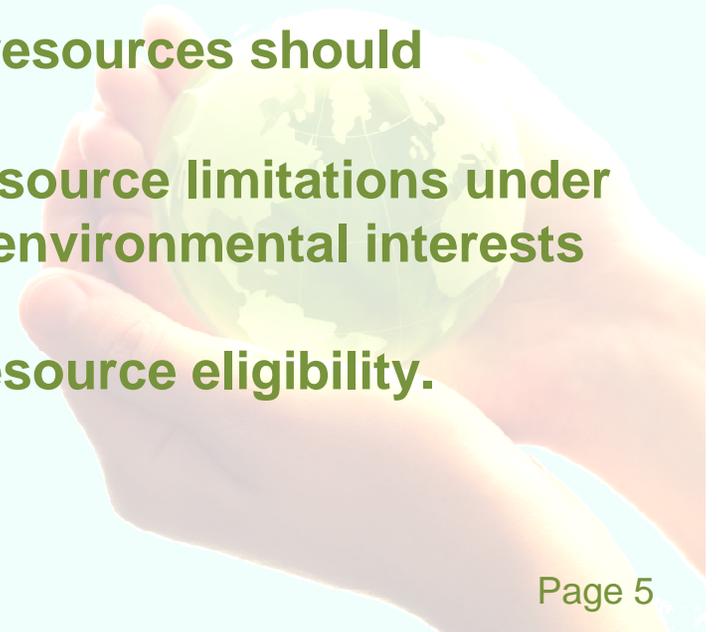
Consider additional resources (e.g., net-metered PV)

Comment Summary:

Near universal belief all RPS eligible resources should continue under RES.

Several utilities support evaluating resource limitations under RES (particularly hydropower), most environmental interests strongly oppose.

Most don't support expanding RES resource eligibility.



RES Implementation

Potential Load Reduction Factors

(CHP systems, distributed generation, and low carbon fuel standard provided as examples)

Comment Summary:

Most believe it's not appropriate to reduce load under RES (for variety of reasons).
Several support reductions for LCFS.



RES Implementation

Unbundled Renewable Energy Credits (and out-of-state delivery requirements)

Comment Summary:

Most support unrestricted and WECC-connected, unbundled RECs.
Several believe restrictions or limits should be required.
Some believe bundled REC or in-state preferences be required.
Most support current delivery requirements for bundled RECs.

Compliance Metric

(Megawatt-hours vs. tons of GHG reductions)

Comment Summary:

Near universal support for megawatt-hour metric.
Many noted the metric should continue to apply to retail sales.



RES Implementation

Compliance Schedule

(Annual reporting and multi-year targets)

Comment Summary:

Most support annual monitoring/reporting with 2-3 year compliance targets.

Monitoring, Verification, & Enforcement

(Agency roles and flexible compliance)

Comment Summary:

Most support continuing CEC/PUC administrative roles with ARB enforcement.

Many utilities note flexible compliance needs for cost and external factors.

Several request aggressive compliance & enforcement.

