

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to
Continue Implementation and
Administration of California
Renewables Portfolio Standard
Program.

Rulemaking 11-05-005
(Filed May 5, 2011)

CLEAN COALITION OPENING COMMENTS ON PROPOSED DECISION
GRANTING, WITH MODIFICATIONS, THE MOTION BY CLEAN COALITION FOR
IMMEDIATE AMENDMENTS OF THE SOUTHERN CALIFORNIA EDISON
COMPANY AB 1969 CREST POWER PURCHASE AGREEMENT

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OCTOBER 31, 2011

CLEAN COALITION OPENING COMMENTS ON PROPOSED DECISION

The Clean Coalition respectfully submits these opening comments on the proposed decision issued October 11, 2011.

The Clean Coalition is a California-based advocacy group, part of Natural Capitalism Solutions, a non-profit entity based in Colorado. The Clean Coalition advocates primarily for policies and programs that enable the “wholesale distributed generation” market segment, which is generation that connects to the distribution grid for local use. The Clean Coalition is active in proceedings in many regulatory venues, including the Commission, Air Resources Board, and the Energy Commission in California; the Federal Energy Regulatory Commission; and in other state and local jurisdictions across the country.

The Clean Coalition applauds the Commission for its timely action with respect to the pressing CREST issues raised in our motion. We support the Proposed Decision (“PD”), and offer a small number of clarifications that will be useful for successfully effecting the changes contained in the PD. The intent of these comments is simply to ensure timely execution and completion of CREST PPAs and projects.

I. Comments

- a. The effective PPA date should be defined as the date of original submission

To avoid any possibility of confusion or disputes relating to the effective date of CREST PPAs, the Clean Coalition recommends that the effective date of all CREST PPAs should be defined as the date of signed PPA submission by the developer to SCE.

b. All CREST PPAs with completed SIS should be executed

The PD directs that PPAs submitted by generators that have completed System Impact Studies (SIS), or equivalent Fast Track progress, should be executed by SCE (pp. 25-26). The Clean Coalition agrees and recommends that, for the purpose of rapid and orderly execution, SCE should be required to sign PPAs upon receipt of the completed SIS or successful Fast Track completion.

Also, with respect to Fast Track, the PD states (p. 26) that a project must have a completed SIS “or passed the Fast Track screens.” We request that the Commission revise this statement to “or have completed the Fast Track study process.” This distinction is important because projects may fail Fast Track screens, under existing WDAT or CAISO procedures, and yet still qualify under Fast Track interconnection due to utility discretion to allow such or through completion of a supplemental review. Utility discretion and supplemental review are provided for in the tariff Fast Track guidance. Accordingly, requiring that CREST projects pass the Fast Track screens, rather than the Fast Track process more generally, is far more restrictive than the Commission intended in the PD and we recommend that this language be clarified.

c. Development timelines should be tied to the Interconnection Agreement

The Clean Coalition agrees with the PD that eighteen months (plus one six month extension) should generally be adequate time to complete projects under 1.5 MW in size. Interconnection delays are, however, the “x factor” in this calculation, and have prompted, among other things, the current distribution grid interconnection settlement process (Distribution System Interconnection Process, DSIS) and R.11-09-011 to resolve the many problems facing Rule 21 wholesale interconnection procedures.

In order to avoid disputes regarding interconnection delays by SCE or CAISO, the eighteen-month COD deadline should commence upon completion of the Interconnection Agreement (IA) between the developer and SCE, rather than upon CREST PPA execution. Given that a completed SIS, or equivalent Fast Track progress, is an eligibility criterion under the PD, SCE should be able to produce the IA in a very timely manner for all eligible projects. Since current processes put SCE in sole control of the IA timing, however, IA completion is the fairest point, for all parties, to start the 18-month clock.

II. Conclusion

The Clean Coalition again applauds the Commission for its timely response to our motion. We hope that the above recommendations will ensure a fully functional CREST program in time to take advantage of the significant federal tax benefits discussed in our motion; and to deliver the associated economic benefits to the State of California starting in the coming weeks.

Respectfully submitted,

TAM HUNT

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October 31, 2011

VERIFICATION

I am an attorney for the Clean Coalition and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing pleading are true.

I declare under penalty of perjury that the foregoing is true and correct.
Executed this 31st day of October, 2011, at Santa Barbara, California.

Tam Hunt

A handwritten signature in black ink, appearing to read 'TH' followed by a long horizontal stroke.

Clean Coalition