

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Integrate
and Refine Procurement Policies and
Consider Long-Term Procurement Plans.

Rulemaking 12-03-014
(Filed March 22, 2012)

**Clean Coalition Technical Comments on Long Term Procurement Planning (LTPP)
Scenarios**

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Pursuant to the schedule established by the California Public Utilities Commission Energy Division, the Clean Coalition provides these technical comments on the Long Term Procurement Planning (LTPP) Scenarios.

I. 33% Renewable Portfolio Standard

The Clean Coalition will be making more extensive comments on the 33% RPS from a policy perspective on October 1st. As discussed at the August 24th workshop, these scenarios are designed to meet the 33% RPS goal exactly. The Clean Coalition is concerned that even under the best of circumstances, the 33% RPS will not be met, which we believe should be of utmost priority. Our recommendation (as was discussed at the August 24th workshop) is that the staff include a buffer in each scenario to ensure a high probability of reaching or exceeding the RPS goal by 2020 in alignment with ongoing RPS trajectories toward the State's stated future goals, including 80% by 2050.

II. Question 4: Is it appropriate to group renewable resources such as geothermal or biomass in with conventional generators for purposes of estimating resource retirements?

The Clean Coalition is a strong advocate for renewable resources; most notably the wholesale distributed generation (WDG) market segment. In order for any renewable resources to be given appropriate consideration, the Clean Coalition recommends that renewable resources be distinguished from conventional generators for the estimation of resource retirements, but with both quantities included the overall total. This recommendation is made with the

expectation that the distinction of resources will assist this Commission in fully appreciating their contribution and benefits. All possible scenario outcomes should include rigorous use of renewables aside from conventional generation, with the recognition that the aggregate impact of retirement must account for any and all generation, even when there are the separate categories of facilities.

Keeping these categories distinct will also ensure that future policy and planning can prioritize delaying potential renewable retirements over delaying conventional retirements. If planned retirements exclude renewable retirements, then that exclusion will understate the total resource impact. Inclusion of renewables without separation may lead to unrecognized offset of renewable procurement by renewable retirements, thus overstating the net renewable resources.

Lastly, the Clean Coalition wishes to ensure that any proposed incentives to delay retirement are fully available to potentially retiring renewable facilities, not just conventional plants. Such incentives should be offered with respect to the preferred loading order.

III. Question 6: Please provide a prioritization of staff's proposed scenarios and portfolios, and briefly (no more than 1 page) explain the rationale for this prioritization.

In general, prioritization should be given to the scenarios that include a high probability of meeting state goals such as the 33% RPS and the 12,000 MW DG goal. Other factors in prioritization should include practicality and feasibility as well as cost effectiveness in relation to maintaining RPS trajectory deployments, siting/permitting, transmission dependencies and related risks, all of which encourage the use of the high DG and No New DSM scenarios in this context. Increasing the priority of the scenarios with high preferred resource use in the LTPP process not only increases the effective priority and use of preferred resources within Commission planning but also provides a more stark comparison to the status quo. This is important in further highlighting the benefits that preferred resources provide. The LTPP proceeding should examine the implications of prioritizing scenarios to not only ensure that planning for the scenario is effective but to also make certain that necessary changes in policy are made to facilitate moving the scenario forward.