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Angela Gould
Energy Specialist, Renewable Energy Department
California Energy Commission
1516 9th Street
Sacramento, CA 95814

Dear Ms. Gould:

Centennial West Clean Line LLC (Clean Line) appreciates the opportunity to submit comments to the California Energy Commission (CEC) on its 33 Percent Renewables Portfolio Standard (RPS) Regulations for Publicly Owned Electric Utilities (POUs). As a developer of interstate, high-voltage direct current (HVDC) transmission lines, Clean Line endorses a regulatory framework under which POUs can comply with the 33 percent RPS in a transparent, accountable, nimble and cost-effective manner. The Centennial West Clean Line transmission project will enable POUs to achieve these goals by providing access to some of the best renewable energy resources in the country.

California's POUs vary greatly from one to another, and from the Investor Owned Utilites (IOUs) of the state. Regulations and procedures for POUs must therefore attempt to balance the need for consistency and accountability in RPS implementation with the particular needs of POUs. This balance can be achieved by creating RPS regulations and procedures that promote broad options for POUs to achieve the 33 percent requirement. One method to do this is through procurement plans. Procurement plans for IOUs are often structured toward in-state generation, even when out-of-state sources have a first point of interconnection with a California balancing authority or otherwise qualify under the first tier in the RPS statutes. Any POU procurement plan requirements should avoid furthering this disparity.

The POUs in California must also address cost and reliability concerns as they meet the RPS standard. In order to keep costs down, POUs should contract with generators in the best renewable resource areas available, which in some cases fall outside the state of California. Additionally, out-of-state renewable energy can often be sited and permitted at a lower cost than generation within the state. Drawing energy from a geographically diverse portfolio of projects also reduces the risk of local climatic or weather patterns causing a significant drop in renewable energy production, as might occur if projects are concentrated in one area.

Portfolio content categories and RPS eligibility requirements also represent an opportunity to provide increased choice for POUs. As CEC develops definitions for these topics, it should ensure that any properly verified generation meeting RPS statutory requirements is not unduly disadvantaged in the final POU RPS regulations and procedures, regardless of its location. By offering

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POUs broader choice for compliance with the RPS, without violating any statutory requirements, the CEC can promote competition and keep electricity costs low for California consumers.

Sincerely,

Jimmy Glotfelty
Executive Vice President for External Affairs, Clean Line Energy Partners
jglotfelty@cleanlineenergy.com