

RPS Standards

On October 7, 2015, Governor Brown signed Senate Bill 350 (De Leon and Leno), the Clean Energy and Pollution Reduction Act of 2015, which increased from 33 percent by 2020 to 50 percent by 2030 amongst other clean-energy initiatives. Many details related to SB 350 implementation will be developed over time with oversight by designated regulatory agencies. However, it is reasonable to assume that interim annual renewable energy procurement targets will be imposed on CCAs and other retail electricity sellers to facilitate progress towards the 50 percent procurement mandate for planning purposes.

In September of 2018, Governor Brown signed into law SB 100, which calls for all electricity supplies in the State to be “carbon-free” by 2045. The legislation is important for all LSEs in that it tightens the RPS targets even from SB 350. While the PCC categorization has not been determined, the overall targets in SB 100 are as follows:

- 50% eligible renewable energy by 2026
- 60% eligible renewable by 2030
- 100% carbon free by 2045 (note “carbon-free” vs. “renewable”).

For the purposes of meeting the RPS, what qualifies a resource as renewable varies by the resource’s location and type of contract. Resources which have their first point of interconnection, or are delivered directly to the California grid (Balancing Authorities within California) and are contracted for by the LSE as energy bundled with their renewable energy credits (RECs) qualify as Portfolio Content Category 1 (PCC1) resources. Resources which sell energy and RECs together, but are not necessarily connected to the California grid and not delivered simultaneously (i.e. the energy may be “shaped” into flat blocks of power) qualify as PCC2 resources. RECs sold independently of the energy produced qualify as PCC3 resources.

California's Newest Renewable Targets

Target Date	2017	2020	2026	2030	2045
RPS Goal	20%	33%	50%	60%	100% ¹
Year Passed	2002 (SB 1078)	2011 (SB 21X)	2018 (SB 100)	2018 (SB 100)	2018 (SB 100)

¹ 100% carbon free, 60% renewable.

WCE’s RPS goals

WCE intends to pursue a renewable supply portfolio that meets the required statute prior to its implementation date of 2020 and 2030. This includes exceeding both the RPS mandate and SCE’s forecast for overall renewable portfolio percentage and **using only PCC1 and PCC2 qualified renewables to meet the mandate.** The basic retail offering will meet these objectives. In addition, WCE will offer a 100% renewable option available at a premium rate.

WCE plans to, at a minimum, meet the state RPS. WCE plans to meet the minimum RPS requirements while maintaining rate discounts from SCE rates, and offer local programs.