

Baumb, Nelly

From: Phil Metz <philmetz@gmail.com>
Sent: Monday, August 17, 2020 11:11 AM
To: Council, City
Subject: Oppose: Staff & UAC Recommendations for Amending the City's Electric Supply Portfolio Carbon Neutral Plan

CAUTION: This email originated from outside of the organization. Be cautious of opening attachments and clicking on links.

I urge the City Council to reject the staff recommendations 1) b. and 1) c. to authorize the exchange and purchase of unbundled RECs ("Bucket 3 RECs")

These recommendations focus on electricity revenue and cost, not renewable energy, and by driving us toward greater use of "Bucket 3 RECS" – which do nothing to make our electric energy supply more renewable (which is why Bucket 3 RECs are cheap!) – would actually impede the City's ability to reduce GHGs.

Instead, the City should focus its renewable energy efforts on actually generating renewable energy, reducing energy consumption, as well as on electricity supply resilience and emergency response.

RECs (renewable energy credits) are financial instruments – NOT energy. They do not increase the renewable character of the City's electricity supply. And Bucket 3 RECs do not even need to be associated with electricity scheduled in the same year as the RPS-eligible generation.

(https://www.cpuc.ca.gov/RPS_Procurement_Rules_50/) That is why Bucket 3 RECs are disfavored by the State. So, recommendation 1) a. that the City use an hourly carbon emissions standard is bogus if the City seeks to accomplish this by purchasing Bucket 3 recs.

These recommendations are not renewable and do nothing to enhance the resilience of the City's energy supply or our ability to provide energy in an emergency.

We need a renewable energy plan that actually generates renewable energy and reduces electric energy consumption. That will reduce GHG production AND increase resilience and enhance emergency response.

Sincerely,

Phil

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Baumb, Nelly

From: Phil Metz <philmetz@gmail.com>
Sent: Friday, August 21, 2020 2:41 PM
To: Council, City
Subject: Oppose: Staff & UAC Recommendations for Amending the City's Electric Supply Portfolio Carbon Neutral Plan

CAUTION: This email originated from outside of the organization. Be cautious of opening attachments and clicking on links.

I urge the City Council to reject the staff recommendations 1) b. and 1) c. to authorize the exchange and purchase of unbundled renewable energy certificates (“Bucket 3 RECs”).

These recommendations focus on electricity revenue and cost, not renewable energy, and by driving us toward greater use of “Bucket 3 RECS” – which do nothing to make our electric energy supply more renewable– would actually impede the City’s ability to reduce GHGs.

Instead, the City should refocus its renewable energy efforts on actually generating renewable energy, reducing energy consumption, as well as on electricity supply resilience and emergency response.

Bucket 3 RECs will not increase the renewable character of the City’s electricity supply because they are financial instruments – not renewable energy. That is one reason why California has limited Bucket 3 RECs to less than 10% of the RPS portfolio and why “Bucket 3 RECs will be treated [by CA] as having an emissions intensity equivalent to generic market power purchases...” (Staff Report p.5).

In addition, using Bucket 3 RECs would make a mockery of recommendation 1) a. “that the City establish an hourly carbon emissions standard”: Bucket 3 recs do not need to be contemporaneous with the generation from which they have been “unbundled” (https://www.cpuc.ca.gov/RPS_Procurement_Rules_50/), so an hourly carbon emissions standard based on Bucket 3 RECs is an oxymoron.

And the challenge is not one of communication “to explain to customers that the “unspecified sources of power” on their PCL actually represent out-of-state renewable resources...” (Staff Report p.5). The challenge is actually generating renewable electricity. But Bucket 3 RECs do not do that. In fact, the Pinkel & Weinrub document cited as the source of Figure 2 of Attachment C in the Staff Report, the diagram illustrating the difference between bundled and unbundled RECs, says, “Schemes which give the appearance of replacing fossil-fuel electricity with renewable electricity, but which don’t accomplish that end, actually retard that transition. The use of low quality voluntary RECs simply to claim new renewable electricity generation is one such false scheme...Both (unbundled) RECs and carbon offsets...represent an ideological commitment to global market expansion and increased accumulation of capital, not to addressing social, economic and environmental challenges...in both cases it is difficult, if not impossible to verify additionality [an environmental benefit that would not otherwise have occurred].” (Pinkel & Weinrub, p.10-11)

Recommendations 1) b and 1) c do not deliver renewable energy and do not enhance the resilience of the City’s energy supply or our ability to provide energy in an emergency.

Instead, we need a renewable energy plan that actually generates renewable energy and reduces electric energy consumption. That will reduce GHG production AND increase resilience and enhance emergency response.

Sincerely,

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