

Inconsistent GHG and RE Accounting Policies and the Western EIM

Todd Jones

Director, Policy and Climate Change Programs
Center for Resource Solutions

Western EIM Regional Issues Forum

June 18, 2019
Folsom, CA



CRS

center for
resource
solutions

Inconsistency between state programs is affecting the EIM.

Source-based vs. load-based



CRS

center for
resource
solutions

WESTERN U.S. POLICY LANDSCAPE



Load-based policies



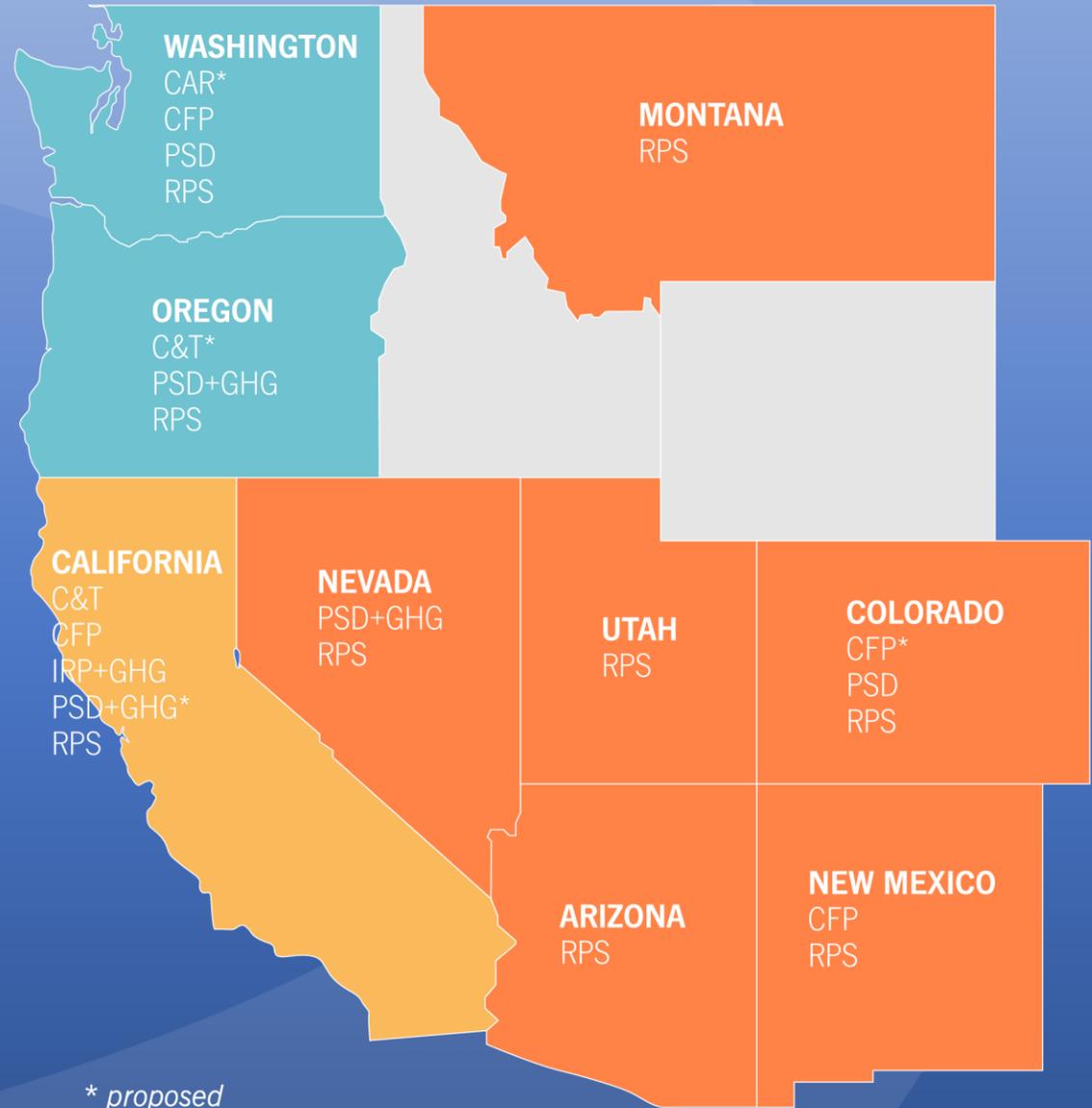
Load-based (and possible source-based) policies



Both load-based and source-based policies

POLICIES

C&T	Cap and Trade
CAR	Washington Clean Air Rule
CFP	Carbon-Free Power
IRP + GHG	Integrated Resource Planning With GHG targets
PSD	Power Source Disclosure
PSD + GHG	Power Source Disclosure + GHG Emissions Disclosure
RPS	Renewable Portfolio Standard



CRS

center for
resource
solutions

The Disconnect between the Market and State Policy

- You can have both source-based and load-based policies with an organized market.
- All load-based policies require a tracking instrument.
- It's okay to have a separate system for tracking attributes.
- Negative impact on the market from load-based state policies are due to policy design (e.g. market boundaries, bundling requirements), not the accounting instrument (e.g. the REC).



Inconsistency between state programs is affecting the EIM.

Example: California's Imports Policy for Cap-and-trade

- CA's assignment of emissions (attributes) to imported power without requiring the RECs for RE raises double counting concerns.



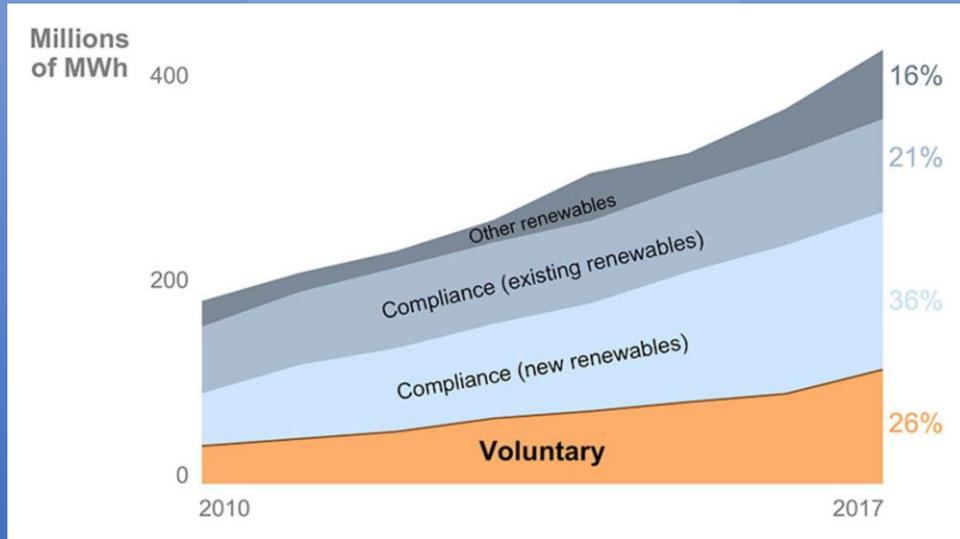
Wind facility in WA exports power to CA and the REC stays in WA

The same RE is serving load in both WA and CA, and there are discrepancies between programs in both WA and CA.

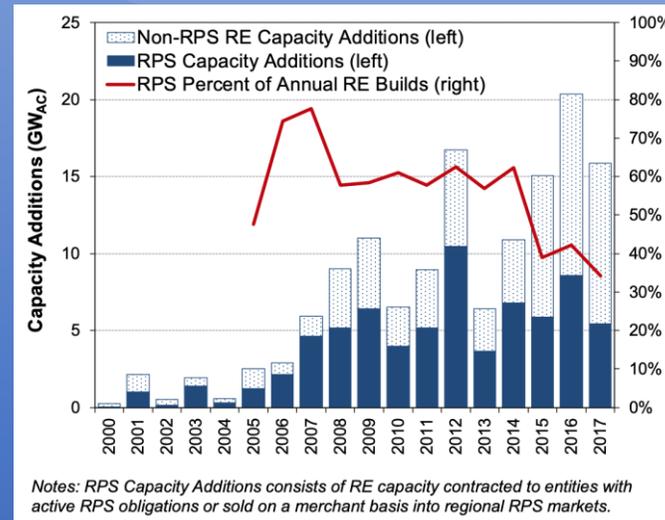
- WA RPS (through 2030) – renewable
- WA CETA – REC may not be eligible due to CA MRR
- CA PSD (proposed) – not renewable, no REC
- CA MRR – renewable EF, no compliance obligation



The Voluntary RE Market

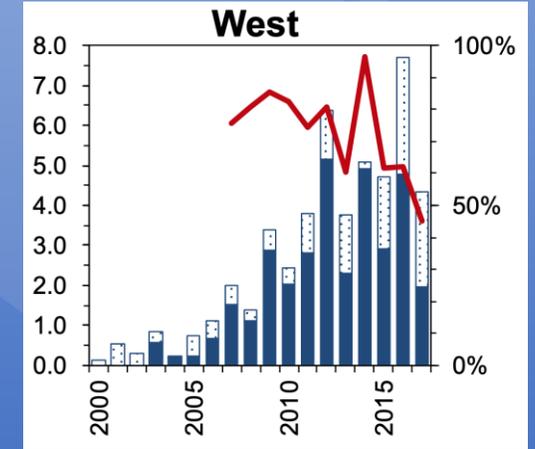


Source: National Renewable Energy Laboratory



Notes: RPS Capacity Additions consists of RE capacity contracted to entities with active RPS obligations or sold on a merchant basis into regional RPS markets.

Source: Lawrence Berkeley National Laboratory



Over 300 facilities and over 9,500 MW of installed capacity in the WECC served the Green-e[®] voluntary market in 2017, with over 7.4 million MWh of supply.



CRS

center for resource solutions

Inconsistency between state programs is affecting the EIM.

Example: California's Imports Policy for Cap-and-trade

- CA's imports policy is affecting load-based policies.

Inconsistency between state programs is affecting the EIM.

2 problems:

1. Inconsistency between load-based policies in terms of tracking instrument used.
2. Smaller state program boundaries.

The right policies are those that don't double count, match market boundaries, and make an incremental difference.



Contact

Todd Jones

Director, Policy and Climate Change Programs

todd.jones@resource-solutions.org

415-561-2118



CRS

center for
resource
solutions

NOTICE: This presentation is the copyrighted property of Center for Resource Solutions (CRS). It cannot be copied, reprinted or used in any way without permission of CRS. If you wish to obtain permission to use our copyrighted materials, please contact CRS at +1-415-561-2100 or info@resource-solutions.org