Attachment 2



### PASADENA WATER AND POWER

ATTACHMENT 2

# City of Pasadena Department of Water and Power Renewable Portfolio Standard ("RPS") Procurement Plan

*Pursuant to the RPS Enforcement Program Adopted by the City Council on December 10, 2018* 

December 10, 2018

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City of Pasadena Department of Water and Power Renewable Portfolio Standard ("RPS") Procurement Plan<sup>1</sup> Pursuant to the RPS Enforcement Program Adopted by City Council on December 10, 2018

### EXECUTIVE SUMMARY

On January 29, 2018, the City Council approved PWP's RPS Procurement Plan to comply with Senate Bill 350 ("SB 350") (De León, Clean Energy and Pollution Reduction Act of 2015). SB 350 increases the state-wide RPS to 50%<sup>2</sup> by 2030. SB 350 also requires the development of an Integrated Resource Plan (IRP) and this Procurement Plan incorporates recommendations from the 2018 Power IRP. However, on September 10, 2018, SB 100 was signed into law, which mandates a 60% RPS by 2030 and sets a planning target of 100% zero carbon resources by 2045. The main changes in this revised RPS Procurement Plan include:

- 1. Annual renewable energy targets will reflect reasonable progress in the intervening years between RPS milestones, and will be set at the greater of (i) the voluntary City of Pasadena RPS goal, or (ii) the State of California RPS goal of SB 100;
- Pursuant to SB 350 and the City of Pasadena RPS Enforcement Program (herein after also referred to as the "RPS Enforcement Program"), Pasadena Water and Power ("PWP") will incorporate the most recent RPS Procurement Plan into future iterations of the IRP;
- 3. The following changes in Pasadena's contracted RPS resources are reflected in this RPS Procurement Plan:
  - a. Update to potential contracts, as presented in the 2018 Power IRP

<sup>&</sup>lt;sup>1</sup> This RPS Procurement Plan describes the intended strategy of the Pasadena Water and Power department to comply with the Renewable Portfolio Standard requirements of California Senate Bill X1-2 ("SBX1-2"), Senate Bill 350, and the RPS Enforcement Program adopted by the Pasadena City Council on January 29, 2018. The RPS Enforcement Program and this RPS Procurement Plan incorporate the regulations established by the California Energy Commission (aka "CEC") regarding Public Utilities Code Section 399.30 (I), as such interpretations of the law are codified in the California Code of Regulations, Title 20, Division 2, Chapter 13, Sections 3200 through 3208, and in Title 20, Division 2, Chapter 2, Article 4, Section 1240. It is important to note that this RPS Procurement Plan addresses not only California's State-wide RPS requirements, but the City of Pasadena's own voluntary RPS goal, as affirmed in the 2015 Integrated Resource Plan Update.

<sup>&</sup>lt;sup>2</sup> 50% of Retail Sales as explained below.

- b. Given the number of variables and uncertainties related to actual resource performance and net retail load, it is very difficult to precisely match the amount of renewable energy procured for each year to the RPS requirements. PWP's RPS portfolio optimization strategy to achieve the target RPS at the lowest cost to Pasadena customers includes:
  - To the extent available, maximizing the use of lower cost categories (e.g., PCC 2 and PCC 3), within resource balancing requirements, to meet the target RPS goals.
  - Limiting the amount of renewable energy and RECs that are actually retired in each PCC each year to the targeted amount. Any surplus is carried over to the following year(s), as long as the RECs can be retired within 36 months of generation.

### PORTFOLIO CONTENT CATEGORY ("PCC") REQUIREMENTS

The CEC has developed Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities, which specify rules and procedures for compliance with the provisions of the California Public Utilities Code as modified by SBX1-2, SB 350 and SB 100. This Plan is consistent with the latest version of the CEC Enforcement Procedures<sup>3</sup> and the City of Pasadena RPS Enforcement Program.

The following categories of the renewable resources may be used to meet statutory RPS procurement targets. These categories are defined in the City of Pasadena RPS Enforcement Program and CEC Enforcement Procedures.

### PCC 0

Resources procured prior to June 1, 2010. The Total RPS requirement, minus the grandfathered PCC 0 resources that count in full will result in a "Net" RPS requirement, against which the other PCC percentages apply ("Net Procurement Requirement").

### PCC 1

Eligible renewable energy resource electricity that meets the requirement of "in-state," or "out-of-state" resources scheduling power directly to a California balancing authority in accordance with Public Utilities Code section 399.16(b)(1);

### PCC 2

Resources located outside of a California balancing authority that may be delivered at times or locations other than when the energy is actually produced, in accordance with Public Utilities Code Section 399.16(b)(2); and

<sup>&</sup>lt;sup>3</sup> California Energy Commission: "<u>Enforcement Procedures For The Renewables Portfolio Standard For Local Publicly Owned Electric Utilities</u>," Amended Regulations, Title 20, Division 2, Chapter 13, Sections 3200 – 3208, Title 20, Division 2, Chapter 2, Article 4, Section 1240; Effective April 2016 - CEC-300-2016-002-CMF; and <u>Pre-Rulemaking Amendments to the Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utility</u> (Sections 3200 through 3208)

#### PCC 3

Eligible renewable energy resource electricity products or any fraction of the electricity generated, including unbundled RECs that do not qualify under the criteria of PCC 1 or PCC 2, in accordance with Public Utilities Code Section 399.16(b)(3).

The "Net Procurement Requirement" is the total RPS requirement minus the grandfathered PCC 0 resources, which count in full. PWP assigns eligible renewable energy resource electricity products to the appropriate PCC consistent with Section A.3 of the City of Pasadena RPS Enforcement Program and the CEC Enforcement Procedures, Section 3203.

Under the CEC's Enforcement Procedures, all local publicly owned utilities ("POUs") must show an increasing annual renewable energy procurement to demonstrate reasonable progress towards reaching the mandated 33% RPS target by calendar year 2020 and with the enactment of SB 100, 60% by calendar year 2030. PWP must procure a minimum quantity of electricity products from eligible renewable energy resources, including RECs, as a specified percentage of Retail Sales. Retail Sales is defined in the RPS Enforcement Program as sales of electricity by a POU to end-use customers and their tenants, measured in MWh minus energy consumption by a POU, electricity used by a POU for water pumping, or electricity produced for onsite consumption (self-generation). Annually, PWP uses approximately 16 GWh<sup>4</sup> (or about 1.6% of total load) of electricity for water pumping. SB 350 further clarifies that Retail Sales may exclude sales to customers taking service under the optional Green Power Option or any shared renewable generation program to achieve the following targets.

<u>Table 1</u> summarizes the renewable energy procurement requirements under the CEC Enforcement Procedures, Pasadena's own RPS Enforcement Program and the potential requirements under SB 100 (the SB 100 requirements are estimates, as the CEC Enforcement Procedures have not been updated for SB 100 compliance).

<sup>&</sup>lt;sup>4</sup> 1GWh = one GigaWatthour = one million KiloWatthours

Pasadena Water & Power California Energy Commission-Compliant RPS Procurement Plan Requirements by Calendar Year								
		oliance iod 3	Compliance Period 4	Compliance Period 5	Compliance Period 6	Compliance Period 7+		
California RPS Mandatory	YEAR	%						
Procurement Requirement (% of Net Retail Sales) <sup>[1] [2]</sup>	2017	27.0%	44% by	52% by	60% by	2031+		
(70 of Net Netall Gales).	2018	29.0%	12/31/2024	12/31/2027	12/31/2030	(3 year blocks)		
	2019 31.0%							
	2020 33.0%							
PCC 1 Minimum:	≥75% of Net Procurement Requirement							
PCC 2 Maximum <sup>[3]</sup> :	≤25% of Net Procurement Requirement							
PCC 3 Maximum:	≤10% of Net Procurement Requirement							
Long-Term Contracts: (at least 10 years duration)	N/A At least 65% of contracts must be long-term contracts (at least 10 years in duration)							

### Table 1 - Renewable Resource Categories and State RPS Requirements

<sup>[1]</sup> As specified in the California Energy Commission Guidebook and California Energy Commission Enforcement Procedures.

<sup>[2]</sup> Net Retail Sales is defined as Total Retail Sales minus Department usage including Water Department pumping load.

<sup>[3]</sup> The PCC 2 constraint is not specified by law, but is derived logically as the maximum residual given the PCC 1 and PCC 3 constraints.

For a customer participating in the Green Power Option or any shared renewable generation project, the RECs associated with electricity credited to such customer under the program will not be used by PWP for compliance with state mandated RPS procurement requirements. The RECs will be retired on behalf of the participating customer, and may not be further sold, transferred, or otherwise monetized for any purpose. Under these programs, PWP will seek to procure generation from eligible renewable energy resources that are located in reasonable proximity to participants to the extent possible.<sup>5</sup>

Details of the above requirements can be found in the CEC's <u>Enforcement Procedures</u> for Local Publicly Owned Utilities and <u>Pre-Rulemaking Amendments to the Enforcement</u> <u>Procedures</u>.

## **RPS PROCUREMENT PLAN**

#### SUPPLY VS. LOAD

This Plan is consistent with the renewable energy procurement guidelines recommended by the 2018 Power IRP. The PWP 2018 Power IRP was designed to strike a balance between environmental regulatory compliance and system reliability while maintaining stable and affordable retail electric rates. It also complies with the requirements of both SB 350 and SB 100. The 2018 Power IRP projects that PWP's Retail Sales show a slight increase, due to increased transportation electrification (TE) efforts and new planned projects. From 2018-2024, there is a gap between the gross and net forecast due to demand response (DR), energy efficiency (EE) and distributed generation. This trend is shown in Figure 1.

<sup>&</sup>lt;sup>5</sup> <u>PUC Section 399.30(c)(4)</u>



Figure 1 – 2018 IRP Update Load Projection

Though the mandates of SB 100 require POU's to procure 60% of its retail needs through renewable power, by 2030, we must strike a balance of meeting this need, but being mindful of our reliability mandates and stranded investment. PWP has no need to procure more power until 2025, with the retirement of the Intermountain Power Plant (IPP) and the two year conversion of the plant to a natural gas plant. Securing additional renewable before then will cause over-generation and over-procurement. Although a sizeable portion of this additional renewable energy can be accommodated by curtailing the use of some long term resource contracts that have flexibility (energy above the take or pay obligation) and through reductions in short term energy purchases, some of the new renewable resources are still in excess of the City's needs.

Private use restrictions on generation projects financed with municipal bonds, and on the sale of power from the federally-owned and operated Hoover power project, generally require that these projects be dedicated to serving PWP load, and not resold to others. IPP is expected to be repowered with a smaller natural gas-fired project of 1,200 MW or less in the year 2025. Much of the shortfall in capacity and energy after that date is planned to be fulfilled with renewable energy resources. Until such time, meeting all legal and regulatory requirements while managing the potential oversupply of energy in PWP's portfolio may be challenging. The use of RECs without associated energy to the maximum extent allowed helps reduce the potential oversupply. In addition, bundled RPS products with index-priced energy provide an important hedge by ensuring that PWP will pay and be paid the market price for the equivalent amount of any over-supplied energy it may

have to sell if total resources exceed the amount necessary to serve load. To mitigate a variety of risks, PWP will seek to ensure an appropriate mix of various RPS and traditional generation products as part of a diversified power supply portfolio.

#### COMPLIANCE STRATEGY

PWP starts with a projected load forecast based on actual historical loads, assuming modest load growth for planned projects and transportation electrification, offset by expected distributed generation, demand side management and projected energy efficiency savings. The PWP RPS Procurement Requirement is calculated by multiplying the load forecast for each year (in GWh<sup>6</sup>) by the required annual RPS percentage for that year to come up with the amount of renewable energy (in GWh) required by year (the annual "RPS Total Procurement Requirement").

Next PWP subtracts from the annual RPS Total Procurement Requirement the amount of energy that is expected to be delivered from the existing resources procured by PWP by PCC and Compliance Period. First are the existing, grandfathered contracts in PCC 0. The resulting number is the RPS "Net Procurement Requirement."

In addition to long term contracts, PWP purchases short-term RECs as allowed to meet the State's RPS requirements as well as the City's voluntary RPS goals.

### BALANCED PORTFOLIO

After determining the amount of energy already procured in each year and in each PCC or, PWP must determine the amount of RPS Procurement still required in each PCC and year. This requires a calculation of the RPS procurement constraints reflected in <u>Table 1</u>: PCC 1 Minimums and PCC 3 Maximums (percentages multiplied by Net Procurement Requirement), and a comparison of annual energy procurement against these constraints to determine if future compliance targets (or obligations) will require additional purchases of PCC 1 resources, or will limit purchases of PCC 3 resources. The final calculation is the net short evaluation: If the sum of existing contracts is less than the total required RPS Net Procurement Requirement energy for the year, the difference is the amount that must be procured, and allocated to the Categories according to the constraints. Any surplus renewable energy and/or credits in a year may be carried over into the following year, and the RPS Net Procurement Requirement adjusted accordingly.

In addition to balancing between PCCs and Compliance Periods, PWP must consider the right mix of resources to fit PWP's portfolio and load as it evaluates RPS proposals. This means selecting some base-load projects, such as geothermal and landfill gas, and some variable/peaking projects such as wind and solar. It also means weighing the right mix of contract durations (long vs. short, within statutory limits) and counterparties to diversify and spread the risk of contract expiration and potential contract failure. SB 350 imposes a minimum percentage of long-term contracts. Starting with the 4<sup>th</sup> Compliance Period (2021-2024) and for all subsequent compliance periods, 65% of PWP's renewable

<sup>&</sup>lt;sup>6</sup> 1GWh = one GigaWatthours = one million KiloWatthours (KWh)

resources must come from either owned resources or contracts that are at least 10 years in duration.

#### **PWP'S VOLUNTARY IRP RPS STRATEGY**

Above and beyond the mandatory RPS Procurement amount required under SB 350 and SB 100, PWP's target of 40% RPS by 2020, set by City Council, dictates the additional procurement of renewables. This incremental amount does not need to be in any particular PCC. Beginning in 2023, the state mandated targets (estimated) under SB 100 exceed the voluntary RPS, and PWP's procurement will no longer be based on the voluntary targets. PWP looks for opportunities to procure incremental renewable resources that are economical, reliable, and a good fit for the portfolio of resources. Resources located within the State of California and CAISO SP15<sup>7</sup> typically score higher in PWP's resource evaluation due to lower transmission and congestion costs, the potential availability of local resource adequacy capacity and higher market value for the energy

#### **PWP's RPS PROCUREMENT PROCESS**

Because PWP is a relatively small municipal utility, it solicits most of its long-term renewable resources through open Requests for Proposals conducted by its joint powers authority, SCPPA<sup>8</sup> ("SCPPA RFP" – see sample <u>SCPPA Request for Proposals for Renewable Energy Resources</u>). This allows PWP (and other SCPPA members) to purchase the output of portions of multiple diverse projects and gain economies of scale, rather than limit the projects that they would be capable of participating in due to the comparatively small demand of most of the individual utilities. PWP anticipates dividing its outstanding RPS procurement between base-load and peaking renewable resources, and seeking some long-term and some mid-term contract lengths. In this case, PWP defines long-term as ten years or longer, and mid-term as five to ten years. PWP may procure some RECs and/or PCC 2 products with shorter tenures. PWP will also seek products with energy pricing tied to electricity market indices as well as fixed-priced.

The SCPPA RFPs are considered an open and "rolling" solicitation, generally issued in January, with responses accepted through December of each year. The SCPPA RFP solicits proposals for power purchase agreements with and without ownership options, and also invites energy storage and other innovative proposals. PWP initially screens prospective renewable resource proposals received through SCPPA and through direct contact with renewable project developers based on the levelized offer price (\$/MWh) for resources with a project size and proposed delivery period that matches PWP's procurement targets. For larger projects, joint participation with other SCPPA members may be desirable to obtain the best project economics and contract terms.

 <sup>&</sup>lt;sup>7</sup> SP15 is the California Independent System Operator's South of Path 15 zone, where resources that are deliverable to Pasadena load, with the least congestion and losses, and the highest probability of providing local area reliability capacity, are most likely to be located. Assuming price parity, such resources would be the most valuable to PWP.
 <sup>8</sup> SCPPA = <u>Southern California Public Power Authority</u>, which includes the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles Dept. of Water & Power, Pasadena, Riverside, Vernon, and the Imperial Irrigation District.

#### QUANTITATIVE ANALYSIS

From the short-list of projects that pass the initial screening, PWP evaluates and compares proposals to identify the "least cost/best fit" opportunities. Best fit analysis considers PWP's projected needs in light of its existing portfolio of generating resources and contracts. Considerations include, for example: RPS targets and other regulatory requirements, grid and local area reliability needs, projected load and generation profiles, the estimated commercial operation or contract start date, and proposed contract term (duration). Variables can include:

- Generation cost and market value at the point of delivery;
- Time-of-delivery value;
- Capacity value (if any);
- Ancillary<sup>9</sup> service value (if any);
- Value of environmental attributes by PCC;
- Costs of integrating variable generation technologies; and
- Incremental transmission costs (if any), excluding current CAISO loadbased transmission access and grid management charges.

#### QUALITATIVE ANALYSIS

In addition to the quantitative evaluation, PWP performs a qualitative evaluation, using a process similar to that employed by California investor-owned utilities to rate project viability. Project viability refers to:

- Project owner/development team experience developing, owning, operating and/or maintaining similar projects;
- Technical feasibility:
  - The proposed resource must be a commercialized technology in use at other operating facilities of similar or larger capacity;
  - Must meet the California Emission Performance Standard;
  - Must be pre-certified by the CEC as an eligible renewable resource;
  - The proposal must include high quality resource production profile estimates;
  - There should not be any known or anticipated manufacturing supply chain constraints;
  - o Identified available water source and minimal water consumption;
- Development Milestones:
  - Site control;
  - Permitting;
  - Status of and ability to obtain financing;
  - Interconnection progress;
  - Transmission system and deliverability upgrade requirements/schedule; and
  - Reasonableness of proposed commercial operation or contract start date.

<sup>&</sup>lt;sup>9</sup> Ancillary Services are required to support the transmission of energy from generation resources to loads while maintaining reliable operation of the electric grid in accordance with regional reliability standards and good utility practice. Ancillary Services include Regulation, Spinning Reserve, Non-Spinning Reserve, Voltage Support and Black Start, each as defined in the CAISO Tariff.

In addition to project viability, PWP's qualitative evaluation also considers factors such as:

- Risk exposure diversification;
- Counterparty creditworthiness and willingness to post collateral;
- Resource flexibility and optionality;
- California's Energy Action Plan preferred loading order;
- Preference for previously disturbed and brownfield sites, or locations in designated Renewable Energy Zones; and
- Local and certified small or micro business preference.

### SUMMARY OF RPS PROCUREMENT PLAN

On the next page, is PWP's 2018 RPS Procurement Plan for meeting the RPS goals, with the appropriate PCC and RPS targets required under the CEC Enforcement Procedures. To optimize the portfolio and minimize costs, this plan assumes PWP retires only the amount of RECs required in each PCC in any particular year and carries over the remainder into future periods. The pending contracts listed below, refers to planned future contracts to meet compliance requirements. Some of these "planned contracts," are currently under negotiation while others are being planned for. The 2018 RPS Procurement Plan is an estimate only, to show PWP's intent to comply with SB 100.

When reviewing the 2018 RPS Procurement Plan, it is important to note the following:

- CP refers to "Compliance Period";
- CP 1 and CP 2 is shaded as the data is based on CEC compliance filings and is based on past data;
- CP 3, CP 4, CP 5 and CP 6 are based on PWP estimates;
- TBD is "To Be Determined" based on contract negotiations and the 2018/2019 Integrated Resource Plan; and
- "Planned" refers to projects that are under negotiation, or plan to be under negotiation in that CP.

			WD SR 10	DWD SR 100 DROCH REMENT DI AN						
Compliance Period (CP)					ŀ	CP 3	CP 4	CP 5	CP 6	CP 7
Calendar Year (CY)					⊢	2017-2020	2021-2024	2025-2027	2028-2030	2031-2045
Estimated PWP Adjusted Projected Retail Sales (GWh)	ales (GWh)				Η	4189.75	4263.60	3268.94	3 298.93	17233.99
					Η	CP3	CP4	CP5	CP6	CP7
Grandfathered Projects	Resource Type	Location	Online Year	Contract Term p (Years)	Sc			(GWh)		
Chiquita Cany on LFG	Landfill Gas	CA	2010	20	0	151.93	149.19	111.89	111.89	
Azusa Hydro	Small Hydro	CA	1933	Ownership	0	0.00	0.00	0.00	0.00	
Minnesota Methane LFG	Landfill Gas	CA	2007	10	•					
Milford Wind	Wind	UT	2009	20	0	42.60	41.00	30.75	20.50	
Iberdrola High Wind	Wind	CA	2003	20	•	50.33	38.91			
Heber South Geothermal (Ormat)	Geothermal	CA	2006	25	0	64.73	63.79	47.84	47.84	
Total Grandfathered Resources					_	309.59	292.89	190.49	180.24	
				Contract Lorm	_	CP3	CP4	CP5	CP6	CP7
Non-Grand fathered Projects	Resource Type	Location	Contract Year	(Years)	2 2			(GWh)		
Magnolia Biogas	Biogas	CA	2011	10						
Windsor	Solar	CA	2010	20		2.84	2.77	2.07	2.08	0.32
Columbia II	Solar	CA	2013	20	-	29.65	29.58	22.17	22.19	29.39
Kingbird Solar	Solar	CA	2013	20	1	236.50	236.22	177.03	177.21	354.42
Antelope Big Sky Ranch	Solar	CA	2012	25	1	70.61	72.58	54.39	54.45	199.61
Summer Solar	Solar	CA	2012	25	7	65.66	72.58	54.39	54.45	199.61
Puente Hills LFG	Landfill Gas	CA	2014	14	1	281.14	188.12	<u>96.08</u>	67.76	
Santa Clara (Silicon)	Various	WECC Region	2014	<1 year	1					
Tenaska	Various	WECC Region	2014	<1 year	1					
Painted Hills	Various	WECC Region	2016	<1 year		33.79				
Avangrid Trueup	Various	WECC Region	2016	<1 year	1	12.19				
Powerex city agreement 22,621	Various	WECC Region	2016	⊲1 year	<del>, 1</del>	70.00				
Powerex deal no. 12392 & 12396	Various	WECC Region	2017	<1 year		7.50				
Avangrid	Various	WECC Region	2017	<1 year		81.00				
Powerex 11-year deal	Various	WECC Region	2018	>=10 years		70.00	280.00	210.00	210.00	
Generic Solar 1	Solar	CA	TBD	TBD	-		139.48	208.92	209.13	627.17
Generic Solar 2	Solar	CA	TBD	TBD	н		139.48	208.92	209.13	627.17
Generic Solar 3	Solar	CA	TBD	TBD	1		139.48	208.92	209.13	627.17
Generic Solar 4	Solar	CA	TBD	TBD	1			69.64	209.13	905.94
Generic Solar 5	Solar	CA	TBD	180					209.13	975.58
Generic Solar 6	Solar	CA	TBD	TBD	-					1045.42
Generic Wind 1	Wind	WECC Region	TBD	TBD	1					827.57
Generic Wind 2	Wind	WECC Region	TBD	TBD	<b>-</b> -					708.10
Additional Potential PCC1 Purchase/(Sale)	TBD	TBD	TBD	TBD	-		54.71			1470.42
Juniper 062014	Various	WECC Region	2014	<1 year	2					
Leaning Jup 092914	Various	WECC Region	2014	<1 year	2					

### **RPS PROCUREMENT PLAN LIMITATIONS AND RELIEF**

Section E of the City's RPS Enforcement Program notes that PWP will use its best efforts to procure adequate supplies of renewable energy as set forth in this RPS Procurement Plan; however, PWP will at all times maintain system reliability and maintain average procurement costs for retail electric sales in accordance with the approved budget and retail electric rates approved by the City Council. California law recognizes that adverse situations beyond PWP's control may arise and prevent PWP from fulfilling the RPS Procurement Targets in a timely manner and consistent with such limitations.

In the event PWP discovers that such conditions, as specified in the City's RPS Enforcement Program, may potentially prevent PWP from meeting the RPS Procurement Targets set forth in the RPS Enforcement Program, PWP will notify the City Council of the adverse conditions and apply to the CEC for relief. If appropriate, PWP may submit a revised RPS Procurement Plan for discussion, approval and implementation.

The CEC may reduce a procurement requirement to the extent PWP demonstrates that it cannot comply because of conditions beyond its control<sup>10</sup>. However, the CEC may not, under any circumstance, reduce the procurement obligation of PCC 1 below 65 percent for any compliance period obligation after December 31, 2016.

PWP expects to fully comply with both the City's voluntary and the State of California's mandatory RPS requirements. PWP does not recommend taking advantage of this provision or other optional compliance measures detailed in the City's RPS Enforcement Program at this time.

#### VERSION HISTORY

- VERSION 1: Initially Adopted- July 22, 2013
  - New mandate to comply with SBX1 2
- VERSION 2: Amended- June 1, 2015
  - Include updates on contracts and other processes
- VERSION 3: Amended- January 29, 2018
  - Show compliance with SB 350
  - Include updates on contracts and other processes
- VERSION 4: Amended- December 10, 2018
  - Show compliance with SB 100
  - Include updates on contracts and other processes, as recommended by the 2018 IRP

<sup>&</sup>lt;sup>10</sup> <u>PUC Section 399.15(5)</u>