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## Riverside Public Utilities - Comments on Rulemaking to Amend Regulations Governing the Power Source Disclosure Program

Additional submitted attachment is included below.



October 24, 2023 | Submitted electronically

California Energy Commission Docket No. 21-OIR-01 715 P Street Sacramento, CA 95814-5512

## RE: Rulemaking to Amend Regulations Governing the Power Source Disclosure Program

Riverside Public Utilities ("RPU") is pleased to provide feedback on the pre-rulemaking workshop on updates to the Power Source Disclosure ("PSD") program held on September 26, 2023. RPU appreciates the opportunity to work with California Energy Commission ("CEC") staff on this program.

RPU fully supports the Southern California Public Power Authority ("SCPPA") request to eliminate GHG emissions associated with geothermal resources on the Power Content Label ("PCL"). RPU believes that the inclusion of carbon emission levels to CEC-certified renewable geothermal is counter-productive and contributes to customer confusion for the following reasons:

- (1) The sites for most flash and steam geothermal power plants are locations where the resource is manifested at the surface. This includes hot springs, fumaroles, mud pots, steam vents and geysers. These features demonstrate the presence of a hot resource and suggest that there are already background levels of carbon naturally being released to the atmosphere at these locations. However, the assignment of carbon emissions measured solely at the plant does nothing to adjust for these natural background levels. Additionally, recent scientific research suggests that the naive assumption that geothermal power plant activities automatically increase carbon emission levels over time may not be correct.<sup>2</sup>
- (2) In the 2011 California Air Resources Board ("CARB") Regulation for the Mandatory Reporting of Greenhouse Gas Emissions ("MRR") process, CARB

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<sup>&</sup>lt;sup>1</sup> See <a href="https://www.energy.ca.gov/event/workshop/2023-09/staff-pre-rulemaking-workshop-updates-power-source-disclosure-regulations">https://www.energy.ca.gov/event/workshop/2023-09/staff-pre-rulemaking-workshop-updates-power-source-disclosure-regulations</a>

<sup>&</sup>lt;sup>2</sup> O'Sullivan, M., et all. 2021. Carbon Dioxide emissions from geothermal power plants. Renewable Energy, Vol 175, pp. 990-1000.

staff correctly recognized that geothermal resources do not use combustion to generate electricity and that the source of any fugitive GHG emissions is from the natural geothermal resource cycle. CARB recognized these issues during the development of section 95852.2 in their MRR. This section specifically deals with emissions without a compliance obligation and excludes compliance obligations for emissions from biogenic processes, biomass fuels and geothermal generating units. Likewise, the CEC's own implementation of California's Emissions Performance Standards explicitly exempts renewable electrical generation facilities, including geothermal facilities, from EPS regulations.

(3) As provided in SCPPA's PSD comment letter, California's efforts to increase the development of geothermal resources within the state are indisputable. These efforts include California's 100% Clean Energy Policy, the California Public Utility Commission's Mid-term Reliability procurement orders, the Department of Water Resources Central Procurement mandates, as well as the efforts of the California Lithium Valley Commission. Inclusion of GHG emissions associated with geothermal resources on the PCL is contrary to these efforts and could ultimately cause California public power to be less likely to contract for new geothermal resources.

Geothermal facilities have a well-established reputation for providing clean and sustainable energy within California and have been recognized as certified renewable energy resources by the CEC for many years. Including GHG emissions associated with geothermal resources on the PCL causes significant customer confusion, especially when a utility wishes to include a geothermal resource in a 100% Green Energy tariff.<sup>3</sup> In these instances, the PCL does not offer sufficient information to explain the differences (as listed above) between GHGs associated with RPS-eligible, baseload, renewable resources as opposed to those generated by combustion from fossil fuels. Additionally, it is not within the intent or scope of the PSD/PCL regulations to essentially create a de facto "public relations compliance obligation" for the utility when no actual compliance obligation exists. The inclusion of GHG emissions associated with geothermal resources on the PCL is both counter-productive and counter-intuitive and misrepresents the positive environmental impacts that geothermal facilities provide and the positive renewable energy progress that California utilities with significant amounts of geothermal resources under contract have achieved.

<sup>&</sup>lt;sup>3</sup> Riverside has now been impacted by this issue two years in a row. The utility offers a 100% Renewable Energy Tariff (100% RET) that specifically includes geothermal resources because a primary goal of this opt-in, optional program is to be able to serve our customers with dependable renewable energy on a 24x7 basis, 365 days of the year. However, this 100% renewable energy mix is labeled with a non-zero carbon intensity level on the PCL under the CEC's current GHG accounting methodology. This in turn has led to multiple customer inquiries asking if Riverside's 100% RET includes "hidden fossil-fuel energy".

Again, geothermal resources are well-established as serving a critical role in California's renewable energy future. However, the assignment of geothermal GHG emissions on the PCL creates customer confusion, misleads the public regarding their positive environmental impact, and serves as a disincentive for utilities to contract for these resources in the future.

The PCL should not function as a platform for documenting every non-covered renewable resource emission under CARB MRR (over which public utilities exert no influence). Rather, it should serve as a straightforward performance indicator, akin to a report card, charting a utility's journey towards emission reductions by shifting away from fossil fuel-based sources. This is consistent with the primary objective of the PCL.

As such, RPU stands with California public power in urging the CEC to eliminate GHG emissions associated with geothermal resources on the PCL.

Respectfully,

Todd Corbin

General Manager

Riverside Public Utilities