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RICHARD COLLINS
TOWN OF TIBURON



February 15, 2011

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Re: Marin Energy Authority Advice Letter No. MEA-001-CCA, Greenhouse Gas Emission Performance Standard Compliance Filing.

Dear Energy Division Tariff Unit,

Enclosed please find Marin Energy Authority's Greenhouse Gas Emission Performance Standard Compliance filing pursuant to Commission Decision 07-01-039. Please direct any questions to Ms. Elizabeth Rasmussen at (415) 464-6022 or by email to erasmussen@marinenergyauthority.org.

Very truly yours,

A handwritten signature in blue ink that reads "Jordis Weaver".

Jordis Weaver
Administrative Associate
Enclosures

Attachment 2

Compliance Filing for LSEs with Long-Term Financial Commitments

February 15, 2011

CA Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

Re: GHG Environmental Performance Standard (EPS) Compliance Filing 2011

Pursuant to Ordering Paragraph No. 4 of Decision (“D.”) 07-01-039, issued in R. 06-04-009 on January 25, 2007, the Marin Energy Authority submits this annual Attestation Letter affirming that the financial commitments the Marin Energy Authority has entered into for generation during the prior calendar year are in compliance with the greenhouse gas (“GHG”) emissions performance standard (“EPS”). Specifically, the Marin Energy Authority is in compliance with the EPS. Documentation supporting that compliance is provided below.

Effective Date: March 17, 2011

Tier Designation: Tier 2 Designation

Purpose

This Attestation Letter provides information and documentation required by D.07-01-039 for LSEs (electrical corporation, electric service provider, or community choice aggregator) with new long-term financial commitments (defined on Page 3 in Attachment 7 of D.07-01-039). This Attestation Letter demonstrates that for 2010 all financial commitments entered into by the Marin Energy Authority are compliant with the EPS.

Background

D.07-01-039 requires all Load Serving Entities (“LSEs”) to file annual Attestation Letters, due February 15th of each year, attesting to the Commission that the financial commitments entered into for generation during the prior calendar year are in compliance with the EPS. D.07-01-039 requires LSEs to file Attestation Letters as an advice letter and serve the Attestation Letter on the service list in Rulemaking (“R.”) 06-04-009. This Attestation Letter is filed pursuant to that process.

D.07-01-039 requires LSEs to include a listing of long-term financial commitments of five years or longer that they have entered into during the prior year. Note that long-term financial commitments can be compliant if any of the following apply:

- 1) not in a baseload powerplant;
- 2) generation using pre-approved renewable resource technology;
- 3) existing combined-cycle combustion turbine (in operation/or permitted to operate as of 6/30/07) with an increase in rated capacity less than 50 megawatts (MW);
- 4) net emission rate of each baseload facility underlying a covered procurement does not exceed 1,100 lbs of CO₂ per megawatt hour (MWh);
- 5) Exemption related to: reliability exemption, extraordinary circumstances or financial harm, and CO₂ sequestration through injection in geological formations.

D.07-01-039 requires all LSEs to disclose the investment amount and type of alteration to retained generation, by generation facility and unit. D.07-01-039 also advises LSEs to present documentation regarding the design and intended use of the powerplant(s) underlying their new long-term financial commitments utilizing the sources of information listed in § 8341(b)(4), as well as any other sources of documentation that they believe will be relevant to this determination.

D.07-01-039 emphasizes that the key concept is to establish the design and intended use of the powerplant. Accordingly, documentation of the annualized plant capacity factor for the powerplant should include historical annual averages in order to help determine whether the plant is “designed and intended” to be used for baseload generation. D.07-01-039 requires LSEs to provide documentation of capacity factors, heat rates and corresponding emissions rates that reflect the actual, expected operations of the plant.

This Attestation Letter comports with the requirements outlined above.

Protests

This compliance filing is not subject to protest pursuant to General Order 96-B, Energy Industry Rule 9.

Correspondence

Any correspondence regarding this compliance filing should be sent by email to the attention of:

Elizabeth Rasmussen
Project Manager
MARIN ENERGY AUTHORITY
781 Lincoln Avenue, Suite 320
San Rafael, CA 94901
Telephone: (415) 464-6022
Facsimile: (415) 459-8095
E-Mail: erasmussen@marinenergyauthority.org

Compliance Documentation

The following listings and/or tables provide detailed and specific information regarding the Marin Energy Authority contracts and long-term financial commitments that are subject to the EPS requirements. The compliance documentation must match the compliance category outlined previously. For example, the information provided must demonstrate that the net emissions rate of each baseload facility underlying a covered procurement is no higher than 1,100 lbs of carbon dioxide (CO₂) per megawatt hour (MWh).

1. Include a complete and detailed listing of the new long-term financial commitments of five years or longer they have entered into during the prior year with documentation to demonstrate:
 - a) Documentation demonstrating that such procurements are EPS compliant, including any contracts with a term of five years or longer that include provisions for substitute energy purchases.
 - b) For any requested reliability-based exemptions that have been pre-approved by the Commission, reference to the application and Commission decision number.
2. The complete listing of new long-term financial commitments of five years or longer must include “linked” contracts whose combined term is five years or longer.
3. Disclosure of LSE investments in retained generation, including “deemed-compliant” combined cycle gas turbines (CCGTs). All LSEs are to disclose the investment amount and a breakdown of alterations or refurbishments to retained generation, by generation facility and unit.
4. Present documentation regarding the designed and intended use of the powerplant(s) underlying their new long-term financial commitments utilizing the sources of information listed in § 8341 (b)(4), as well as any other sources of documentation relevant to the determination.
5. Provide documentation of capacity factors (for definition of capacity factor see Section 5.6 of D.07-01-039.), heat rates and corresponding emissions rates that reflect the actual, expected operation of the plant (not full load heat rate). Documentation of the annualized plant capacity factor for the power plant should include historical annual averages in order to determine whether the plant is “designed and intended” to be used for baseload generation at an annualized plant capacity factor of at least 60 percent.

MEA’s long term financial commitments entered into during the prior year are detailed in the following table. Both of these long-term financial commitments are EPS compliant as they are with generation resources using pre-approved renewable resource technology.

I. Renewables Portfolio Standard (RPS) Contracts

<u>Line No.</u>	<u>Contract</u>	<u>Execution Date</u>	<u>Term</u>	<u>Capacity (MW)</u>	<u>Technology</u>	<u>EPS Compliant?</u>	<u>Compliance Category</u>
1	G2 Energy, Hay Road LLC	12/3/2010	20	1.6	Landfill Gas	Yes	Qualifying Renewable Resource
2	G2 Energy, Ostrom Road LLC	12/3/2010	20	1.6	Landfill Gas	Yes	Qualifying Renewable Resource

II. Full-Requirements Contract

On February 5, 2010, MEA entered into a Confirmation (the “Confirmation”) under a Master Power Purchase and Sale Agreement with Shell Energy North America (US), L.P. (“Shell”) that provides MEA with shaped energy, renewable energy, capacity and scheduling services. The Confirmation is not structured as a unit-specific contract where system power is allowed to “fill the gaps.” Rather, the Confirmation is structured as a system power-based contract whereby MEA periodically specifies specific resources to meet MEA’s aggressive RPS and GHG-free goals. In 2010, these specified sources included landfill gas, biomass, wind and others; no non-EPS-compliant sources were specified.

As a consequence, MEA had to look at the term of the Confirmation to ensure the contract complies with EPS. The term of the Confirmation is May 7, 2010 to May 6, 2015; however, no specific start or end times were specified for those two dates. MEA openly discussed the terms of the Confirmation with Commission staff and MEA expressed concern that due to the “bright line” five-year rule set forth in D.07-01-039, if the Confirmation were to terminate at 24:00:00 on May 6, 2015 the Confirmation would not comply with the EPS requirement to specify resources in contracts of five years or longer, however if the Confirmation were to terminate at 00:00:00 on May 6, 2015 that the Confirmation would be fully compliant. Commission staff recommended clarifying the term of the Confirmation such that the Confirmation would conform to the EPS requirements. Promptly upon receiving the recommendation of the Commission staff, MEA and Shell made an administrative clarification which specified that the Confirmation would end on 00:00:00 on May 6, 2015.

MEA believes that the Confirmation, as clarified by this administrative action, complies with EPS.

Exemption Process Requirements (if applicable)

Or if the Marin Energy Authority is claiming an exemption the following applies:

1. All LSEs are required to file (1) an application requesting Commission pre-approval for a reliability exemption, (2) a petition for modification of the decision where the request is based on “extraordinary circumstances, catastrophic events, or threat of significant financial harm” or (3) an application for covered procurements that employ geological formation inject for CO₂ sequestration.

Certification

- (1) I have reviewed, or have caused to be reviewed, this compliance submittal.
- (2) Based on my knowledge, information, or belief, this compliance submittal does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements true.
- (3) Based on my knowledge, information, or belief, this compliance submittal contains all of the information required to be provided by Commission orders, rules, and regulations.

Include the name and contact information for the LSE officer(s) certifying the above:



Elizabeth Rasmussen
Project Manager
MARIN ENERGY AUTHORITY
781 Lincoln Avenue, Suite 320
San Rafael, CA 94901
Telephone: (415) 464-6022
Facsimile: (415) 459-8095
E-Mail: erasmussen@marinenergyauthority.org

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY LSE (Attach additional pages as needed)

Company name/CPUC Utility No. Marin Energy Authority

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person for questions and approval letters: Elizabeth Rasmussen

Phone #: (415) 464-6022

E-mail: erasmussen@marinenergyauthority.org

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: MEA-001-CCA

Subject of AL: Greenhouse Gas Emission Performance Standard Compliance Filing

Tier Designation: 1 2 3

Keywords (choose from CPUC listing):

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution: D.07-01-039

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL _____

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: March 17, 2011

No. of tariff sheets: 0

Estimated system annual revenue effect (%): n/a

Estimated system average rate effect (%): n/a

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: n/a

Service affected and changes proposed¹: Retail electric service; no changes proposed.

Pending advice letters that revise the same tariff sheets: none

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

inj@cpuc.ca.gov and mas@cpuc.ca.gov

CCA Info (including e-mail)

Marin Energy Authority

781 Lincoln Ave., Suite 320

San Rafael, CA 94901

erasmussen@marinenergyauthority.org

¹ Discuss in AL if more space is needed.