



R. Rex Parris Mayor  
Marvin E. Crist Vice Mayor  
Ken Mann Council Member  
Angela E. Underwood-Jacobs Council Member  
Raj Malhi Council Member  
Mark V. Bozigian City Manager

[LancasterChoiceEnergy.com](http://LancasterChoiceEnergy.com)

February 16, 2016

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

**Advice Letter LCE 002-E**

Re: Emissions Performance Standard Compliance Filing 2016

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

**Effective Date:** March 17, 2016 – 30 days after filing

**Tier Designation:** Tier 2 Designation

**Purpose**

This Attestation Letter provides information and documentation required by D.07-01-039 for Lancaster Choice Energy, a community choice aggregator, with respect to new long-term financial commitments (defined on Page 3 in Attachment 7 of D.07-01-039). This Attestation Letter demonstrates that for **2015** all financial commitments entered into by Lancaster Choice Energy are compliant with the EPS.

## **Background**

D.07-01-039 requires all Load Serving Entities (“LSEs”) to file annual Attestation Letters, due February 15 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. Since February 15, 2016 is a holiday for the State of California and for the United States of America, this Attestation Letter is provided the following business day on February 16, 2016, as allowed under Rule 1.15 of California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure. 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) The commitment is not in a baseload powerplant;
- 2) The generation is using pre-approved renewable resource technology;
- 3) The commit 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) The net emission rate of each baseload facility underlying a covered procurement does not exceed 1,100 lbs of CO<sub>2</sub> per megawatt hour (MWh);
- 5) Other exemptions as provided in D.07-01-039, such as a reliability exemption, extraordinary circumstances or financial harm, or CO<sub>2</sub> 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 California Public Utilities Code Section 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 powerplant 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 powerplant.

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:

Cathy DeFalco  
Energy Manager – Regulatory  
Lancaster Choice Energy  
44933 Fern Avenue  
Lancaster, CA 93534  
(661) 723-6185  
[cdefalco@cityoflancasterca.org](mailto:cdefalco@cityoflancasterca.org)

**Compliance Documentation**

The following listings and/or tables provide detailed and specific information regarding Lancaster Choice Energy contracts and long-term financial commitments that are subject to the EPS requirements. The compliance documentation matches the compliance category outlined previously. Lancaster Choice Energy’s long term financial commitment entered into during the prior year are detailed in the Table 1, below. This long-term financial commitment is EPS compliant as it pertains to a non-baseload generation resource.

**Table 1 – EPS Compliant Contract**

<b>Line</b>	<b>Contract</b>	<b>Execution Date</b>	<b>Technology</b>	<b>EPS Compliant</b>	<b>Compliance Category</b>
1	Western Antelope Dry Ranch LLC	8/12/2015	Photovoltaic	Yes	Not Baseload

**Certification**

- (1) I am an officer of Lancaster Choice Energy and 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.

By: Barbara Boswell

Dated: February 16, 2016

Barbara Boswell  
Director  
Lancaster Choice Energy  
44933 Fern Avenue  
Lancaster, CA 93534  
(661) 723-6035  
[bboswell@cityoflancasterca.org](mailto:bboswell@cityoflancasterca.org)

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

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

Lancaster Choice Energy

Utility type:

ELC       GAS  
 PLC       HEAT     WATER

Contact Person: Cathy DeFalco

Phone #: 661-723-6185

E-mail: [cdefalco@cityoflancasterca.org](mailto:cdefalco@cityoflancasterca.org)

### EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: LCE 002-E

Subject of AL: GHG Emission Performance Standard (EPS) Compliance Filing 2016

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 AL: \_\_\_\_\_

Resolution Required?  Yes  No

Requested effective date: March 17, 2016

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 proposed: n/a

Pending advice letters that revise the same tariff sheets: n/a

**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  
[EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Utility Info (including e-mail)  
Lancaster Choice Energy  
Cathy DeFalco, Energy Manager - Regulatory  
(661) 723-6185  
[cdefalco@cityoflancasterca.org](mailto:cdefalco@cityoflancasterca.org)