

## Renewables Portfolio Standard (RPS) Working Group Meeting Summary

On September 3, 2019, California Air Resources Board (CARB) staff conducted a Renewables Portfolio Standard (RPS) working group meeting. The RPS working group meeting was conducted to discuss a proposal by CARB staff to implement CARB's portion of the RPS enforcement process. A total of 53 people participated in-person and remotely.

CARB staff presented a brief overview of the RPS program, including responsibilities of the California Energy Commission (CEC) and the California Public Utilities Commission (CPUC). CARB staff then presented CARB's responsibility to seek penalties comparable to penalties taken by CPUC for violations referred from CEC. CARB staff also discussed the eight statutory factors in Health and Safety Code § 42403 and how CARB staff factor them into resolving cases in accordance with CARB's Enforcement Policy when determining appropriate penalties. CARB staff pointed out that the vast majority of cases are resolved via a mutual settlement process instead of going to court.

Most issues and concerns were expressed with regard to the application of the mutual settlement process in relation to legal requirements for a penalty comparable to the CPUC's RPS penalty structure. CARB staff stated that CARB is mandated to look at each case individually and make a penalty determination based on the specific circumstances of each case. CARB staff stated that they believe that they currently have the authority under our Mutual Settlement Program to implement their portion of the RPS enforcement process and meet the legislative intent. This is the reason why CARB proposes to amend the Enforcement Policy instead of developing a regulation.

Participants proposed different scenarios for discussion of how those scenarios would affect the settlement process and amount. Participants also wanted to discuss the "eight factors" in more detail. Participants requested that they be given time to submit documentation to support their case regarding the eight factors.

A participant asked if the penalty could fund an environmental project in lieu of paying a penalty. CARB staff stated they would be willing to discuss such a proposal if it benefited the environment and not the POU, and complies with the CARB Supplemental Environmental Project Policy as published in the Enforcement Policy.

CARB staff asked if anyone opposed the penalty process proposal or had any concerns, to which no one expressed any concerns.

CARB staff will circulate a draft of the Enforcement Policy amendment soon to provide clarity and transparency of the process being proposed. CARB staff will have a second working group meeting to discuss the draft in detail.

For more information contact Dave Mehl at [dave.mehl@arb.ca.gov](mailto:dave.mehl@arb.ca.gov) or 916-229-0745.