

# Analysis of SCP's use of RECs and prospects for reducing green-house gas

by

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My main concern was GHG reduction

Findings based on considerable research

Various attempts to share concerns with  
SCP Board and Committees

Volunteer effort, without conflict of interest

My background (business planning at SRI, IBM, Boeing)

Frustrated in being able to get message out. very much appreciate this opportunity

SCP will do its thing unless someone exerts pressure, others need to get involved

Quote from founding document:

# Second Amended and Restated Joint Powers Agreement Relating to and Creating the Sonoma Clean Power Authority

By and Among  
The County of Sonoma and  
The Sonoma County Water Agency

The purposes for the entering into this Agreement include:

- a) Reducing greenhouse gas emissions related to the use of power in Sonoma County and neighboring regions;

84 % of citizens say GHG saving is main reason for SCP

# SCP should be managed like a start-up business

GHG savings should be to SCP, like profits are to a business

- Implies credible plan to achieve them
- Implies valid way to measure progress
- Implies accountability for results

It's a gov't business, so we own it and should demand it produce what WE want

# Outline

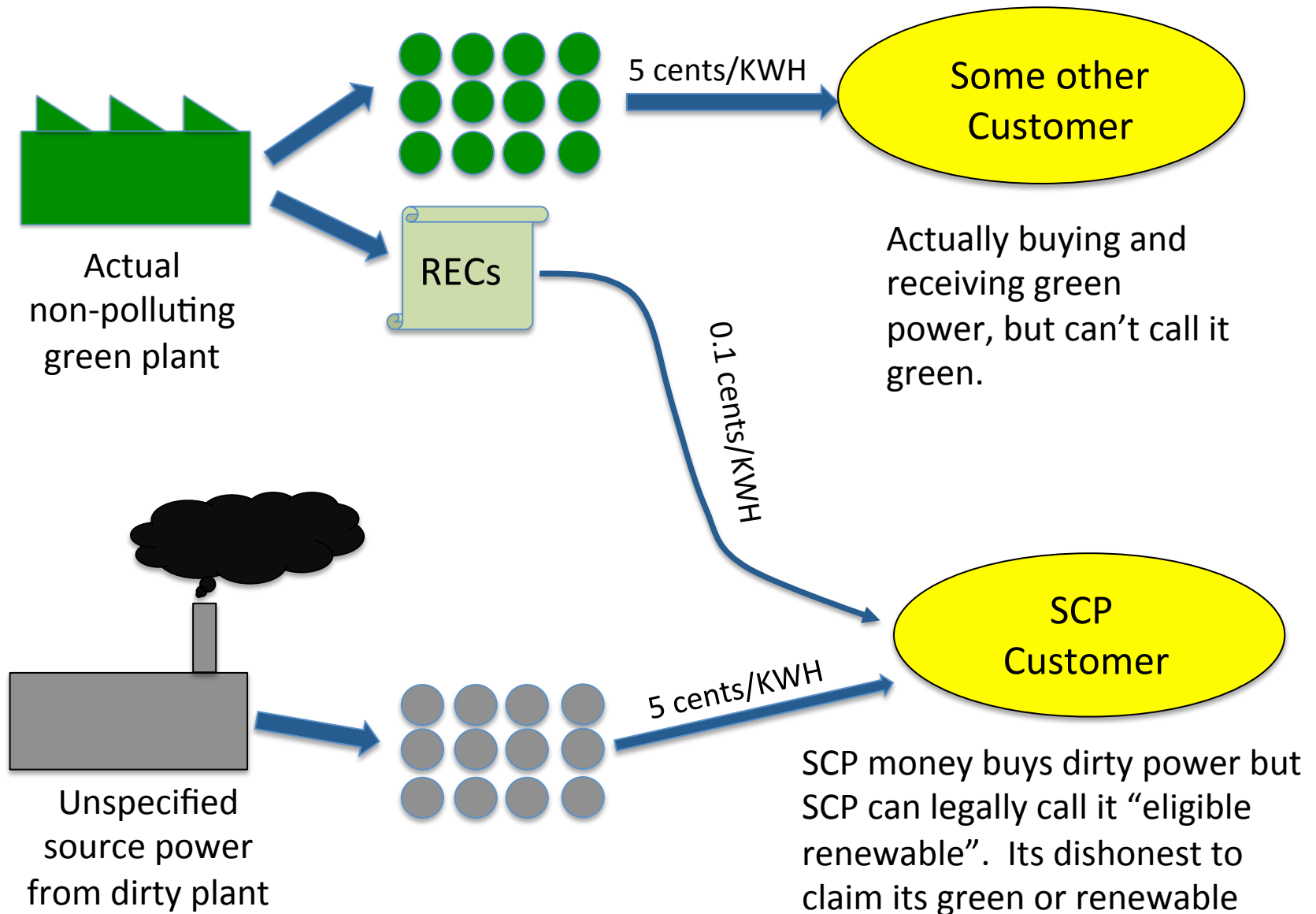
## Problems with Sonoma Clean Power

- Deceptive advertising
- Lack of credible plan to reduce green-house gas
- Conflicting priorities
- Lack of accountability

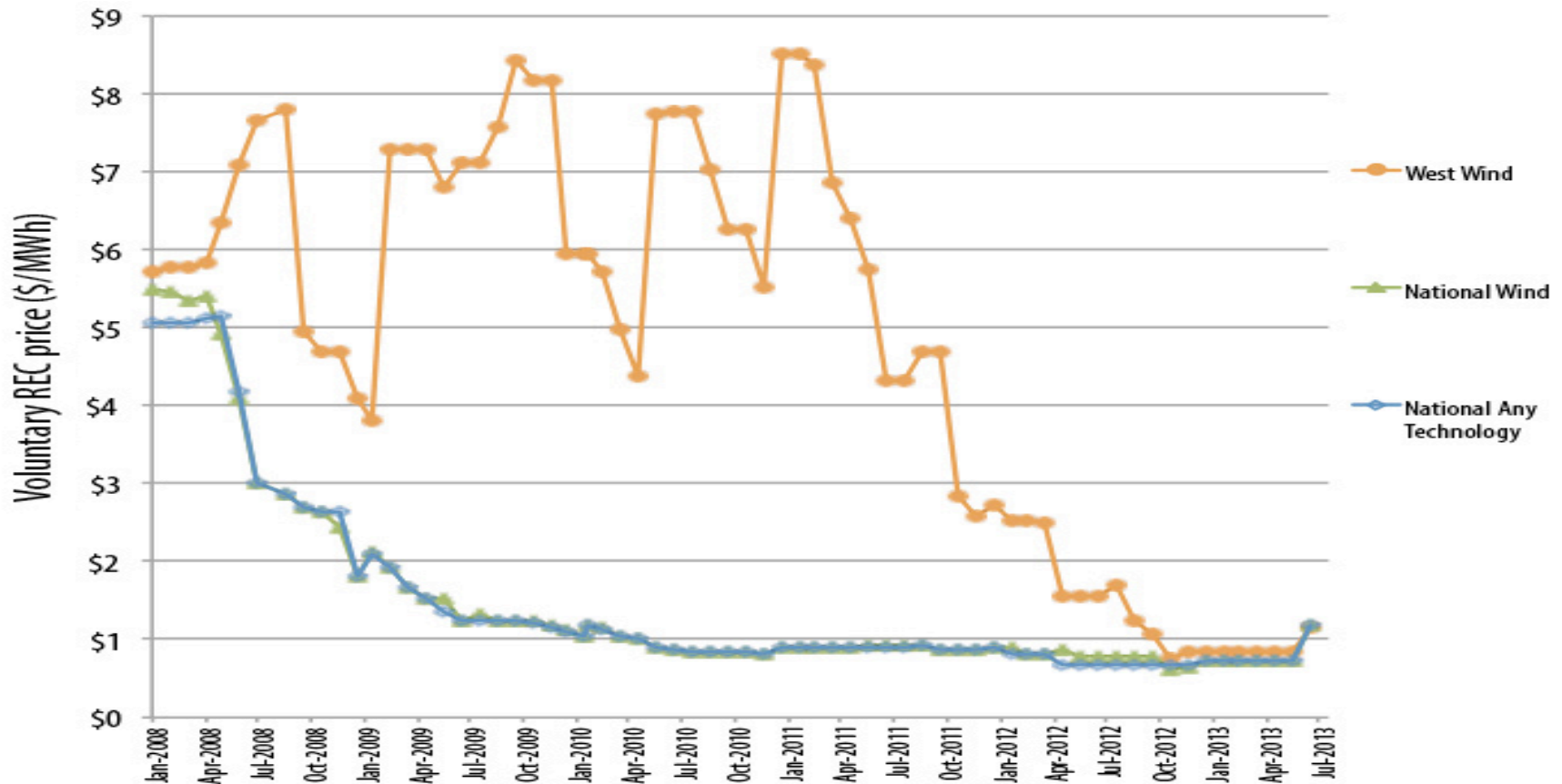
## Generic problems with some public works programs

- What public wants versus what insiders want
- No good way for public to learn the facts or have any influence

# How REC green-washing works

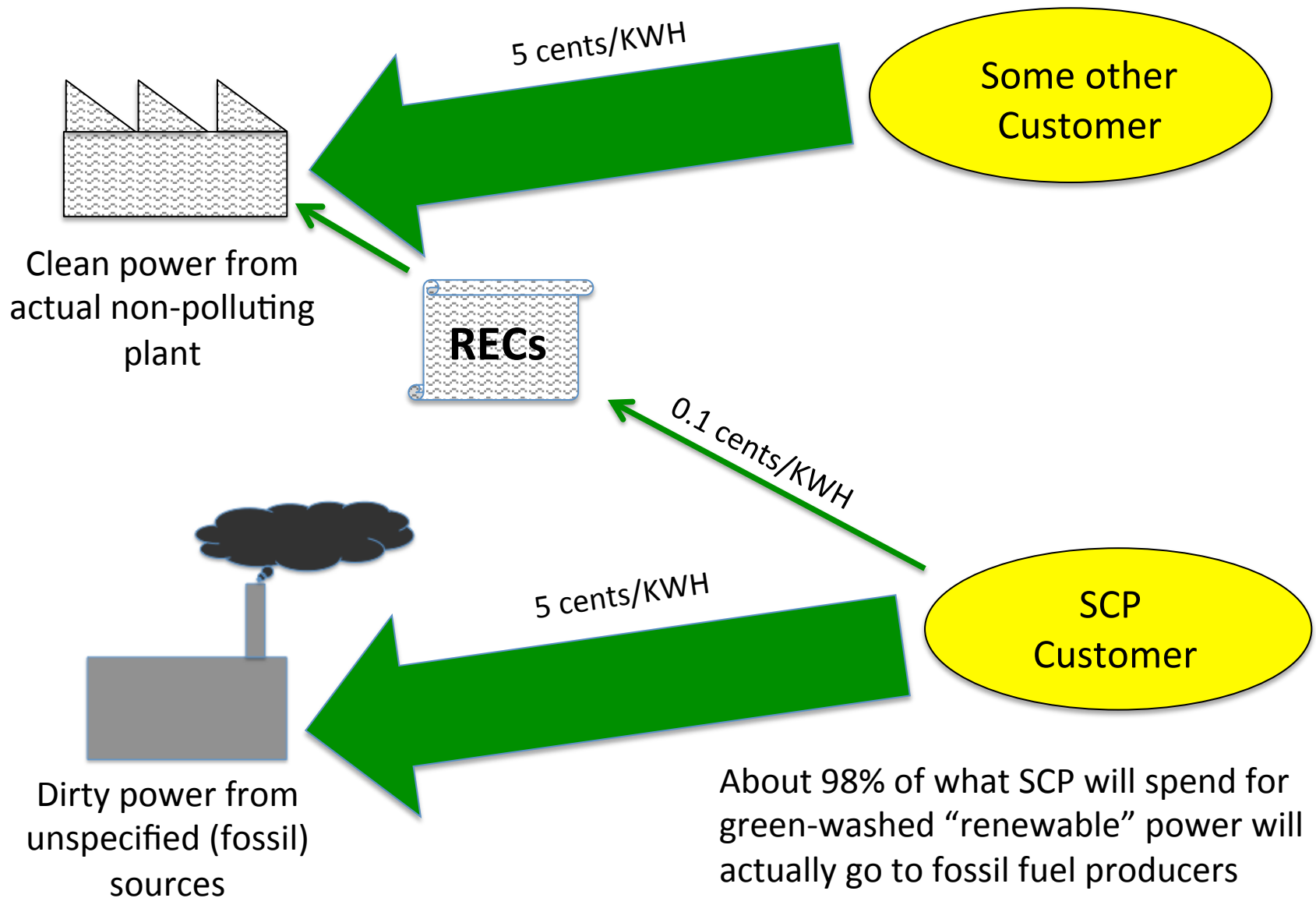


Voluntary RECs now sell for about 0.1 cents/KWH



Source: US Dept of Energy (<http://apps3.eere.energy.gov/greenpower/markets/certificates.shtml?page=5>)

# Is SCP spending supporting actual renewable power?





# MCE's complete Schedule 1 from 2012 PSDR

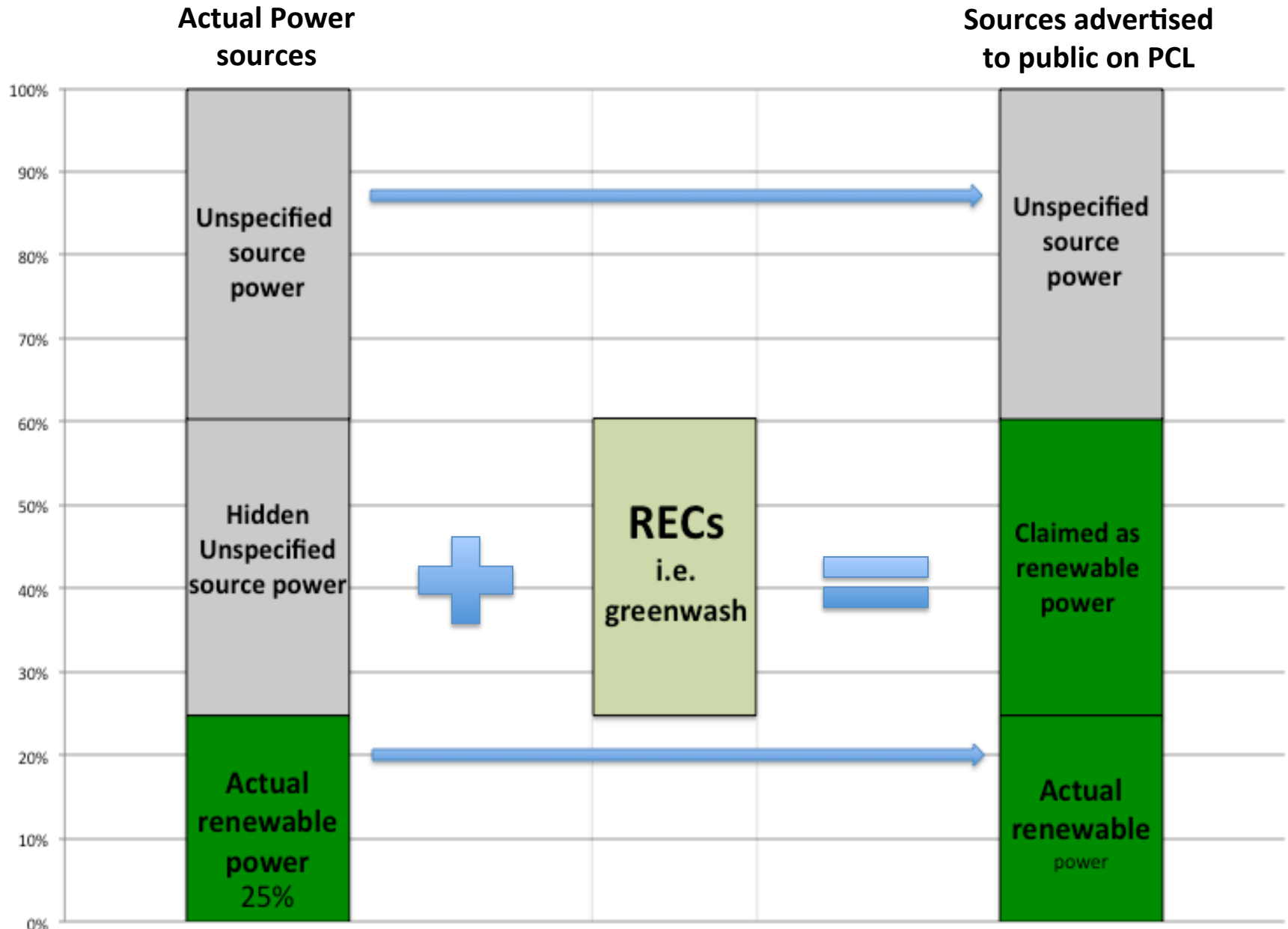
**Proposed Annual Report to CEC** for year ending Dec 31, 2012

<u>Facility Name</u>	<u>Fuel Type</u>	<u>Location</u>	<u>REC only?</u>	<u>KwHrs</u>
Columbia Ridge 1	biogas	OR		1,791,000
Columbia Ridge 2	biogas	OR		2,050,000
Columbia Ridge 3	biogas	OR		2,217,000
Columbia Ridge 4	biogas	OR		2,221,000
Columbia Ridge 5	biogas	OR		2,188,000
Columbia Ridge 6	biogas	OR		2,170,000
Columbia Ridge 7	biogas	OR		1,990,000
Columbia Ridge 8	biogas	OR		1,721,000
Sierra Pacific Burlington	biomass	WA		22,890,000
Roosevelt Biogas 7-9	biogas	WA		7,279,000
Lincoln Landfill 3	LFGTE	CA		1,467,000
Lincoln Landfill 1 & 2	LFGTE	CA		2,923,000
Cabinet Gorge #2	large hydro	ID	yes	10,000,000
Cabinet Gorge #3	large hydro	ID	yes	8,267,000
Fossil Gulch	wind	ID	yes	7,129,000
Golden Valley	wind	ID	yes	13,585,000
Happy Jack	wind	WY	yes	25,000,000
Harvest Wind	wind	WA	yes	4,500,000
Middle Fork Irrigation Dist.	small hydro	OR	yes	10,000,000
Mountain Wind Power	wind	WY	yes	10,000,000
Nine Canyon	wind	WA	yes	4,405,000
Noxon Rapids #3	large hydro	MT	yes	21,733,000
Pa Tu Wind	wind	OR	yes	5,137,000
Payne's Ferry	wind	ID	yes	1,354,000
Pilgrim Stage Station	wind	ID	yes	13,624,000
Power County Wind Park North	wind	ID	yes	2,941,000
Power County Wind Park South	wind	ID	yes	2,187,000
Puente Hills Gas-to-Energy	LFGTE	CA	yes	3,000,000
Schulz Solar	solar	CA	yes	2,293,000
Schulz Solar 2	solar	CA	yes	736,000
Sagebrush (Kittitas Valley Wind)	wind	WA	yes	19,501,000
Thousand Springs	wind	ID	yes	4,137,000
Total (Gen 1)	LFGTE	CA	yes	4,645,000
Total (Gen 2)	LFGTE	CA	yes	3,678,000
Total (Gen 3)	LFGTE	CA	yes	3,677,000
White Creek (White Creek 1)	wind	WA	yes	11,500,000
Wolverine Creek	wind	ID	yes	10,000,000
San Rafael Airport	solar	CA		165,000
Big Horn	wind	WA		7,271,000
Juniper Canyon	wind	WA		16,000,000
Nine Canyon 3	wind	WA		9,460,000
White Creek (White Creek 1)	wind	WA		57,721,000
Generic Purchase	Unspecified Power			225,590,667
<b>TOTAL</b>				<b>570,143,667</b>

REC only  
Purchases  
(backed by  
non-disclosed  
"unspecified  
source power")

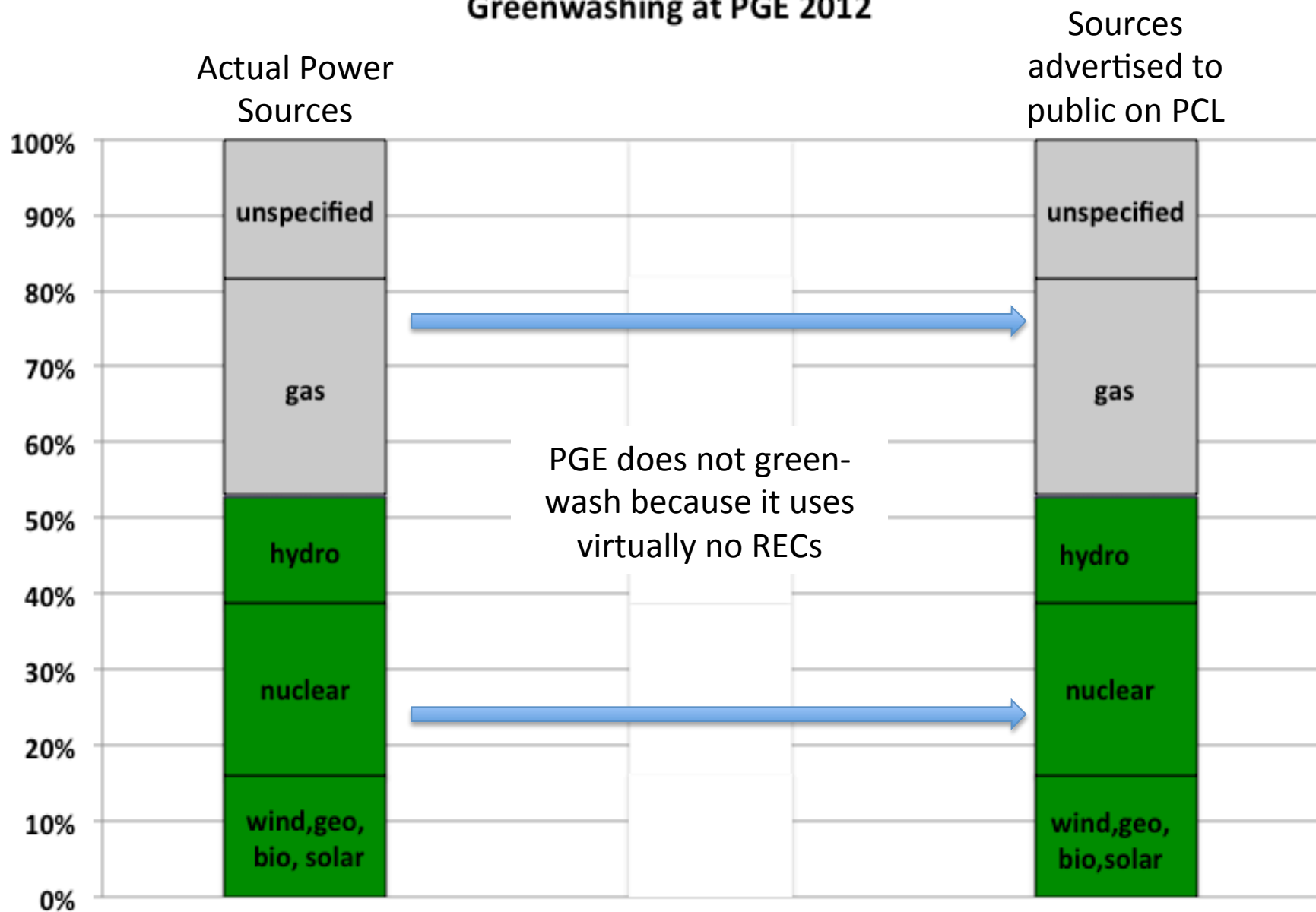
45 % is disclosed  
as "unspecified  
source" power

# Greenwashing at Marin Clean Energy 2012

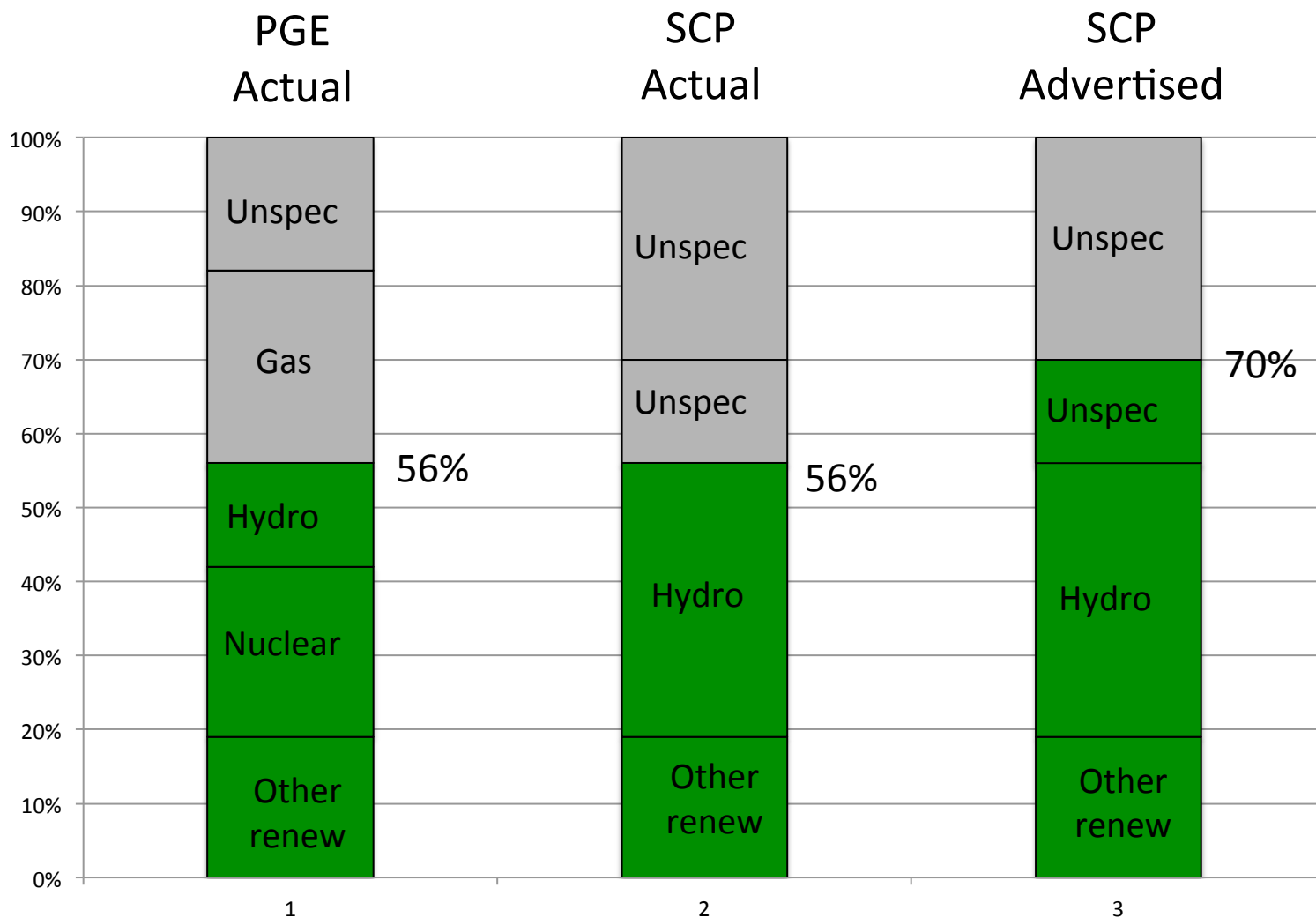


Source: Schedule 1 of MCE's PCL for 2012, plus telecon

## Greenwashing at PGE 2012



# Percent of power that comes from Carbon Free power plants in 2014 (produces no GHG)



Sources: PGE: Est. based on PGE's 2012 PSDR;  
SCP: web site + emails + Press Democrat

"Unspec" is unspecified source power  
mostly imported from out of state and has  
about same CO2 emissions as gas

Difference between 56% and  
70% due to REC use

# Going 100% green for almost nothing by using RECs

- Household uses 500 KWH/mo
- PGE is already 50% green
- You need to green-up 250 KWH/mo
- Buy RECs worth 0.1 cents /KWH



You can go 100% green for only 25 cents a month

SCP will only contribute 8 cents on your behalf\*

\* Per current plan to be 15% greener than PGE using RECs

# RECs are bad because:

- Although its legal to call fossil power green-washed with RECs “eligible renewable” its deceiving and dishonest to call it renewable or fossil free, simply because it isn’t.
- RECs deceive people into believing they are buying renewable power when they aren’t. This reduces trust in government.
- They invalidate SCP’s estimate of GHG savings.
- They do very little to simulate new renewable power.
- They reduce the incentive to pursue effective ways of fighting climate change by making people feel they are already doing something meaningful, but they aren’t.

The only strong reason  
for buying RECs  
is to deceive people

# Why SCP has no credible plan for GHG savings

Have not shown how what they are doing will shut down fossil fuel plants or reduce their use. Need cause-effect chain.

Current plan assumes buying RECs increases renewable plant construction and use. They probably don't.

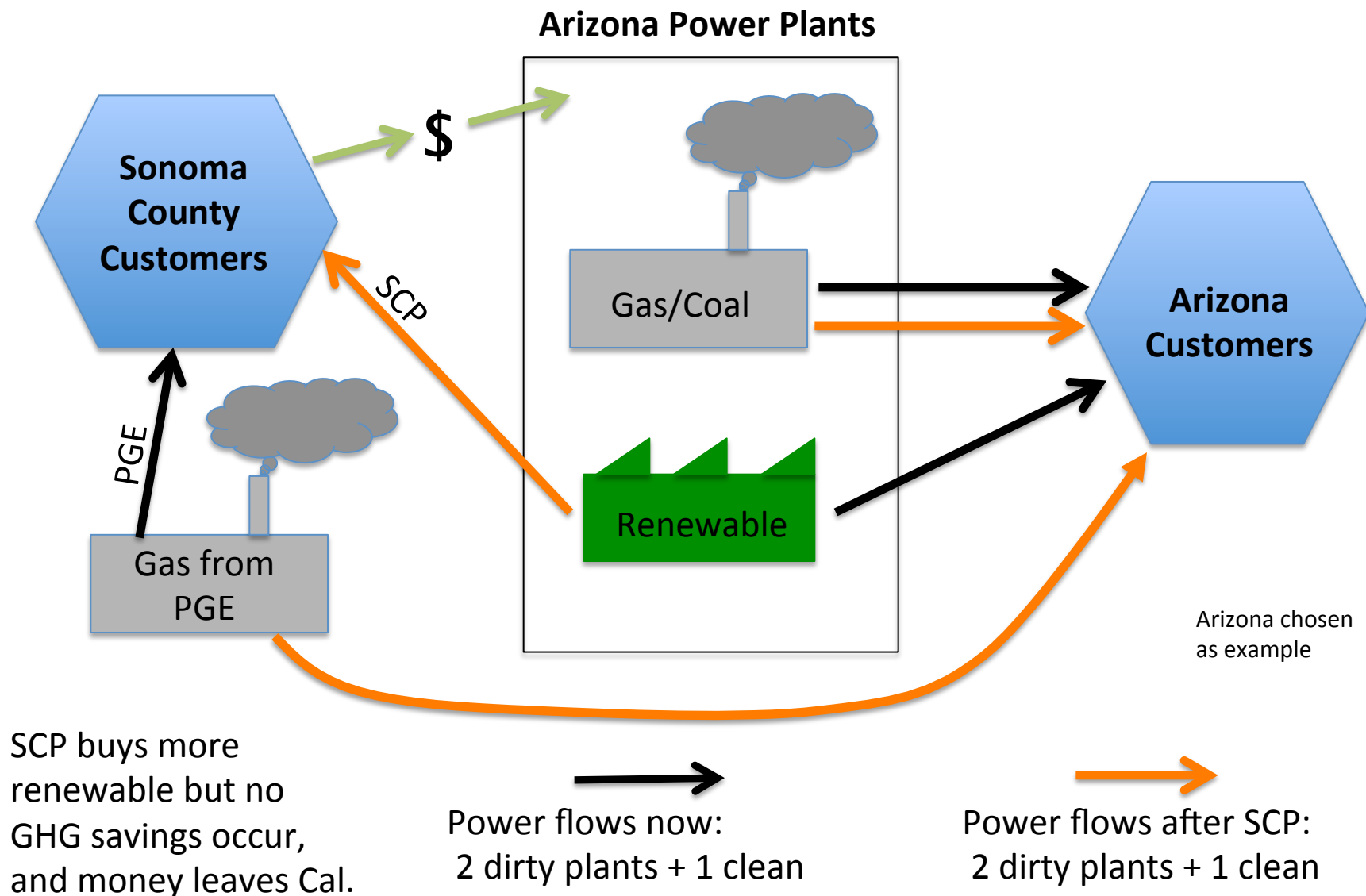
Even buying 100% from renewable plants does not guarantee a ramp-up in renewable plants.



Thus having more renewables than PGE is a false goal



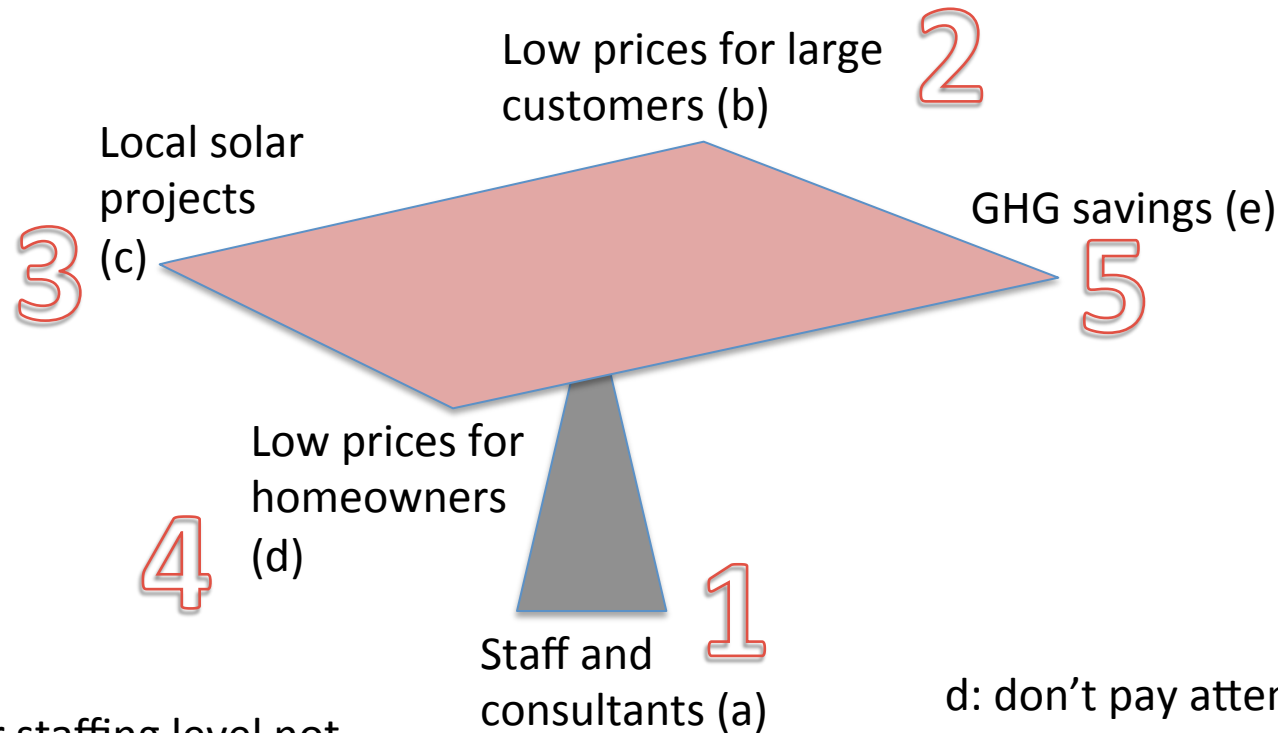
**Issue #4** Buying renewable power might be a shell game,  
with no net increase in renewable production or green-house gas savings



# Conflicting ways to spend money

## What's the balance?

GHG savings seems like lowest priority for SCP, despite being highest for citizens



a: comp. or staffing level not linked to GHG reduction

b: watch bills and can opt out

c: prime supporters

d: don't pay attention, no easy way to compare rates

e: not measured in valid way, not reported, most of those concerned are not organized

In addition:

No valid way to measure GHG savings

No annual targets

No requirement to report GHG savings, or cost savings, to public

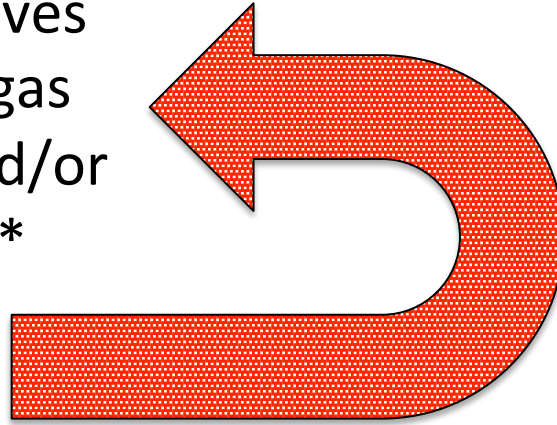
No accountability

SCP's not being run like a business

# Suggestions (for SCP as a startup business)

Change course:

Make objectives  
greenhouse gas  
reduction and/or  
lower prices \*



Forget “More  
Renewables” as the  
objective \*\*,  
and don’t use  
RECs\*\*\*

- Set measurable annual targets for GHG reduction and/or price reductions
- Get scientifically and economically valid plan
- Report annual progress
- Become accountable (perform or quit)

\* What people want  
per survey

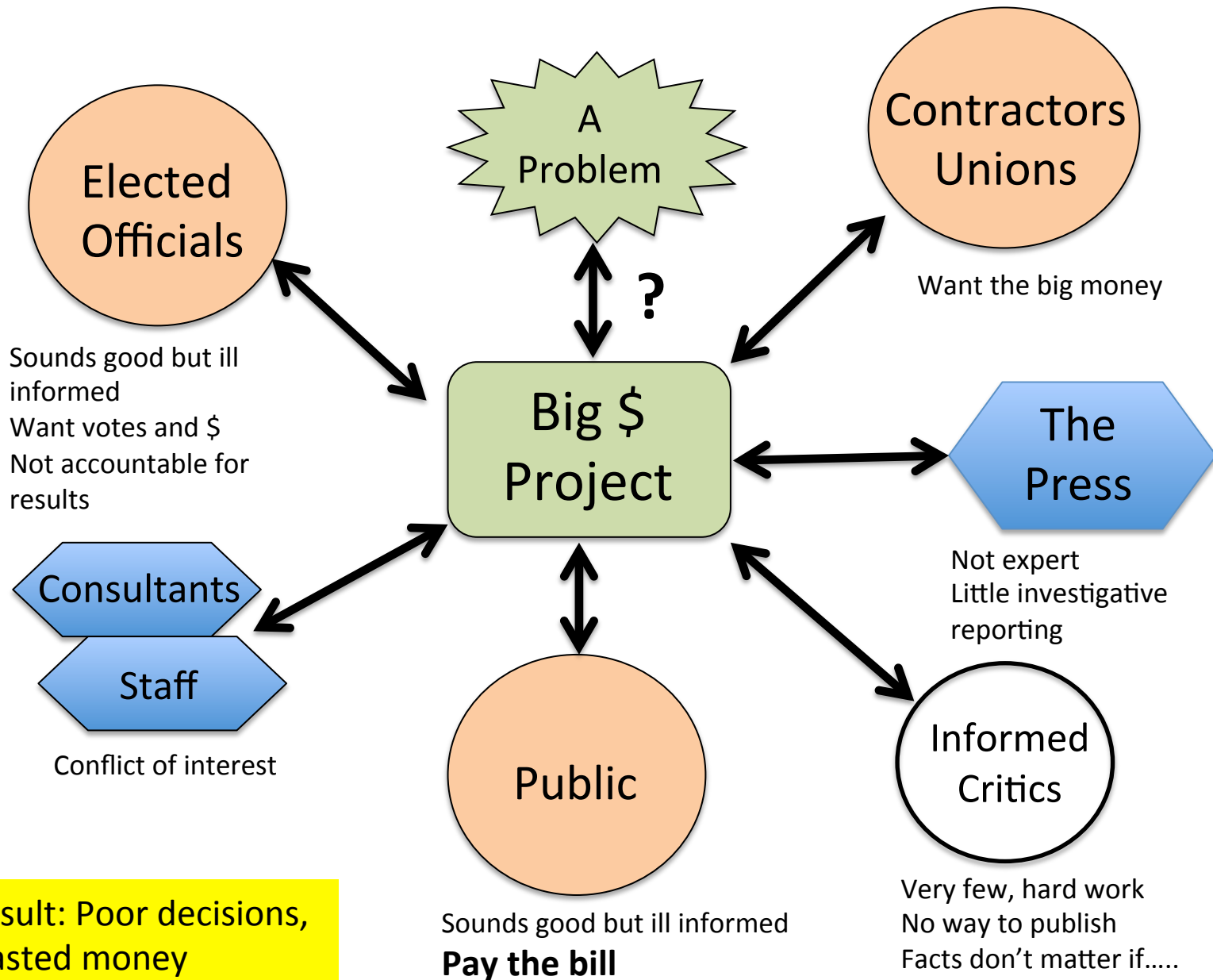
\*\* false objective

\*\*\* deceptive, not  
effective

The generic problem is a  
dis-functional system for making  
public works decisions

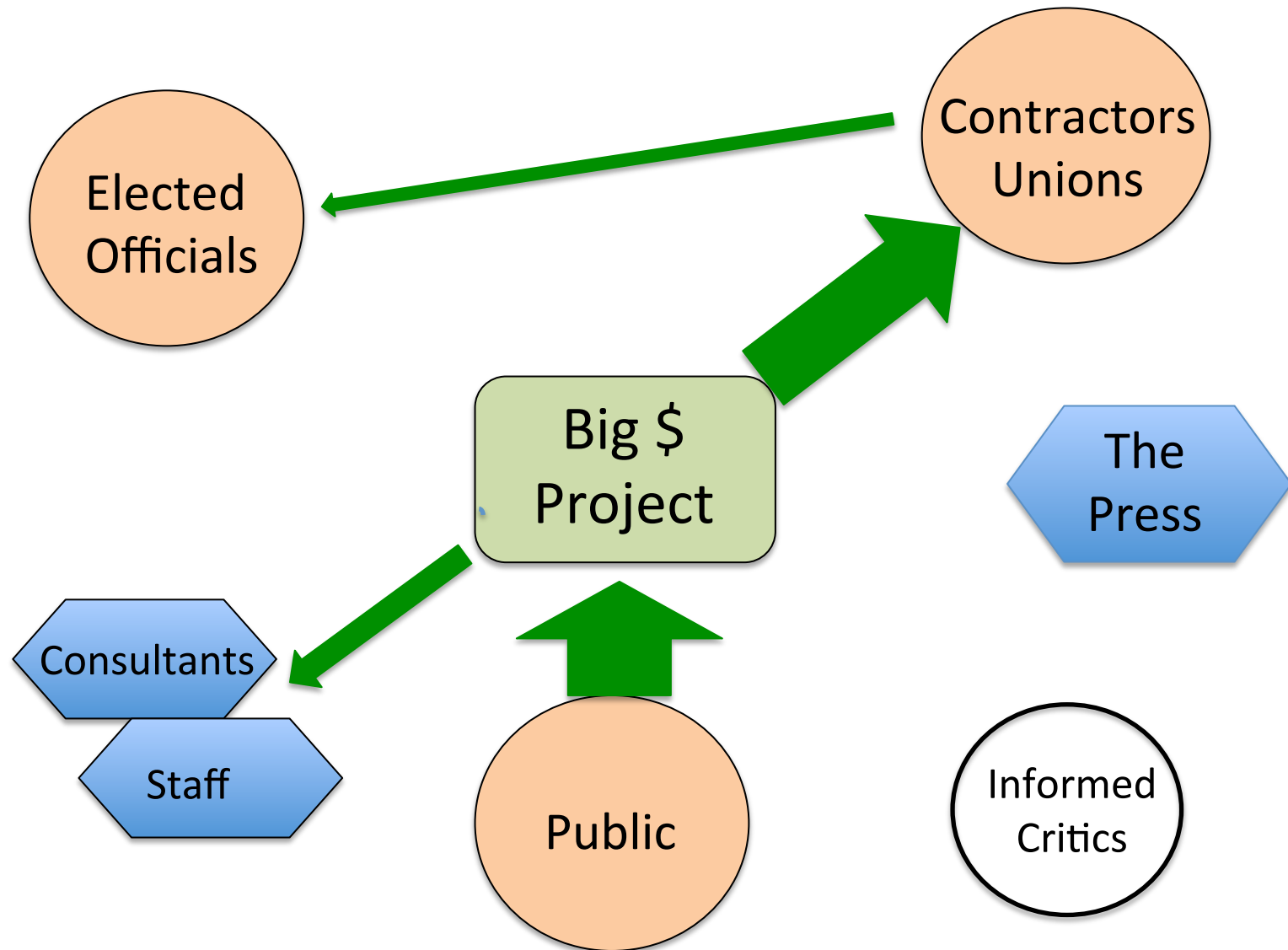
# Dis-functional system

Will project solve the problem?



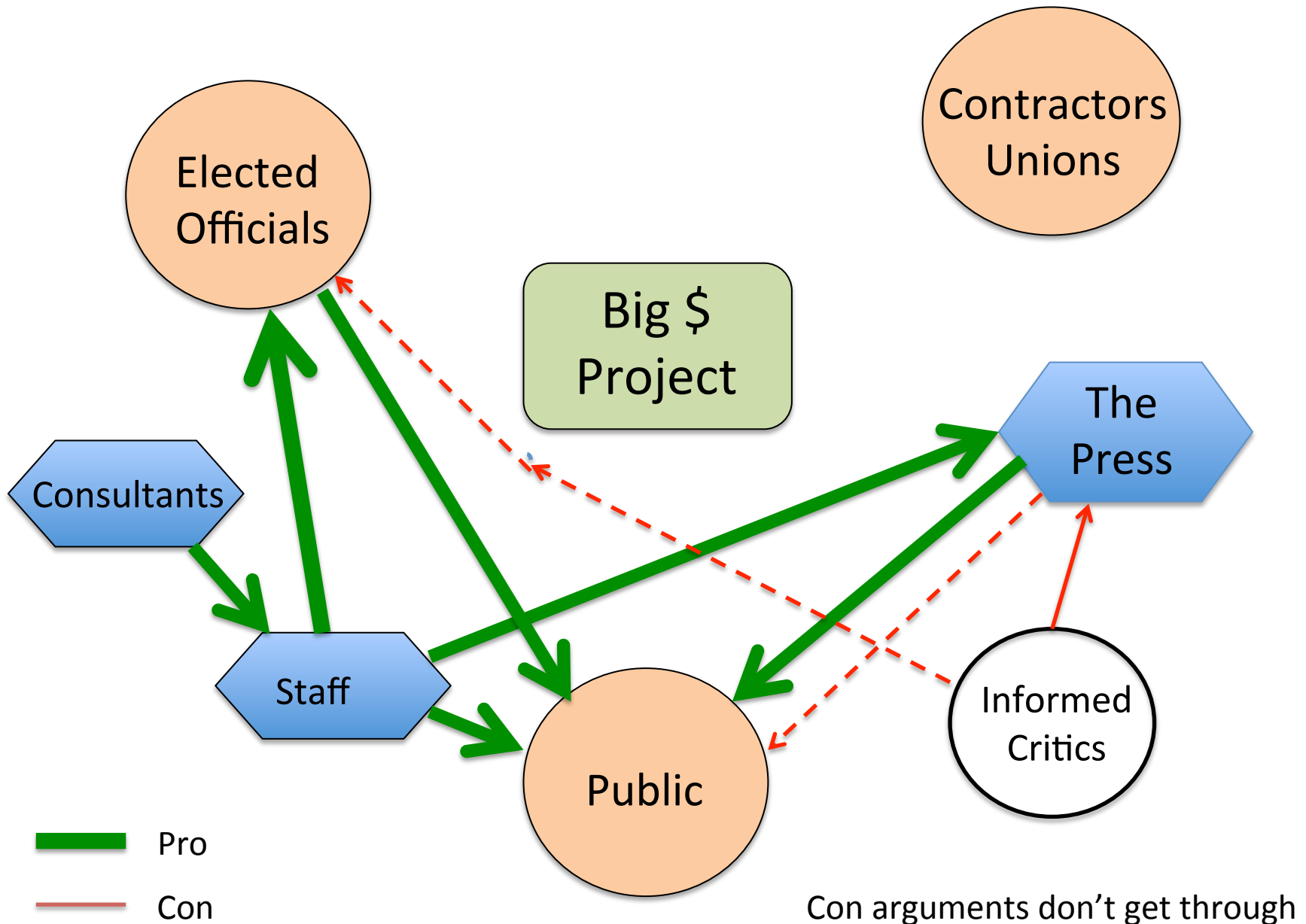
# Dis-functional system

The money flow



# Dis-functional system

Information flow





Get Involved

Any questions?

End

## Honesty

- Cease calling fossil power, green-washed with RECs, renewable power

## Transparency

- Divulge actual power sources ASAP
- Print on monthly bill:
  - What PGE would have charged
  - Amount of GHG saved

Almost no-one will ever  
know about these findings

- Meeting with newspapers
- Contact environmental groups
- Contact state legislators
- Newspaper ads
- Speak at SCP board meetings

Notes for info flow chart

Consultants are the experts, tell staff the positive things

Staff has extensive opportunity to brief officials

Officials have some opportunity to reach public via endorsements in press

Press mainly repeats what staff announces with minor mention of critics

Staff buys large ads to promote project

Critics are few, and can only submit 200 word letters or rare op eds. Many not published so public sees little

Papers at best do “he said she said” reporting

Critics have 3 minutes to present to Officials, email are not read

Critics have no money to buy ads.

Dotted lines show that ability to get messages to public via the press and to officials is limited due things like the 3 minute and 200 word limits.

NOTEs for money flow chart

Consults and staff have major conflict of interest re being objective

Contractors have money to buy influence

Officials have some conflict of interest and also need to please contributors

Critics have zero ability to turn money into influence, as they have none.

The public pays