



Center for Resource Solutions (CRS) Response to Request for Information – Retail Supply of Carbon Pollution-Free Electricity

March 6th, 2023

Center for Resource Solutions (CRS) appreciates this opportunity to provide comments on the General Service Administration (GSA) Request for Information regarding Retail Supply of Carbon Pollution-Free Electricity (PMPB01-2023CFE) These comments pertain to questions 1-2, 4, and 7-10 with general input and resources to inform the United States Government's (USG's) procurement of CFE to meet the objectives of Executive Order 14057.

Question 1: What is your company or organization name, point of contact, telephone number, and email address?

Center for Resource Solutions

Point of contact: Peggy Kellen

Phone number: (415) 568-4289

Email address: peggy.kellen@resource-solutions.org

Question 2: Retail Electric Supplier Defined

Center for Resource Solutions (CRS) is not a retail electric supplier or potential respondent to a future Request for Proposal (RFP). However, CRS provides responses to select elements of questions 1, 2, 4 and 7-10 with general input and resources to inform the United States Government's (USG's) procurement of CFE to meet the objectives of Executive Order 14057.

CRS is a 501(c)(3) nonprofit organization, established in 1997, that creates policy and market solutions to advance sustainable energy. CRS has been instrumental in the development of state, regional, and national renewable energy policies and markets through national and international programs that provide technical guidance to policymakers and regulators at different levels on renewable energy and greenhouse gas (GHG) policy design, accounting, tracking and verification, market interactions, and consumer protection. CRS administers the Green-e[®] programs, the largest of which is Green-e[®] Energy, the leading independent certification for voluntary renewable electricity products in North America. CRS is also the home of the Clean Energy Accounting Project (CEAP), which develops standardized,

Center for Resource Solutions

1012 Torney Ave, 2nd Floor

San Francisco, CA 94129

w : www.resource-solutions.org

p : 415.561.2100

stakeholder-reviewed clean energy and GHG emissions accounting guidance addressing outstanding questions in voluntary and regulatory markets.

Question 4: How could Grid-Supplied CFE be measured and accounted for within a retail electric contract? (Grid-Supplied CFE is CFE delivered in the electricity grid mix, including CFE from existing generation that complies with state renewable portfolio or clean energy standards.)

Question 4.b: Could EACs be obtained and retired for all Grid-Supplied CFE?

Energy Attribute Certificates (EACs) can be issued for all renewable energy generation in the U.S. and Canada and for all defined carbon-free resources where all-generation tracking systems operate. Currently these are the PJM GATS, NEPOOL GIS and NY GATS tracking systems. Outside of these all-generation tracking systems, non-renewable CFE sources currently are not tracked or issued EACs. EACs can be retired in tracking systems on behalf of a policy or a group of customers, as would be the case with the Grid-Supplied CFE defined in this RFI. Tracking systems typically only have one field describing the retirement reason and EACs used for compliance with state programs are retired explicitly for the purpose of compliance with the relevant state program. These EACs also are likely not delivered to specified customers, like GSA, so it is unlikely GSA can exclusively secure the EACs in its own accounts. CFE that is grid-supplied but not delivered via a compliance mandate such as hydro or nuclear generation outside of a region with an all-generation tracking system, also may not have had EACs retired on behalf of customers, although it may be part of a default product.

CRS encourages GSA to engage with U.S. based tracking systems to encourage a key enhancement that will better support the objectives of this RFI and EO 14057:

Expand REC tracking systems to all-generation tracking systems to better facilitate comprehensive tracking of all CFE.

Additionally, GSA may want to also engage with the tracking systems to track certificates on a more granular/hourly level, as well as track carbon capture and storage (CCS) paired with fossil generation. These issues are included in EO 14057, and it can often take tracking systems a long period of time to engage with stakeholders before implementing new functionality.

Generation attributes or EACs for non-renewable electricity can also be conveyed through bilateral contracts. Suppliers can enter into these contracts in order to deliver attributes to retail customers and a contract path tracking approach could be used to document delivery of attributes to retail load.

States with Clean Energy Standards that are not supported by all-generation tracking systems will specify a method by which the compliance entity (typically a Load Serving Entity) will demonstrate exclusive delivery for compliance outside of the tracking system. CRS would encourage GSA to align with these requirements in its own procurement when tracking systems are not available for non-renewable, clean electricity. This approach can be very burdensome and difficult to administer and verify. Retail customers will only have transparency into the amount of Grid-Supplied CFE they are receiving if the supplier provides an electric product disclosure label (also commonly referred to as a power content label). Many states require suppliers to provide this disclosure, but there is significant variability in the information that must be disclosed, including whether the label reflects generated or contractually delivered electricity (for which the supplier has retained or procured the generation attributes/EACs on the retail customers' behalf). The Green-e[®] Energy certification program also requires that certified products provide power content labels to customers.

Question 4.b: Should there be a maximum level of Grid-Supplied CFE determined in a retail electric contract to ensure that the Federal Government is not claiming CFE that other electricity consumers might claim?

No single customer should claim more CFE than the percent delivered to that customer through a standard or default product because resources supported by ratepayer funds should go equitably to all ratepayers. This is true in all markets and does not depend on a utility being vertically integrated. For example, RPS policies regulate retail electricity suppliers which can include investor-owned utilities, publicly owned or municipal utilities, cooperative utilities, competitive electricity suppliers (in deregulated states), and community choice aggregators. The compliance obligation is not limited by the particular market structure.

The maximum amount of Grid-Supplied CFE the Federal Government can claim is the amount delivered that is disclosed to customers and substantiated with exclusive EAC retirements (for the Federal Government or a group that includes the Federal Government) or otherwise demonstrated that the attributes cannot be otherwise sold or allocated.

If federal agencies are not purchasing either a specified product or a standard or default product and instead procuring the residual mix for a portion of their load, for example by entering into a contract for unspecified power, the amount of CFE claimed for that portion will be limited by the percent of CFE that is unclaimed by other parties for compliance or voluntary buyers in the residual mix. Because the CFE in this mix is dependent on other claims, it may be difficult for providers to guarantee a certain amount of Grid-Supplied CFE in the residual mix.

Question 4.c: What challenges or risks may be posed in a retail electric contract that includes both Grid-Supplied CFE and CFE from generation placed in service after October 1, 2021?

The following credibility criteria must be substantiated for both Grid-Supplied CFE and specified procurement:

- Describes delivered electricity
- Generation information within the data is accurate
- All ownable attributes that define the generation being claimed are aggregated
- Attributes are exclusively owned by or retired on behalf of the consumer (or a group including the customer) and not double counted
- Attributes are not double claimed
- Generation occurs in the same market and relative timeframe as consumption

These criteria are easier to substantiate for voluntary procurement than Grid-Supplied CFE.

It can also be challenging to account for a mix of specified procurement and Grid-Supplied CFE in a single contract. For example, state policies may dictate whether generation used for compliance with state renewable portfolio or clean energy standards can be conveyed through a specified retail electricity contract. This may result in a need to enter into contracts for default service for a portion of load, and a specified renewable or CFE product for the remainder. A more straightforward approach may be to subscribe to a local default product for 100% of an agency's load and then separately procure unbundled EACs to supplement Grid-Supplied CFE in the standard or default product. The Green-e® Energy certification program, which provides a federal option that meets the requirement of both the implementation guidance and the Green-e® Renewable Energy Standard for Canada and the United States does provide product content labels for certified 100% products, which can include RPS-delivered renewables that meet Green-e® Energy program criteria.

Question 7: Does your firm currently have the capability to track and report on CFE, as described in E.O. 14057 and this RFI?

While CRS is not a retail electric supplier, we do administer the Green-e® Energy program, which offers a Green-e® Energy certified federal option that will meet the requirements established in E.O. 14057, issued by the President in December of 2021. Following implementing instructions set forth in August of 2022 by the White House Council on Environmental Quality (CEQ), acceptable supply will meet Federal guidelines as well as the [Green-e® Energy National Standard](#) rules, while providing third-party

verification and the corresponding consumer protections and guaranteed environmental benefits. CRS will also incorporate any future implementation guidance from CEQ regarding 24/7 procurement as it is published.

Green-e® Energy Federal products help agencies reduce the environmental impact of their electricity use, while minimizing market risk through the extensive third-party verification process. By meeting both Green-e® Energy National Standard and Federal standards of quality, agencies will be securing some of the most environmentally impactful energy produced in the United States, energy that also complies with a wide range of other environmental standards, including the U.S. Green Building Council LEED standard, U.S. Department of Energy's Guide to Purchasing Green Power, Sustainable Purchasing Leadership Council and many others.

Green-e® Energy Federal products are available to buyers through Green-e Energy participants who have established an additional Federal-specific product with CRS. If a supplier does not currently have a "Federal Option" but sells "Green-e® certified," they can add a "Green-e® Federal Option" product with no additional annual base fee charges. Standard volumetric fees will still apply

Question 8: If you offer CFE, what type of EAC and documentation, if any, can you provide to the Federal Government confirming retirement?

All Green-e® certified products must provide a Historical Power Content Label (HPCL) to all customers that contains verified information about the actual supply that was retired on behalf of the customer during a specific year of sale of a certified product (the Reporting Year). The HPCL is cross-checked with verified data to ensure that customers receive the product that was advertised.

For non-Green-e® certified products, retail electric providers should at a minimum provide a tracking system-generated retirement report that reflects the retirements of the certificates delivered to customers.

Question 9: Approximately how many months does it take from the production of CFE to produce an EAC? Specify the unit of measure for the CFE (kWh, MWh, etc.).

EAC issuance is a function of tracking system operations, and it varies across those systems. Below is a summary of issuance timelines relevant to operations located in the balancing authorities GSA has identified (CAISO, ERCOT, ISONE, MISO, NYISO and PJM) based on each tracking system's own operating rules.

Tracking System	Balancing Authority	EAC Issuance Policy	Unit of Measure	REC only/ All-Gen.
M-RETS	Default for MISO, can support generation across the U.S. and Canada.	Issuance based on the number of whole MWhs on the Generation Log on the day of Certificate creation, no more frequently than once per month per generating unit.	MWh	REC-only
WREGIS	CAISO, and also the default for all balancing authorities in the WECC	90 days after the end of the generation period if generation data has been reported before day 75 and if the data is in approved status as of day 90	MWh	REC-only
PJM GATS	PJM	EACs are issued on the last business day of the month for generation data loaded into the platform by the 10th day of the month.	MWh	All-Gen.
ERCOT	ERCOT	RECs are awarded quarterly based	MWh	REC-only

		on metered generation values, generally 39 days after the close of the quarter.		
NAR	Can support generation across the U.S. and Canada.	At most, 15 days after reported data passes a data validity check.	MWh	REC-only
NEPOOL-GIS	ISO-NE	Quarterly issuance on the 15th day of the calendar quarter (the "Creation Date") that is the second calendar quarter following the calendar quarter in which the Energy associated with a Certificate was generated.	MWh	All-Gen.
NYGATS	NYISO	At most, 15 days after reported data passes the Data Validity Check.	MWh	All-Gen.

Question 10: A NERC e-Tag from an eligible specified generation source may be used as a proxy EAC for CFE from a non-renewable energy resource that is sourced outside the applicable Balancing Area and delivered into the Balancing Area provided that the load serving entity purchasing this CFE generation must be identified as recipient in the e-Tag and the applicable Balancing Area must be

identified as the delivery point in the e-Tag. Are you familiar with NERC e-Tags? Can you provide NERC-eTags for CFE delivered to a balancing authority where it was not originally produced?

Even when they pertain to nonrenewable resources, NERC e-Tags do not convey generation attributes. They should only be used as supplemental documentation to support EAC or generation attribute conveyance in a tracking system or through a contract. For non-renewable resources in all-generation tracking systems, the EAC must be used to avoid double counting.

Please let me know if we can provide any further information or answer any other questions.

Sincerely,

_____/s/____

Peggy Kellen
Director, Policy