



Liberty Utilities (CalPeco Electric) LLC
933 Eloise Avenue
South Lake Tahoe, CA 96150
Tel: 800-782-2506
Fax: 530-544-4811

February 16, 2016

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 2016

Pursuant to Ordering Paragraph No. 4 of Decision (“D.”) 07-01-039, issued in R. 06-04-009 on January 25, 2007, Liberty Utilities (CalPeco Electric) LLC (U 933-E) (“Liberty Utilities”) submits this annual Attestation Letter affirming that the financial commitments Liberty Utilities has entered into for generation during the prior calendar year are in compliance with the greenhouse gas (“GHG”) emissions performance standard (“EPS”). Specifically, Liberty Utilities is in compliance with the EPS. Other than the 12 MW Kings Beach Generating Station which is used for only emergency back-up support and whose generation is restricted by air permits to no more than 1440 MWh in each calendar year, Liberty Utilities has no generation facilities and no long-term financial commitments for generation.

Additionally, NV Energy has advised Liberty Utilities that in 2015 NV Energy incurred normal capital maintenance expenses at the Valmy coal-fired generating facility, none of which extend the life of the plant beyond its already-planned retirement date. NV Energy included power from Valmy in its supply portfolio from which it provided energy to Liberty Utilities under the five-year purchase power agreement that expired December 31, 2015 that the Commission approved in 2010 in D. 10-10-017. Liberty Utilities did not request that NV Energy incur these expenses and had no input in NV Energy’s normal capital maintenance expenses.

Effective Date: March 15, 2016

Tier Designation: Tier 2 Designation

Purpose

This Attestation Letter provides information and documentation required by D.07-01-039. This Attestation Letter demonstrates that for **2015** Liberty Utilities has entered into financial commitments that are in compliance with the EPS (long-term financial commitments defined on Page 3 of Attachment 7 in D.07-01-039).



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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. Furthermore, D.07-01-039 requires additional documentation demonstrating that LSEs have complied with the EPS. Specifically, D.07-01-039 requires LSEs to provide documentation to demonstrate:

- (a) That the commitments were not “covered procurements” under the interim EPS rule and/or
- (b) For those that represent covered procurements, 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.
- (c) For any requested reliability-based exemptions that have been pre-approved by the Commission, a reference to the application and Commission decision number.

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.



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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:

Liberty Utilities (CalPeco Electric) LLC
Attention: Advice Letter Protests
933 Eloise Avenue
South Lake Tahoe, CA 96150

With a copy to:
Steven F. Greenwald
Vidhya Prabhakaran
Davis wright Tremaine LLP
San Francisco, CA 94111
Fax: 415-276-6599
Email: stevegreenwald@dwt.com
Email: vidhyaprabhakaran@dwt.com

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.

Sincerely,

A handwritten signature in blue ink, appearing to read "Greg Sorensen", is written over a light blue horizontal line.

Greg Sorensen
President
Liberty Utilities (CalPeco Electric) LLC
933 Eloise Avenue
South Lake Tahoe, CA 96150
Fax: 905-465-4514
Email: Greg.Sorensen@libertyutilities.com

Attachments

cc: CPUC R.06-04-009 Service List
Liberty Utilities Advice Letter Service List