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February 15, 2019

ADVICE LETTER No. DCE-001-CCA

California Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

SUBJECT: GHG Environmental Performance Standard (EPS) Compliance Filing 2018

Pursuant to Ordering Paragraph No. 4 of Decision ("D.") 07-01-039, issued In R. 06-04-009 on January 25, 2007, Desert Community Energy submits this annual Attestation Letter affirming that the financial commitments Desert Community Energy has entered into for generation during the prior calendar year are in compliance with the greenhouse gas ("GHG") emissions performance standard ("EPS"). Specifically, Desert Community Energy is in compliance with the EPS as it has no generation facilities and no long-term financial commitments for generation.

Effective Date: March 15, 2019

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 2018, Desert Community Energy 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).

Background

D.07-01-039 requires all Load Serving Entities ("LSEs") to file annual Attestation Letters by 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. 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 in pursuant to that process.

D.07-01-039 requires LSEs to list long-term financial commitments of five years or longer that they have entered into during the prior year. Furthermore, D.07-01-039 requires documentation demonstrating that LSEs have complied with the EPS, by demonstrating:

- (a) That the commitments were not "covered procurements" under the interim EPS rule; and/or

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- (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 California Public Utilities Code § 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.

Protests

This compliance filing is not subject to protest pursuant to General Order 96-B, Energy Industry Rule 9.

Correspondence

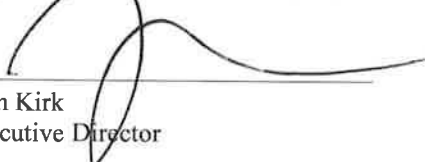
Any correspondence regarding this compliance filing should be sent by email to the attention of:

Tom Kirk
Executive Director
Desert Community Energy
tkirk@cvag.org

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.

Name and contact information for the LSE officer certifying the above:

 Date: 2/15/19
Tom Kirk
Executive Director