

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas and Electric  
Company (U 902-E) for Approval of its 2018  
Energy Storage Procurement & Investment  
Plan.

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Application 18-02-016  
(Filed February 28, 2018)

**PROTEST OF THE CALIFORNIA ENERGY STORAGE ALLIANCE  
TO THE APPLICATION OF SAN DIEGO GAS AND ELECTRIC COMPANY (U 902-E)  
FOR APPROVAL OF ITS 2018 ENERGY STORAGE PROCUREMENT AND  
INVESTMENT PLAN**

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In accordance with Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the California Energy Storage Alliance (“CESA”)<sup>1</sup> hereby submits this protest to the *Application of San Diego Gas and Electric Company (U 902-E) for Approval of its 2018 Energy Storage Procurement and Investment Plan* (“Application”), filed by San Diego Gas and Electric Company (“SDG&E”) on February 28, 2018.

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<sup>1</sup> 8minutenergy Renewables, Able Grid Energy Solutions, Advanced Microgrid Solutions, AltaGas Services, Amber Kinetics, American Honda Motor Company, Inc., Axiom Exergy, Brenmiller Energy, Bright Energy Storage Technologies, BrightSource Energy, Brookfield Renewables, Centrica Business Solutions, Consolidated Edison Development, Inc., Customized Energy Solutions, Demand Energy, Doosan GridTech, Eagle Crest Energy Company, East Penn Manufacturing Company, Ecoult, EDF Renewable Energy, ElectrIQ Power, eMotorWerks, Inc., Energport, Energy Storage Systems Inc., EnerNOC, ENGIE Energy Storage, E.ON Climate & Renewables North America, Fluence Energy, GAF, Geli, Greensmith Energy, Gridscape Solutions, IE Softworks, Ingersoll Rand, Innovation Core SEI, Inc. (A Sumitomo Electric Company), Iteros, Johnson Controls, Lendlease Energy Development, LG Chem Power, Inc., Lockheed Martin Advanced Energy Storage LLC, LS Power Development, LLC, Magnum CAES, Mercedes-Benz Energy, NantEnergy, National Grid, NEC Energy Solutions, Inc., NextEra Energy Resources, NEXTracker, NGK Insulators, Ltd., NRG Energy, Inc., Ormat Technologies, Parker Hannifin Corporation, Pintail Power, Qnovo, Range Energy Storage Systems, Recurrent Energy, Renewable Energy Systems (RES), Semptra Renewables, Sharp Electronics Corporation, SNC Lavalin, Southwest Generation, Sovereign Energy, STOREME, Inc., Sunrun, Swell Energy, True North Venture Partners, Viridity Energy, Wellhead Electric, and Younicos. The views expressed in these Comments are those of CESA, and do not necessarily reflect the views of all of the individual CESA member companies. (<http://storagealliance.org>).

## **I. INTRODUCTION.**

CESA continues to support the procurement of energy storage resources to not only meet the targets set forth under the Assembly Bill (“AB”) 2514 framework but also to support continued learning on incorporating energy storage capabilities and values in modeling and evaluation, developing procurement best practices for energy storage resources, and gaining operational experience with energy storage resources to provide grid services. SDG&E has made significant progress in this regard, including with the expedited procurement of energy storage resources to address grid reliability issues stemming from the limited operations of the Aliso Canyon gas storage facility, which demonstrated the option value of energy storage and the ability for energy storage resources to be procured to meet an emergency grid reliability situation in short order, and with the 2016 Preferred Resources Local Capacity Request for Offers (“RFO”) (A.17-04-017), which will support SDG&E’s learning in procuring and operating energy storage resources to meet local capacity needs pursuant to Decision (“D.”) 14-03-004.

SDG&E has thus supported the market transformation for the energy storage industry and indicated that it has met its interim and full AB 2514 procurement targets, needing just over 6 MW of customer-sited energy storage to meet its remaining overall target. While supportive of SDG&E’s progress, CESA counters that SDG&E has not fulfilled its obligations under AB 2514 in one important way, as it has exceeded its allowable level of energy storage resources under utility ownership to ‘count’ toward its AB 2514 targets. SDG&E is incorrect in saying that it has fulfilled its AB 2514 procurement target in the transmission and distribution domains and thus will not propose further AB 2514 procurement because over 50% of its procured energy storage resources that it counts toward the target are under a utility ownership model. In these comments, CESA recommends that SDG&E amend its actual position in terms of the level of MW it needs to procure to meet the full obligations under AB 2514.

Furthermore, D.17-04-029 determined that energy storage programs and investments pursuant to AB 2868 should be included and implemented in the existing biennial energy storage application and plans process. Specifically, AB 2868 authorized each of the investor-owned utilities (“IOUs”) to propose up to 166.66 MW of programs and investments for distributed energy storage<sup>2</sup> – incremental to what is required under AB 2514 – with a focus on disadvantaged communities and public-sector customers and in compliance with several key statutory goals.<sup>3</sup> Pursuant to AB 2868, SDG&E filed its Application that proposed seven circuit-level microgrid storage project investments totaling 100 MW in capacity for \$284 million and a new Energy Storage Incentive for Expanded CARE Pilot Program with a \$2 million budget. SDG&E also seeks to reserve its right to propose more AB 2868 programs and investments, including any identified service-level microgrids, in subsequent 2018 or 2019 advice letter(s) or in its 2020 application.

CESA appreciates SDG&E’s detailed proposal that expands the use of energy storage resources to provide resiliency services as well as being purposed for other grid services. Still, though CESA is generally supportive of the proposal, we find that the proposed investments insufficiently meet all of the statutory objectives laid out in AB 2868. Specifically, CESA asserts that SDG&E inadequately meets statutory goals regarding cost-minimization that is available through the authorization of reasonable opportunities for competition from third-party-owned projects. The competition from such projects can lower costs for ratepayers in various ways, and such projects are impeded by the Application’s default pursuit of utility-owned investments and

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<sup>2</sup> AB 2868 defines distributed energy storage systems as an energy storage system with a useful life of at least 10 years that is connected to the distribution system or on the customer side of the meter and that has an “energy storage management system”.

<sup>3</sup> According to AB 2868 Section 2838, programs and investments must achieve ratepayer benefits, reduce GHG emissions, meet air quality standards, reduce dependence on petroleum, minimize overall costs, prioritize public-sector and low-income customers, and do not unreasonably impair non-utility enterprises.

by not conducting an active solicitation for third-party-owned energy storage solutions. CESA emphasizes that it is supportive of competition and all business and ownership models, including utility-owned projects, so long as utility-owned projects do not undermine competition in the overall energy storage market and so long as third-party-owned projects are also solicited in a competitive and transparent procurement process to determine the most cost-competitive solution to address the identified grid need.

In addition to CESA's main concerns around non-compliance with the 50% cap on utility-owned energy storage projects pursuant to AB 2514 and default utility ownership of the proposed circuit-level microgrid project investments pursuant to AB 2868, we raise other specific improvements in the Application, as shown below and discussed further in the subsequent sections:

- AB 2514 energy storage procurement should consider hybrid and alternative energy storage technologies.
- The resiliency need should be defined with specific 'service requirements' to support the solicitation of third-party-owned projects in providing resiliency for selected critical selected critical public-sector facilities.
- SDG&E should consider expanding the scope of its proposed Expanded CARE Pilot Program.

So, though CESA is generally supportive of the proposal concepts in SDG&E's Application, we find that the proposed investments fall short of the statutory objectives laid out in AB 2868.

## **II. SDG&E MUST CONTINUE WITH PROCUREMENT FOR THIRD-PARTY-OWNED ENERGY STORAGE PROJECTS TO COMPLY WITH DECISION 13-10-040 AND TO PROMOTE COMPETITION AND INNOVATION.**

SDG&E indicated in its Application that it will not be proposing further AB 2514 energy storage procurement as it is on track to meet its targets, needing just 6.09 MW of customer-sited energy storage to meet its remaining target. However, SDG&E is not in compliance with D.13-

10-040 that determined that utility ownership of energy storage projects should not exceed 50% of all energy storage procured across the three grid domains.<sup>4</sup> As the decision clarified, the Commission aimed to enable a mix of ownership models to “encourage competition, innovation, partnerships, and affordability.”<sup>5</sup> According to CESA’s tracking of AB 2514 energy storage procurements to date, SDG&E has significantly exceeded the limitations set forth in D.13-10-040.

*Table 1: SDG&E’s AB 2514 Energy Storage Procurement in Transmission & Distribution Domains*

<b>Solicitation / Program</b>	<b>Counterparty</b>	<b>Ownership</b>	<b>Domain</b>	<b>MW</b>
2016 Aliso Canyon RFO	AES	Utility	Distribution	30.00
2016 Aliso Canyon RFO	AES	Utility	Distribution	7.50
2012 GRC Energy Storage Program	--	Utility	Distribution	5.58
Borrego Springs Microgrid Project	--	Utility	Distribution	0.57
2016 Preferred Resources LCR RFO	Enel	Third Party	Distribution	3.00
2016 Preferred Resources LCR RFO	AMS	Third Party	Distribution	4.00
2016 Preferred Resources LCR RFO	Powin	Third Party	Distribution	6.50
Lake Hodges PHS	--	Utility	Transmission	40.00
2016 Preferred Resources LCR RFO	RES	Utility	Transmission	30.00
2016 Preferred Resources LCR RFO	AES	Utility	Transmission	40.00

<b>Distribution Sub-Totals</b>	
2020 Overall Target	55.00 MW
Total Procured to Date (New & Existing)	57.15 MW
Total Utility-Owned	43.65 MW
% Utility-Owned	76.4%

<b>Transmission Sub-Totals</b>	
2020 Overall Target	80.00 MW
Total Procured to Date (New & Existing)	110.00 MW
Total Utility-Owned	110.00 MW
% Utility-Owned	100.0%

However, there is no mention of this important limitation in SDG&E’s Application and appended testimonies on what counts toward the AB 2514 procurement targets.<sup>6</sup> According to the guidance set forth in D.13-10-040, SDG&E should clarify that it still must procure third-party-

<sup>4</sup> *Decision Adopting Energy Storage Procurement Framework and Design Program*, D.13-10-040, issued on October 21, 2013, pp. 51-52.

<sup>5</sup> *Ibid*, p. 51.

<sup>6</sup> In reference to *Direct Testimony of Don Balfour on Behalf of San Diego Gas & Electric Company*, submitted on February 28, 2018.

owned energy storage projects for 27.5 MW in the distribution domain and 40 MW in the transmission domain, more or less depending on how SDG&E wishes to procure across the transmission and distribution domains while complying with inter-domain transfer rules established in D.16-01-032. Across all three domains, when including the 23.9 MW that SDG&E counts toward its customer domain target,<sup>7</sup> utility-owned projects amount to 153 MW of energy storage projects, accounting for 80.4% of energy storage projects procured to date.

Consequently, CESA recommends that the Commission ensure that SDG&E adhere to the requirements set forth in D.13-10-040 and/or that SDG&E amend its Application to indicate its intent to procure additional third-party-owned energy storage systems in its 2020 Energy Storage Application or through other mechanisms, such as the competitive solicitations being conducted in the Integrated Distributed Energy Resources (“IDER”) proceeding (R.14-10-003). In doing so, SDG&E will fulfill the intent of D.13-10-040 in ensuring that the AB 2514 energy storage procurement encourages competition as well as innovation in contracting mechanisms.

### **III. AB 2514 ENERGY STORAGE PROCUREMENT SHOULD CONSIDER HYBRID AND ALTERNATIVE ENERGY STORAGE TECHNOLOGIES.**

As SDG&E aims to adhere to the guidance set forth in D.13-10-040 and moves to procure additional third-party-owned energy storage projects pursuant to AB 2514, CESA recommends that SDG&E consider the eligibility of hybrid energy storage and alternative energy storage technologies in these future solicitations. Solicitations by SDG&E have generally been concentrated in standalone lithium-ion battery storage resources or solar-paired lithium-ion battery storage resources, but CESA also recommends that eligibility to compete, as represented through the consideration of their different capabilities and/or through differentiated *pro forma* contracts,

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<sup>7</sup> *Ibid*, pp. 4, 7.



for hybrid energy storage (*e.g.*, wind-plus-storage, gas-paired-storage) and alternative energy storage technologies (*e.g.*, thermal storage, compressed air energy storage) be accommodated.

**IV. SDG&E SHOULD NOT DEFAULT TO UTILITY-OWNERSHIP FOR AB 2868 INVESTMENTS AND SHOULD CONDUCT COMPETITIVE SOLICITATIONS FOR THIRD-PARTY-OWNED PROJECTS TO COMPETE WITH UTILITY-OWNED PROJECTS TO DELIVER INTENDED RESILIENCY SERVICES.**

SDG&E proposes seven circuit-level microgrid energy storage projects pursuant to AB 2868 to support multiple critical facilities that provide essential services during emergencies and disasters. In total, SDG&E requests approval for 100 MW of energy storage projects for \$284 million, with projects sited on utility-owned land and using existing infrastructure to achieve an expedited 2019 or 2020 timeline to achieve commercial operations. In contrast to the other investor-owned utilities (“IOUs”), SDG&E selected specific sites for energy storage investments based on detailed weighted screening criteria using the statutory objectives of AB 2868. Generally, CESA supports SDG&E’s use of the statutory objectives as screening criteria to propose specific investments, such as by identifying critical facilities with a public service purpose or that provide a public good (*e.g.*, fire stations) that would otherwise require the use of backup diesel generators to have critical loads remain online during an emergency or natural disaster. The use of this criterion, for example, as a proxy to reduce dependence on petroleum is a smart use of the statutory objectives to identify energy storage investments pursuant to AB 2868.

However, CESA maintains that SDG&E critically fails to meet two of its statutory objectives: to minimize overall costs and to not unreasonably impair non-utility enterprises. SDG&E uses the ability to site projects on SDG&E-owned land and existing infrastructure to achieve a 2019 or 2020 online timeframe akin to screening criteria in selecting the seven proposed circuit-level microgrid energy storage projects, explaining that the use of utility-owned land and existing infrastructure achieves the statutory objective of minimizing costs. Meanwhile, SDG&E

notes that it will use competitive solicitations to increase opportunities for non-utility enterprises to satisfy the latter statutory objective.

First, CESA contends that SDG&E's screening criteria and contracting approach do not achieve the statutory objective to minimize overall costs for ratepayers because it is impossible for the Commission to determine whether the most cost-effective resource was selected if only utility-owned projects are solicited. While a competitive solicitation for build-own-transfer ("BOT") offers or engineering, procurement, and construction ("EPC") offers will produce the most cost-effective *utility-owned* energy storage project, the Commission will be restricting its cost-effectiveness assessment to one type of contracting mechanism, without being able to determine whether other ownership models and contracting mechanisms can achieve the same resiliency objectives and meet the same statutory goals at a lower cost to the ratepayer.

Second, by limiting the proposed investment to one type of ownership model and contracting mechanism, CESA argues that non-utility enterprises are in fact unduly impaired, as third-party-owned distribution-connected projects or behind-the-meter ("BTM") customer-sited energy storage projects could achieve the same objectives and statutory goals as a utility-owned BOT or EPC project. For example, a third-party-owned distribution-connected energy storage project located on adjacent available land but not on utility-owned property could potentially deliver the intended circuit-level resiliency while still providing other grid-service applications such as Resource Adequacy ("RA") capacity to maximize ratepayer benefit. Alternatively, a suite of BTM energy storage systems could be sited at each or some of the target public-sector customers to deliver the intended critical load resiliency, provide customer bill savings, and provide other

grid services (e.g., RA).<sup>8</sup> Potentially, the most cost-effective solution to the ratepayer could be a combination of utility-owned, third-party-owned distribution-connected, and customer-sited energy storage projects. But without a competitive solicitation for other ownership and contracting mechanisms, it is impossible to tell.

The key issue is that SDG&E does not specify the resiliency need for the identified public-sector customers with critical facilities. Instead, SDG&E specifies that proposed projects must be located within or nearby its substations<sup>9</sup> to align with its directive to minimize overall costs. Rather than focusing on the resiliency objective, SDG&E appears to have identified final project investment sites based on the availability of suitable SDG&E-owned land or its ability to obtain land at minimal cost.<sup>10</sup> One of the driving factors of its limited focus on utility-owned land appears to be that SDG&E seeks an expedited online date of 2019 for many of these projects,<sup>11</sup> but no clear justification is offered on the need to expedite the timeframe. While it is preferable to not prolong procurement processes and it is important to deliver resiliency benefits to critical facilities (in light of several extreme weather events in California), CESA does not find the expedited timeframe for the commercial online date of these investments to be core screening criteria. Further, SDG&E appears to imply that an expedited timeframe can be achieved by leveraging utility-owned land

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<sup>8</sup> Even though siting energy storage systems at customer sites does not meet its objective to site energy storage systems on a circuit element and does not meet one of SDG&E's proxy for maximizing ratepayer benefit (i.e., by prioritizing projects based on the number of facilities served), CESA believes this view is presumptive of costs and may underestimate roles and costs for third-party solutions. For instance, behind-the meter projects, by providing other services, may deliver AB 2868 solutions at reduced costs, and could support feeder operations in ways that achieve (or shrink) resiliency goals which would otherwise be addressed at the substation level. Furthermore, if resiliency needs are defined, locating energy storage on a circuit element may not be absolutely necessary.

<sup>9</sup> *San Diego Gas & Electric Company Request for Information for AB 2868 Energy Storage Circuit Level Investments Project Proposals*, issued on February 12, 2018, p. 6.

<sup>10</sup> *Direct Testimony of Stephen T. Johnston on Behalf of San Diego Gas & Electric Company*, filed on February 28, 2018, pp. 7, 9, and 24.

<sup>11</sup> *Direct Testimony of Steven Prsha on Behalf of San Diego Gas & Electric Company*, filed on February 28, 2018, pp. 1, 4.

and existing infrastructure, but CESA finds this to be unsubstantiated and unverified without a competitive solicitation for all types of energy storage projects, not just utility-owned ones. Thus, suitable land and an expedited timeframe should not serve as the basis for defaulting to utility-owned energy storage projects as part of these proposed investments.

Finally, CESA points to previous Commission decisions that confirm that utilities must make a showing that holding a competitive solicitation for non-utility-owned generating resources is not feasible. In D.07-12-052, the Commission established an important principle regarding the electric utilities' procurement of generating resources and expressed its preference for competitive approaches in a specific requirement:<sup>12</sup>

“We want to make it clear that we continue to believe in a “competitive market first” approach. As such we believe that all long-term procurement should occur via competitive procurements, rather than through preemptive actions by the IOU, except in truly extraordinary circumstances.” [emphasis in original]

“Because the Commission has a strong preference for competitive solicitation, in all cases, if an IOU proposes an UOG outside of a competitive RFO, ***the IOU must make a showing that holding a competitive RFO is infeasible.***” [emphasis added]

The Commission reaffirmed this policy in D.08-11-004.<sup>13</sup>

In sum, CESA reiterates its support for competition and transparency and believes that utility-owned energy storage and generating projects have a role in supporting the reliability and resiliency of California's electricity grid. However, to ensure the most cost-effective resource is procured, competition is promoted, and regulatory precedent/guidance is adhered to, SDG&E

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<sup>12</sup> *Opinion Adopting Pacific Gas and Electric Company's, Southern California Edison Company's, and San Diego Gas and Electric Company's Long-Term Procurement Plans*, D.07-12-052, issued on December 21, 2007, pp. 210-211.

<sup>13</sup> *Decision Granting Motion to Dismiss of Western Power Trading Forum/The Alliance for Retail Energy Markets and the Independent Energy Producers Association*, D.08-11-004, filed on November 12, 2008, p. 24.

should conduct a competitive and transparent procurement process that includes third-party-owned projects to meet the identified microgrid resiliency objective. Only after the competitive solicitation reveals any potential lack of viable technical and commercial alternatives to utility-owned projects and that utility-owned projects are the most cost competitive (*i.e.*, in the best interest of ratepayers) should the Commission approve a utility-owned project.

V. **THE RESILIENCY NEED SHOULD BE DEFINED WITH SPECIFIC ‘SERVICE REQUIREMENTS’ TO SUPPORT THE SOLICITATION OF THIRD-PARTY-OWNED PROJECTS IN PROVIDING RESILIENCY FOR SELECTED CRITICAL PUBLIC-SECTOR FACILITIES.**

A competitive solicitation for energy storage projects of all ownership types and different contracting mechanisms is needed to identify the solution that would confirm whether SDG&E has procured the energy storage resource that meets the resiliency objective while also minimizing overall costs. By specifically defining the resiliency need (*e.g.*, the minimum duration requirement during an outage, black start capabilities), third parties can understand how to configure their proposed solutions and submit offers for projects that deliver the target microgrid resiliency characteristics, which may be delivered by siting on non-SDG&E-owned land. This information is needed to benefit ratepayers via competition from third parties on a level playing field. This information will enable third parties to propose effective energy storage solutions that meet the identified need. Without this information, SDG&E would only see competition amongst utility-owned solutions without adequate consideration of third-party-owned energy storage projects.

Ultimately, this information may be revealed to pre-qualified bidders when it launches its Request for Offers (“RFO”). SDG&E has already launched the competitive solicitation process by issuing a Request for Information (“RFI”) in mid-February to vet potential bidders and selectively issue the RFO to a short-list of pre-qualified bidders.

This leads to another concern about SDG&E’s competitive solicitation process. Before receiving Commission approval for its proposed AB 2868 investment and procurement plan, SDG&E has already launched the initial RFI stage of the solicitation process. However, CESA is concerned that SDG&E is potentially pre-empting the appropriate stakeholder vetting process to address some of the issues identified in the above sections around its investment and procurement plans. Further, without Commission pre-approval, there is risk for project development and selection efforts to be disapproved by the Commission even if it is in line with the solicitation design and goals. This risk can provide a very serious ‘chilling’ effect on developer activities and can raise costs.

**VI. SDG&E SHOULD CONSIDER EXPANDING THE SCOPE OF ITS PROPOSED EXPANDED CARE PILOT PROGRAM.**

CESA generally supports SDG&E’s proposed three-year pilot program, the Expanded California Alternate Rates for Energy (“CARE”) Pilot Program, that is proposed to be established with a \$2 million budget to support up to 2 MW of energy storage at expanded CARE facilities. Similar to the Self-Generation Incentive Program (“SGIP”) or the Solar on Multifamily Affordable Housing (“SOMAH”) Program, financial incentives beginning at \$1.20/Wh will be made available to support the deployment of distributed BTM energy storage systems to be owned by third parties and customers at expanded CARE facilities and to permanently shift load during peak periods. CESA has been heavily involved in the many evolutions to improve SGIP, which has been a critical incentive mechanism to transform the market for BTM energy storage systems that play an important role as well in enabling customer bill savings and providing grid support. Structured in many ways to mirror SGIP, a similar role could be played by this new pilot program for disadvantaged communities and CARE customers.

Importantly, SDG&E proposed that the Expanded CARE Pilot Program complement the SOMAH Program, which has an overall goal of installing at least 300 MW of solar on qualified properties by 2030, pursuant to AB 693, and has established an annual budget of \$100 million split across the three IOUs. In establishing the SOMAH Program, D.17-12-022 determined that it is reasonable to exempt participating tenants from the requirement applying to other customers using the Net Energy Metering (“NEM”) successor tariff to take service under a time-of-use (“TOU”) rate, finding that the grid impact of this exemption would be minimal.<sup>14</sup> In the deliberations around AB 693 implementation, CESA observed that the IOUs sought to not apply this TOU rate exemption, and so the Expanded CARE Pilot Program presents an opportunity for SDG&E to support the transition of eligible CARE facilities to TOU rates for common areas.

Thus, given the intent of SDG&E to complement the SOMAH Program, CESA believes that the scope of the Expanded CARE Pilot Program may be too small to act as a vehicle to support the ambitious goals of AB 693. While AB 693 sets an overall goal of 300 MW of solar on qualified multi-tenant facilities,<sup>15</sup> the Expanded CARE Pilot Program only aims for a three-year target of 2 MW. CESA recognizes that this program is proposed as a pilot, but to more quickly support the adoption of solar for CARE customers without significantly impacting the distribution grid, CESA also recommends that the scope, budget, and MW target of the Expanded CARE Pilot Program can be increased to facilitate the transition of SOMAH customers to TOU rates with paired energy storage systems. By comparison to the overall 166.66 MW authorized under AB 2868 and the 300 MW goal by 2030 pursuant to AB 693, SDG&E’s 2-MW target for this pilot program proposal

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<sup>14</sup> *Decision Adopting Implementation Framework for Assembly Bill 693 and Creating the Solar on Multifamily Affordable Housing Program*, D.17-12-022, issued on December 18, 2017, p. 20.

<sup>15</sup> *Ibid*, p. 56.

represents just 1.2% and 0.6%, respectively, of those authorizations and goals. SDG&E also noted that their planned budget could support just 24 Expanded CARE accounts, even though there are 683 such accounts in its territory<sup>16</sup> (amounting to just 3% of eligible accounts).

Within the context of these goals, CESA recommends that SDG&E consider an expanded program. Even as a pilot, the program's target and budget could be increased to support advancement to these goals and scale learnings and program administration costs.

## **VII. CONCLUSION.**

CESA appreciates the opportunity to submit this protest to the Application and looks forward to working with the Commission and SDG&E going forward in this proceeding.

Respectfully submitted,



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<sup>16</sup> *Direct Testimony of Mayda Bandy on Behalf of San Diego Gas & Electric Company*, filed on February 28, 2018, p. 3.