



May 20, 2019

Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
edtariffunit@cpuc.ca.gov

**Re: Comments of the California Energy Storage Alliance to Resolution E-5004:
Approves, with modifications, Pacific Gas and Electric Company (PG&E) Advice
Letter 5434-E, Southern California Edison (SCE) Advice Letter 3900-
E, and San Diego Gas & Electric Company (SDG&E) Advice Letter 3308-E**

Dear Mr. Petlin and Ms. Worster:

The California Energy Storage Alliance (“CESA”)¹ submits these comments to Draft Resolution E-5004, issued on April 26, 2019, approving, with modifications, the technology-neutral *pro forma* (“TNPF”) contracts submitted in Advice Letter 5434-E of Pacific Gas and Electric Company (“PG&E”), Advice Letter 3900-E of Southern California Edison Company (“SCE”), and Advice Letter 3308-E of San Diego Gas and Electric Company (“SDG&E”).

¹ 174 Power Global, 8minutenergy Renewables, Able Grid Energy Solutions, Advanced Microgrid Solutions, Aggreko, Alligant Scientific, LLC, AltaGas Services, Amber Kinetics, Ameresco, American Honda Motor Company, Inc., Avangrid Renewables, Axiom Exergy, Better Energies, Boston Energy Trading & Marketing, Brenmiller Energy, Bright Energy Storage Technologies, Brookfield Renewables, Carbon Solutions Group, Clean Energy Associates, ConEd Battery Development, Customized Energy Solutions, Dimension Renewable Energy, Doosan GridTech, Eagle Crest Energy Company, East Penn Manufacturing Company, EDF Renewable Energy, eMotorWerks, Inc., Enel X North America, Energport, Energy Vault, Engie Storage, E.ON Climate & Renewables North America, esVolta, Fluence, Form Energy, General Electric Company, Greensmith Energy, Gridwiz Inc., Hecate Grid LLC, Highview Power, Ingersoll Rand, Innovation Core SEI, Inc. (A Sumitomo Electric Company), Lendlease Energy Development, LG Chem Power, Inc., Lockheed Martin Advanced Energy Storage LLC, LS Energy Solutions, LS Power Development, LLC, Magnum CAES, NantEnergy, National Grid, NEC Energy Solutions, Inc., NextEra Energy Resources, NEXTracker, NGK Insulators, Ltd., Nuvve, Pattern Energy, Pintail Power, Plus Power, Primus Power, PolyJoule, Quidnet Energy, Range Energy Storage Systems, Recurrent Energy, RES Americas, SNC-Lavalin, Soltage, Southwest Generation, Stem, STOREME, Inc., Sunrun, Swell Energy, Tenaska, Inc., Tesla, True North Venture Partners, Viridity Energy, VRB Energy, WattTime, and Wellhead Electric. The views expressed in this Response are those of CESA, and do not necessarily reflect the views of all of the individual CESA member companies.

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I. INTRODUCTION.

CESA was an active participant in the TNPF Working Group (“TNPFWG”) and appreciated the opportunity to provide the perspective of energy storage market participants on the TNPF contract around the various terms and conditions in the TNPF contract as part of the Competitive Solicitation Framework (“CSF”). Draft Resolution E-5004 appropriately makes modifications to the TNPF contract that, in CESA’s view, provides the investor-owned utilities (“IOUs”) with assurances of distributed energy resource (“DER”) deployment and performance to economically defer distribution capital investments while making the terms and conditions tenable for DER providers to respond to the request for offers (“RFO”). As such, CESA supports the approval of the Draft Resolution.

II. DISCUSSION.

CESA appreciates the incorporation of many of our recommended modifications in the Draft Resolution and sees no factual, legal, or technical errors in the Draft Resolution. In particular, CESA agrees with the Draft Resolution that 100% availability and immediate dispatch requirements should not be a standard term, except on a case-by-case basis upon further evidence for coupling distribution capacity services with back-tie services.²

Meanwhile, the Draft Resolution also determines that certain recommended modifications are outside the scope of the TNPF contract. For example, standardization of multiple-use application (“MUA”) rules and revision of incrementality rules are important to the success of the Distribution Investment Deferral Framework (“DIDF”) RFOs, but CESA agrees that these matters are policy issues that require resolution in broader proceedings (*e.g.*, R.15-03-011, R.14-10-003).³ Upon Commission resolution or clarification of these matters, CESA believes that these rules and policies can merely be referenced in the TNPF contract. Furthermore, CESA previously recommended the removal of the single counterparty requirement in SDG&E’s TNPF contract. CESA still believes that the single counterparty requirement should instead be a contracting preference or be a ‘natural’ competitive solicitation outcome, not an eligibility requirement. However, we agree with the Draft Resolution that this is not a TNPF contract issue but an RFO and bid evaluation issue⁴ – *i.e.*, this involves how many sellers the buyer contracts with under the TNPF contract but is not an issue with the TNPF contract itself. Despite not being addressed here, CESA recommends that the Commission ensure that the single counterparty requirement be eliminated when evaluating future DIDF RFOs.

² Draft Resolution at pp. 10-12.

³ *Ibid* at p. 7.

⁴ *Ibid* at p. 18.

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III. CONCLUSION.

CESA appreciates the opportunity to submit these comments to Draft Resolution E-5004 and supports the Commission's efforts to better ensure a fair and competitive DIDF RFO process.

Respectfully submitted,



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Vice President, Policy & Operations
California Energy Storage Alliance

cc: Gabriel Petlin, Supervisor, Energy Division (gabe.petlin@cpuc.ca.gov)
Chari Worster, Senior Regulatory Analyst (chari.worster@cpuc.ca.gov)
Service list R.14-10-003