

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

Order Instituting Rulemaking to Consider
Streamlining Interconnection of Distributed
Energy Resources and Improvements to
Rule 21.

Rulemaking 17-07-007
(Filed July 13, 2017)

**COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE TO THE
PROPOSED DECISION ADOPTING RECOMMENDATIONS FROM WORKING
GROUPS TWO, THREE, AND SUBGROUP**

Alex J. Morris
Executive Director

Jin Noh
Senior Policy Manager

CALIFORNIA ENERGY STORAGE ALLIANCE
2150 Allston Way, Suite 400
Berkeley, California 94704
Telephone: (510) 665-7811
Email: cesa_regulatory@storagealliance.org

September 9, 2020

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

Order Instituting Rulemaking to Consider
Streamlining Interconnection of Distributed
Energy Resources and Improvements to
Rule 21.

Rulemaking 17-07-007
(Filed July 13, 2017)

**COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE TO THE
PROPOSED DECISION ADOPTING RECOMMENDATIONS FROM WORKING
GROUPS TWO, THREE, AND SUBGROUP**

In accordance with Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the California Energy Storage Alliance (“CESA”) hereby submits these comments to the *Proposed Decision Adopting Recommendations from Working Groups Two, Three, and Subgroup* (“PD”), issued by Commissioner Martha Guzman Aceves on August 20, 2020.

I. INTRODUCTION.

While the PD on the Working Group 2 and 3 proposals are much delayed, CESA is generally supportive of many of the Commission’s determinations and adopted proposals, which collectively create pathways to interconnection for certain distributed energy resources (“DERs”), such as vehicle-to-grid (“V2G”) systems, and clarify and/or streamline Rule 21 interconnection processes. Specifically, we support the PD’s determination that:

- Adopts Issue 8i Option B to continue the current practice of permitting all non-exporting projects of all sizes to skip Screens K, L, and M due to unknown additional costs and the potential for the Fast Track process to become less efficient, though we have some concerns that the Option A proposal may be revisited in the ratesetting phase of this proceeding¹ since non-exporting DERs should not have the

¹ PD at 40.

cost responsibility for overvoltage and overload conditions created by other DERs on the grid;

- Considers the Issue 6 proposal moot and resolved at this time² since Resolution E-5000 appropriately concluded that the Phase 2 communication requirements allow for multiple communication protocols, and existing standards and compatibility testing can be used for compliance; and
- Approves the three Issue 20 proposals to clarify and provide additional resources on coordination between the Rule 21 and WDAT interconnection processes, especially as the Commission considers policies and solutions to address barriers to DER participation in the wholesale market broadly and how export capacity can be valued and delivered in R.19-11-009.

Each of the adopted proposals above will advance the role of DERs and support their safe, reliable, and efficient interconnection. In these comments, we offer some key recommendations to further clarify or enhance the determinations and/or next steps for certain key proposals. Specifically, our comments can be summarized as follows:

- The V2G Direct Current (“DC”) interconnection proposals should be adopted but modified to clarify a pathway to immediately interconnect under Rule 21.
- The V2G Alternate Current (“AC”) interconnection exemptions for pilots should be approved and subgroup follow-up should be more timely.
- Timely incorporation of lessons learned from the non-exporting storage pilots is needed, and a broader evaluation of technical, not just administrative, processes need to be considered.

² *Ibid* at 13.

II. THE V2G DC INTERCONNECTION PROPOSALS SHOULD BE ADOPTED BUT MODIFIED TO CLARIFY A PATHWAY TO IMMEDIATELY INTERCONNECT UNDER RULE 21.

CESA strongly supports the PD's adoption of the consensus Issue 23 proposals³ as providing regulatory and market certainty to the EVSE and automotive industries and commends the Commission for facilitating a collaborative process to bring the electric and automotive industries together to address interconnection barriers for V2G resources. While we advocated for leveraging streamlined processes for V2G DC systems, CESA understands the Commission's decision to not adopt this proposal, though this may be worthwhile to monitor and revisit at a future time if existing Rule 21 processes do not account for any unique characteristics of V2G DC systems. Furthermore, CESA generally agrees with the next-step processes and timelines to develop the implementation details, which appear to be timely.

However, we offer one key recommendation to include in the PD. Collectively, Proposals 23a, 23c, 23d, and 23e were developed with a particular progression of V2G enablement over time in mind, where CESA sought to ensure that load-only one-way charging EV charging stations would not be inappropriately subject to Rule 21 requirements, or be delayed by Rule 21 processes if only V2G-capable but not yet V2G-active. In this way, this process would not delay or deter accelerated progress toward EV infrastructure buildout and deployments, while providing future optionality to provide advanced vehicle-grid integration ("VGI") services. At the same time, the Commission should clarify how V2G DC systems could potentially move directly to initiating a Rule 21 interconnection study, regardless of whether the UL Power Control Systems ("PCS") Certification Requirements Decision ("CRD") is in place. There may be some V2G DC systems that are ready to activate V2G capabilities from the onset, where the progression from uni-

³ *Ibid* at 112-116.

directional charging with PCS controls to bi-directional permission is therefore unnecessary. In such cases, certified PCS capabilities may not be needed if only needed to ensure controls against bidirectional operations when in unidirectional mode, given that PCS-controlled unidirectional mode is not sought. Rather than implying that all V2G DC systems need to proceed from PCS-controlled unidirectional mode to Rule 21-approved bidirectional mode, the Commission should clarify that V2G DC systems can pursue Rule 21-approved bidirectional mode from the outset. The CRD is merely an option for applicants who wish to pursue some activity outside the standard interconnection process, or to comply with certain tariff requirements (*e.g.*, use of PCS to ensure NEM integrity as opposed to other options such as non-export relays), which this PD confirms is available to V2G DC systems.

III. THE V2G AC INTERCONNECTION EXEMPTIONS FOR PILOTS SHOULD BE APPROVED AND SUBGROUP FOLLOW-UP SHOULD BE MORE TIMELY.

CESA thanks the Commission for facilitating the launch of the V2G AC Interconnection Subgroup and fully supports the PD's determination to direct the utilities to identify a temporary pathway to interconnect the V2G AC pilots. As the PD notes, enabling these pilots to interconnect will generate key lessons learned that could then further inform the Commission's interconnection policies and processes for V2G AC systems.⁴ CESA agrees that it may be premature to reconvene the subgroup without updated standards but also support the PD's requirement for the investor-owned utilities ("IOUs") to actively participate in the relevant standards development committees, which will ensure timely and efficient development of the standards to be applicable to IOU concerns and requirements, instead of creating a sequential process for their participation.⁵ Finally,

⁴ PD at 115.

⁵ PD at 148.

CESA supports the regular status meeting updates and the automatic trigger for when the relevant standards identified in the subgroup are updated, though they could be modified to meet at a greater frequency to facilitate their active participation in the standards development and avoid delay in follow-up subgroup activities, once the standards are updated in accordance with the gaps identified in the subgroup report.

IV. TIMELY INCORPORATION OF LESSONS LEARNED FROM NON-EXPORTING STORAGE PILOTS IS NEEDED, AND A BROADER EVALUATION OF TECHNICAL, NOT JUST ADMINISTRATIVE, PROCESSES NEED TO BE CONSIDERED.

CESA supports the PD's determinations to order each utility to formally incorporate all successful process improvements tested in the non-exporting storage pilot into the Rule 21 Fast Track process and require all non-exporting storage less than or equal to 30 kVA to be eligible for the same process used by standard Net Energy Metering ("NEM") projects less than 30 kVA. CESA supports the long-overdue incorporation of non-exporting storage pilot's lessons learned into comprehensive changes that would support more streamlined study and processes. This is particularly supported by the PD's acknowledgement of the need for technologies that can provide resiliency⁶ but also the growing role of DERs to provide sorely needed generation capacity. Many of these changes are straightforward as shared at the Interconnection Discussion Forum in December 2019, including frontloading interconnection applications, utilizing online payments, enabling generator lookups, and auto-populating certain existing information. However, much of these recommendations and lessons learned are administrative in nature. While not insignificant, the improved administrative processes represent one component of an ideal Lightning Review process. At the very least, the required Issue 11 advice letter should be accelerated from 180 days

⁶ PD at 66.

to 60 days to provide implementation details on largely administrative improvements that the utilities appear to have already implemented to a significant degree.

Given the limited time afforded Issue 11 in Working Group 2, the Commission should consider additional streamlining considerations that look at the technical reliability aspects of non-exporting storage systems to identify parameters and profiles that would impose negligible impact on the distribution grid and thus enable streamlined interconnection, similar to what was developed in Issue 8. This follow-up working group activities will then be able to consider streamlining proposals for non-exporting storage profiles and configurations that have negligible impact on the grid and thus be subject to more expedited interconnection review and study.

V. CONCLUSION.

CESA appreciates the opportunity to submit these comments on the PD and looks forward to collaborating with the Commission and stakeholders in this proceeding.

Respectfully submitted,



Alex J. Morris
Executive Director
CALIFORNIA ENERGY STORAGE ALLIANCE

September 9, 2020