# UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Pacific Gas and Electric Company's Proposed Rate and Non-Rate Changes to the Wholesale Distribution Tariff. Docket No. ER20-2878-000

### MOTION TO INTERVENE AND COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE

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Pursuant to Rule 212 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("FERC" or Commission"), the California Energy Storage Alliance ("CESA") respectfully moves to intervene and provides comments to amendments to the filing submitted by Pacific Gas and Electric Company ("PG&E") on September 15, 2020 to its Wholesale Distribution Tariff ("WDT"), FERC Electric Tariff Volume No. 4, and related service agreements for Wholesale Distribution Service.

#### I. BACKGROUND.

Founded in 2009, CESA is a non-profit membership-based advocacy group committed to advancing the role of energy storage in the electric power sector through policy, education, outreach, and research. CESA's mission is to make energy storage a mainstream energy resource which accelerates the adoption of renewable energy and promotes a more efficient, reliable, affordable, and secure electric power system. As a technology-neutral group that supports all business models for deployment of energy storage resources, CESA membership includes technology manufacturers, project developers, systems integrators, consulting firms, and other clean-tech industry leaders.

#### II. COMMUNICATIONS AND CORRESPONDENCE.

Address all communications and correspondence concerning this proceeding to:

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#### III. MOTION TO INTERVENE IN THIS PROCEEDING.

CESA's current membership consists of 174 Power Global, 8minutenergy Renewables, Able Grid Energy Solutions, Aggreko, Amber Kinetics, Ameresco, Antora Energy, Aparrent, Aquifer Based Hydroelectric Systems LLC, Arevon Energy Management by Capital Dynamics, Avangrid Renewables, B2U Storage Solutions, Better Energies, Borrego Solar Systems Inc., Boston Energy Trading & Marketing, Bright Energy Storage Technologies, Broad Reach Power, Buchalter, Carrier, Clean Energy Associates, ConEd Battery Development, Connect California, Customized Energy Solutions, Dimension Renewable Energy, Doosan GridTech, Eagle Crest Energy, East Penn Manufacturing, EDF Renewable Energy, Emera, Enel X, Energy Dome, Energy ort Inc., Energy Storage Response Group, Energy Vault, Engie, ESS Inc., es Volta, Fluence, ForeFront Power, LLC, Form Energy, General Electric, Gridwiz, Hecate Energy, Highview Power, Honda, Hydrostor, Jensen Hughes, Lendlease Energy Development, LG Chem Power, Li-Ion Tamer, Lockheed Martin AES, LS Power Development, Malta, NantEnergy, NEC Energy Solutions, Inc., NextEra Energy Resources, NEXTracker, NGK Insulators, Nostromo, NRStor, Nuvve, Ormat/Viridity, Plus Power, PolyJoule, PXiSE, Quidnet Energy, Range Energy Storage, RAW Energy, Recurrent Energy, Reimagine Power, RWE, Southwest Generation Company, Stem, Stoel Rives, Strata Solar Development, Elsys, Sumitomo Electric, Sunrun, Swell Energy,

Tenaska, Tenaska Power Services Company, Trane, TRC, UL, VRB Energy, Wartsila, WattTime, Wellhead Electric and Zitara Technologies. 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.

CESA's intervention in this proceeding is in the public interest. CESA's interests will not be adequately reflected by any other party, particularly given CESA's role in representing companies that seek to develop and interconnect energy storage projects to PG&E's distribution grid and participate in the California Independent System Operator ("CAISO") market, which are subject to PG&E's WDT. CESA therefore has a substantial interest in the instant proceeding and respectfully requests that this motion to intervene be granted.

#### IV. <u>COMMENTS</u>.

Due to increases in the wholesale distribution revenue requirement and the changing nature of distribution investments and its financial risk profile, PG&E proposes amendments to its WDT to transition away from stated rates to formula rates, with an annual update process.<sup>1</sup> In addition, PG&E proposed to only offer distribution service at the primary voltage level as being appropriate for utility-to-utility interconnections, consistent with the level of distribution service offered by the majority of the largest investor-owned utilities ("IOUs"), and necessary for use of protective equipment and isolation of one utility from the other.<sup>2</sup>

While energy storage is not explicitly implicated in the proposed WDT filing, CESA has concerns about the limitation of distribution service only to the primary voltage level, which may prevent the interconnection of energy storage under the WDT at many sites, particularly in dense urban areas such as San Francisco and Oakland, potentially directing energy storage projects to

<sup>&</sup>lt;sup>1</sup> PG&E Transmittal Letter at 3-5 and 9-10.

<sup>&</sup>lt;sup>2</sup> *Ibid* at 14 and Exhibit PGE-0001 at 10-11.

interconnect at higher costs at the primary voltage level in certain cases even when it may be more economic and still safe and reliable at the secondary voltage levels. It is unclear, based on the lengthy filing, the voltage levels that would be classified as primary versus secondary and the scope of the implications of these classifications on wholesale load and energy storage projects from taking service under the WDAT based on the architecture of PG&E's distribution grid. For example, in PG&E's Electric Rule 2,3 "certain limited areas" are identified as having "non-standard distribution voltages" where CESA has questions as to whether these classification systems are consistent across the retail and wholesale distribution service tariffs as well as on the specific locations and areas where "non-standard" definitions may apply.

In addition, PG&E explains that there is no primary service option in the networked portions of its distribution system,<sup>4</sup> suggesting that no new additions of load service or energy storage may be possible in downtown San Francisco and Oakland areas beyond what is deemed legacy secondary services; otherwise, upgrades to primary service must be made or service would need to be converted to a California Public Utilities Commission ("CPUC") jurisdictional service.<sup>5</sup> In effect, CESA views these proposals as essentially directing a predetermined outcome where costly upgrades need to be made to accommodate any additional wholesale load or energy storage without sufficiently substantiating the basis for it. In the alternate, it is unclear what the basis is to convert to a CPUC-jurisdictional service, what this entails, and whether this would impact reduce or eliminate access to and participation in wholesale markets in these locations.

Based on its September 15, 2020 filing, CESA does not believe that PG&E has met its burden to substantiate the grounds for limiting distribution service only to the primary voltage

<sup>&</sup>lt;sup>3</sup> https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC\_RULES\_2.pdf

<sup>&</sup>lt;sup>4</sup> Exhibit PGE-0016 at 9-10.

<sup>&</sup>lt;sup>5</sup> *Ibid* at 10.

level, even though it could have major implications not only for energy storage project

development but also for wholesale load service. PG&E points to a benchmarking peer assessment

to highlight how other IOUs of similar size to justify its case,6 but it is not substantiated why those

IOUs offer certain levels of distribution service and whether those reasons apply to PG&E's case.<sup>7</sup>

Furthermore, PG&E points to safety and reliability reasons, such as the use of necessary protective

equipment and the need to have clear lines of demarcation across PG&E's and customer's

facilities8 but has not substantiated the issues created today by not having these distinctions in

current practice and procedure.

Altogether, PG&E's proposed changes warrant further review and should not be adopted

until these concerns and questions are discussed and addressed.

V. <u>CONCLUSION</u>

CESA appreciates the considerations of these comments and looks forward to working with

the Commission, PG&E, and other stakeholders on this matter.

Respectfully submitted,

Alex J. Morris

**Executive Director** 

CALIFORNIA ENERGY STORAGE ALLIANCE

October 6, 2020

<sup>6</sup> Exhibit PGE-0015 at 2.

<sup>7</sup> For example, CESA seeks to understand whether the consultant distinguished among the surveyed utilities those that do not offer secondary service at all from those who do not have any secondary service customers.

<sup>8</sup> PG&E Transmittal Letter at 14 and Exhibit PGE-0016 at 6.

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### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of *Motion to Intervene and Comments of the California Energy Storage Alliance* on the official service list in the proceeding ER20-2878-000, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure.

Executed on October 6, 2020 at Berkeley, California

### Service List for ER20-2878-000 Pacific Gas and Electric Company

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