

## April 27, 2021

CPUC Energy Division Tariff Unit 505 Van Ness Avenue San Francisco, California 94102 EDTariffUnit@cpuc.ca.gov

Re: Comments of the California Energy Storage Alliance to Preliminary Draft Resolution: Modifies Citation Procedures for Violations of Commission General Order 167, Enforcement of Maintenance and Operation Standards for Electric Generating Facilities

Dear Sir or Madam:

Pursuant to the provisions of General Order 96-B and the Comment Letter issued on April 7, 2021 from Lee Palmer Director, Safety and Enforcement Division ("SED"), the California Energy Storage Alliance ("CESA") hereby submits these comments to the above-referenced Preliminary Draft Resolution, proposing modifications to General Order ("GO") 167.

## I. <u>INTRODUCTION & SUMMARY</u>.

In the aftermath of the August 2020 heat wave and rolling outages, the SED published this Preliminary Draft Resolution that would modify the citation procedures for violations of GO-167 regarding operation and maintenance ("O&M") standards for electric generating facilities, with the Commission asserting its authority under GO-167 to enforce these standards not only to investor-owned utilities ("IOUs") but also exempt wholesale generators ("EWGs"). In support of these changes, the Preliminary Draft Resolution cites the in-person inspections conducted by SED at a select number of electric generating facilities that experienced outages during the August 2020 heatwave. These findings, specific violations, and corrective actions were shared at a Commission meeting on January 14, 2021.<sup>1</sup>

CESA generally supports the Commission ensuring compliance with O&M standards and safe practices. The California and Texas outages have demonstrated that compliance and regulated enforcement to these standards and practices are tantamount to the safe and reliable operation of the electric grid. However, upon review of the Preliminary Draft Resolution, CESA has concerns

<sup>&</sup>lt;sup>1</sup> See Item #45 [19049] from Commission Meeting on January 14, 2021 regarding Electric Safety and Reliability Branch presentation on August 2020 Outage Investigations. <a href="https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Transparency/Commission\_Meetings/Presentations/2021/1-14-2021\_ComMeeting.pdf">https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/Transparency/Commission\_Meetings/Presentations/2021/1-14-2021\_ComMeeting.pdf</a>



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that the proposed modifications would remove the due process involved in formal investigations into violations of GO-167 in order to issue citations and fines. Rather, the proposed process would allow staff to more easily review and issue citations and fines, introducing a level of subjectivity to a process and framework that already involves recording-keeping and reporting requirements to the Commission and potential audits where applicable from the North American Electric Reliability Corporation ("NERC") in accordance with their O&M standards. Prior to making these changes, CESA also requests that the Commission substantiate whether and how the current process fails to target bad actors and enforce compliance with existing O&M standards.

## II. <u>CONCLUSION</u>.

CESA appreciates the opportunity to submit these comments on the Preliminary Draft Resolution and looks forward to working with the Commission.

Respectfully submitted,

Jin Noh Policy Director

C.fm/h

California Energy Storage Alliance

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Service lists R.20-11-003, R.19-11-009, R.16-02-007, and R.02-11-039

List of generating asset owners (Appendix B in the Preliminary Draft Resolution)