

**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)

**REPLY COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE ON
THE PROPOSED DECISION ADDRESSING REMAINING PHASE I ISSUES**

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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”) hereby submits these reply comments on the *Proposed Decision Addressing Remaining Phase I Issues* (“PD”), issued by Commissioner Martha Guzman-Aceves on April 7, 2021.

I. INTRODUCTION.

CESA reiterates our appreciation of the Commission’s consideration of the various Rule 21 proposals included in the Working Group 4 Report in addition to outstanding issues from previous Working Group proposals. In opening comments, the investor-owned utilities (“IOUs”) raise unsubstantiated issues as well as additional or delayed implementation steps for the notification-only process (Issue 11) proposal. CESA appreciates the constructive comments by Southern California Edison Company (“SCE”) to shape the Issue 11 proposal to address their concerns related to implementation and safety/reliability, though we do not necessarily agree with each of these recommendations.

In these reply comments, CESA focuses on responding to concerns related to the viability and implementation details of the notification-only process. In addition to supporting the reply comments of Tesla, CESA makes the following key recommendations:

- Pre-approval by the utility is not necessary when leveraging certified equipment.
- Limiting the notification-only process to one non-exporting generator per site is arbitrary and would preclude solar-plus-storage projects.
- The audit process should be developed in collaboration with industry and be proposed and implemented via a subsequent advice letter.
- The proposed buffer around the secondary network system is arbitrary and must be substantiated.
- The use of the notification-only process should not prevent projects from participating in the Self-Generation Incentive Program (“SGIP”).

II. PRE-APPROVAL BY THE UTILITY IS NOT NECESSARY WHEN LEVERAGING CERTIFIED EQUIPMENT.

SCE proposes that inverters must be pre-approved by the utility and demonstrate UL-certified power control systems, even if certified, due to lack of compliance with the two-second open-loop response time requirement in some cases. Along the same lines, Pacific Gas and Electric Company (“PG&E”) and San Diego Gas and Electric Company (“SDG&E”) raise concerns about systems not being set up correctly, regardless of capabilities and certification.¹ CESA recommends that the Commission not include a pre-approval process considering that the notification-only process would only allow systems that use UL-certified equipment, thus leveraging standards and certifications to ensure safety and reliability while streamlining the interconnection process. Rather than reviewing inverters for additional review via a separate pre-approval process, contrary to the intended purpose of this pilot in streamlining interconnection of non-exporting systems, the IOUs should use the California Energy Commission (“CEC”) equipment list to immediately lookup

¹ SDG&E comments at 3-4 and PG&E comments at 3.

inverters for compliance to the UL Power Control Systems (“PCS”) standard. In fact, the CEC’s equipment list provides details on PCS certification, including the Open Loop Response Time.² Being listed on the CEC equipment list should be sufficient for meeting the PD’s proposed eligibility criteria for the notification-only process.

III. LIMITING THE NOTIFICATION-ONLY PROCESS TO ONE NON-EXPORTING GENERATOR PER SITE IS ARBITRARY AND WOULD PRECLUDE SOLAR-PLUS-STORAGE PROJECTS.

SCE argues that “generating facilities that incorporate other types of generators (such as solar or other projects processed under the Net Energy Metering program) should not be permitted to utilize the notification only approach,” contending that such projects “complicate the utilization of power control systems and may result in such systems not functioning as intended.”³ CESA disagrees with this proposed limitation and urges the Commission to reject this arbitrary proposal. The concern is vague and unsubstantiated and would unduly limit multiple generator types from taking advantage of a notification-only process. This would impair the efficacy of this policy in facilitating and expediting the ability of customers to make resiliency investments. Storage retrofits to existing solar, which are ideally suited to utilize this process would presumably be restricted from this process even though the eligibility criteria, including the use of certified equipment, already address the interconnection impacts for non-exporting systems. Rather than hamstringing this policy, CESA encourage the Commission to broaden its scope to include new solar-plus-storage installation consistent with Tesla’s recommendation in opening comments.

² See Tab entitled “Inverter and Energy Storage System PCS List”:
https://www.energy.ca.gov/sites/default/files/2021-01/Inverter%20and%20Energy%20Storage%20System%20PCS%20List_ADA.xlsx

³ SCE comments at 5.

IV. THE AUDIT PROCESS SHOULD BE DEVELOPED IN COLLABORATION WITH INDUSTRY AND BE PROPOSED AND IMPLEMENTED VIA A SUBSEQUENT ADVICE LETTER.

SCE proposes additional details regarding the IOUs' utility audit rights and processes, including the requirement that developers comply with a utility audit request within ten business days of the initial request.⁴ CESA believes that this process timeline is overly aggressive given the time involved in developers communicating and coordinating with customers to comply with the audit request and requirements.⁵ Additionally, SCE does not detail the criteria, process, timelines, documentation, or other requirements involved in an audit. More generally, CESA recommends that the Commission direct the IOUs to collaborate with industry to develop an audit process that sets expectations and balances the process and requirements for reasonableness and efficiency. Upon consulting with industry, the IOUs should submit an advice letter within 15 days of the issuance of the decision. Considering the audit process is critical to ensuring safety and reliability while allowing for an expedited streamlined process to be used, these details must be worked out in follow-up processes with industry.

V. THE PROPOSED BUFFER AROUND THE SECONDARY NETWORK SYSTEM IS ARBITRARY AND MUST BE SUBSTANTIATED.

SCE proposes that a quarter-mile buffer be in place for the siting of non-exporting systems taking advantage of the notification-only process.⁶ However, the rationale for establishing this radius buffer is not substantiated from a safety or reliability perspective. Absent such substantiation, CESA recommends that the Commission not adopt this limitation. To this end, the IOUs must also provide maps on secondary network locations to even establish such a radius

⁴ SCE comments at 7.

⁵ For site visits and field inspections, the developer must coordinate with the customer on the day and time of appointment and to ensure that a certified person is onsite, among other logistical considerations.

⁶ SCE comments at 3.

buffer. Otherwise, developers will be unable to take advantage of a notification-only process without knowing where projects would be eligible or be forced to engage in an unwieldy process where they must use some to-be-developed lookup tool or other means of reaching out to the utilities on a project-by-project basis.

VI. THE USE OF THE NOTIFICATION-ONLY PROCESS SHOULD NOT PREVENT PROJECTS FROM PARTICIPATING IN SGIP.

While no party raised the issue of SGIP eligibility for developers using the notification-only process, CESA requests that the Commission clarify and affirm that the use of the notification-only process does not prevent these projects from being eligible for SGIP incentives. Since the notification-only process does not involve a permission to operate (“PTO”) letter from the IOU, developers may otherwise not be able to receive SGIP incentives. As part of submitting an Incentive Claim Form (“ICF”), the current SGIP process requires documentation of an express interconnection approval,⁷ which is eliminated in a notification-only process. By qualifying for the notification-only process, which includes demonstrated success and track record of safe and reliable interconnection even without an official PTO issued by the IOU, the intent of this SGIP milestone requirement is met. While such issues may be outside the scope of R.17-07-007, we encourage the Commission to proactively address this in the SGIP proceeding (R.20-05-012) to ensure that use of a notification-only process does not force customers to choose between use of this streamlined process and accessing this vital incentive program.

VII. CONCLUSION.

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

⁷ See SGIP Handbook Section 4.2.2. <https://www.selfgenca.com/documents/handbook/2021>

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jin Noh', written in a cursive style.

Jin Noh
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CALIFORNIA ENERGY STORAGE ALLIANCE

May 3, 2021