

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

Order Instituting Rulemaking to
Establish Policies, Processes, and
Rules to Ensure Reliable Electric
Service in California in the Event of an
Extreme Weather Event in 2021.

Rulemaking 20-11-003
(Filed November 19, 2020)

OPENING BRIEF OF THE CALIFORNIA ENERGY STORAGE ALLIANCE

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In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the California Energy Storage Alliance (“CESA”) hereby submits this opening brief pursuant to the *Assigned Commissioner’s Scoping Memo and Ruling* (“Scoping Memo”), issued by Assigned Commissioner and President Marybel Batjer on August 10, 2021. CESA also timely served opening and reply testimony on September 1 and 10, 2021, respectively, in the request for Phase 2 party proposals.

I. INTRODUCTION.

Given the unprecedented nature of today’s extreme weather conditions and the short lead time of bringing various solutions to bear, some of the “usual way of doing things” needs to be suspended, reformed, or adapted. A wide range of proposals, recommendations, and comments were submitted in Phase 2 opening and reply testimony along these lines to address the risk of system capacity shortfalls in Summer 2022 and 2023. CESA continues to encourage the Commission to adopt many, if not all, of our proposals detailed in our testimony. In this brief, we respond to some of the key recurring themes raised by parties, as well as some new comments or viewpoints expressed in reply testimony.

II. PROCUREMENT OF INCREMENTAL RESOURCE CAPACITY SHOULD BE INCENTIVIZED AND SUPPORTED THROUGH INTERCONNECTION STRATEGIES, TIMELY TRANSMISSION UPGRADES, AND RESOLUTION OF VARIOUS OUTSTANDING POLICY ISSUES.

In light of the need for near-term capacity in the face of extreme weather risks, the Commission should consider various strategies to incentivize and support, not deter, the procurement and timely deployment of incremental supply resources. Procurement and deployment of incremental energy storage resources, for example, are already being stretched to meet record levels of buildout and deployment on very short timelines, compounded by recent events related to COVID-19 pandemic and global supply chain disruptions. CESA demonstrated how energy storage in recent operations is performing well in support of net peak period needs,¹ highlighting how energy storage represents a valuable resource type in support of emergency reliability needs. As a resource that is well-positioned to support capacity and reliability needs while not compromising on the state’s decarbonization objectives, the Commission should do everything in its ability to incentivize its deployment and operations via immediate-term interconnection strategies, timely procurement authorizations, streamlined contract approval, timely transmission upgrades, and resolution of various outstanding policy issues.

But first and foremost, CESA emphasizes how the Commission should not adopt penalties for failing to meet Integrated Resource Plan (“IRP”) related procurement milestones. Such penalties on projects contracted pursuant to Decision (“D.”) 19-11-016 would be retroactive, duplicative of contract provisions in place, and create significant levels of uncertainty.² A best-efforts standard may thus be appropriate in this case, as proposed by Southern California Edison

¹ CESA Opening Testimony at 21-23.

² See, e.g., CESA Reply Testimony at 7-9, PG&E Reply Testimony Chapter 9 at 1-2, and SDG&E Reply Testimony (Witness Jeff DeTuri) at 6-7.

Company (“SCE”),³ given the circumstances. CESA also proposed a potential optional incentive structure to accelerate procurement, if needed, but recognizes that there may be few projects that could feasibly accelerate their online dates.⁴ To this end, CESA proposed this incentive as optional, and at minimum, raised this proposal to highlight how there are real and opportunity costs incurred by urging projects to come online sooner that may warrant compensation. Regardless of whether the Commission finds merit in an optional incentive structure, the Commission should not adopt IRP-related compliance penalties for all the reasons stated by CESA and others, but also because the Commission should be making every effort to invite new resource procurement and development. If retroactive penalties are established, there may be spillover impacts on all ongoing and future solicitations to meet mid-term reliability needs, causing perceived regulatory and contract risk to materially increase and potentially leading to higher bids and offers from market participants to reflect these risks.

Notwithstanding the above, CESA proposed strategies to allow Energy Only (“EO”) or Partial Capacity Deliverability Status (“PCDS”) energy storage resources to provide proxy Resource Adequacy (“RA”) or pre-RA deliveries in support of near-term emergency reliability needs. In response to concerns by Middle River Power (“MRP”) that such a proposal “strips deliverability requirement from resources that are intended to maintain reliability,”⁵ CESA’s proposal mitigated against risks of energy storage resources not being fully deliverable to the bulk power system by recommending a locational analysis of where such EO or PCDS resources could support incremental reliability in the interim even as Full Capacity Deliverability Status (“FCDS”)

³ SCE Opening Testimony at 56-57.

⁴ CESA Opening Testimony at 11-15.

⁵ MRP Reply Testimony at 6.

is not yet assigned and allocated.⁶ Accounting for the timeline of achieving FCDS and the broader consideration of energy from imports, temporary generators, and other resource types, this represents a smart, reasonable strategy to support emergency reliability needs in Summer 2022 and 2023 – a strategy supported by San Diego Gas and Electric Company (“SDG&E”) and LS Power.⁷ Along the same lines, the California Wind Energy Association (“CALWEA”) highlighted the conservative nature of the current deliverability methodology and proposed a number of modifications,⁸ suggesting that there may be some room for flexibility to consider EO and PCDS energy storage resources within the bounds of CESA’s proposal. CESA is thus not asking for an erosion of RA capacity but consideration of risk-mitigated strategies to leverage EO and PCDS energy storage resources in this interim period, which could also very well be on track for FCDS in support of IRP mid-term reliability procurement needs in the 2024-2026 period. Even with these more flexible approaches for this interim period, CESA echoes calls from other parties on the need to ensure timely transmission upgrade construction to facilitate the interconnection of FCDS energy storage resources both in the near- and medium-term.⁹

Additionally, CESA offered a number of recommendations to support timely procurement authorizations and expedited contract approval for incremental new-build energy storage resources to come online and meet Summer 2022 and 2023 needs.¹⁰ In opening testimony, CESA outlined the procurement, interconnection, and construction timelines involved in energy storage project development, such that procurement authorizations must be timely and contract approvals must be

⁶ CESA Opening Testimony at 27-34.

⁷ *See, e.g.*, SDG&E Opening Testimony (Witnesses Jeff DeTuri and Habibou Maiga) at 10-11.

⁸ CALWEA Opening Testimony at 4-5.

⁹ MRC Opening Testimony at 9; SEIA Opening Testimony at 12-13; and ACP-CA Opening Testimony at 5-6. *See also* Joint Letter “Request for Action on Transmission Upgrades” submitted by LSA, CEERT, IEP, and ACP-CA on September 15, 2021 in R.20-05-003.

¹⁰ CESA Opening Testimony at 15-27.

expedited and achieved by certain dates to feasibly bring these incremental storage resources online. For utility-owned storage (“UOS”) projects, both SDG&E and Southern California Edison Company (“SCE”) expressed their timeline requirements as well.¹¹ Taken together, while a recent ruling clarified the eligibility and process of UOS procurement for Summer 2022 emergency reliability needs,¹² the Commission does not clarify the requirements for Summer 2023, which is covered in the scope of Phase 2 of this proceeding. Considering the information presented by CESA and SDG&E regarding procurement timelines, CESA believes it is prudent to pursue a similar process as followed in Phase 1 where a Commission Ruling was issued in December 2020 directing and authorizing the investor-owned utilities (“IOUs”) to seek contracts for capacity in advance of more detailed, formal procurement directives in D.21-02-028 and D.21-03-056 that specified the amount and additional parameters for procurement.¹³ Along the same lines, an interim Ruling should be issued as soon as possible authorizing the IOUs to pursue incremental utility-owned or third-party-owned energy storage and preferred resources to support Summer 2023 emergency reliability needs, recognizing the timelines needed for these resources to secure battery supplies and construct projects compared to other resource types (e.g., contracting for existing generation at risk of retirement, efficiency upgrades, firm forward import energy), which can be pursued upon final determinations made in the planned Phase 2 decision in November 2021.

Finally, CESA makes our urgent plea for the Commission to timely resolve various outstanding policy issues, including CESA’s Petition for Modification (“PFM”) on station power

¹¹ SDG&E Reply Testimony (Witness Jenell McKay) at 2-4 and SCE Reply Testimony at 13-14.

¹² *Assigned Commissioner’s Ruling Clarifying Issues Regarding Utility-Owned Generation and Storage Procurement in 2022* filed on September 17, 2021 in R.20-11-003.

¹³ *Assigned Commissioner’s Ruling Directing the State’s Three Large Electric Investor-Owned Utilities to Seek Contracts for Additional Power Capacity to Be Available by the Summer of 2022 or 2022* issued on December 28, 2020 in R.20-11-003.

treatment for hybrid and co-located resources and the paired storage eligibility in the Renewable Market Adjusting Tariff (“ReMAT”) and Public Utility Regulatory Policies Act (“PURPA”) Standard Offer Contract (“SOC”).¹⁴ The resolution of these issues will take place in the respective proceedings, R.15-03-011, R.18-07-003, and R.18-07-017, but we raised these outstanding issues in this proceeding to highlight the potential of “policy infrastructure” to support incremental capacity via hybrid and co-located resources. The record has been extensively developed on these policy matters and only requires Commission action.

III. ALL OF THE ABOVE RESOURCE SUPPLY OPTIONS SHOULD BE PURSUED TO SUPPORT EMERGENCY RELIABILITY, INCLUDING UTILITY-OWNED STORAGE AND STORAGE HYBRIDIZATION WITH EXISTING GAS FACILITIES.

Due to the urgency of summer emergency reliability and short lead time to procure solutions to address them, CESA is generally supportive of an all-of-the-above approach to bringing on incremental resource capacity, with a priority focus on energy storage and preferred resources over fossil-based generation to the degree possible. To these ends, UOS indeed represents a promising solution among the array of options. Each of the IOUs commented in support of UOS procurement authorization for various reasons and recommended accelerated Commission decision on the matter, as well as expedited contract approval processes. These proposed timelines and processes are reasonable and should be adopted, which are generally in line with CESA’s proposal, though even more expedited since they are targeting Summer 2022 or late 2022 instead of Summer 2023.

However, the Commission should affirm that the IOUs must pursue third-party energy storage solutions in addition to UOS in any procurement authorization to be issued (*e.g.*, via an

¹⁴ CESA Opening Testimony at 34-38 and CESA Reply Testimony at 16.

interim Ruling) in this proceeding, consistent with the required online dates to meet Summer 2023 needs and in adherence with precedents established in D.19-06-032 and D.19-11-016, with some exceptions in the interim to solicitation structures and contract review and approval processes.¹⁵ The IOUs do not preclude the consideration of third-party energy storage, but any procurement authorization of incremental capacity for Summer 2023 needs should affirm that the IOUs do not show any bias towards either ownership model,¹⁶ so long as they meet the required commercial online date.

CESA seeks this explicit clarification and direction from the Commission since D.19-06-032 adopted the procurement guidelines in Appendix A to ensure unbiased solicitation results, and because CESA respectfully disagrees with certain characterizations of the advantages of UOS over third-party energy storage to these ends. For example, SDG&E points to the comparative value of UOS for procuring and retaining all attributes as compared to RA Only contracts typically involved in third-party-owned energy storage projects, but this fails to recognize the complexities of side-by-side comparisons of these ownership types. Third-party optimization of energy and ancillary service revenues often result in lower-cost RA attributes to be bought via third-party RA Only contracts, and comparisons can be complex when looking at return on equity for UOS.¹⁷ Similarly, the advantages of UOS projects to avoid permitting and site control hurdles is framed as an advantage in the IOUs' testimonies but has been established as an opportunity cost that should be accounted for as part of the cost-effectiveness calculation, pursuant to D.19-06-032.¹⁸ This precedent should be maintained and its intent should be incorporated in any procurement

¹⁵ See, e.g., CESA Opening Testimony at 11-14.

¹⁶ D.19-06-032 at Finding of Fact ("FOF") 24

¹⁷ SDG&E Reply Testimony at 6-7.

¹⁸ D.19-06-032 at Ordering Paragraph ("OP") 10.

authorization for Summer 2023 for both UOS and third-party energy storage. Specifically, if the Commission authorizes the IOUs to pursue UOS for Summer 2023 by a certain date and following certain approval processes and/or other procurement parameters, a solicitation should be required to be conducted for third-party energy storage solutions as well either in the same solicitation pool or in a parallel one as proposed by SCE.¹⁹

Keeping in mind the importance of ensuring fair consideration of both UOS and third-party energy storage solutions, CESA observes that SCE proposed that potential UOS projects may initially be operated by the IOUs as resources that do not participate in the wholesale energy market and operate on non-CAISO-controlled portions of the grid, which we interpret to mean EO energy storage interconnecting on SCE's distribution system under the Wholesale Distribution Access Tariff ("WDAT"). CESA has concerns with this aspect among the various UOS proposals since it is too open-ended and ill-defined (in contrast to ready and specific SDG&E opportunities with available deliverability), not specified to address the system reliability needs for the purposes of this proceeding (except to be "under the IOUs' operational control"), and not unique to UOS to be brought online quickly yet operate outside of the market (*e.g.*, third-party independent study projects can be brought online in a few months and operate in response to IOU signals).²⁰ With such projects potentially allowed to count toward mid-term procurement requirements in D.21-06-035, there are questions related to such UOS projects that should be answered prior to its inclusion in any procurement authorization.

Lastly, as expressed in our reply testimony, CESA strongly recommends that the Commission direct or encourage energy storage hybridization with existing gas generation, where

¹⁹ SCE Reply Testimony at 13.

²⁰ *Ibid* at 13-14.

possible and reasonable. There are numerous environmental and economic benefits to encouraging this path to retention and transition of the gas fleet.²¹ CESA adds that hybrid gas-storage solutions are explicitly required to be considered alongside preferred resources and energy storage resources in line with Public Utilities Code (“PUC”) Section 380, as modified by Senate Bill (“SB”) 1136.

IV. MEANINGFUL AND ROBUST CUSTOMER PARTICIPATION TO SUPPORT EMERGENCY RELIABILITY NEEDS CAN BE ACHIEVED THROUGH NEW ENHANCED DEMAND RESPONSE PROGRAMS AND/OR CAPACITY OR RESERVATION PAYMENTS IN THE EMERGENCY LOAD REDUCTION PROGRAM.

CESA continues to advocate for our proposed Enhanced Storage Backed Demand Response (“ESB-DR”) Program and Permanent Load Reduction (“PLR”) Incentive Program as a means to get meaningful capacity from behind-the-meter (“BTM”) stationary or mobile battery and thermal storage resources that can offer frequent and reliable services in emergency conditions. As proposed in our opening testimony, this could be created as standalone pilots or programs or appended to existing DR programs.²² Generally, our intent of the proposals was to support emergency reliability needs in a consistent and sustainable way that can also support forward planning, which is lacking in the current version of the Emergency Load Reduction Program (“ELRP”). To achieve these ends, CESA firmly believes that ELRP capacity or reservation payments are needed to encourage more customers and aggregators to participate in the program and provide deeper assurances that load reductions and/or exports are provided.

As explained by Voltus, Sunrun, CPower and Enel X (“Joint DR Parties”), and California Solar and Storage Association (“CALSSA”), a capacity payment will encourage more customers to participate in the program by providing a steady stream of reliable payment, instead of an

²¹ CESA Reply Testimony at 14-15.

²² CESA Opening Testimony at 56-80.

uncertain energy-only payment that may or may not be dispatched.²³ This is particularly true for customers that are looking to enroll with a BTM energy storage device that requires an upfront investment. CESA agrees with Voltus’s statement that, “[s]ince every market (including California with BIP) recognizes that a base payment is necessary to maximize enrollment of emergency resources, there should be a base payment to cover the costs of enrolling customers and investing in the necessary infrastructure.”²⁴ Sunrun has agreed that including a capacity payment would make it easier for them to create more virtual power plant (“VPP”) aggregations.²⁵ In essence, capacity payments are needed to drive meaningful customer participation and BTM distributed energy resource (“DER”) investment as part of the ELRP.

One alternative to including a capacity payment that would still provide some level of investment certainty is to increase the amount of times ELRP systems are dispatched. As mentioned by the Joint DR parties, while there were a few ELRP events this summer, only one event for Group A.2 resulted in incremental load reduction (“ILR”) above the Base Interruptible Program (“BIP”) load reduction, and Group B has yet to be triggered since every ELRP event has stemmed from a day-of trigger, which Group B is not eligible for.²⁶ Parties came up with ways to modify event triggers to increase dispatch, including triggers based on CAISO market prices and Flex Alerts,²⁷ and a variety of parties also supported adding a day-of event trigger for Group B participants.²⁸ These points demonstrate how DR and VPP providers want to increase their dispatch

²³ Voltus Opening Testimony at 3; Sunrun Opening Testimony at 16; Joint DR Parties Opening Testimony at 24; CALSSA Opening Testimony at 9.

²⁴ Voltus Opening Testimony at 8.

²⁵ Sunrun Opening Testimony at 16.

²⁶ Joint DR Parties Opening Testimony at 21-22.

²⁷ CALSSA Opening Testimony at 6; California Efficiency + Demand Management Council, ecobee Inc., Leapfrog Power, Inc., and Oracle (“CEDMC et al.”) at 5.

²⁸ Joint DR Parties Opening Testimony at 4; CEDMC et al. Opening Testimony at 5; and SDG&E Opening Testimony (Demand-Side Solutions) at 17.

as ELRP resources, which is particularly necessary for storage-backed resources to ensure sufficient revenue-generating opportunities to cover and offset capital expenditures and other soft costs associated with customer acquisition, interconnection, etc.

Capacity payments also help ensure that resources will be dispatched during emergencies. The Joint DR Parties highlight how participants in other supply-side DR programs, “receive higher incentives (including capacity or availability payments), have performance obligations, and incur penalties for non-performance, all of which work to encourage robust event response.”²⁹ The ELRP can learn from other programs and include these elements to ensure strong participation and enhance grid reliability. CESA understands the IOUs’ concerns surrounding capacity payments being provided with no accountability for customers or aggregators to actually provide responses during events. However, CESA and other parties proposing capacity payments agree that any capacity payments should be based on committed capacity that will be dispatched during any event, and that there should be payment reductions or penalties for underperformance.³⁰ We agree that ratepayer funds should be spent on resources that should provide value to the grid and believe that there are readily available models on how to construct this type of capacity payment in the various party proposals, as well as existing DR programs such as the BIP and Capacity Bidding Program (“CBP”).

CESA recommends these changes for all customers, which may particularly unlock the flexibility of storage-backed DR within ELRP. In reply testimony, PG&E stated its belief that “a uniform requirement should apply to all participants without favoring one technology type over

²⁹ Joint DR Parties Opening Testimony at 23.

³⁰ CALSSA Reply Testimony at 9; Joint DR Parties at 10; Sunrun Opening Testimony at 17; and CESA Opening Testimony at 66.

another.”³¹ While CESA agrees with the spirit of allowing multiple technologies to participate in ELRP, we disagree with the idea that this program should look the same for everyone since different technology types can provide different amounts and types of grid services. Customers should have options to deliver more and be commensurately paid for doing more. Considering ELRP is uniquely positioned as a program that not only compensates for load reduction but also grid exports, capacity payments can unlock the maximum value of exports by providing “a much-needed signal for storage providers and customers to size and operate batteries in a way that extracts a much higher reliability contribution than is currently realized by BTM batteries that participate in curtailment-only DR constructs.”³² Additionally, DR backed by storage can dispatch more often since load reduction is not contingent on customer sacrifice, reducing the risks of customer attrition. To minimize customer attrition, a key scoping issue for Phase 2 of this proceeding, the Commission is not only limited to strategies that reduce enrollment and performance requirements; there are also approaches to increase these requirements along with capacity payments that are commensurate with these enhanced capabilities and performance.

V. SUB-METERING SHOULD BE PURSUED IN ELRP PILOTS, USING MANUAL BILLING PROCESSES IF NEEDED IN THE INTERIM.

CESA expressed our support for many aspects of the EV/VGI Aggregation Pilot, particularly the staff proposal to use for electric vehicle service equipment (“EVSE”) sub-meters to provide more accurate baselines and measurements of load curtailment.³³ In response, PG&E disagreed with adopting a sub-metering methodology, stating an Electric Program Investment Charge (“EPIC”) report released in 2019 found that there were accuracy problems in EV sub-

³¹ PG&E Reply Testimony at 2-5.

³² Joint DR Parties Opening Testimony at 24.

³³ CESA Opening Testimony at 53-54.

metering methodologies for subtractive billing.³⁴ However, the use of sub-metering for settlement has been approved by the Federal Energy Regulatory Commission (“FERC”) for EVSEs using the Metered Generator Output (“MGO”) methodology for customers participating as a Proxy Demand Resource (“PDR”). While PG&E did bring up concerns with the methodology in Phase 3 of the Energy Storage and Distributed Energy Resources (“ESDER”) Initiative, they did not raise this particular issue regarding sub-metering accuracy.³⁵ Therefore, CESA is unclear why sub-metering would be appropriate for MGO settlement but not this EV/VGI Pilot.

One issue that was raised in the EPIC report was increases in billing costs to implement sub-metering subtractive billing. While CESA understands that current IOU billing systems are not currently equipped to handle these settlement processes, CESA believes that manual billing processes can be used for settlement given that this pilot program is likely to only be deployed for 30 hours, the minimum dispatch requirement, or maybe for a few more hours during the ELRP season. Alternatively, CESA believes that this pilot is an important way to begin integrating sub-metering into DR programs. In their approving order, FERC does highlight how, “regarding any other potential regulatory gaps, we encourage CAISO, CPUC, and stakeholders to coordinate and ensure consistency between the CAISO tariff and CPUC rules regarding demand response, EVSE, and sub-metering matters.”³⁶ This pilot is an important opportunity for the Commission to further explore and test the use of sub-metering so that methodologies are consistent and can be extended to other resources and DR programs, if appropriate.

³⁴ PG&E Reply Testimony Chapter 6 at 3.

³⁵ *Comments of Pacific Gas and Electric Company* submitted on August 6, 2020 in Docket No. ER20-2443-000. https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20200807-5135

³⁶ *Order Accepting Tariff Revisions* issued on September 30, 2020 in Docket No. 20-2443-000 at 9. <http://www.caiso.com/Documents/Sep30-2020-LetterOrderAccepting-EnergyStorageandDistributedEnergyResourceStakeholderESDERPhase3-ER20-2443.pdf>

VI. RULE 21 INTERCONNECTION STRATEGIES CAN SUPPORT INCREMENTAL CAPACITY ADDITIONS AHEAD OF SUMMER 2022 AND 2023.

Given the potential for BTM energy storage resources to be interconnected and brought online in relative short order, CESA proposed a couple of interconnection strategies to (1) leverage the incremental capacity that could be leveraged from the existing installed base as well as to (2) expedite incremental storage additions to existing generation under a notification-only process. As a result, the pool of eligible dispatchable BTM resources increases that could participate in the ELRP and other DR programs or contracts.

First, in testimony, CESA proposed allowing for provisional exports for currently non-exporting BTM energy storage systems to participate in ELRP and provide ILR.³⁷ However, in response, SCE stated that any exporting BTM storage not fully charged from renewables (*e.g.*, NEM-eligible generation) are not Rule 21 jurisdictional and instead “would have to be evaluated under SCE’s Wholesale Distribution Access Tariff (“WDAT”).”³⁸ CESA does not agree that exporting BTM energy storage systems must be evaluated under the WDAT tariff since ELRP is an out-of-market framework and therefore these projects would not be exporting in connection with any wholesale energy sales or constitute a PURPA-related purchase of electricity. CESA also understands that the IOUs allow certain community renewables and qualifying facilities (“QFs”) selling their energy only to interconnect under Rule 21 as well.³⁹ For these reasons, Rule 21 is a more applicable interconnection pathway in this instance. Additionally, interconnecting under

³⁷ CESA Opening Testimony at 39.

³⁸ SCE Reply Testimony at 7.

³⁹ For example, SCE specifies that Rule 21 is appropriate for projects that, “intend to participate in an eligible energy program approved and under the jurisdiction of the CPUC [...] or an eligible procurement program where 100% of the exported power is sold to SCE.” See “Interconnecting Generation under Rule 21” available at:

<https://www.sce.com/business/generating-your-own-power/Grid-Interconnections/Interconnecting-Generation-under-Rule-21>

Rule 21, instead of the longer WDAT process, will help to allow more projects to provide exports quickly. As CESA outlined in testimony, there are already equipment and safety standards in place to allow this to occur safely, and load-serving entities (“LSEs”) could even set up communications systems to allow for easy signaling of ELRP events to allow and restrict exports.⁴⁰

SCE additionally opposes CESA’s proposal to extend the notification-only pilot to non-exporting storage retrofits to existing Rule 21 solar. SCE states that, “[g]iven that the pilot commenced in July 2021 and no data has been collected to evaluate the efficacy of the pilot, it would be premature to expand the scope of the pilot at this time.”⁴¹ While CESA understands that this pilot was launched recently, we also believe that it is prudent to consider all potential pathways to add additional capacity to the grid before Summer 2022-2023. Non-exporting energy storage projects have the potential to both reduce peak net load and provide backup power during outages and Public Safety Power Shutoffs (“PSPS”). Given the number of outages due to PSPS, many customers with existing solar system can be interested in adding storage to their system. Expansion of the notification-only pilot is a tool that can substantially accelerate deployment timelines for these storage additions to maximize deployment before Summer and Fall 2022, when many heat waves and PSPS events are experienced. CESA is committed to keeping the grid safe; however, SCE did not raise any technical or safety concerns surrounding the pilot. Therefore, CESA urges the Commission to use this tool to help California’s grid.

VII. CONCLUSION.

CESA appreciates the opportunity to this opening brief and looks forward to working with the Commission and other stakeholders in this proceeding.

⁴⁰ CESA Opening Testimony at 40.

⁴¹ SCE Reply Testimony at 7.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jin Noh', with a stylized flourish at the end.

Jin Noh
Policy Director
CALIFORNIA ENERGY STORAGE ALLIANCE

Date: September 20, 2021