

January 24, 2022
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CPUC Energy Division Tariff Unit
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Re: Response of the California Energy Storage Alliance to Advice Letter 3929-E of San Diego Gas and Electric Company

Dear Sir or Madam:

Pursuant to the provisions of General Order 96-B, the California Energy Storage Alliance (“CESA”) hereby submit this Response to the above-referenced Advice Letter 3929-E of San Diego Gas and Electric Company (“SDG&E”), *San Diego Gas & Electric Company’s Information on Reliability and Resiliency Capabilities for Energy Storage Microgrid Projects Pursuant to Decision 21-12-004* (“Advice Letter”), submitted on January 3, 2022.

I. INTRODUCTION & SUMMARY.

In Track 4 of the Microgrids proceeding (R.19-09-009), the Commission issued Decision (“D.”) 21-12-004 that authorized SDG&E to procure up to four circuit-level utility-owned storage (“UOS”) microgrid projects to fill system capacity shortfalls anticipated in the Summers of 2022 and 2023. To this end, any project pursued by SDG&E must have a commercial online date (“COD”) no later than August 1, 2023 and is conditioned for approval upon these resources providing peak and net peak grid reliability benefits. Specifically, the decision required the submission of additional information in the following key areas, summarized in abbreviated form below:¹

- Portions of the circuit(s) and customer(s) who receive resiliency benefit
- Estimates of outage duration, critical loads, and battery operations
- Description of emergency reliability needs and benefits

Upon reviewing SDG&E’s Advice Letter, CESA appreciates the additional information provided and generally supports the proposed circuit-level UOS microgrid projects as compliant with the general procurement parameters of D.21-12-004. Importantly, in addition to the

¹ D.21-12-004 at Ordering Paragraph (“OP”) 6.

information resiliency capabilities and beneficiaries of the UOS microgrids, SDG&E shared how the four projects were granted full capacity deliverability status (“FCDS”) as part of the 2020 Transmission Plan Deliverability (“TPD”) allocation process,² thus qualifying it to provide Resource Adequacy (“RA”) and ensuring the delivery of system reliability benefits. Considering the emergency needs for Summers 2022 and 2023 stemmed from system capacity shortfalls in the face of extreme weather events, CESA expressed that demonstration of these reliability benefits were critically important to conditioning approval of any UOS microgrid projects, which are typically designed for onsite or community resiliency as a primary use case or application. Based on the FCDS of the four projects at 10 MW, CESA believes that SDG&E has largely addressed this question.

However, since SDG&E explains that it will reserve a percentage of the UOS microgrid capacity at all times to ensure resiliency for critical loads during unplanned outages,³ CESA seeks clarification on whether the actual MW contribution to emergency reliability and system capacity for Summers 2022 and 2023 are less than the FCDS secured for each of the projects. For example, in the recreated table below, CESA requests that SDG&E clarify whether the actual MW of RA shown and delivered can be assumed to be the MW and MWh from the state of charge (“SOC”) that is *not* reserved for resiliency (e.g., 87% of 10 MW for Clairemont C278),⁴ considering any RA shown and delivered is typically consistent for any particular RA month.

State of Charge	Clairemont C278	Paradise C320	Boulevard C445	Elliott C1266
%	13	7	5	7
MWh	6	3	2	3
<i>RA Shown & Delivered</i>	<i>8.7 MW</i>	<i>9.3 MW</i>	<i>9.5 MW</i>	<i>9.3 MW</i>

With the clarifications above, it will support an evaluation of the reliability benefits and contributions of the projects, distinct from the resiliency benefits.

² SDG&E Advice Letter at 2.

³ *Ibid* at 4.

⁴ We assume the slight discrepancies in state of charge and MWh reserved for resiliency is due to the calculation of MWh based on “usable” SOC range or capacity for a 10 MW (40 MWh) UOS microgrid project.

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II. CONCLUSION.

CESA appreciates the opportunity to submit this Response to the Advice Letter and looks forward to collaborating with the Commission and SDG&E to support UOS microgrid development for resiliency and reliability.

Respectfully submitted,



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cc: Greg Anderson, SDG&E (GAnderson@sdge.com and SDGETariffs@sdge.com)
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