

January 26, 2022

CPUC Energy Division Tariff Unit
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**Re: Comments of the California Energy Storage Alliance to Resolution E-5193.
San Diego Gas & Electric Company request for approval of three Utility
Owned Energy Storage Contracts and related costs pursuant to Decision
(D.) 21-12-015**

Dear Sir or Madam:

Pursuant to the provisions of General Order 96-B, the California Energy Storage Alliance (“CESA”) hereby submits these comments to the above-referenced Draft Resolution E-5183 (“Draft Resolution”) issued on January 6, 2022, approving with modifications Advice Letter 3913-E, submitted by San Diego Gas and Electric Company (“SDG&E”).

I. INTRODUCTION & SUMMARY.

On January 6, 2022, Draft Resolution E-5193 was issued that would approve three utility-owned storage (“UOS”) contracts executed by SDG&E, totaling 161 MW of incremental capacity. On balance, the CPUC found that SDG&E demonstrated the cost-competitiveness of the contracts and concurred with the Independent Evaluator (“IE”) that the costs of the EPC and BOT contracts are generally reasonable given the high demand for BESS projects and supply chain issues due to COVID and other factors that are driving an increase in BESS capital costs. In addition, based on procurement guidance in the Emergency Reliability Phase 2 Decision (D.21-12-015), the CPUC approved the proposed cost recovery mechanism and the permitting exemption for emergency projects under General Order (“GO”) 131-D.

Upon reviewing the Draft Resolution, CESA supports the Commission’s timely approval of the executed contracts and generally agrees with the determinations made. In addition to these contracts supporting the emergency reliability needs for Summers 2022 and 2023, the contracts appear to be compliant with the procurement parameters set forth in D.21-12-015.

II. CONCLUSION.

January 26, 2022
Page 2 of 2

CESA appreciates the opportunity to submit these comments to Draft Resolution E-5193 and looks forward to collaborating with the Commission and SDG&E.

Respectfully submitted,



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Service list of R.20-11-003