

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

Application of Southern California Edison
Company (U338E) for Approval of Its Charge
Ready and Market Education Programs

Application 14-10-014
(October 30, 2014)

**PREHEARING CONFERENCE STATEMENT OF
CALIFORNIA ENERGY STORAGE ALLIANCE**

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January 26, 2015

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Pursuant to Administrative Law Judge Karin M. Hieta’s Ruling setting a deadline for
submission of Prehearing Conference Statements by January 26, 2015, issued on January 15, 2015
 (“ALJ’s Ruling”), the California Energy Storage Alliance (“CESA”)¹ hereby submits this
Prehearing Conference Statement.

¹ 1 Energy Systems Inc., Advanced Microgrid Solutions, AES Energy Storage, Alton Energy, American Vanadium, Amperex Technology Limited, Aquion Energy, ARES North America, Beacon Power, LLC, Bosch, Bright Energy Storage Technologies, Brookfield, CALMAC, Chargepoint, Clean Energy Systems, Coda Energy, Consolidated Edison Development, Inc., Cumulus Energy Storage, Customized Energy Solutions, Demand Energy, DN Tanks, Duke Energy, Eagle Crest Energy Company, EaglePicher Technologies, LLC, East Penn Manufacturing Company, Ecoult, EDF Renewable Energy, Energy Storage Systems, Inc., Enersys, EnerVault Corporation, EV Grid, FAFCO Thermal Storage Systems, FIAMM Energy Storage Solutions, Flextronics, Foresight Renewable Solutions, GE Energy Storage, Green Charge Networks, Greensmith Energy, Gridscape Solutions, Gridtential Energy, Inc., Halotechnics, Hitachi Chemical Co., Hydrogenics, Ice Energy, Imergy Power Systems, ImMODO Energy Services Corporation, Innovation Core SEI, Inc. (A Sumitomo Electric Company), Invenergy LLC, K&L Gates, KYOCERA Solar, Inc., LG Chem, LightSail Energy, LS Power Development, LLC, Mitsubishi International Corporation, NEC Energy Solutions, Inc., NextEra Energy Resources, NRG Solar LLC, OCI, OutBack Power Technologies, Panasonic, Parker Hannifin Corporation, PDE Total Energy Solutions, Powertree Services Inc., Primus Power Corporation, Recurrent Energy, Renewable Energy Systems Americas Inc., Rosendin Electric, S&C Electric Company, Saft America Inc., Samsung, SEEO, Sharp Electronics Corporation, SolarCity, Sony Corporation of America, Sovereign Energy, STEM, Stael Rives LLP, SunEdison, SunPower, TAS Energy, Toshiba International Corporation, Trimark Associates, Inc., Tri-Technic, UniEnergy Technologies, LLC, Wellhead Electric. The views expressed in this Prehearing Conference Statement are those of CESA, and do not necessarily reflect the views of all of the individual CESA member companies. See, <http://storagealliance.org>.

I. RESPONSES TO QUESTIONS REGARDING PARTIES POSITIONS ON ISSUES.

As indicated in CESA's Response filed on December 5, 2014, CESA applauds Southern California Edison ("SCE") for what its members view as a nearly ideal statewide model for electric vehicle ("EV") infrastructure development. In light of the Governor's recently announced "50-50-50 by 2030" plan,² CESA reiterates its previous support for expeditious approval of SCE's Application. Expeditious approval of this program by the Commission would represent very meaningful progress by the State to effectuate state goals to increase adoption of EVs while putting in place the tools necessary to align EV adoption with future grid management needs. CESA therefore reiterates its previous recommendation that the Commission should adopt the SCE approach as a statewide model for the utility role in EV deployment.³

As directed by the ALJ's Ruling, CESA hereby responds to specific questions posed to questions posed to parties in the ALJ's Ruling.

1. Address whether anything be added or deleted from the following scope of issues presented in protests and responses:
 - a. Reasonableness of the SCE Charge Ready Program proposal, including:
 - i. Scope and scale;
 - ii. Cost and ratemaking, including rebates and authority to establish a memorandum account;
 - iii. Cost effectiveness and benefits;
 - iv. Marketing, education, and outreach; and
 - v. Competitive issues.
 - b. Program design issues, including, but not limited to:

² In Governor Brown's January 5, 2015 inaugural address, he proposed increasing renewables to 50%, while reducing fossil fuel use by 50% and improving building efficiency by 50% by 2030.

³ *Response of California Energy Storage Alliance to Application of Southern California Edison Company for Approval of its Charge Ready and Market Education Programs*, filed December 5, 2014.

- i. Technology;
- ii. Program eligibility and participation requirements;
- iii. Program evaluation metrics;
- iv. Energy purchase;
- v. Metering and billing;
- vi. Interconnection requirements; and
- vii. Oversight and reporting requirements.

CESA's Response: CESA's response to SCE's application, focused on the following scope-related topics that are highlighted for consideration here:

- SCE should provide additional specificity clarifying the fact that fixed energy storage, distributed generation, and other distributed energy resources and demand response-capable equipment can be a part of overall site configuration, either behind or in front of the customer's meter where EVSE is located.
- SCE should clarify that the demand response functionality is business model neutral regarding retail demand response versus wholesale market participation via mechanisms such as the CAISO's Proxy Demand Response or ancillary services using Non-Generator Resource models.
- SCE should describe what additional incentives, if any, that SCE plans to use to ensure that TOU tariffs, demand charges and rebate structures properly align participants' behavior with ratepayer benefits and grid GHG reduction goals. In particular, SCE should pay close attention to how rate structures and rebates are designed in order to incentivize participants to adopt load management features or other grid-beneficial services.

- SCE should design the program so as to ensure that projects not already built and in operation when the program application was filed (October 30, 2014) that meet eligibility requirements be “grandfathered” and allowed to retroactively participate. This will help assure that there is no market “hold off” or drop in development activity while stakeholders await the program start and will assure continuity of development and more likely success of the program.
2. Do parties agree with the need and scope of Phase 1 and Phase 2 as proposed by SCE? If so, address which issues should be prioritized in Phase 1 and Phase 2. If not, explain why. Are there any issues that must be resolved prior to a decision on one or both Phases, versus any issues that may be decided at a later point?

CESA’s Response: CESA supports the scope of Phase 1 and Phase 2 as proposed by SCE.

3. The Alternative-Fueled Vehicle proceeding (R.13-11-007) and San Diego Gas & Electric Company’s application requesting approval of its Electric Vehicle-Grid Integration Pilot Program (A.14-04-014) were recently consolidated due to related questions of law and fact pending in both cases. Are there questions of law and fact in this application that are the same or similar to those being considered in A.14-04-014 et al., and if so, what are they? Should all or part of this application be consolidated with that proceeding? Please specify which portions should be consolidated or not, and why. Address any scheduling issues that may arise from consolidation.

CESA’s Response: Commission policy and the law applicable to SCE’s Application and SDG&E’s VGI Application should clearly be the same, but the facts related to design of their respective proposals are markedly different. As SCE would apparently not be competing in a market segment that third parties can reasonably be expected to participate in, CESA does not believe consolidation as to competitive issues is warranted. To the contrary, SCE’s ownership role would be exclusively in “make-ready” infrastructure, which would serve as a significant enabling and accelerating driver for development of competitive behind-the-meter EVSEs. Expedient consideration of the program on its own merits, independent of SDG&E VGI Pilot program, is thus warranted.

4. In its Reply to Protests and Responses, SCE requested that if the Commission consolidates this application with A.14-04-014 et al., it either: i) allow Phase 1 to proceed in a separate docket and only consolidate Phase 2, ii) consolidate the entire application but decide on Phase 1 first, or iii) allow SCE to propose its Phase 1 pilot and funding request through an advice letter. Comment on SCE's proposals.

CESA's Response: As noted in CESA's response to question 3 above, CESA does not support consolidation with the SDG&E VGI Pilot Program Application. CESA believes there is value in maintaining a clear path to approval of the entire SCE program from the outset, assuming the Phase 1 pilot demonstrates its ability to meet program objectives. However, should the Commission determine that aspects of the program should be consolidated with other proceedings, CESA would not object to approving the Phase 1 pilot and funding by means of an advice letter process.

5. Address the need for discovery and anticipated date discovery will be completed, evidentiary hearings, cross examination of SCE witness (es), party-sponsored witness (es), need for legal briefing, and whether any issues may have potential for settlement. Identify and describe any disputed factual issues that require evidentiary hearings. Specify in your responses whether they pertain to SCE's proposed memorandum account, Phase 1, and/or Phase 2.

CESA's Response: CESA does not anticipate requesting any discovery, nor does CESA identify any factual issues that should require evidentiary hearings at this time.

6. Comment on SCE's proposed schedule and/or propose your own schedule, which includes all major events such as written comments and testimony, workshops, hearings, and/or briefs. The proposed schedule should include any items deemed necessary in response to Question 5. Parties are encouraged to meet and confer prior to the PHC to determine and propose any mutually agreed schedules.

CESA's Response: CESA supports SCE's proposed schedule. CESA does not support alternate schedules proposed by other parties which would result in delays in Commission approval of the program beyond the schedule proposed by SCE.

7. Any other matters relevant to the scope, schedule, and conduct of this proceeding.

CESA's Response: CESA does not propose any other matters to be addressed by the Commission at this time, but reserves the right to raise other matters in the future.

II. CONCLUSION.

CESA thanks the Commission for the opportunity to submit this Prehearing Conference Statement, and hopes that it will be helpful to the Commission and the parties in efficiently focusing the discussion at the upcoming Prehearing Conference.

Respectfully submitted,



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January 26, 2015