

COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE:

Expanding Metering and Telemetry Options – Supplement to the Draft Final Proposal

Submitted by	Company	Date Submitted
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The California Energy Storage Alliance (CESA)¹ offers these comments on the Expanding Metering and Telemetry Options Supplement to the Draft Final Proposal (Proposal). The Supplement narrowly augments the design with a less restrictive rule regarding the variability of resources in an aggregation which will not adversely impact congestion management.

1. CESA appreciates the CAISO’s efforts to promote a more robust stakeholder process.

The CAISO appropriately seeks further stakeholder input on the proposed Supplement to the Draft Final Proposal. With this Supplement, the CAISO is taking adequate steps to address and resolve stakeholder input. CESA appreciates the CAISO’s effort to provide examples and illustrations of pNode aggregations and power flows under the expanded participation strategy. These examples demonstrate that the proposed allowances should not negatively impact system reliability.

As the Supplement shows, the design will expand market access to a wider array of DER Aggregations without negative congestions effects. Until now, small resources such as distributed storage and other fast load modifying resources such as electric vehicle chargers have been prevented from providing services to CAISO markets. In the context of California’s renewable energy future, these resources can provide significant benefits in terms of flexibility and capacity, and should be encouraged. The ability of aggregated resources to participate via this initiative will be greatly expanded by allowing resources to provide non-homogenous, but predictable, responses to CAISO dispatch. Expanding aggregated resource participation will create a more competitive market for these services.

¹ The views expressed in these Comments are those of CESA, and do not necessarily reflect the views of all of the individual CESA member companies. (<http://storagealliance.org>)

2. The narrow design addresses stakeholder concerns and should be approved.

The Supplement will promote greater market competition by reducing restrictive rules without congestion management impacts. The proposal takes an important first step toward successful integration of DER into the CAISO’s market.

The proposal continues to accommodate different business and regulatory models, and respects jurisdictional authorities of Local Regulatory Authorities in line with established CAISO precedent. The proposal also contains safeguards against market manipulation – such as resources deceptively and consistently delivering power with different flows from their submitted or scheduled generation distribution factors (GDFs) – and falls under the CAISO’s general good-actor requirements for market participation per the CAISO’s Tariff.

3. The CAISO is appropriately limiting the planned board review/approval to only the supplemental items at this time.

The Distributed Energy Resource Provider (DERP) construct is an important step toward expanded market participation by fast responding distributed energy storage and other distribution sited resources. The narrow changes developed in the Supplement will enhance the design but are well-defined and in-no-way constitute an opportunity to reopen the entire design. Any such efforts to reopen the design could delay progress and inappropriately deviate from established CAISO practices. To this end, the CAISO should discourage related efforts during the Tariff-language development process to pursue policy ‘wins’ that are more appropriately addressed in related stakeholder initiatives, especially if deviating from the framework of Board-approved design.