

SGIP - Grid Support Considerations

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About CESA

The **California Energy Storage Alliance (CESA)** is a 501c(6) membership-based advocacy group committed to advancing the role of energy storage in the electric power sector through policy, education, outreach, and research. CESA was founded in January 2009 by Janice Lin and Don Liddell.

CESA's mission is to make energy storage a mainstream energy resource in helping to advance a more affordable, clean, efficient, and reliable electric power system in California.



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SGIP Project Grid Support

- The Itron M&V report identifies potential grid support areas
 - Reduce current system peak capacity needs
 - Contribute to future grid capacity needs (as indicated by Integrated Resources Plan)
 - Support distribution system operations and/or deferral
 - Support renewables integration

Findings

- Current rates and signals don't always support grid support
 - More cycling absent a signal could be counter-productive, even for 100% efficient resource
- Useful to consider how to promote more grid-support actions
 - Need to of course balance actions against program other goals, e.g. market transformation
 - Grid-support dispatch may align with GHG emissions dispatch at times
- Storage projects can provide needed response where/when signals exist
 - “Sharper” signals seem more effective at directing response from SGIP storage systems

Path Forward

- Implementation of ‘fresher’ TOU rates will address root-cause issue of misalignment between rate-signals and grid-support needs.
- Other tweaks to SGIP may also support grid-support.
 - List of draft ideas on next slide
- CESA recommends a working group be established in 2018 (Q1?) to vet ideas

Hypothetical Timeline



Possible SGIP Enhancements that focus on grid-support

- CESA recommended 'opt-in' tariff with grid support and/or GHG signal
- Where appropriate, provide additional \$ to projects to direct additional behaviors
- Where appropriate, provide additional \$ to projects for expansions
- Opt-in tariffs to direct cycling timing
- Coincident Peak emphasis in rates or other rate-design concepts
- Other?

CESA looks forward to collaborative discussions and recommends a working group model be used to brainstorm and review ideas.

Thank You!

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