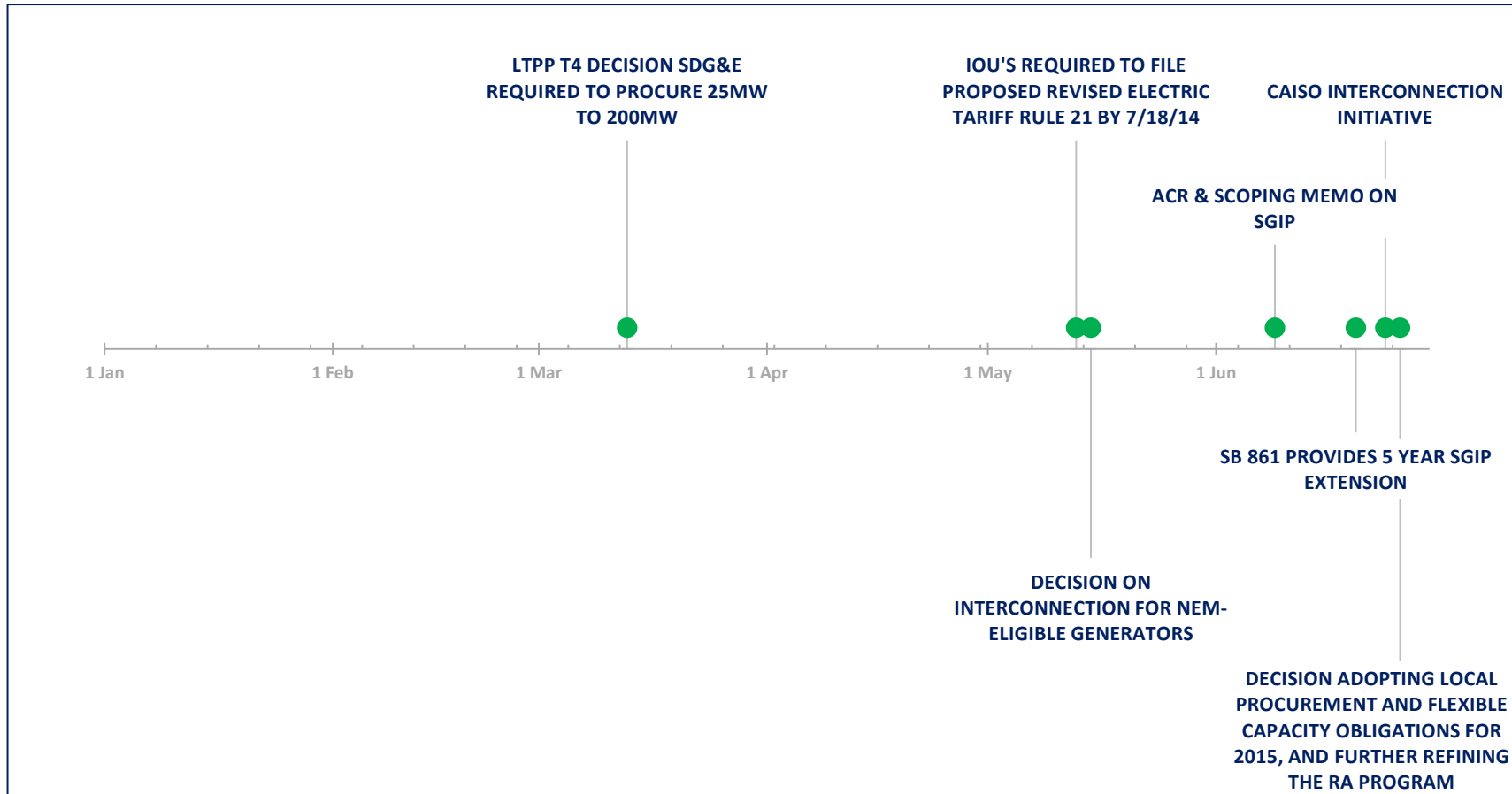


MID-YEAR ACCOMPLISHMENTS



CESA | 2150 Allston Way, Suite 210, Berkeley, CA 94704 | 510.665.7811 | www.storagealliance.org

1 Energy Systems | A123 Systems | AES Energy Storage | Alton Energy | American Vanadium | Aquion Energy | ARES | North America | Beacon Power | Bosch Energy Storage Solutions | Bright Energy Storage Technologies | Brookfield Renewable Energy Group | CALMAC | ChargePoint | Clean Energy Systems | CODA Energy | Consolidated Edison Development | Customized Energy Solutions | DN Tanks | Duke Energy | Eagle Crest Energy Company | EaglePicher Technologies | East Penn Manufacturing Company | EDF Renewable Energy | EnerSys | EnerVault | EV Grid | FAFCO Thermal Storage Systems | FIAMM Group | FIAMM Energy Storage Solutions | Flextronics | Foresight Renewable Solutions | GE Energy Storage | Green Charge Networks | Greensmith | Gridscape Solutions | Gridtential | Halotechnics | Hitachi Chemical Co. | Hydrogenics | Ice Energy | Imergy Power Systems | ImMODo Energy Services Corporation | Innovation Core SEI | Invenergy | K&L Gates | KYOCERA Solar | LG Chem | LightSail Energy | LS Power | Mitsubishi International Corporation | NextEra Energy Resources | NRG | OCI | OutBack Power Technologies | Panasonic | Parker Hannifin | PDE | Powertree | Primus Power | RES Americas | Rosendin Electric | S&C Electric Company | Saft | SeaWave Battery | SEEO | Sharp Labs of America | SolarCity | Sovereign Energy Storage | STEM | Stoel Rives | SunPower | TAS Energy | Tri-Technic | UniEnergy Technologies | Wellhead

MID-YEAR ACCOMPLISHMENTS

March 13, 2014 – *Long Term Procurement Planning, Track 4, Decision Authorizing Long-Term Procurement for Local Capacity Requirements Due to Permanent Retirement of the San Onofre Nuclear Generating Stations.* By 2022, SCE and SDG&E must meet local capacity needs stemming from the retired SONGS. SCE is required to procure at least 400 MW, and may procure up to the full 700 MW of authorized additional capacity, from preferred resources or storage. SDG&E is required to procure at least 200 MW, and may procure up to the full 800 MW of authorized additional capacity, from preferred resources or energy storage. SCE and SDG&E are both required to procure a minimum of 50 MW and 25 MW, respectively, of storage.

May 13, 2014 - *Assigned Commissioner’s Amended Scoping Memo And Ruling Requiring Pacific Gas And Electric Company, Southern California Edison Company, And San Diego Gas & Electric Company To File Proposed Revised Electric Tariff Rule 21.* No later than July 18, 2014, PG&E, SCE and SDG&E must seek Commission approval of revisions to Rule 21 to facilitate deployment of smart inverter capability. The Commission’s Energy Division is currently reviewing several issues within the terms of Tariff Rule 21. Recommendation of issues associated with including electricity storage facilities that are ripe for Commission for resolution no later than July 18, 2014.

May 15, 2014 - *Decision Regarding Net Energy Metering Interconnection Eligibility for Storage Devices Paired With Net Energy Metering Generation Facilities.* The Commission clarified existing policy regarding storage devices that are an addition or enhancement to NEM-eligible generators.

June 9, 2014 - *Assigned Commissioner’s Ruling And Scoping Memo (Self Generation Incentive Program).* The Commission directed the Energy Division to undertake an ongoing review, evaluation, and consideration of modification to SGIP with emphasis on consideration of potential modification to SGIP under current law. The Commission also noted proposed legislation that would extend the SGIP and direct program SGIP modifications necessary should these or other bills become law. Which has come to pass with enactment of SB 861. In addition, the Commission stated that issues related to utilities’ tariffs for Net Energy Metering and have already been addressed (D.14-03-041 and D.14-05-033). However, due will be addressed in a separate proceeding to be initiated by the Commission shortly. This has come to pass with a new NEM OIR on the Commission’ Agenda for issuance on July 10, 2014.

June 20, 2014 - SB 861 was signed into law to provide for a five-year extension to California’s successful Self-Generation Incentive Program (SGIP), which provides rebates for qualified residential and commercial-sited distributed generation and energy storage systems. Funding for the SGIP, which has been amended over the years to include storage, was set to expire at the end of 2014. The new law will maintain funding at the current annual level of \$83 million through 2019 (for a total of \$415 million) and program operation through 2021.

June 24, 2014 – *Announcement of California Independent System Operator’s Energy Storage Interconnection Initiative.* This initiative will identify where the CAISO’s current interconnection process rules either do not sufficiently address or conflict with the needs of energy storage projects and propose solutions for addressing those needs. The CAISO’s will propose (i) an approach for applying existing interconnection rules to energy storage projects submitted into the Cluster 7 window in April 2014, and (ii) a framework to identify and organize issues faced by energy storage developers in the interconnection process.

June 26, 2014 – *Decision Adopting Local Procurement and Flexible Capacity Obligations for 2015, and Further Refining the Resource Adequacy Program.* The Effective Flexible Capacity (EFC) for storage shall be calculated over a 3h period and includes charge and discharge capabilities. Storage does not have to register as an NGR to qualify for Flex RA. Aligns with the CAISO’s FRAC-MOO revised draft tariff language, including the three categories of flexibility.

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