

Docket No.: A.14-11-012

Exhibit No.: _____

Date: March 25, 2015

Witness: Janice Lin

**TESTIMONY OF JANICE LIN
ON BEHALF OF THE CALIFORNIA ENERGY STORAGE ALLIANCE CONCERNING
APPLICATION OF SOUTHERN CALIFORNIA EDISON COMPANY FOR
APPROVAL OF ITS 2013 LOCAL CAPACITY REQUIREMENTS REQUEST FOR
OFFERS FOR THE WESTERN LOS ANGELES BASIN**

1 **Q: Please state your name and business address.**

2 **A:** My name is Janice Lin. I am Executive Director of the California Energy Storage
3 Alliance (“CESA”). I am also Managing Director of Strategen Consulting, LLC. My
4 business address is David Brower Center, 2150 Allston Way, Suite 210, Berkeley, CA
5 94704

6 **Q: Please summarize your professional and educational background.**

7 In my capacity as Managing Director of Strategen Consulting, LLC, and Co-Founder and
8 Executive Director of CESA, I am actively involved in helping clients market distributed
9 grid connected energy systems to a wide range of potential customers. I provide strategic
10 and technical support to CESA member companies and end users of energy storage to
11 deploy new energy storage projects, and accomplish their business objectives. Prior to
12 founding Strategen and CESA, I served as Vice President of Business Development and
13 Vice President of Product Strategy at PowerLight Corporation, a leading designer and
14 installer of large-scale grid-connected solar electric systems and energy efficiency
15 services (now SunPower Systems). I hold an MBA from the Stanford Graduate School
16 of Business, a BS from the Wharton School of Business and a BA in International
17 Relations from the University of Pennsylvania’s College of Arts and Sciences.

18 **Q.:** Have you ever testified before this Commission?

19 **A:** Yes.

20 **Q:** On whose behalf are you testifying?

21 **A:** I am testifying on behalf of CESA. CESA is a broad advocacy coalition comprised of
22 approximately 90 member companies that is committed to advancing the role of energy
23 storage to promote the growth of renewable energy and a more efficient, affordable,

1 clean, and reliable electric power system. CESA’s members are a diverse mix of energy
2 storage technology manufacturers, renewable energy component manufacturers,
3 renewable energy, fossil fuel and energy storage project developers, software developers,
4 electrical contractors and systems integrators. CESA is a technology-neutral and
5 business model-neutral association of members who share a common mission, the
6 advancement of energy storage solutions to optimize California’s energy infrastructure,
7 and is supported solely by the contributions and coordinated activities of its members.¹

8 **Q.** What is the purpose of your testimony?

9 **A:** The purpose of my testimony is to respond to support of it Commission approval of
10 SCE’s Application.

11 **I. THE APPLICATION SUBSTANTIALLY COMPLIES WITH THE**
12 **PROCUREMENT AUTHORITY REGARDING ENERGY STORAGE**
13 **RESOURCES GRANTED BY THE COMMISSION IN D.13-02-015 AND**
14 **D.14-03-004.**

15 The Commission should expeditiously approve the results of the LCR RFO, and
16 the contracts described in the Application selected through the LCR RFO process for the
17 Western LA Basin related to energy storage. Specifically, CESA urges the Commission
18 to find that the energy storage contracts, totaling 263.64 MW, entered into as a result of
19 the LCR RFO for the Western LA Basin, are approved as described in SCE-1 (pp. 71-76),
20 because they are needed to meet long-term local capacity requirements and satisfy the 50
21 MW minimum energy storage authorization in D.13-02-015² and D.14-03-004³ and, for

¹ See, “About Us – Overview.” *California Energy Storage Alliance*, <http://www.storagealliance.org/about.html>.

² *Decision Authorizing Long-Term Procurement for Local Capacity Requirements*, issued February 13, 2013.

³ *Decision Authorizing Long-Term Procurement for Local Capacity Requirements Due to Permanent Retirement of The San Onofre Nuclear Generations Stations*, issued March 13, 2014.

1 procurement beyond 50 MW, to count towards satisfying the 550 MW minimum
2 preferred resources authorization in D.14-03-004

3 **II. SOUTHERN CALIFORNIA EDISON SHOULD BE REQUIRED TO**
4 **SUBMIT A PROCUREMENT PLAN PROPOSING HOW IT PLANS TO**
5 **MEET THE MINIMUM AUTHORIZED PREFERRED RESOURCE AND**
6 **ENERGY STORAGE AMOUNTS SPECIFIED IN D.13-02-005 AND D.14-03-**
7 **004.**

8 SCE makes a number of references in the Application to other procurement
9 processes in general terms that are of great interest to CESA and other parties, and CESA
10 submits that the parties and the Commission would benefit greatly from more detail in the
11 Application related to the following passages in the Application.

12 “SCE will continue to seek to acquire Preferred Resources and ES in
13 the Western LA Basin to meet the minimum 600 MW procurement
14 authorization the Commission provided for Preferred Resources and
15 ES in the LTPP Track 1 and 4 decisions, as well as address the
16 Commission’s assumption that SCE will develop more than 1,000 MW
17 of uncommitted Preferred Resources in the Western LA Basin by
18 2020.” (SCE Testimony, p. 2).

19 “SCE’s proposed procurement of 1,883 MW of new, diverse projects
20 in the Western LA Basin substantially meets the 1,900 to 2,500 MW
21 procurement authorization the Commission provided in the LTPP
22 Track 1 and 4 decisions. However, SCE still needs to acquire 99 MW
23 of Preferred Resources and/or ES to meet the Commission’s minimum
24 sub-category requirement of 600 MW of Preferred Resources and ES.
25 Once SCE completes the minimum procurement required for Preferred
26 Resources and ES, SCE’s total procurement for the Western LA Basin
27 will exceed the minimum 1,900 requirement for the Western LA Basin
28 (i.e., 1,883 MW of proposed procurement in this Application plus 99
29 MW of additional Preferred Resource and/or ES will exceed the
30 minimum 1,900 MW requirement).” (SCE Testimony, p.97).

31 The actual planned timing and scope of the additional procurements that SCE can
32 foresee today should be much more clearly spelled out than what is accomplished by
33 these very high level references.

1 SCE states in the Application that it will continue to target additional resources
2 through its existing procurement mechanisms, including “Energy Storage OIR,
3 Renewables Portfolio Standard (“RPS”) Solicitations, Preferred Resources Pilot Program,
4 etc.”⁴ SCE should also continue with more non-traditional programs such as the
5 Distribution Grid Readiness Initiative, Distribution Resource Plan, the Local Capacity
6 Requirement solicitation, and the Integrated Grid project and report on all of these and
7 any other different procurement vehicles in one place in the form of an amendment or
8 supplement to its Long-Term Procurement Plan. In a recent, noteworthy filing in SCE’s
9 General Rate Case (“GRC”) proceeding (A.13-11-00), SCE described its launch of a pilot
10 Request for Proposals (“RFPs”) during its 2012 GRC cycle to test the market for viable
11 distributed generation alternatives to distribution upgrades and to report the results of the
12 pilot RFP in its next GRC application proceeding.⁵ Unfortunately, the bottom line
13 conclusion of the Report was very disappointing:

14 “After engaging in extensive outreach and an effort to explore
15 commercial alternatives to distribution upgrade alternatives, SCE
16 received no proposals in response to the DGS RFP. SCE is currently
17 pursuing a number of initiatives to determine other ways that
18 distributed generation can be incorporated into grid reliability planning
19 and operations.” (Report, p. 4).

20 Yet to be determined, on the other hand, is the outcome of its Preferred Resources
21 Pilot RFO that resulted from its Living Pilot program in 2013, which has an Offer
22 Submittal Deadline of April 1, 2015. An update of its Long Term Procurement Plan in
23 some form that pulls together and reports on the status of all of SCE’s various
24 procurement efforts, particularly those focused on distributed energy resources, would be

⁴ See, e.g., SCE-1, p. 97, and see SCE-1, p. 4, Table 1-2 – LCR Portfolio Breakdown, Footnote 2.

⁵ 2015 General Rate Case Report Regarding Distributed Generation Solutions Pilot Request for Proposals, December 22, 2014.

1 a very valuable way to focus SCE's procurement activity outside the scope of the
2 Application.

3 **III. SOUTHERN CALIFORNIA EDISON'S RFO PROCESS SHOULD NOT**
4 **HAVE LIMITED CERTAIN ENERGY STORAGE RESOURCES BIDS**
5 **FROM BEING CONSIDERED.**

6 In reaching its final procurement determination, SCE limited the maximum
7 procurement of In-Front-of-Meter ("IFOM" energy storage to 100 MW (despite modeled
8 draws of 400 MW to 900 MW of IFOM ES in its modeled optimization). SCE's
9 rationale for imposing this significant limitation includes current uncertainty on
10 interconnection tariffs and whether grid connected energy storage would pay
11 transmission and distribution access charges. While there is uncertainty on final
12 resolution of these issues, preliminary guidance by the CAISO suggest that IFOM energy
13 storage will not be assessed a transmission access charge. Any remaining uncertainty
14 should not function to set an artificial cap on cost-effective procurement of IFOM energy
15 storage resources. With the Governor's recent 50 % RPS announcement, the diminished
16 value of conventional generation is a much more certain outcome. Need for storage
17 services will also increase with increased renewable deployment. To the extent there are
18 additional cost-effective IFOM energy storage resources, especially when compared to
19 conventional generation, SCE should procure these resources to displace fossil fuel
20 procurement in the any resource authorization.

21 **Q: Does this conclude your testimony?**

22 **A:** Yes it does.