

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

Order Instituting Rulemaking to Oversee the
Resource Adequacy Program, Consider Program
Refinements, and Establish Annual
Local Procurement Obligations.

R.11-10-023
Filed October 20, 2011

**COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE
TO ORDER INSTITUTING RULEMAKING.**

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

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local Procurement Obligations.

R.11-10-023
Filed September 22, 2011

**COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE
TO ORDER INSTITUTING RULEMAKING**

Pursuant Rule 14 of the California Public Utilities Commission’s (“Commission’s”) Rules of Practice and Procedure, and the Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local Procurement Obligations (“OIR”) the California Energy Storage Alliance (“CESA”)¹ hereby submits these comments to the OIR.

I. INTRODUCTION.

CESA strongly supports the Energy Division’s identification of energy storage as a candidate topic in this proceeding. CESA specifically concurs with the statement at Item 10 in Appendix A, Candidate Issues and Topics Identified by the Energy Division with the passage of

¹ The California Energy Storage Alliance consists of A123 Systems, Applied Intellectual Capital/East Penn Manufacturing Co., Inc., Beacon Power Corporation, Bright Energy Storage Technologies, CALMAC, Chevron Energy Solutions, Debenham Energy, Deeya Energy, EnerSys, EnerVault, Exide Technologies, Fluidic Energy, General Compression, Greensmith Energy Management Systems, HDR, Inc., Ice Energy, International Battery, Inc., LG Chem, LightSail Energy, Inc., MEMC/SunEdison, Powergetics, Primus Power, Prudent Energy, RedFlow, RES Americas, Saft America, Inc., Samsung SDI, SANYO, Seeo, Sharp Labs of America, Silent Power, Sumitomo Electric, SunPower, Suntech, SunVerge, SustainX, Xtreme Power, and Younicos. 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://www.storagealliance.org>.

AB 2514, the Commission opened R.10-12-007 to consider policies to promote the adoption of viable and cost-effective energy storage systems. In coordination with the policy developments in R.10-12- 007, we will consider any technical updates to our RA rules such that flexible grid operational attributes (such as those provided by energy storage technologies) may receive accurate and correct placement within our RA program.”

II. ENERGY STORAGE SHOULD BE CONSIDERED IN PHASE 1 OF THIS PROCEEDING.

Energy storage should be taken up by the Commission in Phase 1 of this proceeding for a variety of important reasons, including the following:

A. Energy storage is a resource that can, and will, have a significant role in achievement of dispatchable demand response (“RA”), which a near term-goal shared by the Commission and the California System Operator (“CAISO”). Many energy storage technologies are clearly capable of meeting the Commission’s requirement that to qualify for RA, a resource must be able to operate for a minimum of four hours per day for three consecutive days. The Commission has, of course, deferred detailed review of the subject of dispatchable DR suitable for full inclusion in the resource adequacy program. CESA’s view is that the subject is one of “other issues” that the Commission was referring to earlier this year when it stated that: “Other DR issues related to RA will be considered at a later time.”²

B. Energy storage is also one of the resources that the CAISO was clearly contemplating, in comments filed in the Commission’s predecessor RA proceeding (R.09-10-032) that have been quoted by the Commission: “In addition, the CAISO proposed to add to the scope of Phase 2 the following issue: Review the plan for a non-generic capacity procurement requirement process to add resource operational characteristics such as regulation and ramping

² D.11-06-022, issued June 23, 2011, at p. 52.

“load following” capabilities into the RA procurement requirements. In the revised Scoping Memo, this issue was deferred to a future phase of this proceeding.”³

III. CONCLUSION.

CESA appreciates this opportunity to respond to the OIR, and looks forward to working with the Commission and other stakeholders throughout the entire proceeding.

Respectfully submitted,



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Date: November 7, 2011

³ Id. pp. 2-3.