

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

Order Instituting Rulemaking on the Commission's  
Own Motion to Improve Distribution Level  
Interconnection Rules and Regulations for Certain  
Classes of Electric Generators and Electric Storage  
Resources.

R.11-09-011  
Filed September 22, 2011

**COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE  
ON UTILITY PRO FORMA AGREEMENT FILINGS**

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Pursuant to Administrative Law Judge DeAngelis’ *Ruling Granting the Motion of Vote Solar*, issued on April 20, 2012 (“ALJ’s Ruling”), the California Energy Storage Alliance (“CESA”)<sup>1</sup> hereby submits these comments on Pro Forma Agreement Filings filed on June 15, 2012 by Southern California Edison Company (“SCE”), Pacific Gas and Electric Company (“PG&E”), and San Diego Gas & Electric Company (“SDG&E”) (collectively, the “Utilities”).

**I. INTRODUCTION.**

The “Motion of Vote Solar”<sup>2</sup> that was granted by the ALJ’s Ruling relates to a “Settlement Motion” that has been pending before the Commission since March 2012.<sup>3</sup> A set of form documents that includes a proposed revised Rule 21 tariff and associated forms and agreements (“Revised Rule 21”) is included as part of the Settlement Motion filed by “Joint Settlement Parties”.<sup>4</sup> Pursuant to the ALJ’s Ruling, the Utilities have filed the Pro Forma

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<sup>1</sup> The California Energy Storage Alliance consists of A123 Systems, Bright Energy Storage Technologies, CALMAC, Chevron Energy Solutions, Deeya Energy, East Penn Manufacturing Co., EnerVault, Fluidic Energy, GE Energy Storage, Green Charge Networks, Greensmith Energy Management Systems, Growing Energy Labs, HDR Engineering, Ice Energy, Kelvin Storage Technologies, LG Chem, LightSail Energy, Primus Power, Prudent Energy, RedFlow Technologies, RES Americas, Saft America, Samsung SDI, SANYO Energy, Seeo, Sharp Labs of America, Silent Power, Stem, Sumitomo Electric, Sumitomo Corporation of America, SunEdison, SunVerge, TAS Energy, and Xtreme Power. 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>.

<sup>2</sup> *Motion of the Vote Solar Initiative to Adopt Interim Procedure*, filed March 2, 2012.

<sup>3</sup> *Motion for Approval of Settlement Agreement Revising Distribution Level Interconnection Rules and Regulations*, filed March 16, 2012.

<sup>4</sup> The Joint Settlement Parties include Southern California Edison Company, Pacific Gas and Electric Company, San Diego Gas & Electric Company and Aloha Systems Incorporated, California Farm Bureau Federation, Center For Energy Efficiency And Renewable Technologies, Clean Coalition, Interstate Renewable Energy Council Inc., Sierra Club, Solar Energy Industries Association, SunEdison, Sunlight Partners, Sustainable Conservation, and The Vote Solar Initiative. (Settlement Motion, p. 1).

Agreements, consisting of three additional forms that the Utilities have asked to be approved for eventual use with the Revised Rule 21 as or when it is ultimately approved in some form or fashion by the Commission. The Pro Forma Agreements incorporate by reference and are premised entirely on Commission approval of the exact language of the Revised Rule 21 that may never be approved by the Commission.

Since they are inextricably intertwined with the Revised Rule 21, CESA expressly reserves the right to make general and specific comments on the Pro Forma Agreements until such time as they can be evaluated by the Commission as part of a package in conjunction with the Commission's consideration of the Settlement Motion. In addition, however, CESA also takes this opportunity to note with approval that the Commission has very recently stated that it intends to examine distribution-level interconnection procedures for energy storage technologies in Phase 1 of this proceeding.<sup>5</sup> Unfortunately, the Scoping Memo appears very ambiguous as to how and when exactly the Commission will address energy storage-related issues in Phase 1 of this proceeding. This ambiguity immediately most immediately impacts the Pro Forma Agreements and hence the Settlement Motion, but CESA urges the Commission to clarify the details of how and when it will address all of the issues related to energy storage at the earliest opportunity in this proceeding.

## **II. THE COMMISSION SHOULD EVALUATE THE PRO FORMA AGREEMENTS IN CONJUNCTION WITH CONSIDERATION OF THE SETTLEMENT MOTION.**

In October 2012, all three of the Utilities argued that this proceeding should effectively be “put on ice” until the Rule 21 Settlement Process runs its course.<sup>6</sup> Southern California Edison, for example, requested that the Commission “postpone issuing a Final Scoping Memo until the Rule 21 Settlement Process is complete.”<sup>7</sup> CESA disagreed with the idea of holding this proceeding hostage to a “process” that might never have any definitive outcome at that time, and renews its objection now.<sup>8</sup> Now that the Commission has issued the Scoping Memo, all issues related to the Settlement Motion and the Pro Forma Agreements should be considered together

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<sup>5</sup> *Scoping Memo and Ruling of Assigned Commissioner*, issued June 20, 2012, at p. 3.

<sup>6</sup> SCE, p. 2, PG&E, p. 2 And SDG&E, p. 3.

<sup>7</sup> SCE Comments on OIR, filed October 27, 2011, p. 9.

<sup>8</sup> *See, Reply Comments of the California Energy Storage Alliance*, filed November 14, 2011.

logically as one element of the entire scope of Phase 1. CESA will accordingly provide further comments on all of the issues set forth in the Scoping Memo, including the Pro Forma Agreements, and the Revised Rule 21 (taken together), when the Commission considers the Settlement Motion.

**III. THE COMMISSION SHOULD CLARIFY THE RELATIONSHIP BETWEEN THE PRO FORMA AGREEMENT FILINGS, THE SETTLEMENT MOTION, AND THE SCOPING MEMO AS SOON AS POSSIBLE.**

CESA is pleased to note that the Commission has very recently stated that it intends address the Settlement Motion filed in Phase 1 of this proceeding in the third quarter of this year.<sup>9</sup> Unfortunately, the Scoping Memo contains an ambiguity that must be clarified by the Commission as soon as possible. Citing “the parties written comments and the discussion at the PHC”, the Scoping Memo lists eight topics to be included in Phase 1, and goes on to state:

“In addition, the Commission stated that ‘this rulemaking may be used by the Commission as the procedural forum for the recently initiated settlement efforts to address matters related to Rule 21.’ Because such a settlement has now been filed, I find that the scope of phase 1 will also include the Proposed Settlement *to the extent that it addresses the above issues.*” (p. 3).

It is not all clear that the Settlement Motion addresses *any* of the eight issues listed in the Scoping Memo, all of which are of interest to CESA:

- (1) Define the appropriate interconnection study process for all types of generation resources seeking interconnection to the distribution system.
- (2) Create distribution-level interconnection procedures for storage technologies.***
- (3) Evaluate and determine appropriate processes for establishing distribution-level interconnection queues (serial or cluster).
- (4) Establish data and reporting requirements.
- (5) Evaluate the need to revise technical operating standards due to advances in technology, communications, and the potential need for the system operator to control these systems.
- (6) Define distinct engineering methodologies based on the characteristics of the resource, such as the resource’s impact on the transmission system.

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<sup>9</sup> *Scoping Memo and Ruling of Assigned Commissioner*, issued June 21, 2012 (“Scoping Memo”).

(7) Establish a path to resource adequacy qualification for resources that have certain characteristics.

(8) Review and modify, if necessary, the screening mechanism that limits an expedited interconnection to fifteen percent of a line section's peak load. (Emphasis added)". (p. 3-4).

Much more broadly, CESA is concerned that the Scoping Memo says it will cover all of the above-listed subjects in Phase 1, but the schedule makes no mention of how and when the Commission will develop a record to address each of these complex and critically important topics in detail before issuing a proposed decision that will (on its face at least) speak to all of them in the third quarter of this year. CESA's primary focus is, of course on energy storage, but in fact all eight of the listed topics directly or indirectly impact energy storage policy and should be addressed by the Commission according to a well-defined schedule.

**IV. CONCLUSION.**

CESA appreciates this opportunity to comments on the Pro Forma Agreements, and looks forward to working with the Commission and the parties concerning all aspects of this proceeding.

Respectfully submitted,



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