

**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
DECISION ADOPTING SETTLEMENT AGREEMENT REVISING
DISTRIBUTION LEVEL INTERCONNECTION RULES AND
REGULATIONS – ELECTRIC TARIFF RULE 21 AND GRANTING
MOTIONS TO ADOPT THE UTILITIES' RULE 21 TRANSITION PLANS**

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Pursuant Rule 14.3 of the California Public Utilities Commission’s (“Commission’s”) Rules of Practice and Procedure, the California Energy Storage Alliance (“CESA”)¹ hereby submits these comments on the *Decision Adopting Settlement Agreement Revising Distribution Level Interconnection Rules And Regulations – Electric Tariff Rule 21 and Granting Motions to Adopt The Utilities’ Rule 21 Transition Plans* (“Proposed Decision”).

I. INTRODUCTION.

CESA supports the Commission’s Proposed Decision. CESA particularly supports the emphasis in the Proposed Decision on energy storage and coordination with other active proceedings at the Commission and stakeholder processes at the California Independent System Operator (“CAISO”) that relate to energy storage. CESA also strongly urges the Commission to closely coordinate development of the scope of Phase 2 of this proceeding with the interrelated

¹ The California Energy Storage Alliance consists of A123 Systems, Beacon Power, Bright Energy Storage Technologies, CALMAC, Chevron Energy Solutions, Deeya Energy, Energy Cache, 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, Panasonic, Primus Power, Prudent Energy, RedFlow Technologies, RES Americas, Saft America, Samsung SDI, Seo, Sharp Labs of America, Silent Power, SolarCity, 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>

development of the scope of Phase 2 of the energy storage Rulemaking proceeding (“Energy Storage OIR”)² that is currently underway in direct parallel with this proceeding.

II. THE COMMISSION SHOULD CLOSELY COORDINATE DEVELOPMENT OF THE SCOPE OF PHASE 2 OF THIS PROCEEDING WITH THE SCOPE OF THE ENERGY STORAGE RULEMAKING.

The fact that the Commission’s active rulemaking proceeding dedicated exclusively to energy storage, the Energy Storage OIR is not mentioned in the Proposed Decision is cause for concern because interconnection-related issues are specifically identified as significant barriers to greater deployment of energy storage in both the OIR in this proceeding and the Energy Storage OIR. The Proposed Decision does note that “The rulemaking [this proceeding] and the June 20, 2012 Assigned Commissioner’s Scoping Memo and Ruling for Phase 1 identified the following issues, among others, to address: . . . (2) Create distribution-level interconnection procedures for storage technologies; . . . (7) Establish a path to resource adequacy qualification for resources that have certain characteristics;” (p. 5).

CESA certainly appreciates inclusion of energy storage in the proposed Rule 21 Settlement that is incorporated as part of the Proposed Decision, but CESA also emphasizes that there are still significant issues specific to energy storage that remain to be addressed in scoping Phase 2 of this proceeding. The proposed scope for Phase 2 of this proceeding that is another part of the Rule 21 Settlement is worthwhile - but it also is incomplete.³ At a minimum, however, the potential need to address energy storage- specific interconnection issues and the path to resource adequacy for energy storage, referred to above, should be expressly cross-referenced, and specifically addressed in the Phase 2 scoping processes of both this proceeding and the Energy Storage OIR.

² R.10-12-007, filed December 16, 2010.

³ The Proposed Decision recognizes and acknowledges this fact. See, Findings of Fact Number 7. “The Proposed Settlement makes certain recommendations for issues to be included in phase 2 of this proceeding. These recommendations are requests that the Commission make its best efforts, as it deems appropriate, to implement the recommendations and in no manner do these provisions bind the Commission in either making such efforts or as to the final outcome of such efforts.” (p. 58).

III. CONCLUSION.

CESA appreciates this opportunity to comment on the Proposed Decision.

Respectfully submitted,



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