

Comments on 2019 Draft Policy Initiatives Roadmap

Submitted by	Organization	Date Submitted
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The California Efficiency + Demand Management Council (Council) appreciates the opportunity to provide comments on the California Independent System Operator (CAISO) *2019 Draft Three-Year Policy Initiatives Roadmap and Annual Plan* (Draft Roadmap).

The Council is pleased to see that the Draft Roadmap includes additional initiatives not included in the 2019 Final Policy Initiatives Catalog (2019 Catalog). There are some important additions in the Draft Roadmap that we strongly support and would like to see added to the 2019 Catalog. It is important to include initiatives that are driven by the goal of reducing the barriers to demand response, other distributed energy resources and storage market participation. It is also very helpful that CAISO identified the emerging trends that are altering the California resource procurement and resource adequacy landscape.

The Draft Roadmap includes a proposal for a new scope of work as part of the Energy Storage and Distributed Energy Resources (ESDER) initiative. The Council is very supportive of continuing the great work CAISO Staff has done under the ESDER umbrella and generally agrees with the tasks outlined as part of a 2019 ESDER 4 effort. In particular, we support developing a regulatory framework to address the DER resource adequacy (RA) and capacity counting rules, including those for weather-sensitive demand response. We understand that the treatment of weather-sensitive distributed resources is still pending at the CPUC, but we applaud the CAISO for proposing to move forward to explore the value of weather-sensitive distributed resources capacity, obligations and availability incentive mechanisms. We look forward to working with CAISO and stakeholders to propose potential additions or modifications to the work scope as the initiative moves forward.

The Council also supports CAISO's addition in the Draft Roadmap of enhancements to align RA with the needs of the grid. This requires close coordination with the California Public Utilities Commission (CPUC), and the priorities for Tracks 2 and 3 are probably the right priorities. One

addition we would like CAISO to consider is incorporating the efforts of the Load Shift Working Group where parties are advocating for technology neutral solutions. The Working Group anticipates issuing their final report by the end of the year, so this may be an initiative that is ripe for 2019/2020.