

Stakeholder Comments

| Submitted by | Company | Date Submitted |
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CESA appreciates the opportunity to comment on the Revised Straw Proposal issued by the California Independent System Operator (CAISO) on July 10, 2018.

5. Energy Storage

5.2 Replacing Entire Existing Generator Facilities with Storage

CESA thanks the CAISO team for continuing to consider this important issue in this initiative and for identifying how the current Generator Management Business Practice Manual (BPM) does not address or provide clarity on ‘repower-and-retire’ scenarios – *i.e.*, where existing generation facilities are repowered in part with energy storage systems and the existing generation facilities are subsequently retired. Based on the explanation in the Revised Straw Proposal, CESA now understands that our previous comments¹ on potential changes to the reliability assessment for such scenarios will require going through the BPM change management process, and we will work to address those considerations there.² As the CAISO considers clarifications in the BPM, CESA supports the CAISO’s case-by-case reliability assessment of repower-and-replace scenarios, since depending on the energy storage technology and the mitigation measures identified and implemented, the percentage of the repowered capacity that can remain online may vary, so long as the repowered capacity does not exceed the approved interconnection capacity at the point of interconnection of the paired generation facility. CESA looks forward to reviewing the proposed retirement clarifications in the Generator Management BPM.

Finally, CESA also looks forward to the CAISO’s compliance plan with Order No. 845, which included one key determination around the repower-and-retire scenario. As noted in our previous comments, Order

¹ CESA’s June 8, 2018 comments on the 2018 IPE Straw Proposal:

<http://www.storagealliance.org/sites/default/files/Filings/2018-06-08%20CESA%27s%20Comments%20on%202018%20IPE%20Straw%20Proposal%20-%20FINAL.pdf>

² For example, as previously commented, CESA hopes that the CAISO will give consideration to whether synthetic inertia can mitigate any short-circuit duty concerns of inverter-based battery storage technologies. In addition, the reliability assessment should reflect how non-battery-based technologies have inertial response capabilities that may address some of the reliability concerns with keeping repowered energy storage units upon retirement of the paired generation facility.

845 mostly deferred this issue as being outside the scope of this rulemaking and as appropriate for being addressed elsewhere, but did make one determination that surplus interconnection service customers (*e.g.*, repowered energy storage facility) may be granted a one-year grace period to remain online, under certain conditions. During the July 17, 2018 stakeholder call, the CAISO indicated that it planned to develop a plan around this issue and thus CESA points to our previous comments as considerations for the CAISO on this matter.³

³ *Ibid*, pp. 4-6.