

Stakeholder Process: Energy Storage and Distributed Energy Resources

Summary of Submitted Comments

Stakeholders submitted nine rounds of written comments to the ISO on the following dates:

- Round One (comments on Proposed Scope and Schedule), 05/29/15
- Round Two (comments on Revised Scope and Schedule), 06/17/15
- Round Three (comments on Issue Paper and Straw Proposal), 08/18/15
- Round Four (comments following working group session), 09/03/15
- Round Five (comments on Revised Straw Proposal), 10/09/15
- Round Six (comments following working group session), 10/19/15
- Round Seven (comments following working group session), 10/29/15
- Round Eight (comments on Draft Final Proposal), 11/16/15
- Round Nine (comments on Revised Draft Final Proposal), 01/14/16

Stakeholder comments are posted at: <http://www.aiso.com/Pages/documentsbygroup.aspx?GroupID=FC949320-4683-476F-A7C6-F2BC632FB7BB>

Other stakeholder efforts include:

- Education forum, 04/16/15 and 04/23/15
- Stakeholder web conference on Proposed Scope and Schedule, 05/21/15
- Stakeholder web conference on Issue Paper and Straw Proposal, 08/06/15
- Working group web conference, 08/27/15
- Stakeholder web conference on Revised Straw Proposal, 09/28/15
- Working group meeting, 10/12/15
- Working group web conference, 10/27/15
- Stakeholder web conference on Draft Final Proposal, 11/09/15
- Stakeholder web conference on Revised Draft Final Proposal, 01/07/16

Comments of AMS, CESA, CLECA, eMotorWerks, NRG, and ORA							
Management proposal	Advanced Microgrid Solutions (AMS)	California Energy Storage Alliance (CESA)	California Large Energy Consumers Association (CLECA)	eMotorWerks	NRG Energy (NRG)	Office of Ratepayer Advocates (ORA)	Management response
Allow a non-generator resource (NGR) resource the option to submit its initial state of charge as a bid parameter in the day-ahead market.	Fully supports.	Fully supports.	No position.	Fully supports.	Supports.	Fully supports.	Management acknowledges and appreciates the unanimous stakeholder support for this proposed NGR enhancement.
Allow an NGR resource the option to self-manage energy limits and state of charge.	Fully supports.	Fully supports.	No position.	Fully supports.	Supports. Recommends that the ISO specify in tariff language how it will determine when a resource is failing to self-manage its energy constraints.	Fully supports.	Management acknowledges and appreciates the unanimous stakeholder support for this proposed NGR enhancement. Management will consider NRG's recommendation in the tariff development stakeholder process.

Comments of AMS, CESA, CLECA, eMotorWerks, NRG, and ORA

Management proposal	Advanced Microgrid Solutions (AMS)	California Energy Storage Alliance (CESA)	California Large Energy Consumers Association (CLECA)	eMotorWerks	NRG Energy (NRG)	Office of Ratepayer Advocates (ORA)	Management response
<p>Allow a proxy demand resource (PDR)/reliability demand response resource (RDRR) with behind-the-meter generation the option to use a performance evaluation methodology based on metering generator output (MGO) concepts.</p>	<p>Supports the SCE-proposed modification. Requests that ISO explore enhancements in Phase 2 of the energy storage and distributed energy resources (ESDER) initiative.</p>	<p>Supports the SCE-proposed modification. Requests that ISO revisit issue of overlap between demand charges and energy functions in ESDER Phase 2.</p>	<p>Supports the SCE-proposed modification, subject to resolution of any local regulatory authority issues.</p>	<p>Supports the SCE-proposed modification with qualification. Recommends that ISO explore enhancements in ESDER Phase 2 including inclusion of behind-the-meter load-only resources.</p>	<p>Supports the SCE-proposed modification with qualification, subject to further review of any unintended consequences.</p>	<p>Supports the SCE-proposed modification; however, does not support use of MGO in cases where behind-the-meter generation offsets load because ISO's proposal may allow use of fossil-fueled generation.</p>	<p>Management recognizes that its MGO proposal represents a first-of-its-kind foray into the complex issue of multiple use applications, and believes that it is critical to proffer a viable solution and gain experience. Management views the SCE-proposed modification as a minor change that only affects the definition of an event hour for purposes of estimating the typical retail behavior of a behind-the-meter generation device. Management has incorporated the modification because it appears to represent a slight improvement and it has broad stakeholder support. Management will continue to explore additional enhancements as the ISO and stakeholders gain experience with the MGO methodology. In response to ORA, Management's proposal does not distinguish among technologies, as the Federal Power Act requires the ISO to treat similarly situated customers similarly, and fuel type is not a meaningful difference for establishing PDR/RDRR baselines. As such, the ISO does not have a tariff mechanism to effectuate ORA's proposal, and must remain agnostic to specific technology types. In response to those stakeholders who request inclusion of behind-the-meter load-only resources, Management reiterates that it developed this proposal to support a generation device behind a single sub-meter per location and did not intend it to apply to configurations involving only load devices behind the sub-meter; Management could consider that configuration in ESDER Phase 2.</p>

Comments of Olivine, PG&E, SDG&E, SolarCity, SCE, and Stem							
Management proposal	Olivine	Pacific Gas & Electric Company (PG&E)	San Diego Gas & Electric (SDG&E)	SolarCity	Southern California Edison (SCE)	Stem	Management response
Allow an NGR resource the option to submit its initial state of charge as a bid parameter in the day-ahead market.	Fully supports.	Fully supports. Recommends that ISO institute monitoring requirements. Requests mathematical formulation for how state of charge is optimized.	Supports.	Fully supports.	Supports.	Fully supports.	Management acknowledges and appreciates the unanimous stakeholder support for this proposed NGR enhancement. Management will consider monitoring requirements and mathematical formulations in the tariff development and business practice manual stakeholder processes as appropriate.
Allow an NGR resource the option to self-manage energy limits and state of charge.	Fully supports.	Fully supports.	Supports.	Fully supports.	Supports.	Fully supports.	Management acknowledges and appreciates the unanimous stakeholder support for this proposed NGR enhancement.
Allow a PDR/RDRR resource with behind-the-meter generation the option to use a performance evaluation methodology based on metering generator output (MGO) concepts.	Supports the SCE-proposed modification. However, believes that sub-metered load should also be allowed.	Opposes, pending resolution of open issues. Views the SCE-proposed modification as reasonable. However, opposed to use of MGO because of issues associated with sub-metering,	Supports the SCE-proposed modification. Suggests that ISO consider imposing a sunset date for the proposed performance evaluation methodology.	Supports the SCE-proposed modification with qualification. Recommends that ISO should investigate alternative mechanisms to eliminating gaming without reducing	Supports. (Subject to incorporation of its proposed modification; otherwise opposed). SCE's modification would define an event hour as any hour when there was an ISO market	Fully supports the SCE-proposed modification.	Management recognizes that its MGO proposal represents a first-of-its-kind foray into the complex issue of multiple use applications, and believes that it is critical to proffer a viable solution and gain experience. Management views the SCE-proposed modification as a minor change that only affects the definition of an event hour for purposes of estimating the typical retail behavior of a behind-the-meter generation device. Management has incorporated the modification because it appears to represent a slight improvement and it has broad stakeholder support. In response to SDG&E's suggestion of a "sunset," Management will instead continue to explore additional enhancements or refinements as the ISO and stakeholders gain experience with the MGO methodology. In

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		subtractive billing, rates, and meter ownership that need to be addressed in coordination with the CPUC.		market efficiency.	award or dispatch at or above the demand response benefits test price threshold or outage recorded for the PDR/RDRR resource.		response to the PG&E comment, Management intends to coordinate with the CPUC in Track 2 of the CPUC's Energy Storage Rulemaking to address the issues raised in that proceeding. In response to those stakeholders who request inclusion of behind-the-meter, load-only resources, Management reiterates that it developed this proposal to support a generation device behind a single sub-meter per location and did not intend it to apply to configurations involving only load devices behind the sub-meter; Management could consider that configuration in ESDER Phase 2.