

Stakeholder Process: Energy Storage and Distributed Energy Resources Phase 2

Summary of Submitted Comments

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

- Round one, 4/18/16
- Round two, 6/09/16
- Round three, 8/11/16
- Round four, 10/11/16
- Round five, 5/18/17
- Round six, 6/23/17

Stakeholder comments were received from:

Alta Gas – Pomona Energy Storage (Pomona), California Energy Storage Alliance (“CESA”), California Efficiency and Demand management Council (CEDMC), California Hydrogen Business Council (CHBC), California Energy Storage Alliance (“CESA”), California Large Energy Consumers Association (“CLECA”), Electric Motor Werks, Inc. (eMotorWerks), Independent Energy Producers Association (IEP), Pacific Gas & Electric Company (“PG&E”), Southern California Edison (“SCE”), Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (the “Six Cities”), Stem Inc., Tesla, and Trans Bay Cable

Stakeholder comments are posted at:

<http://www.caiso.com/Pages/documentsbygroup.aspx?GroupID=9127AFF3-7A78-47F7-92A0-6DBBDEAD1AE9>

Other stakeholder efforts include:

- Web Conference, 4/04/16
- Web Conference, 5/31/16
- Web Conference, 6/28/16
- Web Conference, 9/27/16
- Web Conference, 5/04/17
- Web Conference, 6/15/17

Joint CPUC Rulemaking 15-03-011 and CAISO ESDER 2 stakeholder efforts include:

- Energy Storage Workshop – station power and multiple-use applications, 5/02/16 – 5/03/16
- Energy Storage Workshop – station power and multiple-use applications, 5/31/17

1. Management Proposal: New demand response performance evaluation methods

Stakeholder	Position	Comments
Alta	Supports	Supports action and enhancements on participation, modeling, and valuation enhancements for energy storage and distributed energy resources
CHBC	No Comment	
CEDMC	Supports	Supports the recommendations of the baseline analysis working group
CESA	Supports	Supports with request for additional focus on performance evaluation methodologies for regulation provision from PDR or aggregated resources.
CLECA	Supports	Supports the baseline analysis working group's recommended baselines, finding the analysis to be thorough and adequate to support the proposed methods.
eMotorWerks	Supports	Supports the BAWG's recommended baseline options for the residential customer segment.
IEP	No Comment	No position on the specifics of the BAWG proposal if and when baseline calculations are required
PG&E	Supports	Supports proposed new baseline methodologies with request that ISO define frequency by which baseline methodologies can be updated and requests that the implementation phase be initiated in the near term with sufficient lead time for stakeholders to develop appropriate mechanisms and operational practices to calculate.
SCE	Supports	Supports the development of the topic as outlined in the Draft Final Proposal
Six Cities	No Comment	
Stem	No Comment	
Tesla	Supports	Supports adoption of the baselines as developed by the BAWG
Trans Bay Cable	No Comment	

1. Management Proposal: New demand response performance evaluation methods

Stakeholder	Position	Comments
Management Response		Management has worked jointly with the stakeholder-led baseline analysis working group (BAWG) to develop a proposal that provides additional baselines for residential customer segments that provide greater performance evaluation accuracy than the currently available customer load baseline methodology designed for commercial and industrial customer participation. The proposed baselines will provide options for demand response resources to more accurately reflect the performance of the specific resource based on its customer segment. There is overwhelming stakeholder support of the proposal.

2. Management Proposal: Incorporate additional gas indices into the net benefits test

Stakeholder	Position	Comments
Alta	Supports	Supports action and enhancements on participation, modeling, and valuation enhancements for energy storage and distributed energy resources
CHBC	No Comment	
CEDMC	No Comment	
CESA	No Comment	Non-priority issue with request for priority of efforts to be on other ESDER2 proposals and topics
CLECA	Supports	
eMotorWerks	No Comment	
IEP	No Comment	
PG&E	Supports	Supports with request that parties be given opportunity to review and comment on the proposed indices before they are finalized and incorporated into the BPMs.
SCE	Supports	Supports the development of the topic as outlined in the Draft Final Proposal

2. Management Proposal: Incorporate additional gas indices into the net benefits test

Stakeholder	Position	Comments
Six Cities	No Comment	
Stem	No Comment	
Tesla	No Comment	Supports this simplified approach
Trans Bay Cable	No Comment	
<p>Management Response</p>	<p>Management has developed a proposal that resolves an identified gap in an existing formulation of the net benefits test price threshold. With a broadening real-time market footprint, the net benefits test price threshold calculation should incorporate a broader set of gas price indices to ensure the net benefits test price threshold remains relevant.</p> <p>Stakeholders generally support the proposal with the exception of one not agreeing to its prioritization rather than its elements. In response to comments to further review additional gas price indices inclusion, the opportunity for stakeholder review and comment will be available during the proposed revision request process whenever new gas price indices are added to the ISO's Business Practice Manual for Market Instruments.</p>	

3. Management Proposal: Clarify station power treatment for energy storage

Stakeholder	Position	Comments
Alta	Supports	Supports action and enhancements on participation, modeling, and valuation enhancements for energy storage and distributed energy resources
CHBC	No Comment	Comments recognize proposal but suggest additional station power topics for ESDER3
CEDMC	No Comment	
CESA	Supports	Strongly supports approval
CLECA	No Comment	
eMotorWerks	Supports	Joint comments with Stem
IEP	Supports	Supports tariff to operate in parallel with CPUC rules with regard to defining station power
PG&E	Supports	Supports with request to have specific examples incorporated into the BPM
SCE	Supports	Supports the development of the topic as outlined in the Draft Final Proposal
Six Cities	Supports	Supports with request for clarity regarding examples of wholesale charging
Stem	Supports	Supports with comments that behind-the-meter storage rules may need to be further addressed
Tesla	Supports	Supports this simplified approach
Trans Bay Cable	Supports	Supports simplifying the definition of station power and clarity of wholesale use
Management Response		A majority of stakeholders support the proposal. In response to a stakeholder's request to provide greater clarity, Management has provided additional details regarding the proposal and will continue to do so during development of the tariff language and business practice manual process.