

From: John Fernandes [mailto:John.Fernandes@res-americas.com]
Sent: Friday, August 22, 2014 10:59 AM
To: Energy Storage
Subject: Energy Storage Interconnection

Good morning,

RES Americas is an engaged stakeholder in several storage initiatives currently underway in California. RES is also in various stages of negotiations with California utilities pursuant to the recent storage solicitations.

RES Americas has been coordinating with the California Energy Storage Alliance and defers to the specific comments CESA will be filing respective to the Energy Storage Interconnection template. RES does have one general matter that the company would like to raise to the CAISO: it appears the current interconnection discussion is considering storage only as a RA resource that will be owned and operated by a California utility, following an ISO dispatch signal. These dispatch instructions may include "...curtailment to manage congestion, during both charging and discharging modes." (*Stakeholder Meeting, August 13, 2014*)

RES would like the CAISO to contemplate scenarios where a storage resource may not necessarily be developed for RA purposes and/or be under a more merchant ownership model where the resource would be providing other services to the system. While this is not the primary opportunity under the current market dynamics, it would be unfortunate if stakeholders were to implement rules that could act as a roadblock to such development down the road. Specifically, if the ISO is dispatching a storage resource without considering its state of charge or the general wear on the facility from excessive cycling, projects economics could be greatly impacted.

RES Americas greatly appreciates the CAISO's effort in developing favorable policy towards storage participation in the California market. RES also thanks ISO staff for consideration of this out-of-time inquiry. Please respond directly with any follow-up discussion or need for additional clarity.

Regards,

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