Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your written comments on the ESDER Phase 3 Straw Proposal.



Submit comments to InitiativeComments@CAISO.com

Comments are due March 7, 2018 by 5:00pm Pacific Time

The CAISO posted the ESDER 3 Straw Proposal on February 15, 2018 followed by a web conference on February 21, 2018. The presentation and all supporting documents can be found on the <u>ESDER 3</u> webpage. The CAISO requests your comments to the overall proposals scoped for ESDER3 along with the following specific questions:

SCE comments are in blue.

1. Demand Response

• Removal of the single load serving entity (LSE) aggregation requirement and the need for application of a default load adjustment (DLA)

SCE thanks the CAISO for providing analysis of the MW and cost impact of DLA application. At this time, the impact seems de minimis. SCE is supportive of DLA removal at this time, conditional on the CAISO committing to monitoring and addressing the future impact of this course of action.

Given the changing mix of resources, the impact of non-application of DLA will change over time. Additionally, the improvements in baseline measurement will likely increase the DLA impact by an order of magnitude (based on SCE's analysis of its own resource). The CAISO can consider one of two possible alternatives to determine the impact. The CAISO can determine a threshold of significance of impact – measured in MW of DR on the grid. Alternatively, the CAISO can provide annual reports of instances where the DLA would have been applied, such as presented in the Straw Proposal. Either of these approaches, the threshold or the annual report, can be used to determine when to trigger a stakeholder review, through a future ESDER or similar initiative, to address a significant impact due to non-application of DLA.

• Load shift product for behind the meter (BTM) storage

SCE reiterates its prior comments¹. Given SCE's arguments in those comments, SCE does not believe that customers will resort to non-beneficial consumption. On the contrary, given the retail rate design, SCE believes that any usage of electricity under such an option will provide a positive societal contribution as well as help reliability. Furthermore, a load consumption or a load shift product should be designed in a technology neutral fashion, as to allow a wider range of customers and market participants to participate.

 Measurement of behind the meter electric vehicle supply equipment (EVSE) load curtailment

This topic should be addressed under the Multiple-Use Applications (MUA) category, as should any topic that concerns metering, sub-metering, etc. The CPUC is already working on addressing any issues related to separate metering. It is inappropriate for this topic to be independently addressed outside of the MUA framework.

2. Multiple-Use Applications

• The CAISO proposes to perform a comprehensive review and analysis of what is needed to facilitate the rules and framework established in the MUA ruling.

As noted, EVSE measurement should fall under this category. SCE supports the CAISO's approach and looks forward to CAISO's recommendation of the specific rules and framework necessary to accommodate resources that operate in different domains.

3. Non-Generator Resource

• The CAISO proposes to develop a process to define use-limited status for NGRs.

¹ Page 3. <u>http://www.caiso.com/Documents/SCEComments-EnergyStorageandDistributedEnergyResourcesPhase3-</u> <u>IssuePaper.pdf</u>

Reiterating its prior comments², SCE maintains the position that NGR use-limitations over longer time horizons can be managed through contracting and bidding. However, SCE is open to discussion if stakeholders can provide empirical support where uselimitations are appropriate.

² Page 3. <u>http://www.caiso.com/Documents/SCEComments-EnergyStorage-DistributedEnergyResourcesPhase3WorkingGroup-Jan162018.pdf</u>