COMMENTS OF – SolarCity

Energy Storage and Distributed Energy Resources Working Group Call Alternative Proposal – 10/27/15 Stakeholder Call

Submitted by	Company	Date Submitted
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SolarCity provides these comments on the Energy Storage and Distributed Energy Resource (ESDER) Working group call on 10/27/2015 in which Advance Microgrid Solution, Stem, and SolarCity's (the Companies) joint proposal (the Proposal) on Meter Generation Output (MGO) with adjusted "G_Typical" baseline was discussed¹. SolarCity is thankful for CAISO's efforts and greatly appreciates this opportunity to provide comments on the Working Group Call.

SolarCity finds the Companies proposal to sufficiently address CAISO's concerns on the issue of overlap which prompted the idea of introducing a baseline methodology to discount performance if typical usage of the resource has been to provide retail services. The companies have proposed establishing a "typical-usage level" (GTYPICAL) based on electric output using (G) metered quantities during non-dispatch days, selected by conducting a look back of comparable, non-dispatch days (similar to the CAISO's existing 10-in-10 in 45 baseline methodology for loads). Based the CAISO's ESDER proposal, G is the sub-meter that is directly metering the output of the on-site generator. If 10 non-dispatch days could not be found, the resource is credited with the full amount of the output of generator: Performance (P) = -G.

The Proposal provides a reasonable estimate of wholesale performance in light of potential retail activities in order to limit overlap use cases when Proxy Demand Response (PDR) awards are issued by CAISO. The Proposal limits PDR capacity by subtracting average "Typical" retail usage when evaluating wholesale performance. The relatively long look back

¹<u>http://www.caiso.com/Documents/EnergyStorage-</u>

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window of 45 days assures, with a high probability that 10 non-dispatch days could be found, hence limiting wholesale credits if retail usage has been "Typical". SolarCity finds the 10-day rule to be an adequate estimate to recognize full capacity for wholesale PDR if a resource has been dispatched for 36 days or more in a 45 day window.

SolarCity recommends the inclusion of the Proposal in CAISO's ESDER initiative and looks forward to further work with CAISO on this topic.