



Comments of Sunrun Inc. on CAISO ESDER 3 Straw Proposal

Submitted by	Company	Date Submitted
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Sunrun appreciates the opportunity to comment on the Energy Storage and Distributed Energy Resources (ESDER) Phase 3 Straw Proposal.¹

First and foremost, we urge CAISO to take a leadership position in enabling retail program participants, particularly those enrolled in net energy metering (NEM), to address current planning challenges. Program design can address concerns with double compensation and create market opportunities to enable much broader DER participation. Retail DERs can modify their operations to align with CAISO needs as an additional grid service.

Consistent with our comments filed January 26, 2018, CAISO should prioritize improving the DERP model. The DERP model has major utilization barriers, primarily that Behind-the-Meter resources cannot pursue retail non-market functions without exposure to wholesale markets. We believe that DERP participation must evolve to include retail participation to ensure the most cost effective procurement of grid services.

The ESDER 3 Load Shift Program, if designed properly, could be a key enabler to demonstrate how NEM DERs can be leveraged to address current CAISO challenges and would be an ideal starting point to enable NEM DER participation.

- Load Consumption Dispatch (Charging): In response to CAISO dispatch, these NEM DERs will charge and forego NEM energy export credits from power that would have been exported during this period when CAISO does not want the energy.

¹ <http://www.caiso.com/Pages/documentsbygroup.aspx?GroupID=263724F0-4524-4B2B-9497-1C56AA541F0D>

- Shift Dispatch (Discharging): In response to CAISO dispatch, aggregated NEM DERs discharge for self consumption.

Under the current non-export Proxy Demand Resource (PDR) model, negative meter readings are not relevant; however, this negative meter reading value is very relevant to enable load consumption response from NEM DERs exporting power to the grid. Disallowing a negative meter reading as a means of recording load consumption response would unjustly prevent participation from DERs that are exporting power to the grid at a time when the power injection is undesired. Therefore, in addition to the current metering issues identified, we urge the CAISO to accommodate load consumption behaviors from exporting NEM DERs within the scope for future working group discussion.

Thank you for the opportunity to comment on the ESDER3 Straw Proposal.