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Assembly California Legislature



NANCY SKINNER
ASSEMBLYMEMBER, FIFTEENTH DISTRICT

COMMITTEES
CHAIR, RULES
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NATURAL RESOURCES
PUBLIC SAFETY
UTILITIES AND COMMERCE

April 17, 2013

Chairman Weisenmiller
Commissioner Douglas
California Energy Commission
Media and Public Communications Office
1516 Ninth Street, MS-29
Sacramento, CA 95814-5512

California Energy Commission

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April 23 2013

Chairman Weisenmiller and Commissioner Douglas:

I am writing to express my strong support for the proposed revisions to the RPS Eligibility Guidebook regarding energy storage. The current edition of the Guidebook recognizes energy storage as an "outstanding issue" with the passage of AB 2514, legislation that I authored in 2010 that requires the California Public Utilities Commission (CPUC) to consider energy storage procurement targets for the state's load serving entities. The proposed revisions are timely since this proceeding at the CPUC is coming to a close.

The Guidebook's inclusion of energy storage is an important step forward given its recognized potential as a critical enabling technology, particularly in the context of renewables integration. However, I believe with some modest refinements to the proposed revisions, the Guidebook can help meaningfully facilitate the deployment of storage on both the customer-side and utility-side of the meter in order to effectuate the above goals.

For customer-sited storage paired with behind-the-meter renewable generation, I respectfully request that the Guidebook be further revised to expressly recognize such technologies as an "addition or enhancement" to the renewable electrical generation facility pursuant to Section 25741 of the Public Resources Code. This designation is important given the substantial barriers these storage systems currently face in order to interconnect to the grid. These include interconnection study fees, review times, as well as additional metering requirements. In the case of small-scale storage, particularly at residential settings, these barriers can be cost-prohibitive, and make or break the decision to deploy these systems. By recognizing storage paired with behind the meter renewable generation as an "addition or enhancement" these systems would be recognized as part of that facility, and, thus, eligible for certain relief from interconnection costs.

I also ask that you consider the degree to which the storage facilities are integrated with the renewable generating facilities with which they are paired rather than focusing on physical proximity or system ownership. At this relatively early stage of market development, it is unclear what configurations and



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business models may ultimately prove to be the most cost-effective and in what circumstances. Accordingly, I ask that you be mindful of overly prescriptive requirements that may prematurely limit the market's ability to effectively explore the range of deployment options.

Lastly, I encourage you and your colleagues to continue to work with the energy storage industry, the Investor Owned Utilities and the Western Renewable Energy Generation Information System to identify metering solutions that can effectively accommodate storage into the RPS program while reducing the associated cost burden. The Commission has recognized this goal in the proposed revisions which explicitly allow for alternative metering arrangements in the case of small storage systems provided those metering arrangements are conservative in their accounting of RPS eligible energy. I support this approach, and am hopeful that a solution can be identified that achieves the twin goals of ensuring the integrity of RPS accounting while minimizing metering costs.

I commend you for proactively recognizing energy storage in the proposed revisions to the RPS Guidebook, and look forward to continuing to work with you on issues related to this important enabling technology.

Sincerely,



Nancy Skinner
Assemblymember, 15th District

Cc: Commissioner McAllister
Commissioner Hochschild
Commissioner Scott