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**Joint CCA Comments on SB 846 and CERIP Workshop**

*Additional submitted attachment is included below.*

February 2, 2023

California Energy Commission  
David Erne – Deputy Director  
Docket Number 21-ESR-01  
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**East Bay Community Energy and Sonoma Clean Power Comments on Lead Commissioner Workshop on SB 846 Reliability Assessment and Clean Energy Reliability Investment Plan, 21-ESR-01**

East Bay Community Energy (“EBCE”) and Sonoma Clean Power Authority (“SCP”), (“the Joint CCAs”), are encouraged by the CEC’s work in tackling energy system reliability and appreciate the opportunity to submit this feedback. The discussion held in the Lead Commissioner Workshop on SB 846 Reliability Assessment and Clean Energy Reliability Investment Plan (“CERIP”) was helpful from the perspective of load serving entities seeking to understand and respond to grid needs as they continuously evolve.

**Modeling and Managing Demand Side Resources**

As acknowledged in the discussion about CAISO’s historical peak of 52,061 MW on September 6<sup>th</sup>, batteries and demand side resources can serve an important role in preventing or lessening the impacts of grid stress events by shifting load from peak hours to non-peak hours. However, EBCE has found that the operation of unmanaged batteries does not align with the dispatch behavior as described in the section on Analysis of Extreme Events 2023-2023.<sup>1</sup> The Joint CCAs call specific attention to two of the assumptions used in the hourly stack analysis:

- “It is assumed that the total battery power capacity is available.” To extend a battery’s useful life, battery owners and operators are commonly advised to avoid completely depleting the battery’s charge, to refrain from leaving the battery uncharged for extended periods of time, and to minimize the number of charging cycles the battery experiences.<sup>2</sup> As such, neither battery owners nor aggregators seek to discharge 100% of stored energy in response to grid stress events.
- “A full 4 hours of energy capacity is available for each day.” As described in prior CCA filings in the 21-ESR-01 docket, unmanaged batteries operating “in the wild” may not maximize load reduction during daily 4-hour peak periods. Some batteries, responding to time of use price signals, are set to discharge over 1-2 hours, which does not align with the entirety of grid stress events. Other batteries, set in backup-only mode or

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<sup>1</sup> California Energy Commission, [SB 846 - Diablo Canyon Extension and CERIP Presentation](#), Slide 35

<sup>2</sup> National Renewable Energy Laboratory, [Optimizing Battery Usage and Management for Long Life](#), Slide 15

configured to maximize self-consumption, may not dispatch during evening hours at all.<sup>3</sup>

To more accurately model battery behavior and estimate the number of batteries required to achieve a given level of desired demand response, the CEC might reconsider these assumptions. Additionally, the Joint CCAs suggest the CEC encourage programs that coordinate managed charging and discharging for batteries or improve dispatch for other demand side resources, increasing the load shifting benefits for a given suite of resources.

### Clean Energy Reliability Investment Plan Funding

The Joint CCAs appreciate the inclusion of demand side resources and demand flexibility in the CEC's proposed CERIP funding initiatives. The Joint CCAs ask the CEC to provide that demand flexibility dispatched on a consistent daily basis ("consistent flexibility") is eligible for CERIP funding.<sup>4</sup> By routinely shifting customer load from peak hours in the evening to times of high solar generation, consistent flexibility can reduce the number of stress events the grid encounters, as well as the severity of those events when they do occur.

In contrast, many of the CEC and CPUC programs for load shifting demand side resources, such as those in the Strategic Reliability Reserve or the CPUC's ELRP, are based around the incentivization of resources that shift load for significantly fewer hours a year, exclusively during emergency grid events.

EBCE's internal analysis and conversations with large customers have shown that existing programs targeting just a few hours a year are generally insufficient to encourage the needed uptake of additional load shifting resources, or to significantly modify customer behavior. These programs are not oriented towards consistent flexibility, and in some cases are ineligible for utilization by resources engaging in consistent dispatch. Accordingly, the Joint CCAs encourage the CEC to consider the ability of consistent flexibility to contribute to grid reliability both actively and preventatively in their CERIP funding initiatives.

### Conclusion

The Joint CCAs appreciate the opportunity to provide this response and look forward to collaborating with the CEC and other stakeholders moving forward.

Respectfully submitted,

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<sup>3</sup> The Joint CCAs, [Joint CCA Proposal for Clean Energy Resources for Reliability](#), appendix

<sup>4</sup> EBCE's Resilient Home, SCP's FlexMarket, and PCE's Solar + Battery Backup programs are examples of consistent flexibility.

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