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Ivy Energy Comments - DEBA DER GFO Draft Concept

Additional submitted attachment is included below.

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California Energy Commission
715 P Street
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RE: Docket 22-RENEW-01 Ivy Energy Comments on Distributed Energy Resources for Reliability Draft Solicitation Concept

I. Introduction

Ivy Energy respectfully submits these comments on the Distributed Electricity Backup Assets (DEBA) Draft Solicitation Concept. Ivy Energy provides solar billing solutions to dozens of multi-unit building owners in the state of California. The primary goals of these comments are: (1) to gain clarity on the eligibility of multi-unit buildings in the Virtual Net Energy Metering (VNEM) and/or the Virtual Net Billing Tariff (VNBT) programs for this grant solicitation, and (2) explain how multi-unit buildings on VNEM/VNBT programs can accomplish the goals of this grant and, as a result, should be eligible to participate.

Based on Ivy's interpretation of the Draft Solicitation Concept, VNEM/VNBT systems would be eligible for Group 1 projects and Pathways 1, 2, 4, and 5. Ivy's interpretation is that VNEM/VNBT systems would not be eligible for Group 2 projects or Pathway 3. Ivy requests that VNEM/VNBT system eligibility is confirmed for Group 1 projects and Pathways 1, 2, 4, and 5 and that they be made explicitly eligible for Group 2 projects and Pathway 3.

II. Comments on the Workshop

VNEM/VNBT systems should be eligible for both Group 1 and Group 2 and all five pathways. Although VNEM/VNBT systems are technically front of the meter (FTM) projects, they behave similarly to single-family homes—at a much larger scale and with greater efficiency. Enabling the participation of VNEM/VNBT systems in Groups 1 and 2 and all pathways will provide the CEC with a broader array of innovative grant proposals that will help expedite the deployment of clean and efficient DERs that support the grid.

a) Draft Solicitation Concept Only Appears to Consider WDAT, Not Other FTM Interconnections Such As VNEM/VNBT

VNEM/VNBT configuration is much different than the Wholesale Distribution Access Tariff (WDAT) interconnection. WDAT is for developers of projects seeking to interconnect their generation facilities to

the utility's distribution system for the purpose of participating in wholesale energy transactions. VNEM/VNBT systems, on the other hand, interconnect for the purpose of providing energy to their tenants and self-consuming the power they generate on the property. In this sense, VNEM/VNBT systems behave much like BTM configurations in that the system generation minus coincident load of the multi-unit property is the net generation that is exported to the grid. Therefore, VNEM/VNBT systems should be eligible for the same Groups and pathways as BTM systems.

b) Eligibility Status and Arguments for Eligibility

Below is a summary of Ivy's interpretation of the eligibility of VNEM/VNBT systems for the grant. Where VNEM/VNBT appears to not be eligible, Ivy sets forth the justification for why they should be.

- Group 1: Eligible.
    a. "Project proposals for the installation of new, large eligible DER equipment (as defined in Section III.B.5 ("Eligible Technologies") of this solicitation manual), with a capacity of 100 kilowatts (kW) or greater, at one or more sites located either in front-of-the-meter (FTM) or behind-the-meter (BTM)" (p. 11).
    b. VNEM/VNBT systems are FTM, so they are eligible.
- Group 2: Not Eligible.
    a. "Project proposals for installing one or more new eligible DER equipment (as defined in Section III.B.6 ("Eligible Technologies") of this solicitation manual) at multiple sites BTM and aggregating them together to perform as a single VPP resource in response to an external input and to meet the minimum capacity requirement specified below" (p. 11).
    b. VNEM/VNBT are apparently not eligible because they are FTM, not BTM. However, VNEM/VNBT systems are only FTM because of a legislative requirement that all units be individually metered by the utility—a requirement that has outlived its usefulness and has been overtaken by technology. In reality, they behave much like BTM systems because the generation and consumption of the site typically share a common connection to the grid and therefore can be aggregated to act as a single node—similar to a BTM system on a single family home. Furthermore, all of the units of a site can be treated as a single node of demand on the grid and the units can respond to a demand reduction signal. Paired with centralized storage, VNEM/VNBT systems can discharge the battery to meet the community's consumption and export to the grid. Additionally, aggregating multiple VNEM/VNBT sites together to perform as a single VPP in response to an external input and meet capacity requirements is straightforward for VNEM/VNBT systems. In fact, aggregating VNEM/VNBT systems is likely more efficient than aggregating BTM systems because they are typically larger and fewer must be aggregated together to have the same impact as BTM systems.
- Pathway 1: Eligible.
    a. "Front-of-the-meter (FTM) Group 1 projects, such as WDAT, must select this pathway" (p. 18).
    b. There does not appear to be a consideration of VNEM/VNBT projects, which are not at all like |WDAT projects and in fact operate more like BTM projects.

- Pathway 2: Eligible
    a. "Project proposals in any Group, except Group 1 projects connected under WDAT, may elect this pathway" (p. 18).
    b. VNEM/VNBT systems are not connected under WDAT, so Group 1 projects with a different connection should be eligible for Pathway 2. VNEM/VNBT should be eligible because they can be made available every day for four hours and respond to signals/alerts for dispatch.
- Pathway 3: Not Eligible.
    a. "Projects, except FTM projects in Group 1, may elect this pathway, subject to tariff availability in the service area" (p. 19).
    b. VNEM/VNBT systems are capable of responding to wholesale energy prices and other grid capacity utilization levels, and therefore should be made eligible.
- Pathway 4: Eligible.
    a. "Group 1 projects connected under WDAT and Group 3 projects are not eligible to elect this pathway" (p. 20).
    b. VNEM/VNBT systems are not connected under WDAT and should be eligible. VNEM/VNBT systems can be designed to dispatch daily during designated hours.
- Pathway 5: Eligible.
    a. "This pathway is limited to Group 1 projects with dispatchable DG" (p. 20.
    b. VNEM/VNBT systems can have dispatchable DG and therefore should be eligible.

III. Conclusion

Ivy appreciates the opportunity to participate in the DEBA Draft Solicitation Concept workshop and comment process. Ivy requests that VNEM/VNBT system eligibility is confirmed for Group 1 projects and Pathways 1, 2, 4, and 5 and that their eligibility be granted for Group 2 projects and Pathway 3.

Sincerely,

Alana Steele