DOCKETED	
Docket Number:	22-RENEW-01
Project Title:	Reliability Reserve Incentive Programs
TN #:	255127
Document Title:	ElectricFish - DEBA DER GFO Draft Solicitation Concept
Description:	N/A
Filer:	System
Organization:	ElectricFish Energy
Submitter Role:	Applicant
Submission Date:	3/15/2024 4:34:27 PM
Docketed Date:	3/15/2024

Comment Received From: ElectricFish Energy
Submitted On: 3/15/2024
Docket Number: 22-RENEW-01

ElectricFish - DEBA DER GFO Draft Solicitation Concept

Additional submitted attachment is included below.

California Energy Commission
Docket Unit, MS-4
715 P Street
Sacramento, CA 95814

Re: Docket No. 22-RENEW-01 - Comments on Distributed Energy Resources for Reliability Draft Solicitation Concept

California Energy Commissioners and Staff:

ElectricFish Energy, Inc. ("ElectricFish" or "EF") is a California-based manufacturer that is pioneering the grid edge infrastructure of the future, starting with a battery-integrated DC fast-charging system that maximizes grid support and future-proofs energy investments as the grid evolves. EF has discussed its technology with CEC staff in the context of the DEBA program and intends to submit an application to the DEBA DER GFO as a Group 1 project.

As described in previous comments in this Docket, EF intends to deploy "bi-directional EV chargers" that will meet the performance requirements of the DEBA program through discharge from the battery system to the host site or to the local distribution grid.

For the draft solicitation concept, it's important to note that the highest level of potential performance of bi-directional EV chargers in the US market today is 3 hours of discharge at 100 KW. Thus, if the program parameters are not accessible to devices with these specifications, the DEBA program is not accessible to any bi-directional EV chargers. This is the core basis for EF's recommendations to modify the project requirements in Group 1 and Group 2.

EF Answers to Questions posed in the Draft Solicitation Concept

<u>Solicitation Requirements</u>

2. Is the proposed timeline in the solicitation, including application submission windows, reasonable to accommodate project proposals for project group?

   EF is concerned that the application submission window is too short given the other requirements for Group 1 projects. As proposed, the Group 1 requirements would require a bi-directional charger applicant to include a minimum of 80 devices in the project. With an expected average of around 1.5 devices per site, that would mean the project needs at least 50 sites, 30 of which must be pre-identified. Identifying and signing a Letter of Intent (LOI) with 30 sites seems unreasonable in a two-month time period. As discussed below, the simple solution to this problem is to eliminate or greatly reduce the Minimum Project Capacity requirement for Group 1.

3. Is it reasonable to allow project proposals that do not have all sites or customers pre-identified at the time of application? Are there any concerns with this approach?

   As stated in previous EF comments, it is not only reasonable, but necessary to allow project proposals to not have all sites pre-identified at the time of application. Any pre-identification requirement would need to be enforced with some indication of "site control", typically a signed Letter of Intent (LOI) from the host customer. The "sales cycle" to get to a signed LOI from a customer is not short or inexpensive for the project developer.

   Project applicants should not be expected to invest significant time or money to get dozens or hundreds of LOIs signed before knowing that a grant will be awarded. Forcing that just increases the costs of participation in the DEBA program and will result in fewer MW deployed per program dollar.

4. To mitigate the risks of funding multiphase projects, staff have proposed minimum deployment targets for multiphase projects under "Project Readiness" (25% by June 1, 2025, 50% by June 1, 2026, and 100% by June 1, 2027). Are these proposed deployment targets reasonable? What measures should the CEC take in the event of a deployment shortfall?

   EF believes the multiphase project schedule is reasonable. In the event of a deployment shortfall the project grantee should be penalized with a reduction in the payments of the 50% of the award allocated to the development phase of the project.

<u>Project Requirements</u>

8. Are the minimum project capacity requirements for each Group reasonable or should they be adjusted?

   EF recommends that the minimum project capacity requirements for Groups 1 and 2 should be eliminated entirely. Per the workshop discussion, the minimum project capacity requirements were established to limit the total number of grants that Commission staff would need to administer in the DEBA program. However, that objective is already achieved in a much more precise manner with the Minimum Award Amount.

   In Group 1, the $1 Million Minimum Award threshold for a $60 Million budget limits the total number of awarded grants to exactly 60. In contrast, the 6MW project capacity minimum provides no certainty on the maximum number of grants that will be awarded in Group 1. If the Commission considers 60 grants to be too high, then the best way to adjust that limit is to increase the Minimum Award Amount accordingly.

   Furthermore, as discussed above, the 6MW project capacity minimum may unnecessarily prevent innovative technologies from participating in the DEBA program. For bi-directional

EV chargers, a project would need to include the installation of at least 80 devices to meet the 6 MW minimum rated-capacity threshold. This likely prevents this entire class of technologies from participating in the DEBA program. Such exclusion runs directly counter to the objectives of the DEBA program and the legislation that created it.

Again, in contrast, the $1 Million Minimum Award threshold could likely be met with roughly 10 to 20 bi-directional EV chargers, which is a much more reasonable number to include in a project. EF believes that a Minimum Award Amount of $2 Million would be a reasonable upper limit on the minimum number of devices per project.

To sum up, EF does not see a clear benefit of the Group 1 project capacity requirement and believes that the requirement is, in fact, detrimental to the success of the program.

17. Are there any other recommended improvements or necessary clarifications for the CEC to consider for this draft solicitation concept document?

    EF seeks clarification on the documentation required for a site to qualify as "pre-identified" in the application. As described above, in other programs, this documentation is typically a signed Letter of Intent (LOI) from the site owner/host customer.

    EF also seeks clarification on the 100 KW capacity minimum for DER equipment installed in Group 1 projects. EF would like confirmation that the 100 KW is "nominal capacity", not 'rated-capacity", as those terms are used in the GFO. As EF has stated in previous comments, the 100 KW minimum is reasonable as the smallest size resource that is individually dispatchable by ISO/RTOs, based on the nominal power rating of the resource. Thus, the GFO's concept of "rated capacity" is not relevant to the justification for the 100 KW threshold.

ElectricFish appreciates the opportunity to provide comments on the Draft Solicitation Concept and is looking forward to submitting a compelling application to the GFO.

Signed,

Ted Ko
Acting VP of Policy
ElectricFish Energy, Inc.