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OCCSA

December 6, 2024

California Energy Commission Docket No. 23-SB-100 715 P Street Sacramento, CA 95814

Re: Docket No. 23-SB-100: 2025 Senate Bill 100 Report Workshop Utilities' Progress Toward Statutory Goals (2025 SB 100 Report)

The Coalition for Community Solar Access (CCSA) appreciates this opportunity to provide written comments on matters discussed at the November 22, 2024 workshop regarding the utilities' progress on meeting Senate Bill (SB) 100's statutory targets. CCSA represents community solar providers, which are typically configured as front-of-the-meter solar and storage resources that are located on distribution circuits. These systems provide needed emission reductions and reliability benefits to local communities and the broader energy system. Unfortunately, these resources have been overlooked in the State's long-term planning efforts. We offer these comments to emphasize the importance of taking steps now to incorporate community solar and storage resources into analyses of supply and demand side resources for the 2025 SB 100 progress report.

As discussed at the workshop, California must identify and address challenges to develop the clean, reliable resources needed to meet SB 100 targets. Distributed solar + storage resources can make an important contribution to this effort. Assembly Bill 2316 (AB 2316, Ward, Chapter 350, Statutes of 2022) authorized the California Public Utilities Commission (CPUC) to establish a community renewable energy program. The CPUC has subsequently done so, through issuance of Decision 24-05-065, and is currently in the process of implementation. In accordance with legislative requirements, the program will complement Title 24, ensure that at least 51% of capacity serves low-income customers, minimize impacts to nonparticipating customers, incorporate fair labor requirements, and prioritize the maximum use of state and federal incentives for eligible projects and subscriber credits.

Successful deployment of community solar plus storage resources would advance the goals of SB 100 in numerous ways. It would provide a critical boost to California's

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decarbonization and reliability goals, creating a new market for mid-sized solar and battery projects that can come online quickly at a time when the state needs to dramatically increase its supply of clean and firm resources. These resources will also provide substantial energy affordability and equity benefits, both by providing direct bill savings for low- and moderateincome customers, and through their ability to be sited in disadvantaged communities near thermal plants, reducing the State's reliance on polluting and health-hazardous resources.

The CPUC found in Decision 24-05-065 that "[v]oluntary inclusion of storage will likely result in more costly projects, but this cost is balanced with the additional value to the grid that resources combined with storage will provide."¹ However, development of community solar and storage projects at scale will only be feasible if that "additional value to the grid" is recognized through relevant regulatory processes, and reflected in compensation to project developers. The SB 100 responsible agencies can help ensure that this occurs by establishing a framework for consideration of distributed solar + storage resources in the capacity expansion modeling for SB 100. In addition, the California Energy Commission (CEC) should plan for these resources as load modifiers in modeling supply and demand for the Integrated Energy Policy Report (IEPR), which is a key input into the SB 100 report.

As noted in the November 21, 2024 <u>Joint Comments</u> submitted by CCSA, Solar Energy Industries Association, The Utility Reform Network, and Peninsula Clean Energy (Joint Commenters) to the CEC on the 2024 IEPR demand forecast, community distributed solar + storage projects can provide much needed capacity in the Resource Adequacy (RA) market. However, affording these assets load modifying status is critical to ensuring that they come online, because there is no incentive to develop a project unless it is fairly compensated for the capacity it provides to the system, and load serving entities can only count resources against their RA requirements if they are accredited as providing dispatchable capacity. As one path to obtaining such accreditation, through the California Independent System Operator (CAISO) cluster study process, is effectively unavailable to many distributed energy resources projects, the only alternative is recognition of distributed solar + storage projects as load modifying

¹ D.24-05-065, Finding of Fact 66.

resources. This approach is reasonable as it does not differ conceptually from the current practice of treating the exports from behind-the-meter solar + storage resources as load modifying. The SB 100 responsible agencies should ensure that the capacity expansion modeling is able to rely on and proactively plan for these resources as load modifiers in the context of evaluating the tradeoffs of various capacity-expansion scenarios. Furthermore, the joint agencies should coordinate pursuant to the December 2022 CPUC/CEC/CAISO Memorandum of Understanding to establish how load-modifying community distributed solar + storage will be integrated into the Single Forecast Set used in State planning and procurement moving forward.

For this reason, and for additional reasons discussed in the Joint Commenters' IEPR workshop comments, CCSA urges the SB 100 responsible agencies to immediately begin to study the system impact of increased levels of distributed solar + storage assets and the role these resources can play as load modifiers. The agencies should move quickly to complete this study and adopt load modifier treatment in the 2025 IEPR. Prompt action by the CEC and other SB 100 agencies will help enable accelerated deployment of front-of-meter solar + storage resources, and successful implementation of the community renewables program currently being developed at the CPUC.

Respectfully submitted,

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