

DOCKETED

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Enel X Comments on Title 24 Revisions

Additional submitted attachment is included below.



July 14, 2021

Mr. J. Andrew McAllister, Ph.D.
Commissioner
California Energy Commission
1516 Ninth Street Sacramento, CA 95814

Docket Unit, MS-4
Submitted electronically to Docket 21-BSTD-01:

RE: Docket No. 21-BSTD-01 - Comments on the requirement for paired solar and storage on new commercial buildings

Dear Commissioner McCallister and staff,

Enel X North America, Inc. (Enel X) respectfully submits the below comments on the California Energy Commission's (CEC's) proposed revisions to the 2022 Building Energy Efficiency Standards (Title 24, Part 6) pertaining to solar photovoltaic (PV) and battery systems for nonresidential and high-rise multifamily buildings. Enel X is a multi-faceted provider of clean energy technologies and services spanning demand response, electric vehicle charging, and behind-the-meter distributed energy resources such as battery storage and solar PV. Within this latter category, Enel X has extensive experience deploying and managing these resources at medium-to-large commercial and industrial (C&I) customer facilities, with around 50 projects in operation or under development in California.

Enel X strongly supports the CEC's proposal to require PV and batteries at newly-constructed non-residential and high-rise multi-family buildings. These resources have been successfully deployed at thousands of C&I sites throughout the state to provide customer bill management and promote consumption of locally-generated energy, including for back-up resiliency applications. More importantly, these resources can provide grid-facing services to bolster overall grid reliability and are poised to play an increasingly important part of California's energy supply as the state progresses to an 100% clean energy future under SB 100. The need for these resources is dramatically amplified against the backdrop of supply shortages and grid outages caused by increasing extreme weather events and wildfires.

Enel X wishes to respond to the following concerns expressed by the California Business Properties Association (CBPA) et al. in a letter dated June 21, 2021, that:

- Battery systems are not widely available at present and constrained by supply chain issues;
- Battery storage is not always practical for a lot of buildings, that PV and battery storage do not necessarily work together unless you have an off-grid building that needs to rely on PV for standard power, and that PV-stored power is uneconomic for C&I applications; and
- Storing PV power should not be a default requirement, as peak load shedding usually happens when the PV system is at full operation, and that battery systems might be useful for using low-cost energy from the grid at night to supply the building during daytime and especially peak hours of operation to reduce maximum demand loads.



First, Enel X has not experienced supply chain issues affecting its current battery storage development pipeline and does not anticipate any in the foreseeable future. With proper lead-time planning as part of the project development cycle, any such residual concerns can be greatly mitigated.

Second, we strongly refute the claim that solar PV paired with batteries only “works together” or makes economic sense for off-grid applications. The main value driver for most C&I solar plus storage applications at present is to minimize a grid-connected customer’s electric bill, especially due to demand charges that are assessed on a customer’s peak load in a given day or month (depending on the rate). The wide variety of customer and building types covered by the proposed requirements will entail an equally wide variety of load profiles and peak demand occurrences. It is not always the case that a customer’s peak demand coincides with peak solar generation. Batteries charged from PV during the middle of the day can mitigate demand peaks that occur later in the afternoon or evening.

Ultimately, batteries paired with solar afford a high degree of flexibility to minimize a customer’s energy costs, while also enabling value stacking with available grid service revenues. Co-located batteries are also important to maximize solar value given the shift in net peak load to late afternoon and early evening hours, and to mitigate against potential changes to NEM credits under consideration in the CPUC’s NEM 3.0 proceeding. We note that the ability for the CEC Executive Director to approve Alternative Control strategies aside from those prescribed in Section JA12.2.3 (of Appendix JA12) will be an important element to ensure that battery operation can continually respond to changes in rates and demand response signals following the implementation of these standards.

Enel X thanks the CEC for its consideration of these comments and urges its approval of the proposed PV and battery requirements for nonresidential buildings. Please do not hesitate to reach out should there be any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Monbouquette".

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