DOCKETED	
Docket Number:	21-RPS-02
Project Title:	Renewables Portfolio Standard 10th Edition Guidebook Update
TN #:	241851
Document Title:	SCE Written Comments - on CEC Workshop
Description:	N/A
Filer:	System
Organization:	SCE
Submitter Role:	Public
Submission Date:	2/23/2022 12:39:33 PM
Docketed Date:	2/23/2022

Comment Received From: SCE
Submitted On: 2/23/2022
Docket Number: 21-RPS-02

on CEC Workshop

Additional submitted attachment is included below.

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February 22, 2022

California Energy Commission
Docket Office, MS-4
Re: Docket No. R.21-RPS-02
1516 Ninth Street
Sacramento, CA 95814-5512
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Re: Southern California Edison Company's Comments on the Workshop on RPS Requirements for Energy Storage Devices, February 8, 2022, Docket No. 21-RPS-02

Dear Commissioners:

Overview

Southern California Edison Company (SCE) hereby submits its comments on the California Energy Commission's (Energy Commission's) February 8, 2022 Staff Workshop on RPS Requirements for Energy Storage Devices (Workshop). As SCE stated during oral comments at the Workshop, all Renewables Portfolio Standard (RPS) resources should be treated the same. This means that Renewable Energy Credits (RECs) should be measured as they flow out of the renewable generating facility and should not be reduced because the renewable generating facility is on the same site as an Energy Storage facility. As the number of RPS resources grows, the California Independent System Operator (CAISO) will increasingly rely on Energy Storage facilities to ensure that energy from intermittent renewable resources is available at the time that it is needed to serve California customers. An RPS generating facility should not be penalized[1] if it is a co-located or hybrid[2] facility rather than one that relies on Energy Storage facilities elsewhere on the grid to provide energy at the appropriate time.

SCE strongly supports modifying the Ninth RPS Eligibility Guidebook to remove load loss penalties for hybrid and co-located energy storage facilities.

[1] A co-located facility has two CAISO resource IDs and each can bid into the CAISO markets separately.

[2] A hybrid facility has one CAISO resource ID and bids both the RPS and Energy Storage devices into CAISO markets together.

The Ninth RPS Eligibility Guidebook Should be Revised to Treat Hybrid and Co-Located Facilities the Same as Standalone Renewable Resources

A. The State's Substantial Renewable and Intermittent Generation Will Be Managed by Storage Whether Standalone or Co-Located

As California moves towards meeting its Greenhouse Gas (GHG) emissions reduction goals, it will rely increasingly on intermittent renewable resources, like wind and solar, to provide GHG emission-free electricity. Key to managing customer load, which does not necessarily follow the production of power from intermittent generation, is use of energy storage which can store intermittent RPS generation when it is surplus to demand and then release it when demand is high. Energy Storage will be used regardless of whether it is standalone or integral to a generating facility or whether the CAISO uses it to balance power production and demand.

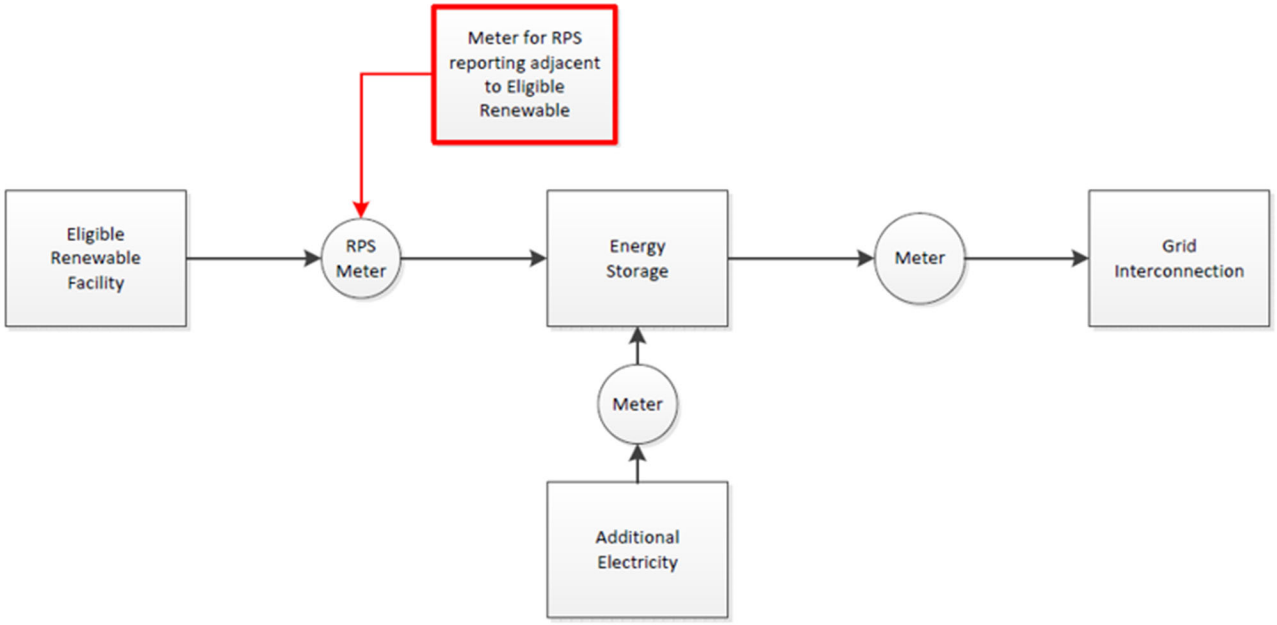
B. The Current Situation Penalizes Hybrid and Co-Located Facilities in Least Cost, Best Fit Evaluation

The Ninth RPS Eligibility Guidebook states the following on, page 41: "Only generation attributable to the eligible renewable energy resource may be eligible to produce RECs. Any losses from energy storage must be subtracted or netted from the generation of an eligible renewable facility." This causes less energy and RECs to be produced from a hybrid or co-located generating facility and causes these facilities to wrongly lose value. Also, it fails to fully recognize the contributions of hybrid and co-located renewable resources to meeting California's energy needs, by reducing their contribution for losses associated with use of energy storage.

The Commission Should have WREGIS Measure RECS for All Hybrid and Co-Located Facilities at a Meter Directly at the Renewable Facility

The meter directly at the renewable facility is the appropriate meter to correctly measure renewable generation by the renewable facility. Language in the Ninth RPS Eligibility Guidebook requires that RECs for hybrid and co-located facilities (renewable energy facilities paired with energy storage) be reduced by any efficiency losses from charging/discharging from energy storage. This position does not align with the State's renewable goals and is inconsistent with how standalone renewable resources are treated elsewhere on the grid. Hybrid and co-located facilities are unfairly penalized compared to standalone renewable facilities due to decreased REC generation which has a material impact on their financial feasibility. There should be no difference in how hybrids are treated since the state's substantial renewable and intermittent generation from stand-alone facilities will also be managed by stand-alone storage. For example, a hybrid and co-located facility that has solar generation on the same plot of land would be treated differently and receive less value than a standalone solar and standalone storage facility that are located next to each other on contiguous parcels of land. In both cases, renewable energy could be charging the storage device, but the hybrid and co-located resource will be penalized in form of lost RECs. These losses should not be deducted from the hybrid and co-located renewable generation.

The Energy Commission should modify the Ninth RPS Eligibility Guidebook to measure energy production and associated RECs at a point between the renewable generator and the energy storage device, with an additional diagram included as shown below.



Conclusion

SCE recommends that the Energy Commission Staff modify the Ninth RPS Eligibility Guidebook to measure energy production and associated RECs at a point between the renewable generator and the energy storage device as soon as possible.

Very truly yours,

/s/ Dawn Anaiscourt

Dawn Anaiscourt

DA/mk