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California Energy Commission Dockets Office, MS-4 Re: Docket No. 12-IEP-1A 1516 Ninth Street Sacramento, CA 95814-5512

RE: Comments on the Final 2012 IEPR Update (Docket No. 12-IEP-1A)

To the California Energy Commission:

Gridco Systems commends the Commission and its staff for its work in drafting the 2012 Integrated Energy Policy Report Update (IEPR) and we appreciate the opportunity to provide comments.

Introduction

Gridco Systems is a provider of utility-scale power distribution solutions. Utilizing power electronics and distributed intelligent control systems, our solutions enable utilities to dynamically, adaptively, and precisely manage the flow of power. The results of enhanced power flow control include cost-effective integration of renewable generation at high penetration levels, increased distribution system efficiency, greater system reliability, and more.

Comments

- (1) Gridco Systems supports Chapter 5, Recommendation 7, Improve Transparency of Renewable Generation Costs. Greater understanding and transparency of renewable generation costs will be particularly beneficial for system costs such as network upgrades as available information in this area is anecdotal in nature.
- (2) Gridco Systems supports Chapter 5, Strategy 3: Minimize Interconnection and Integration Costs and Requirements and recommends that the following point be added to the Challenges and Opportunities:

"New types of distribution equipment are now being introduced that will enable greater levels of distributed generation (DG) deployment on the distribution system by cost-effectively managing voltage fluctuations, DG intermittency, and reverse power flow. Similar in function to equipment used in transmission systems but optimized for the needs of the distribution system, this equipment utilizes power electronics to rapidly and continuously control voltage, power factor, harmonics, and other characteristics of power flow. This equipment also has significant

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potential to streamline the interconnection study process, thereby reducing costs and shortening its duration."

Indeed, the *Challenges and Opportunities – Integration* section of Chapter 5, Strategy 3 points to the need for such equipment when it states that "Deploying 12,000 MW of DG will require the addition of features to the distribution system that absorb voltage fluctuations and intermittency." Utility-owned power electronics equipment is ideally suited to cost-effectively provide these features to the distribution system.

(3) Gridco Systems supports Energy Recommendation 12: Develop a Dialogue on Distribution Planning and Opportunities for a More Integrated Distribution Planning Process and recommends that the Action/Implementation Steps call for "accurate and open assessment of all technologies that will enable the efficient interconnection of renewable generation."

Gridco Systems appreciates the willingness of the Energy Commission staff to work collaboratively with all stakeholders. Thank you for your consideration.

Sincerely,

Naimish Patel

CEO

Gridco Systems