

**DOCKETED**

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*Comment Received From: Claire Broome  
Submitted On: 7/29/2020  
Docket Number: 20-IEPR-04*

## **CEC and CPUC microgrid efforts should accelerate California's clean local energy future**

The CEC and the CPUC should implement the legislative mandates of SB 1339 in ways that advance California's overall clean energy goals, while protecting California ratepayers from rapidly increasing electrical rates.

- 1) The microgrid proceeding should assure that microgrids, and other sources of energy resilience, decrease reliance on diesel and fossil fuel generation. CPUC's Track 1 decisions took us in the wrong direction by permitting fossil fuel generation; there is no excuse for track 2 to ignore California GHG goals given the longer time frame available.
- 2) Realizing the promise of clean local energy on the distribution grid requires a collaborative transparent standards based OPEN ACCESS approach. Investor owned utilities should not be allowed to obstruct third party participation. This requires
  - a. expediting interconnection protocols and overseeing timelines for interconnection
  - b. providing granular information on the distribution grid including hosting capacity
  - c. IEPR planning should incorporate microgrids, as well as targets encouraging other in front of the meter (IFOM) and behind the meter (BTM) distributed energy resources, eg solar generation paired with storage, load management, and energy efficiency.
  - d. addressing barriers to community microgrids identified in the workshops, including "over the fence" restrictions and financing and insurance barriers
- 3) Economic evaluation of microgrids should incorporate the full range of benefits, including a value of resilience and avoidance/ more efficient use of long distance transmission.
  - a. transmission costs are an increasing part of California IOU electricity bills. "Right-sizing" transmission can avoid millions of dollars for both new transmission infrastructure costs and ongoing operations and maintenance charges. Current CPUC rates for IOU and CCA customers include 2 to 3 cents per kWh for the transmission access charge (TAC) for ALL energy consumed, including energy generated on the distribution grid"ie energy NOT using transmission infra-structure; whereas Municipal Utilities, overseen by the CEC, only charge the TAC on energy delivered at the interface with the transmission grid. This systematically undervalues energy produced on the distribution grid in IOU territory.
  - b. California's recent experience with wildfires and PSPS demonstrates the important role of local generation/storage/microgrids able to operate in islanding mode. Proceedings to identify and incorporate the value of that resilience, adjusted for critical facilities, must be expedited; in the meantime, planning efforts should incorporate a placeholder value of resilience for microgrids.
- 4) Rate and tariff design should be payment for service provided based on value to the grid, ideally in the context of Performance Based Regulation. CPUC workshops can focus excessively on avoiding "cost shifts" or minimizing the potential that a resource is compensated under more than one program. As an example of an

alternative approach, the legislature required an analysis assessing whether Net Energy Metering provides an economic benefit for all ratepayers. This approach could be useful for distribution grid sited resources, such as microgrids which can decrease peak loads and hence decrease the need for long distance transmission. All ratepayers would benefit, not just those who benefit directly from the microgrid. Microgrids using renewable energy resources also provide a benefit to all residents in decreased greenhouse gas emissions and decreased exposure to toxic air pollutants with resultant health benefits and cost savings.

I comment as a California resident and ratepayer (PG&E and EBCE), and a Professor of Public Health.

*Additional submitted attachment is included below.*

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- 2) Realizing the promise of clean local energy on the distribution grid requires a **collaborative transparent standards based OPEN ACCESS approach**. Investor owned utilities should not be allowed to obstruct third party participation. This requires
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