



Order Instituting Rulemaking Regarding Microgrids Pursuant to Senate Bill 1339 and Resiliency Strategies.

Rulemaking 19-09-009 (Filed September 12, 2019)

# REPLY COMMENTS OF CENTER FOR ENERGY EFFIENCY AND RENEWABLE TECHNOLOGIES ON PROPOSED DECISION ADOPTING SHORT-TERM ACTIONS TO ACCELERATE MICROGRID DEPLOYMENT AND RELATED RESILIENCY SOLUTIONS

May 25, 2020

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## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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## REPLY COMMENTS OF CENTER FOR ENERGY EFFIENCY AND RENEWABLE TECHNOLOGIES ON PROPOSED DECISION ADOPTING SHORT-TERM ACTIONS TO ACCELERATE MICROGRID DEPLOYMENT AND RELATED RESILIENCY SOLUTIONS

Center for Energy Efficiency and Renewable Technologies (CEERT) respectfully submits these Reply Comments on the Proposed Decision Adopting Short-Term Actions to Accelerate Microgrid Deployment and Related Resiliency Solutions mailed in this proceeding on April 29, 2020. These Opening Comments are timely filed and served pursuant to Rules 1.15 and 14.3 of the Commission's Rules of Practice and Procedure and the instructions accompanying the Proposed Decision.

### I. REPLY COMMENTS

In its Opening Comments, CEERT expressed its appreciation and understanding of the California Public Utilities Commission's (the Commission's) urgency in Track 1 of this proceeding in interest of the rapidly approaching 2020 fire season. CEERT agrees with the Center for Sustainable Energy (CSE) that accelerating interconnection processes is key to the deployment of distributed energy resources (DERs)<sup>1</sup>. As such, CEERT stands by its recommendation that similar streamlining analyses be carried out for other DER interconnection projects, as the current interconnection process is one of the largest barriers to California's evolving grid.

As the Bioenergy Association of California (BAC) pointed out in their Opening Comments, Governor Newsom recently brought to light that the drier-than-usual winter of 2019-2020 has led to a 65% increase in wildfires compared to last year.<sup>2</sup> That being said, CEERT stands by the notion that all actions from here on out relating to the electric sector need to be made with Senate Bill (SB) 350 and SB 100 in the forefront of our minds. CEERT agrees with the BAC that "short-term actions

<sup>&</sup>lt;sup>1</sup> Opening Comments of CSE on the Proposed Decision, at p. 2.

<sup>&</sup>lt;sup>2</sup> Opening Comments of BAC on the Proposed Decision, at p. 4.

should not... set back the state's progress reducing climate and air pollution and should not prevent longer-term actions that will provide much greater resilience".<sup>3</sup>

CEERT also agrees with the California Environmental Justice Alliance (CEJA) that "the COVID-19 pandemic has only increased the urgency and raised the stakes of this decision".<sup>4</sup> The interaction between COVID-19, air pollution, and public health<sup>5</sup>, combined with the increased urgency of resilient mitigation to Public Safety Power Shutoffs (PSPS), must be accounted for in this proceeding. CEJA correctly states that:

"[T]he likelihood that the fire season will overlap with some degree of social distancing or sheltering in place [makes it] more important than ever that the Commission, the IOUs, and other stakeholders work together to improve our grid resiliency and wildfire mitigation efforts".

Thus, CEERT also agrees with the California Energy Storage Alliance (CESA) that the urgent action displayed in Track 1 of this proceeding is necessary for this year's fire season for public safety reasons, but long-term frameworks are needed for future microgrid development<sup>7</sup> in order to better align this development with California's climate policy goals.

This forward-thinking, long-term planning ideology is especially important when reviewing Pacific Gas and Electric's (PG&E's) Temporary Generation program. In its Opening Comments, PG&E states that the Commission should separate its implementation of the utility's 2020 Temporary Generation Program from the clean generation framework for PSPS mitigation.<sup>8</sup> PG&E went on to rationalize this request in that:

"[I]t takes time to identify, design, test, and implement cleaner solutions that can provide the needed levels of reliability and operational flexibility in critical emergencies....The Commission should complete a careful review of what alternatives exist, at what scale, and at what cost, through review of the Clean Generation Framework for PSPS Mitigation described above."

CEERT does not disagree that the planning process takes time. However, CEERT agrees with the Joint CCAs that PG&E "took the easy way out" by focusing on fossil fuel generation and failed to "consider more innovative, cleaner solutions and has instead focused on solutions that

<sup>&</sup>lt;sup>3</sup> Opening Comments of BAC on the Proposed Decision, at p. 4.

<sup>&</sup>lt;sup>4</sup> Opening Comments CEJA on the Proposed Decision, at p. 1.

<sup>&</sup>lt;sup>5</sup> *Id.*, at pp. 1-2.

<sup>&</sup>lt;sup>6</sup> <u>Id</u>., at p. 2.

<sup>&</sup>lt;sup>7</sup> Opening Comments of CESA on the Proposed Decision, at p. 2.

<sup>&</sup>lt;sup>8</sup> Opening Comments of PG&E on the Proposed Decision, at p. 1.

<sup>&</sup>lt;sup>9</sup> *Id.*, at pp. 6-7.

follow its existing business model". <sup>10</sup> This seems like an excuse for PG&E to propose fossil generation without thoroughly considering viable, cleaner alternatives and subsequently shift responsibility for the absence of renewable technology in the utility's plan onto the Commission. Cleaner solutions are commercially available now<sup>11</sup> and PG&E could have incorporated these solutions into its mitigation plan if it did its due diligence early on and was not so quick to commit to fossil generation.

CEERT agrees with The Clean Coalition and Vote Solar (the Joint Parties) that the use of diesel generation is "unacceptable because use of fossil fuel generation, which, even on a temporary basis, is clearly contrary to objectives established by state legislation and regulatory policy". <sup>12</sup> In addition to being at odds with California's climate goals, the use of fossil fuel generation as a wildfire safety mitigation strategy is extremely counterproductive and unfavorable as it "[exacerbates] the very climate conditions that give rise to our increasingly extreme wildfires". <sup>13</sup> Furthermore, the harmful health effects from fossil fuel emissions <sup>14</sup> have only been magnified with the onset of the COVID-19 pandemic.

While CEERT recognizes that the Commission will approve PG&E's use of diesel generation for this upcoming fire season in the interest of time and public safety, CEERT is among parties including but not limited to BAC, TCC, CEJA, CESA, the Joint CCAs, the Sierra Club, the California Solar and Storage Association (CALSSA), the National Fuel Cell Research Center (NFCRC), and Tesla that believe that explicit commitment from PG&E to move away from fossil fuel generation is extremely necessary.

This includes PG&E revising its proposal to include a specific timeline and plan to transition to cleaner technologies. <sup>15</sup> Furthermore, CEERT agrees with CEJA that commitment by the Commission to California's clean energy goals is also necessary and that "the final decision

<sup>&</sup>lt;sup>10</sup> Opening Comments of the Joint CCAs on the Proposed Decision, at p. 12.

<sup>&</sup>lt;sup>11</sup> Opening Comments of the NFCRC on the Proposed Decision, at p. 12.

<sup>&</sup>lt;sup>12</sup> Opening Comments of the Joint Parties on the Proposed Decision, at pp. 9-10.

<sup>&</sup>lt;sup>13</sup> Opening Comments of CEJA on the Proposed Decision, at p. 11.

<sup>&</sup>lt;sup>14</sup> Opening Comments of NFCRC on the Proposed Decision, at p. 11; Opening Comments of BAC on the Proposed Decision, at p. 5; and Opening Comments of CEJA on the Proposed Decision, at p. 11.

<sup>&</sup>lt;sup>15</sup> Opening Comments of BAC on the Proposed Decision, at p. 5;Opening Comments of the Joint Parties on the Proposed Decision, at 4 and 9; Opening Comments of CEJA on the Proposed Decision, at p. 11; Opening Comments of CESA on the Proposed Decision, at p. 8; and Opening of the Joint CCAs on the Proposed Decision, at pp. 11-12.

should state unequivocally that the Commission will not approve diesel generation in 2021, and that PG&E's action plan should be designed with this in mind".<sup>16</sup>

In addition to definitive commitment from both PG&E and the Commission, CEERT agrees with CALSSA, CEJA, and the Sierra Club that workshops<sup>17</sup> and more thorough and detailed data reporting<sup>18</sup> are also necessary to ensure that PG&E stays on track to expeditiously and successfully transition to cleaner alternatives. CEERT also agrees with the Sierra Club, CEJA, and Tesla that a more transparent process with stakeholder involvement and opportunity to comment will hold PG&E accountable and allow the utility to explore all clean alternatives available.<sup>19</sup> CEERT also supports the Joint Parties recommendation that the Track 1 proposed decision "make it clear third-party development and operation of community microgrids and the utility roles and responsibilities with regard to community microgrids will be addressed in Track 2 of this proceeding".<sup>20</sup> CEERT agrees that this issue is too complex for the current track of the proceeding and should be subject to further stakeholder involvement and comment.

CEERT agrees with the Counties of Marin, Napa, and Sonoma (The Counties) that

"The rigorous coordination, information-sharing, and proactive planning between the utilities and local governments in the new community engagement requirements is necessary. Local electric system resiliency and public safety will improve as a result."<sup>21</sup>

CEERT also agrees with the Joint Parties that local alternatives should be considered in order to find the best solution to local resiliency needs.<sup>22</sup> In addition, CEERT supports the Joint CCAs request that the Commission clarifies that CCAs are included as local government throughout the proposed decision.<sup>23</sup>

Finally, in addition to microgrid development, CEERT encourages the utilities to incentivize demand-side load management as a viable resiliency strategy in addition to or in

<sup>&</sup>lt;sup>16</sup> Opening Comments of CEJA on the Proposed Decision, at p. 12.

<sup>&</sup>lt;sup>17</sup> Opening Comments of CALSSA on the Proposed Decision, at p. 2

<sup>&</sup>lt;sup>18</sup> Opening Comments of CEJA on the Proposed Decision, at p. 13; and Opening Comments of the Sierra Club on the Proposed Decision, at p. 2.

<sup>&</sup>lt;sup>19</sup> Opening Comments of Sierra Club on the Proposed Decision, at p. 2; Opening Comments of CEJA on the Proposed Decision, at p. 12; and Opening Comments of Tesla on the Proposed Decision, at p. 9.

<sup>&</sup>lt;sup>20</sup> Opening Comments of the Joint Parties on the Proposed Decision, at p. 6.

<sup>&</sup>lt;sup>21</sup> Opening Comments of the Counties on the Proposed Decision, at p. 3.

<sup>&</sup>lt;sup>22</sup> Comments of the Joint Parties on the Proposed Decision, at p. 11.

<sup>&</sup>lt;sup>23</sup> Comments of the Joint CCAs on the Proposed Decision, at p. 10.

conjunction with microgrids. CEERT agrees with the California Efficiency + Demand Management Council (the Council) that demand-side resources such as energy efficiency and demand response "represent a critical means of reducing aggregate demand and peak demand, both of which being critical inputs to the development of any microgrid"<sup>24</sup>. CEERT accordingly supports the Council's amendment to the proposed decision to encourage the consideration of a full range of DERs.<sup>25</sup>

#### II. CONCLUSION

CEERT appreciates the Commission's diligent work on and quick pace of Track 1 of this proceeding to ensure that resiliency solutions are in place for this upcoming fire season. This urgency has only become more important with the onset and continuation of the COVID-19 pandemic. Going forward, CEERT sincerely hopes that future projects will better align with California's broader climate policies, with more time for planning for future fire seasons and using the lessons learned in Track 1 of this proceeding. Furthermore, CEERT encourages the Commission to apply similar streamlining analyses to other DER interconnection projects to further increase resiliency in a safe and clean way, while also facilitating California's clean energy transition. CEERT appreciates the opportunity to comment on this proposed decision.

Respectfully submitted,

May 26, 2020

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<sup>&</sup>lt;sup>24</sup> Comments of the Council on the Proposed Decision, at p. 2.

<sup>&</sup>lt;sup>25</sup> Comments of the Council on the Proposed Decision, at p. A-1.