



BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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Order Instituting Rulemaking to Oversee the
Resource Adequacy Program, Consider
Program Refinements, and Establish Forward
Resource Adequacy Procurement Obligations.

Rulemaking 21-10-002
(Filed October 7, 2021)

**OPENING COMMENTS OF
CENTER FOR ENERGY EFFICIENCY AND RENEWABLE TECHNOLOGIES
ON PHASE 2 PROPOSALS**

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For: CENTER FOR ENERGY EFFICIENCY AND RENEWABLE TECHNOLOGIES

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**OPENING COMMENTS OF
CENTER FOR ENERGY EFFICIENCY AND RENEWABLE TECHNOLOGIES
ON PHASE 2 PROPOSALS**

Center for Energy Efficiency and Renewable Technologies (CEERT) appreciates this opportunity to submit its Opening Comments on the Phase 2 Proposals, submitted in this proceeding on January 21, 2022. These Opening Comments have been timely filed and served pursuant to the Commission's Rules of Practice and Procedure and the instructions contained in the Assigned Commissioner's Scoping Memo and Ruling (Scoping Memo), issued on December 2, 2021.

**I.
BACKGROUND**

CEERT is a nonprofit public-benefit organization founded in 1990 and based in Sacramento, California. CEERT is a partnership of major private-sector clean energy companies, environmental organizations, public health groups and environmental justice organizations. CEERT designs and fights for policies that promote global warming solutions and increased reliance on clean, renewable energy sources for California and the West. CEERT is working toward building a new energy economy, including cutting contributions to global warming, and reducing dependence on fossil fuels. CEERT has long advocated before the Commission for increased use of preferred resources and for California to move towards a clean energy future.

II. CEERT URGES THE COMMISSION TO ADOPT THE RESOURCE ADEQUACY (RA) PHASE 2 PROPOSAL SET FORTH BY THE JOINT DER PARTIES

The Scoping Memo set forth several issues to be addressed during the Implementation Track – Phase 2 of this proceeding, including the qualifying capacity (QC) counting conventions.¹ On January 14, 2022, the Joint DER Parties² submitted their RA Phase 2 Proposal (Joint DER Parties Phase 2 Proposal). The Joint DER Parties set forth proposals which “focus on implementation in the near term, to facilitate RA transitions and operations for [behind-the-meter (BTM)] storage and storage hybrid resources, starting in RA year 2023.”³ The Joint DER Parties Phase 2 Proposal addresses the following issues: (1) qualifying capacity (QC) methodology, (2) incrementality, (3) must-offer obligation (MOO), (4) metering and settlement – retail, (5) sale for resale, (6) forecasting, and (7) deliverability.⁴

In the previous RA rulemaking, Rulemaking (R.) 19-11-009, CEERT submitted Proposals regarding net QC (NQC) for hybrid resources.⁵ In these Proposals, CEERT stressed the importance of appropriately determining a QC for hybrid resources.⁶ CEERT previously stated that:

Unless the qualifying capacity (QC) counting methodology appropriately compensates a hybrid resource for its true potential capacity value, that incremental investment will not be made, the unit will be less functional and less flexible, and the grid’s resiliency and reliability, the developer/owner/operator’s investment returns, and ratepayer costs will all suffer as a result.⁷

¹ Scoping Memo, at p. 5.

² The Joint DER Parties are comprised of California Solar & Storage Association (CalSSA), California Energy Storage Alliance (CESA), Enel X North America, Inc. and Sunrun Inc.

³ Joint DER Parties Phase 2 Proposal, at p. 71.

⁴ *Id.*, at pp. 71-78.

⁵ *See, e.g.*, CEERT Revised Track 3B.2 Proposal, submitted on December 18, 2020 and CEERT Track 3B.1 Proposal, submitted January 28, 2021.

⁶ *Id.*

⁷ CEERT Revised Track 3B.2 Proposal, at p. 3.

As such, CEERT supports the Phase 2 Proposal set forth by the Joint DER Parties because it appropriately sets forth a QC methodology for BTM hybrids which will ensure the advancement of these important resources.

**III.
CEERT AGREES WITH THE CALIFORNIA EFFICIENCY + DEMAND
MANAGEMENT COUNCIL (THE COUNCIL) REGARDING LOAD IMPACT
PROTOCOLS (LIPS)**

The Council submitted a Letter on January 21, 2022 regarding the RA Phase 2 Proposals.⁸ In this Letter, the Council requested “that the Commission consider potential changes to the LIPs or LIP process in the context of the CEC’s interim working group report due in February as well as in the final working group report expected to be submitted in summer 2022.”⁹ CEERT agrees and urges the Commission not to make any changes to the LIP process until after the issuance of the California Energy Commission (CEC’s) final working group report.

**IV.
CONCLUSION**

CEERT appreciates the opportunity to submit these Opening Comments on the Phase 2 Proposals. CEERT recommends that the Commission adopt the Joint DER Parties Phase 2 Proposal and wait to make changes to the LIP process pending issuance of the CEC final working group report.

⁸ The Council Letter, submitted on January 21, 2022.

⁹ The Council Letter, at p. 2.

Dated: February 14, 2022

Respectfully submitted,

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