

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 Reforms and Refinements, and  
Establish Forward Resource Adequacy  
Procurement Obligations.

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

February 24, 2022

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For: CENTER FOR ENERGY EFFICIENCY AND RENEWABLE TECHNOLOGIES

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**REPLY COMMENTS OF  
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ON PHASE 2 PROPOSALS**

Center for Energy Efficiency and Renewable Technologies (CEERT) appreciates this opportunity to submit its Reply Comments on the Phase 2 Proposals, submitted in this proceeding on January 21, 2022. These Reply 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.  
CEERT AGREES WITH PARTIES WHO SUPPORT THE JOINT DER PARTIES  
PHASE 2 PROPOSAL**

CEERT agrees with parties such as Advanced Energy Economy (AEE) and the Solar Energy Industries Association (SEIA) who supported the resource adequacy (RA) Phase 2 Proposal set forth by the Joint DER Parties (Joint DER Parties Phase 2 Proposal).<sup>1</sup> CEERT agrees with AEE that “it is imperative that the Commission, the California Independent System Operator (CAISO), and the California Energy Commission (CEC) recognize the full value that behind-the-meter (BTM) distributed energy resources (DERs) can provide in supporting resource

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<sup>1</sup> AEE Opening Comments, at pp. 2-3; CEERT Opening Comments, at pp. 2-3; and SEIA Opening Comments, at pp. 2-3.

adequacy (RA).”<sup>2</sup> Furthermore, AEE correctly states that the Joint DER Parties Phase 2 Proposal is “an important step toward appropriately valuing the RA contributions that exporting BTM DERs are capable of providing ...”<sup>3</sup> CEERT also agrees with SEIA who supports the proposal and advocates for the Commission to continue “to make timely progress in addressing [qualifying capacity (QC)] issues for these BTM resources.”<sup>4</sup>

It is imperative for DER BTM resources to be able to participate in upcoming procurements in order to gain experience. Then, the counting rules can be adjusted, if necessary, once it is ascertained how much value these resources provide and whether the compensation is justified. CEERT disagrees with Southern California Edison (SCE) who argues that “the Commission should first decide on a new RA Framework before deciding whether BTM storage should be given RA credit in a similar manner as [in-front-of-the-meter (IFOM)] resources.”<sup>5</sup> Similarly, CEERT opposes Calpine Corporation’s argument that it is premature to adopt any component of the Joint DER Parties Phase 2 Proposal.<sup>6</sup>

As such, CEERT urges the Commission to adopt SEIA’s recommendation that “the Commission should set the QC for BTM storage and hybrid resources now, in this proceeding, on the basis of the well-considered proposal of the Joint DER Parties to use the same QC methodologies that are used for in-front-of-the meter storage and hybrid resources.”<sup>7</sup>

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<sup>2</sup> AEE Opening Comments, at pp. 2-3.

<sup>3</sup> *Id.*, at p. 3.

<sup>4</sup> SEIA Opening Comments, at p. 2.

<sup>5</sup> SCE Opening Comments, at p. 7.

<sup>6</sup> Calpine Corporation Opening Comments, at p. 3.

<sup>7</sup> SEIA Opening Comments, at p. 3.

**II.  
THE COMMISSION SHOULD CONSIDER COMMENTS ON THE CEC QC OF  
SUPPLY-SIDE DEMAND RESPONSE WORKING GROUP REPORT BEFORE  
MAKING ANY MODIFICATIONS TO LOAD IMPACT PROTOCOLS**

CEERT agrees with parties, such as the DR Coalition<sup>8</sup> and California Large Energy Consumers Association (CLECA) who recommend that there should be an opportunity to comment on the CEC QC of Supply-Side Demand Response Working Group Report (CEC Report).<sup>9</sup> As such, CEERT is pleased that Administrative Law Judge (ALJ) Chiv issued the Ruling on Loss of Load Expectation Study and Supply-Side Demand Response Report, and Setting Comment Schedule on February 18, 2022 (February 18 ALJ Ruling) which directs, in part, parties to comment on the CEC Report.<sup>10</sup> CEERT urges the Commission to delay making any decisions regarding the Load Impact Protocol (LIP) process until after full consideration of parties' comments on the CEC Report.

**III.  
CONCLUSION**

CEERT appreciates the opportunity to submit these Reply Comments on the Phase 2 Proposals.

Dated: February 24, 2022

Respectfully submitted,

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<sup>8</sup> The DR Coalition is comprised of the California Efficiency + Demand Management Council, Enel X North America, Inc., and Leapfrog Power, Inc.

<sup>9</sup> DR Coalition Opening Comments, at p. 2 and CLECA Opening Comments, at p. 2.

<sup>10</sup> February 18 ALJ Ruling, at p. 3.