

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



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Order Instituting Rulemaking to  
Continue Electric Integrated  
Resource Planning and related  
Procurement Processes.

Rulemaking 20-05-003

**RESPONSE OF THE CALIFORNIA ENERGY STORAGE ALLIANCE TO AMERICAN  
CLEAN POWER – CALIFORNIA’S MOTION TO AMEND THE AMENDED SCOPING  
MEMO TO INCLUDE AN ADDITIONAL TRACK FOR EXPEDITED PROCUREMENT**

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August 5, 2025

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Pursuant to Rule 11.1(e) of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure (“Rules”), the California Energy Storage Alliance (“CESA”) respectfully submits this response to American Clean Power – California’s (“ACP-CA”) Motion to Amend the Amended Scoping Memo to Include an Additional Track for Expedited Procurement (“Motion”), filed July 21, 2025.

**I. Introduction and Summary**

Pursuant to Rule 11.1 of the Commission’s Rules, ACP-CA submitted a motion to amend the most recent scoping memo in this proceeding (i.e., the *Assigned Commissioner’s Amended Scoping Memo and Ruling Extending Statutory Deadline*, issued by President Alice Reynolds on April 18, 2024). If granted:

- The motion would amend the scoping memo to include a new emergency procurement track that would be separate and distinct from the proposals parties filed in this proceeding on July 15, 2025, and

- Load-serving entities (“LSEs”) would undertake immediate procurement to ensure that California ratepayers benefit from tax credits that are soon to expire due to recent federal legislation.

CESA supports ACP-CA’s motion, but recommends the Commission base expedited procurement requirements on a reliability needs assessment that includes a technology neutral approach including storage, and not just tailor procurement to solar and wind resources. The Commission should use its current modeling approach with updated inputs and assumptions or a cost-effectiveness assessment given that the Commission has acknowledged Production Tax Credits (“PTC”) and Investment Tax Credits (“ITC”) have a significant impact on portfolio build and portfolio costs in RESOLVE.<sup>1</sup>

## **II. CESA’s Response to the Motion**

ACP-CA describes a compelling situation caused by the One Big Beautiful Bill Act<sup>2</sup> (“OBBBA”) in which timely procurement activity could lock in a cost-effective generation tranche aligned with meeting California’s emissions reduction goals. CESA understands the Motion to allow all PTC/ITC eligible resources that can commit to milestones in a PPA that require starting construction by July 4, 2026 or meet an in-service date on or before December 31, 2027 to be eligible for expedited procurement, including standalone energy storage. The Commission has acknowledged that these credits have a significant impact on portfolio build and portfolio costs in RESOLVE.<sup>3</sup> While energy storage has a longer eligibility timeline for ITC, it has other restrictions from the OBBBA, including increasing limitations on materials from Foreign Entities of Concern (“FEOC”), that create the need for near-term procurement of these resources. Additionally, CESA

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<sup>1</sup> D.24-02-047, pg. 52

<sup>2</sup> On July 4, 2025, President Trump signed H.R. 1, titled the One Big Beautiful Bill Act

<sup>3</sup> D.24-02-047, pg. 52

encourages the Commission to consider, as ACP-CA notes, that some clean energy projects, including energy storage projects, face deadlines to secure power purchase contracts under terms of federal loan guarantees or grants awarded by the Biden Administration. Federal funding is an important mechanism to lower ratepayer costs, as acknowledged by the Commission in Decision 24-08-064.<sup>4</sup>

ACP-CA references comments from SCE<sup>5</sup> in this proceeding that describe apparent gap between the clean energy share projected for 2028 as compared to the Clean Energy Standard target for 2028-2030. Although the study focuses on necessary renewable build to meet goals, the Commission must recognize that energy storage is an integral part for ensuring the renewable resource buildouts effectively achieve California's emissions reductions goals, and therefore must be eligible for any expedited procurement ordered by the Commission.

The Commission should also consider CAISO's recommendation to do a needs assessment for 2028-2032 timeframe. CAISO highlights that there are projects in Cluster 14 without PPAs that could come online in this timeframe.<sup>6</sup> CESA also highlights that these Cluster 14 resources only have until the beginning of 2027 to receive a contract in order to retain deliverability. If these resources do not receive a PPA, LSEs will have to wait for Cluster 15 projects that do not have an online date until early-mid 2030 at best.

The Commission may decide that a procurement order is in the best interests of California ratepayers on a cost-effectiveness basis in light of its clean energy objectives, or to ensure that as much of the cost savings previously modeled in the IRP can be captured as possible. In this respect,

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<sup>4</sup> D.24-08-064, pgs. 3, 85, and 88 (Ordering Paragraph 9)

<sup>5</sup> SCE Opening Comments, pg. 10

<sup>6</sup> CAISO Opening Comments, Section II.B

CESA supports the Motion so long as energy storage, including standalone energy storage, is eligible for expedited procurement.

However, the Commission must not base a *reliability need* on PG&E's 2030 SOD stack analysis results and if the Commission intends to order additional procurement for *reliability* purposes, CESA supports the Commission in quickly updating inputs and assumptions and using its existing proven reliability assessment methods to support an expedited procurement order. ACP-CA references comments from PG&E<sup>7</sup> in this proceeding that describe apparent reliability shortfalls in support of the Motion. PG&E provides the results of a 2030 SOD stack analysis showing the potential for both insufficient RA supply and insufficient energy storage at a system-wide level.<sup>8</sup> CESA cautions that these SOD results cannot be directly verified by parties to this proceeding without a more comprehensive description of PG&E's inputs and assumptions. PG&E's 2030 system-wide SOD results contrast with the Commission's own recent IRP results showing a **0.000** Loss of Load Expectation ("LOLE") in 2030, which indicates no procurement is needed beyond what LSEs have already planned. The discrepancy between the IRP process results and the SOD stack analysis results for 2030 indicates that SOD may not be as accurate as LOLE in assessing capacity needs in the mid-term planning horizon.

### **III. Conclusion**

CESA appreciates ACP-CA's efforts to ensure California ratepayers benefit from cost-effective procurement.

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<sup>7</sup> PG&E Opening Comments, pgs. 1, 5, and 7

<sup>8</sup> PG&E Opening Comments, Section II.A

Respectfully submitted,

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