

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



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the Resource Adequacy Program, Consider  
Program Reforms and Refinements, and  
Establish Forward Resource Adequacy  
Procurement Obligations.

Rulemaking 25-10-003

**REPLY COMMENTS ON THE ORDER INSTITUTING RULEMAKING OF THE  
CALIFORNIA ENERGY STORAGE ALLIANCE**

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November 14, 2025

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The California Energy Storage Alliance (“CESA”) hereby submits these Reply Comments pursuant to Rule 6.2 of the California Public Utilities Commission’s (“Commission”) Rules of Practice and Procedure, in response to the *Order Instituting Rulemaking*<sup>1</sup> (“OIR”) filed October 15, 2025, and the directives therein.

**I. INTRODUCTION**

The OIR includes a recommended scope item (“Scope Item 10”)<sup>2</sup> regarding *Refinements to the Resource Adequacy Program*. This item suggests that the Commission will limit the topics under this scope item to no more than five issues that should be addressed in this proceeding. The Commission further states that based on comments and discussion at the Pre-Hearing Conference (“PHC”) it will identify a limited number of issues to be addressed in this proceeding.

In summary:

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<sup>1</sup> OIR, Rulemaking (R.) 25-10-003 (Oct. 15, 2025).

<sup>2</sup> OIR, Item 10, pg. 5

- CESA supports REV Renewables, LLC’s (“REV”) recommendation<sup>3</sup> that a key additional issue the Commission should revisit within Scope Item 10 is the treatment of Energy Only (“EO”) resources to count for storage charging sufficiency. American Clean Power – California (“ACP-CA”),<sup>4</sup> Large-scale Solar Association (“LSA”),<sup>5</sup> EDF Power Solutions, North America (“EDF”),<sup>6</sup> and REV all comment on various important concerns with the current treatment of EO resources under the slice-of-day framework.
- CESA does **not** agree that the Commission needs to update its Qualifying Capacity (“QC”) methodology for energy storage resources in this proceeding, as suggested by the California Independent System Operator (“CAISO”). Energy Division staff may pursue changes to their *implementation* of the methodology to better align with the Commission’s clear and standing determinations from 2014,<sup>7</sup> but there is no issue with the methodology itself and therefore the Commission need not update its 2014 decision in this proceeding.

## II. **DISCUSSION**

### **A. The Commission Must Pursue Enhancements to the Treatment of EO Resources in the Slice-Of-Day Framework’s Charging Sufficiency Test**

CESA strongly supports the growing consensus among parties that the Commission must re-examine the treatment of EO resources, especially concerning their ability to satisfy energy storage charging sufficiency requirements. The current Resource Adequacy (“RA”) framework,

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<sup>3</sup> REV Opening Comments, Section II.A.

<sup>4</sup> ACP-CA Opening Comments, Section II.A

<sup>5</sup> LSA Opening Comments, Section II.A

<sup>6</sup> EDF Opening Comments, Section II

<sup>7</sup> Decision (“D.”) 14-06-050

which generally excludes non-co-located EO resources from contributing to charging sufficiency unless they possess Full-Capacity Deliverability Status (“FCDS”), creates artificial constraints and undermines the state’s long-term planning goals. Appropriate changes to the charging sufficiency evaluation regarding the treatment of EO resources are needed to accelerate investment in decarbonizing the electric system while maintaining affordability, reliability, and resilience.

For instance, ACP-CA highlights that this exclusion contradicts successive Integrated Resource Planning (“IRP”) findings which rely on EO resources for off-peak storage charging and recommended developing contracting pathways for these resources, while LSA points out the resulting inconsistency between RA's restrictive deliverability requirements and IRP models that allow EO resources to charge storage. Furthermore, REV noted the practical consequence of this policy, questioning the purpose of adding nearly 32 GW of EO generation to long-term planning portfolios by 2040 if these resources are prevented from charging storage under the slice-of-day RA framework, a concern echoed by EDF, which suggested considering geographically limited matching, such as requiring EO resources and storage to be in the same transmission zone, to resolve these inefficiencies in the current RA framework design.

#### **B. The Commission Does Not Need to Update its QC Methodology for Energy Storage Resources in this Proceeding**

The current QC methodology for energy storage resources is clearly defined in D.14-06-050. CAISO merely questions Energy Division’s current implementation of that methodology clarifying that the CAISO MasterFile value that Energy Division currently uses may not result in a QC value that meets D.14-06-050. In this matter, it is important to separate the clear Commission directive from the Energy Division’s current implementation. As it stands, the Commission need not update its QC methodology for energy storage resources in this proceeding.

In opening comments, CAISO suggests<sup>8</sup> that the Commission should consider updating its QC calculation methodology for storage resources in this proceeding. First, CAISO cites the Commission’s general description of the PmaxRA value from D.14-06-050, stating “the storage operator must submit to the CAISO an output level (in MW) at which the resource is capable of discharging for four or more uninterrupted hours; this is defined to be its PmaxRA, the maximum output that can be considered for RA calculations.”<sup>9</sup> CAISO then references Energy Division staff comments submitted in a CAISO initiative describing Energy Division’s current implementation of the QC methodology.<sup>10</sup> In Energy Division’s comments, Energy Division clarifies that it currently calculates the PmaxRA using a specific CAISO MasterFile field, the Maximum Continuous Energy Limit, dividing it by four hours, with the result constrained to the Point of Interconnection (“POI”), or to the resource Pmax. CAISO clarifies that the CAISO defines the Maximum Continuous Energy Limit as the maximum stored energy for a storage resource; in other words, its maximum state of charge, recognizing that this value may be different than the amount of stored charge that can be delivered continuously over a four-hour period.

As an initial matter, D.14-06-050 recognizes in several places that a resource’s PmaxRA value is separate and distinct from a resource’s Pmax value:

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<sup>8</sup> CAISO Opening Comments, Section II.B

<sup>9</sup> D.14-06-050, p. B-9.

<sup>10</sup> Comments of the California Public Utility Commission’s Energy Division on CAISO’s Revised Straw Proposal on Outage Management, <https://stakeholdercenter.caiso.com/Comments/AllComments/a35d7182-e62e-4559-93c0-80ede736ceba#org-7f5beefe-217b-4b7a-955d-73619fa3f85b>

- “Storage facilities may also submit a short-term maximum rated output to the CAISO, for dispatch purposes. This is defined as the resource’s Pmax, and is a value which could be greater than PmaxRA.”<sup>11</sup>
- D.14-06-050’s *Figure 2* shows a storage resource’s Pmax region being higher than a resource’s PmaxRA region.<sup>12</sup>
- “PmaxRA – the maximum output sustainable for four hours (as described in the QC section above); may be less than the maximum rated discharge/curtailment level.”<sup>13</sup>

Furthermore, the Commission recognized that a resource’s Maximum Continuous Energy Limit is a separate and distinct operating characteristic of an energy storage resource: “Available Energy – the total MWh of energy available to be discharged from a storage device (or to be dispatched from a single call of a DR resource). This is equivalent to the MAX\_CONT\_ENERGY\_LIMIT variable in the CAISO MasterFile.”<sup>14</sup>

Importantly, the CAISO does not argue that the Commission’s determination in D.14-06-050 is ambiguous or needs to be changed, just that Energy Division’s current implementation may need to change. Given the Commission’s prior determination, and the CAISO’s current lack of a PmaxRA value in the MasterFile, the Energy Division is currently calculating the PmaxRA value to be the CAISO’s Maximum Continuous Energy Limit divided by four, limited to the POI or resource Pmax. CAISO clarifies that this calculated value may not in fact be “the maximum output sustainable for four hours.” This means that the Energy Division’s calculated QC value, currently

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<sup>11</sup> D.14-06-050, p. B-9

<sup>12</sup> D.14-06-050, p. B-13

<sup>13</sup> D.14-06-050, p. B-11

<sup>14</sup> D.14-06-050, p. B-14

based on the Maximum Continuous Energy Limit field, may or may not meet the Commission's QC definition, and this is where the Energy Division may need to update its implementation.

Energy Division staff is already seeking a way to better implement the Commission's QC methodology. In its prior comments to CAISO, Energy Division staff have already implored CAISO to provide the information the Commission envisioned in 2014, stating that "[s]taff believes that **new fields** may need to be added to the Masterfile to reflect the max continuous energy a resource is able to provide over a four-hour period and/or a Pmax<sub>RRA</sub> value that was described in the D.14-06-050 Appendix B. It is important for the CPUC to have this information to correctly calculate the QC value of storage resources pursuant to the adopted QC methodology."<sup>15</sup> (emphasis added) These statements make clear that Energy Division recognizes, as the Commission has, that a resource's Pmax value or Maximum Continuous Energy Limit, while important and distinct values for operational purposes, may not be the precise values needed to confirm the Commission's separate and distinct Pmax<sub>RRA</sub> value, for planning purposes.

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<sup>15</sup> Comments of the California Public Utility Commission's Energy Division on CAISO's Revised Straw Proposal on Outage Management, <https://stakeholdercenter.caiso.com/Comments/AllComments/a35d7182-e62e-4559-93c0-80ede736ceba#org-7f5beefe-217b-4b7a-955d-73619fa3f85b>

### **III. CONCLUSION**

CESA's appreciates the opportunity to submit these reply comments and respectfully requests adoption of the recommendations proposed herein.

Respectfully submitted,

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**CALIFORNIA ENERGY STORAGE ALLIANCE**

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