

Rulemaking No.: 20-11-003

Exhibit No.: CEERT-02

Witness: James H. Caldwell, Jr.

Commissioner Marybel Batjer

ALJ Brian Stevens

**REBUTTAL TESTIMONY OF
THE CENTER FOR ENERGY EFFICIENCY AND
RENEWABLE TECHNOLOGIES**

Rulemaking 20-11-003
2021 Extreme Weather Event Reliable Electric Service

January 19, 2021

1 R.20-11-003 (Extreme Weather)
2 REBUTTAL TESTIMONY OF
3 CENTER FOR ENERGY EFFICIENCY AND RENEWABLE TECHNOLOGIES
4

5 **Q. Please state your name and business address.**

6 **A.** My name is James H. Caldwell, Jr. My business address is 1650 E. Napa Street,
7 Sonoma, CA 95476. The offices of the Center for Energy Efficiency and Renewable
8 Technologies (CEERT) are located at 1100 11th Street, Suite 311, Sacramento, CA
9 95814.

10 **Q. On whose behalf are you testifying?**

11 **A.** I am testifying on behalf of CEERT.

12 **Q. Have you testified previously in this proceeding?**

13 **A.** Yes. On January 11, 2011, CEERT served my Opening Prepared Testimony.
14 My Statement of Qualifications was appended thereto as Appendix A.

15 **Q. What issues do you address in your Rebuttal Testimony?**

16 **A.** CEERT opposes procurement of natural gas resources or expansion of gas-fired
17 generation, but if the Commission does decide to do so in this proceeding, these
18 contracts should be short-term in duration. In addition, CEERT recommends that the
19 Commission adopt the recommendations made in the Opening Testimony by demand-
20 side resource providers in order to best modify programs so that solar + storage
21 hybrids, demand response (DR) and behind-the-meter (BTM) distributed energy
22 resources (DERs) can compete.

23 **Q. What is CEERT's position on expansion of gas-fired generation?**

24 **A.** In its Opening Prepared Testimony (Exhibit (Ex.) CEERT-01), CEERT urged the
25 Commission to "focus on least-regrets solutions to maintain reliability in Summer 2021,
26 including procurement of available clean energy resources and demand-side solutions.
27 Any last resort incremental investment in gas must be restricted to short-term contract

1 only.”¹ As such, CEERT agrees with The Utility Reform Network (TURN) who states
2 that:

3 If any additional generation procurement is authorized, limit it to resources
4 that can be online for summer 2021 and to additional firm imports,
5 incremental energy storage, or contracts to forestall the retirement of
6 existing generation. Further limit such contracts to no more than three
7 years, except in the case of incremental storage resources.²

8 Any procurement authorized in this proceeding, particularly gas-fired generation,
9 must be limited to short-term contracts. Any longer-term procurement decisions must
10 be made in the Integrated Resource Planning (IRP) proceeding (R.20-05-003). While
11 CEERT has long opposed expansion of gas-fired generation, limiting the contracts to
12 three years or less will cause less harm. Because the eligible procurement
13 technologies are limited to either gas or storage, no clean energy will be procured to
14 charge the storage which, in effect, simply becomes the equivalent of inefficient natural
15 gas.

16 CEERT also agrees with Sierra Club that there are “unique risks that increased
17 gas plant emissions pose to disadvantaged communities, particularly during the COVID-
18 19 pandemic.”³ Likewise, CEERT agrees with Sierra Club that California’s
19 environmental and equity goals are inconsistent with additional gas procurement
20 “particularly the Commission’s own planning to implement SB 350.”⁴

21 **Q. What are CEERT’s recommendations as to demand-side resource**
22 **procurement in this proceeding?**

23 **A.** CEERT reiterates its recommendation that, in this proceeding, the Commission
24 direct procurement of clean resources, such as solar + storage hybrids, demand
25 response (DR) and behind-the-meter (BTM) distributed energy resources (DERs).⁵

¹ Ex. CEERT-01, at p. 2, lines 9-13.

² Prepared Direct Testimony of Michael Peter Florio (Ex. TURN-01), at p. 2, lines 11-15.

³ Prepared Opening Testimony of Luis Amezcua on Behalf of Sierra Club (Ex. SC-01), at p. 2, lines 18-20 and p. 11, lines 9-11.

⁴ Ex. SC-01, at p. 10, lines 14-15.

⁵ See, e.g., Ex. CEERT-01, at p. 2, lines 1-3.

1 Numerous demand-side provider parties, including but not limited to the DR Coalition,⁶
2 the Joint Demand Response Parties (Joint DR Parties),⁷ and Polaris Energy Services
3 (Polaris) provided recommendations regarding modification of DR programs.⁸

4 CEERT agrees with these recommendations and the Commission must provide
5 the same level of attention and urgency associated with hybrid, DR and DER resources
6 as they do to natural gas and stand alone storage in this new resource procurement
7 proceeding. The demand-side resource providers have the experience in this field to
8 provide the best recommendations. Several GWs of solar + storage hybrid resources sit
9 in the CAISO Interconnection queue with completed Interconnection Agreements and
10 potential on-line dates in 2021-2022. The Commission should adopt these
11 recommendations so that hybrid, DR and DER resources are able to effectively
12 compete and meet any near term capacity requirements while being consistent with
13 multiple long term grid needs.

⁶ DR Coalition is comprised of California Efficiency + Demand Management Council, Google LLC, Leapfrog Power, Inc., NRG Energy, Inc., OhmConnect, Inc., Oracle, Tesla, Voltus, Inc. and Willdan.

⁷ Joint DR Parties are comprised of CPower and Enel X North America, Inc.

⁸ See Opening Prepared Testimony of the DR Coalition (Ex. DR Coalition-01); Opening Prepared Testimony of the Joint Demand Response Parties (Ex. JDRP-01); and Opening Prepared Testimony of Polaris Energy Services (Ex. Polaris-01).