Resiliency & Microgrids Working Group Multi Property Tariff Phase: Member Proposal from AMRC and Phase Input

Resiliency and Microgrids Team, Energy Division April 27, 2021



WebEx and Call-In Information

Join by Computer:

https://cpuc.webex.com/cpuc/onstage/g.php?MTID=eaed9f4ec538f4954287203b41311717e

Event Password: RMWG

Join by Phone:

Please register using WebEx link to view phone number.
 (Staff recommends using your computer's audio if possible.)

Notes:

- Today's presentations are available in the meeting invite (follow link above) and are available at https://www.cpuc.ca.gov/resiliencyandmicrogrids.
- This meeting will not be recorded and there will not be meeting minutes.

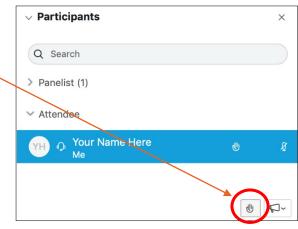
California Public Utilities Commission

WebEx Logistics

- All attendees are muted on entry by default.
- Questions can be asked verbally during Q&A segments using the "raise hand" function.
 - The host will unmute you during Q&A portions and you will have a maximum of 2 minutes to ask your question.
 - Please lower your hand after you've asked your question.
 - If you have another question, please "reraise your hand" by clicking on the "raise hand" button twice.
- Questions can also be written in the Q&A box and will be answered verbally during Q&A

WebEx Tip Access the written Q&A panel here 1. Click here to access the attendee list to raise and lower your hand.

- 2. Raise your hand by clicking the hand icon.
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Access your meeting audio settings here



WebEx Event Materials

Event Information: Resiliency and Microgrids Working Group Meeting Registration is required to join this event. If you have not registered, please do so now.								
Registration is rec	quired to Join this event. If you have not registered, pi	lease do so now.			English: San Francisco Time			
Event status:	Not started (<u>Register</u>)		Join Event Now	1				
Date and time:	Tuesday, March 2, 2021 9:30 am Pacific Standard Time (San Francisco, GMT-08:00) Change time zone)	You cannot join t	the event now because it has	not started.			
Duration:	1 hour		First name:	Jessica				
Description:			Last name:	Tse				
	GRANE OF CALIFORNIA			jessica.tse@cpuc.ca.gov Join Now Join by browser NEW!				
Event material: RMWG Meeting Material_EXAMPLE.docx (31.7 KB)								
By joining this evince and Priva	ent, you are accepting the Cisco Webex <u>Terms of acy Statement</u> .	Register Go E	Back					

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Agenda

I. Introductions

2:00 - 2:05

- WebEx Logistics
- Review agenda
- II. Proposal: Interconnecting Multi-Property, Non-Export, BTM Microgrids in CA

2:05 - 3:00

- Presenters: AMR and SoCalGas
- Q&A and Discussion
- III. Multi-Property Phase Recap and Input

3:00 - 3:55

- Open Discussion
- V. Next Steps

3:55 - 4:00

*Please note that the proposal represent the presenter's view and ideas and are not representative of Energy Division's position.

Interconnecting Multi-Property, Non-Export, Behind-the-Meter Microgrids in California



Interconnecting Multi-Property, Non-Export, Behind-the-Meter Microgrids in California

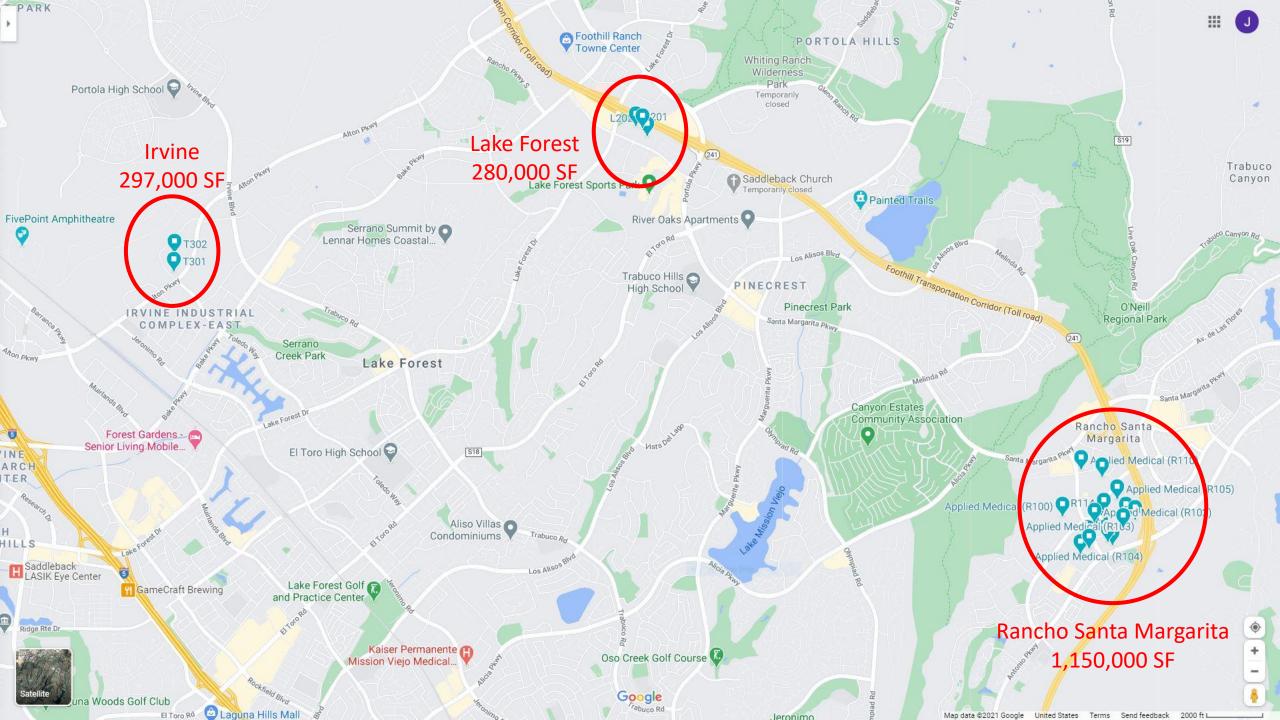
Presenters

- Jeff Malin, Manager, Applied Medical Resources Corporation (AMR)
- Steve Jensen, Attorney, Knobbe Martens
- Mark Kachner, Attorney, Knobbe Martens
- Blaine Waymire, Senior Advisor, Southern California Gas Company, a Sempra Energy utility (SoCalGas)

Agenda

- Introduction to Applied Medical
- 2. Recommendation 1: Develop Reliable Roadmap for Interconnecting Microgrids
- 3. Recommendation 2: Natural Gas Should Be a Permitted Energy Source for Microgrids
- What's At Stake

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	ENERGY GENERATION		Min-Nati Ope Soft-Nation Ope Soft-Nation Ope	



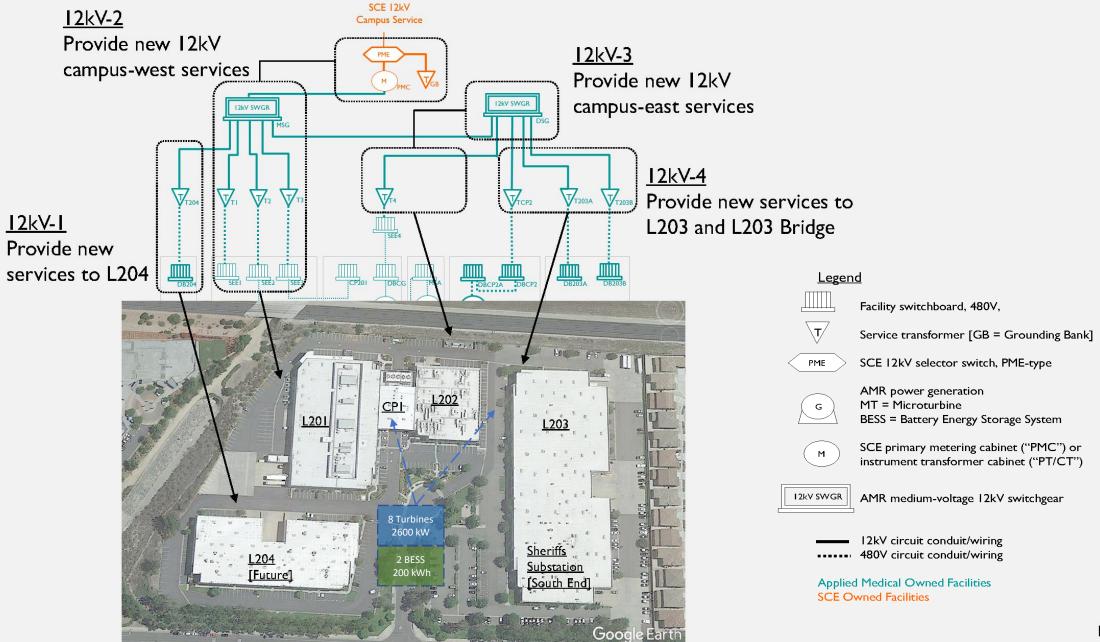
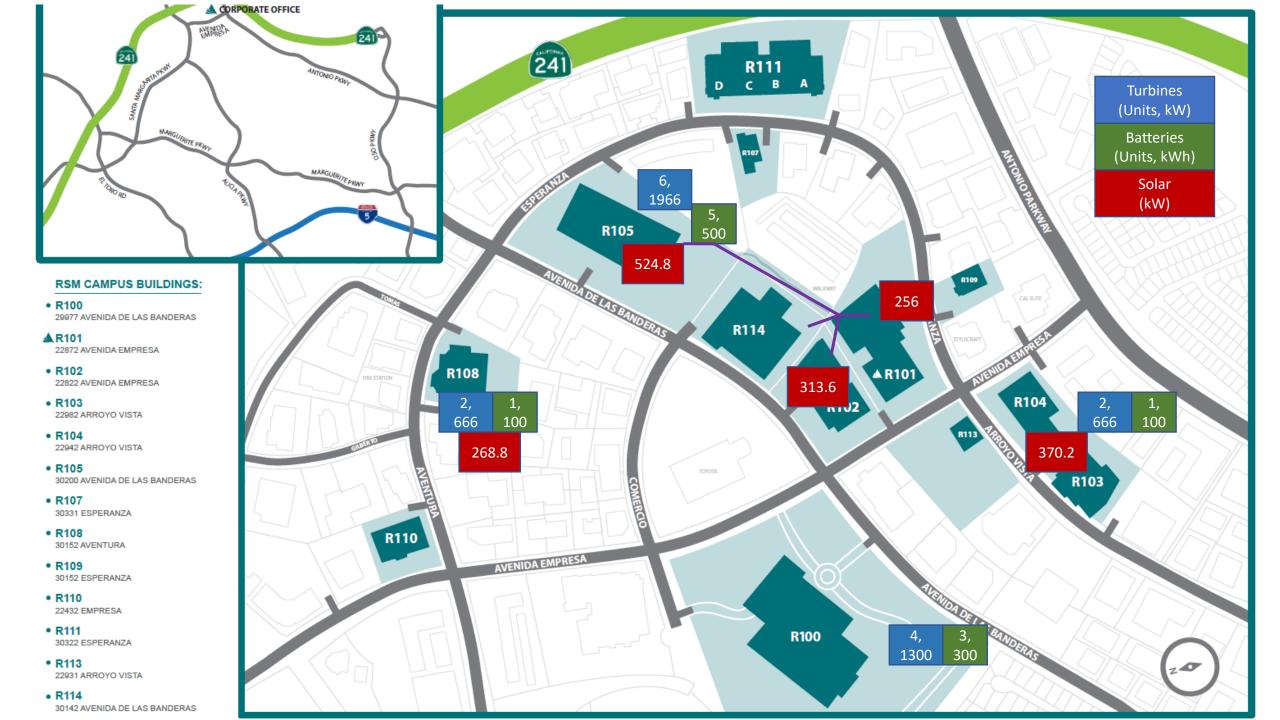


Exhibit 3A

Campus Plan - 12kV Power Distribution Option
Applied Medical Lake Forest



Quick Services

Your Home

Your Business

Customer Support

Partners & Vendors

Direct Access Overview

Partnerships

Community Choice Aggregation
Overview

Distributed Energy Resource Provider

Access Energy Usage Data

Third-Party Demand Response Services

Microgrids for Developers

Buying and Selling

Consulting Services

Real Estate and Locations

Trade Professional

EE Solicitation

Outage Center

Safety

Q Search

Log In / Register

M crogrids for Developers

Home > Partners & Vendors > Partnerships > Microgrids for Developer



Understand Your Microgrid Options

Are you interested in deploying a microgrid in SCE territory? Find out what types of interconnections SCE supports and what's required to properly install and establish your microgrid.

Interconnection Options for SCE Territories

Based on the current California Public Utilities Commission (CPUC) approved rules and regulations, customers and third parties can develop Behind-The-Meter (BTM) microgrids. The way your microgrid interconnects to the SCE electric grid will depend on your preferred method of operation and your project's complexity, type of generation, and applicable tariffs.

Rule 21 Applications

Non-Export

4

This microgrid normally operates in parallel with the SCE grid and does not continuously export power back to the grid.

Isolated Operations

Composed of backup generation, this system operates on "isolated operation mode" and is not connected to the SCE grid. This system always requires an open transition to and from the grid and may include energy storage.

Momentary Parallel Operations

This system is composed of backup generation and may include energy storage, but the backup generation is not normally operational. When its backup generation function or energy storage is activated, it may connect in parallel with the grid for less than one second. After connecting, it then separates to provide backup service only to the facility.

Recommendation 1: Develop Reliable Roadmap for Interconnecting Microgrids

a. <u>Implementation</u>:

- 1. Add mandatory language to microgrid tariff, making interconnection mandatory based on objective criteria. Remove utility discretion to deny interconnection.
- Add interconnection roadmap with mandatory deadlines for each process milestone. Deadlines must be business focused, to facilitate microgrid deployment.

Recommendation 1 (Cont.): Develop Reliable Roadmap for Interconnecting Microgrids

- b. AMR is currently developing microgrids to self serve load at multiple adjacent properties, all owned by AMR.
- c. AMR experienced issues when interconnecting its microgrids:
 - Inherent conflicts of interest with IOU
 - ii. Operational obstruction
 - iii. Led to unnecessary delay
- d. No change to PUC 218 required. Code does not prohibit connections across public streets for non-export microgrids.

Recommendation 2: Permit Natural Gas as Microgrid Energy Source

- a. <u>Implementation</u>: Amend *DECISION 21-01-018* to permit natural gas as a microgrid energy source.
- b. AMR's microgrid, which includes natural gas as an energy source, is reliable, efficient, economical and clean.
- c. The only stated basis for restriction is to deny export credits for non-renewable generation. But by importing NG restriction to microgrids, the CPUC expanded the credit restriction to non-export microgrids.
 - i. Effectively limits microgrid tariff to export-only microgrids.
 - ii. NG restriction seemingly impacts existing interconnected microgrids that depend on natural gas.



"SoCalGas disclaims any express or implied warranty as to the accuracy of Applied Medical's presentation and recommends any information be independently evaluated and validated."



SoCalGas serves 14 AMR accounts across 3 campuses supporting manufacturing, building heating/cooling, and power generation (including microgrids).

Serves as educational resource. Provides support and recommendations on engineering, installation, equipment supply, and permitting to support AMR's microgrids.



Clean: SoCalGas recently committed to be Carbon Neutral by 2045.

Efficient: Onsite generation much more efficient than energy from the electric grid.

Flexible: Increase or decrease power generation quickly to support solar or storage assets.

Affordable: Gas is affordable. Customers can manage energy profiles to remain globally competitive.

RESILIENT! Gas infrastructure is less prone to weather/seismic events and can deliver 24/7 continuous fuel for power generation.



What's At Stake

- 1. Commercialization of microgrids in California
- 2. Achieving statewide environmental goals
- 3. Statewide economic development, jobs, and new capital investment

Discussion and Q&A

WebEx Tip

Option 1:

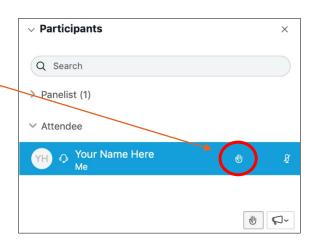


Option 2:

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- 2. Raise your hand by clicking the hand icon.
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Multi-Property Tariff Phase - Recap

Nov -

- Reviewed current projects and work related to multi-property tariffs.
- Shared stakeholder and utility **perspectives on opportunities and challenges** related to standardization of multi-property tariffs.
- Learned about microgrid standards that are in development.

Feb -

- Shared tariff components and the associated discussion prompts to help guide discussions and proposals.
- Discussed alternatives to a multi-property tariff that would enable multi-property, multicustomer microgrid projects. This included micro-utilities, cooperatives, and the own use doctrine.

Mar -

- Provide a high-level overview of foundational safety elements.
- Examined ways in which microgrid customers and non-participating ratepayers are protected (or not protected) from unjust or unreasonable rates (i.e. **consumer protection**).

Apr-

• Learned how **Community Microgrid Enablement Tariff** (CMET) is able to address requirements for the Redwood Coast Airport Project, discussed how the CMET model applies to multicustomer microgrids more generally, and highlighted future topics **still requiring exploration**.

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Open Discussion

- If we were to revisit the multi-tariff topic, are there any other topics we should discuss?
- If we were to revisit the multi-tariff topic, Any topics we should spend more time on?
- Are there any other/general comments?

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Discussion and Q&A

WebEx Tip

Option 1:

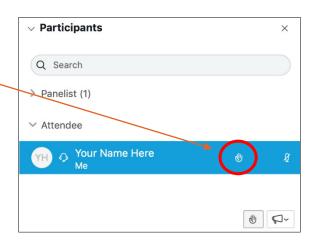


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Next Phase: Value of Resiliency

Preliminary RMWG Schedule							
Month	Resiliency and Microgrids Working Group Topics						
February							
March	Standby Charges	Multi-Property Microgrid Tariff					
April							
May							
June			Value of Resiliency				
July							
August							
September				Microgrid			
October				Interconnection			
November	Customer-Facing Microgrid Tariff						
December							
January	Revisit						
February							

Value of Resiliency: Working group participants to discuss resiliency valuation through an all-hazard approach to disruptions and mitigations by examining metrics, methodologies, and policy applications.

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Upcoming RMWG Meetings

Wednesday May 5, 2021

2:00 pm - 4:00 pm

Wednesday May 12, 2021

3:00 pm - 4:30 pm

Wednesday May 19, 2021

2:00 pm – 4:00 pm (tentative)

For more information:

Jessica.Tse@cpuc.ca.gov https://www.cpuc.ca.gov/resiliencyandmicrogrids/

