sunrun

Track 3 Proposals

March 12, 2019 | Nathan Wyeth

Four Proposals

1. Update the treatment of DERs in load forecasts

2. Provide clear direction on incrementality for DERs providing RA capacity

3. Allow export-energy capacity to receive RA credit.

4. Establish reasonable ELCC values for behind-the-meter (“BTM”) solar and battery resources.

Sunrun Proposal One – Load Forecasting

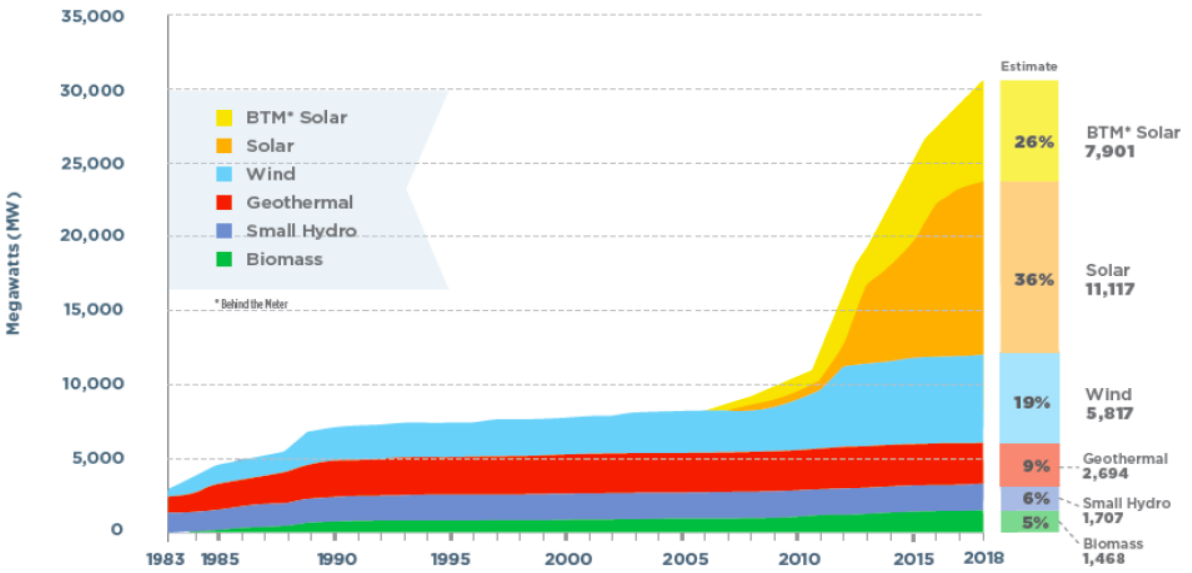
D.05-10-042

- Given limited penetration of DERs in 2005 (“a few hundred megawatts”), the IOUs were required to provide forecasted penetration and “stereotypical” generation profiles to Energy Division and the CEC for purposes of modifying the load forecasts.
- This original treatment still applies

What has changed since ‘05?

Proliferation

Figure ES-4: Annual Cumulative Installed Renewable Capacity Since 1983 (Including Behind-the-Meter Solar)



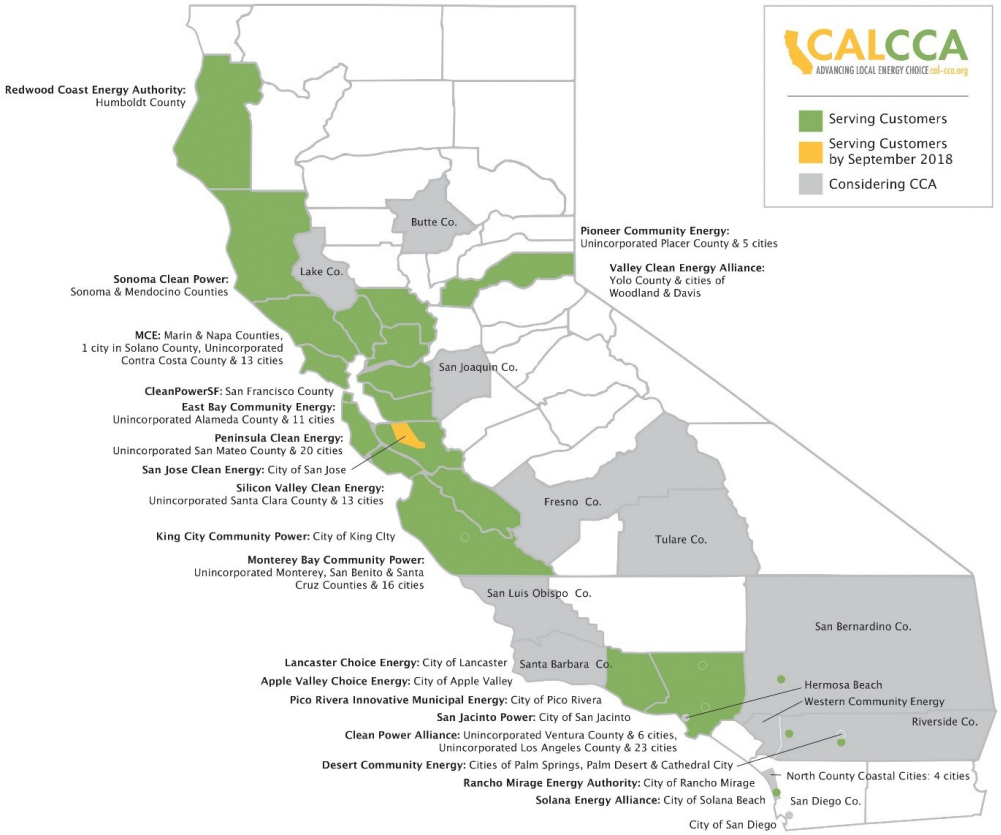
Source: California Energy Commission, Tracking Progress, Renewable Energy, updated December 2018

What has changed since ‘05?

Technology

What has changed since ‘05?

Market Participants



Sunrun Proposal One – Load Forecasting

Omit battery-paired DERs from LSEs' Base Forecast

- Omit any assumed modification from batteries or similarly flexible DERs to the aggregate load profile.
- Keeping advanced DERs out of the aggregate load forecast will:
  - Ensure LSEs looking to procure BTM storage to address local reliability issues will receive appropriate, incremental credit for doing so.
  - Avoid complexity of establishing accurate, generic forecast adjustments for aggregate load profiles from technologies that do not lend themselves easily to "stereotypical" profiles.

Sunrun Proposal One – Load Forecasting

Establish guidelines for baseline level of adoption and load modification LSEs can "claim" in forecast

- Some "basic DERs" like BTM solar can deliver benefit towards Local RA need even without load shift from storage because the targeted hours include peak solar production times, *e.g.*, Goleta/Moorpark
- Limits to the forecast starting in the 2020-21 compliance year to remove incremental forecasted DER adoption beyond a reasonable baseline that is not supported by an explicit RA transfer agreement

Sunrun Proposal Two – Incrementality

Clear incrementality guidelines are needed.

- Fair and transparent protocols to prevent double counting of resources so that the market truly benefits from incremental contribution of capacity
- Ensure capacity is not unreasonably withheld from the market based on overly conservative or opportunistic disqualification
- Coordination with the IDER/DRP proceedings (R.14-10-003 and R. 14-08-013)

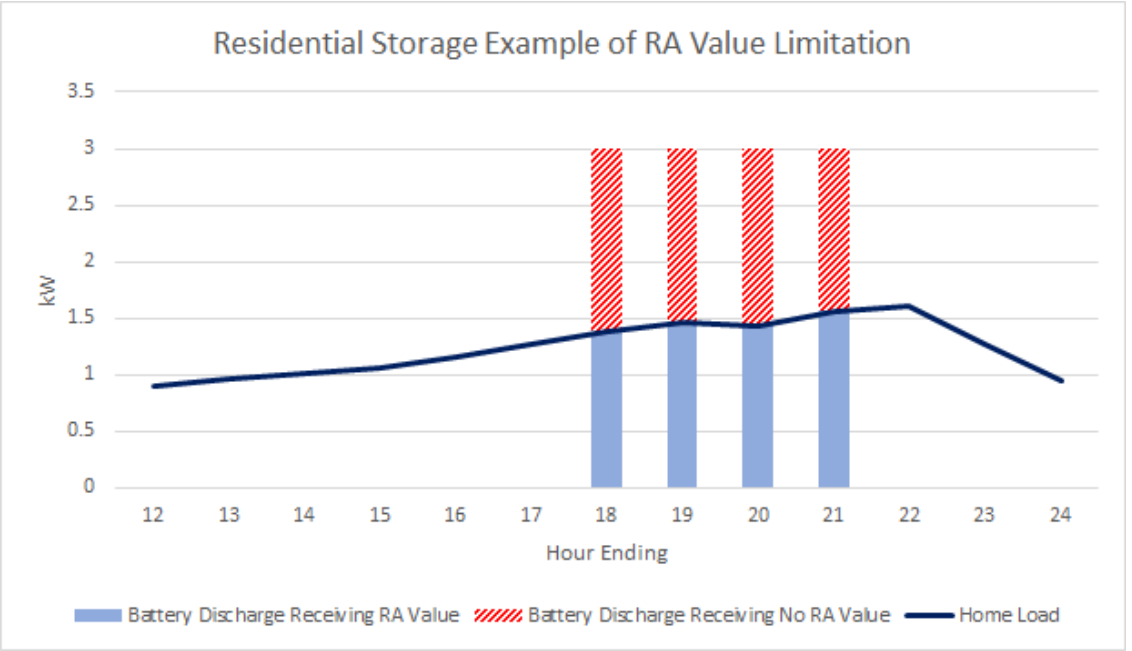
Sunrun Proposal Two – Incrementality

Elimination of Categorical Exclusions

- Recent solicitations for local capacity have included categorical exclusions for SGIP, NEM and other BTM DERs, limiting the pool of resources that can respond
- To remain consistent with prior incrementality guidance for distribution system capacity, the Commission should create a clear prohibition on categorical exclusions for aggregated resources from providing RA capacity that participate in another program, such as SGIP, DR, or NEM

Sunrun Proposal Three – Count Export Capacity for Demand Response

Unreasonable market limitations exist when CAISO PDR is the only option for DERs.



Sunrun Proposal Three – Count Export Capacity for Demand Response

PDR Currently Limited to Load Modifications

- Allowing all dischargeable capacity, including exported energy, to receive RA credit will recognize the capacity BTM storage resources can provide.
- Request the Commission:
  - Make a clear determination of its intent to make the full capacity potential of BTM storage available to the market.
  - Make an official recommendation that the CAISO modify its PDR and RDRR tariffs to remove the restrictions that limit RA capacity eligibility to load curtailment.

Sunrun Proposal Four – Reasonable ELCC Values

Appropriately account synergistic benefit of matching solar and batteries

- ELCC goes hand in glove with need to determine appropriate ways for DER providers and LSEs to apply RA capacity values from BTM DERs.
- DERs should be able to modify specific RA obligations, or count as RA supply at ELCC values, due to incremental contribution from BTM solar and battery storage combinations procured by LSEs.

Thank You.

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