

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

Order Instituting Rulemaking on the Commission's Own Motion to improve distribution level interconnection rules and regulations for certain classes of electric generators and electric storage resources.

Rulemaking 11-09-011  
(Filed September 22, 2011)

**REPLY COMMENTS OF THE CALIFORNIA ENERGY STORAGE ALLIANCE ON  
THE ADMINISTRATIVE LAW JUDGE'S RULING SEEKING RESPONSES TO  
QUESTIONS ON LOAD MASKING WORKSHOP**

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March 10, 2023

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In accordance with Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), the California Energy Storage Alliance (“CESA”) hereby submits these reply comments on the *Administrative Law Judge’s Ruling Seeking Responses to Questions on Load Masking Workshop* (“Ruling”), issued by Administrative Law Judge (“ALJ”) Kelly A. Hymes on May 6, 2022.

**I. INTRODUCTION.**

CESA appreciates the input and feedback provided by all stakeholders in their initial comments on the Load Masking Workshop hosted by the Commission on January 26, 2023. CESA submits these reply comments focused on the response by Southern California Edison Company (“SCE”), Pacific Gas and Electric Company (“PG&E”), and the California Independent System Operator (“CAISO”) on the Load Masking Workshop discussing whether non-exporting systems interconnecting to the transmission system under Rule 21 interconnection procedures create safety and reliability issues for the transmission system.

In these reply comments, CESA reiterates that Rule 21 should be maintained as the interconnection pathway for non-exporting behind-the-meter (“BTM”) resources seeking to serve

customers that are interconnected at the transmission level. CESA agrees that providing more telemetry data to the CAISO on BTM non-exporting transmission-connected resources under Rule 21 could help mitigate their concerns. Moreover, no parties, including PG&E and SCE, raised any concerns that systems smaller or equal to 1 megawatt (“MW”) interconnected to their transmission or distribution systems create operational challenges to their transmission grid.<sup>1</sup>

To that end, CESA offers the following recommendations and response to the initial comments on the Load Masking Workshop:

- Rule 21 should be maintained as the interconnection pathway for all non-exporting resources interconnecting to the transmission system.
- Greater sharing of existing telemetry data should be adopted to mitigate CAISO’s concerns.
- No changes should be made to interconnection procedures or telemetry requirements for resources smaller than 1 MW.

**II. RULE 21 SHOULD BE MAINTAINED AS THE INTERCONNECTION PATHWAY FOR NON-EXPORTING RESOURCES INTERCONNECTING TO TRANSMISSION.**

During both the Load Masking Workshop and in opening comments on the Workshop, no parties suggesting that non-exporting BTM resources should be moved to the CAISO Open Access Transmission Tariff (“OATT”). Instead, CAISO suggested measures to provide additional visibility for these systems while still having them interconnect via Rule 21, as discussed below. Given that no party has suggested changing the interconnection tariff for non-exporting BTM

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<sup>1</sup> SCE Comments at pg. 2, PG&E comments at pg. 3.

resources, CESA strongly believes that Rule 21 should be maintained as the tariff for all non-exporting BTM resources seeking to interconnect on the transmission grid.

As CESA has discussed in previous comments in this proceeding, requiring non-exporting BTM resources to interconnect through the CAISO OATT instead of Rule 21 would result in the addition of unnecessary barriers in the interconnection process. For instance, interconnecting under the CASIO OATT would add a minimum of six additional months to interconnection timelines for most non-exporting projects.<sup>2</sup> Moreover, there are additional costs associated with the CAISO study processes and interconnection requirements for many systems.<sup>3</sup> Extended timelines, coupled with increased costs for a non-exporting project interconnecting to the transmission system, would result in major economic barriers and obstacles for customers seeking to adopt non-exporting BTM resources to serve their own onsite load and resiliency needs.

For all the aforementioned reasons, it is imperative that the Rule 21 process be maintained as the pathway for interconnecting non-exporting BTM projects. Instead of changing a vetted interconnection process for these systems, the utilities should provide the CAISO with any data they already have and continue receive from these systems, which should help significantly mitigate CAISO's concerns.

### **III. GREATER SHARING OF EXISTING TELEMETRY DATA SHOULD BE ADOPTED TO MITIGATE THE CAISO'S CONCERNS.**

In its opening comments, the CAISO stated that it “can significantly mitigate the risks of load masking with sufficient visibility and data” from the investor-owned utilities (“IOUs”).<sup>4</sup>

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<sup>2</sup> See CESA's Comments on *The E-Mail Ruling Directing Party Comments* submitted on December 21, 2021 at Appendix A, Tables 1 and 2. CESA notes that non-exporting projects are less likely to trigger utility upgrades than exporting Net Energy Metering (“NEM”) projects, further adding to the likelihood that the CAISO OATT would be a much longer process than Rule 21 interconnection.

<sup>3</sup> *Ibid* at 7.

<sup>4</sup> CAISO Comments at 4.

CESA agrees with the CAISO and believes that requiring the IOUs to provide the CAISO with the appropriate visibility and data that they already have and continue to gather would be the least disruptive approach to mitigating their concerns with the risks of non-exporting systems masking load.

In D.22-07-001, the Commission acknowledged the importance of data sharing and directed the IOUs to share telemetry data collected under Rule 21 with CAISO for NEM projects that had already interconnected or were actively interconnecting a NEM system via Rule 21 before the release of a Proposed Decision in this proceeding.<sup>5</sup> The CAISO requested that the Commission expand the requirement for the sharing of telemetry data to “non-exporting transmission-connected resources *with capacity greater than 1 MW (emphasis added)*.”<sup>6</sup> As highlighted by the CAISO here and as discussed in more detail in CESA’s opening comments, the concern around transmission-connected resources continues to be larger resources greater than 1 MW. Therefore, CESA supports extending the requirement for the IOUs to share telemetry data with CAISO for those non-exporting projects for which telemetry is already being collected, which are projects greater than 1 MW.

Additionally, the CAISO also requests site-specific information “to understand resource capabilities.”<sup>7</sup> Specifically, the CAISO requests the following resource-specific information “for each resource for which they provide telemetry data: location (zip code/busbar); resource type (e.g., solar, battery); date(s) active; system size (e.g., AC and DC, if available); maximum and minimum capacity (MW); and storage duration (MWh), [...] solar-specific attributes including

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<sup>5</sup> D.22-07-001 at Ordering Paragraph (“OP”) 2.

<sup>6</sup> CAISO Comments at 4.

<sup>7</sup> *Ibid.*

mounting type (e.g., fixed or tracking).”<sup>8</sup> All of the data above is already accessible to the IOUs and should be relatively straightforward for them to share with the CAISO. Therefore, CESA believes that the requests made by the CAISO are reasonable and supports the Commission directing the IOUs to provide such information for systems to help mitigate the CAISO’s load masking concerns.

**IV. NO CHANGES SHOULD BE MADE TO INTERCONNECTION PROCEDURES FOR RESOURCES SMALLER THAN 1 MW.**

Both PG&E and SCE stated in their opening comments that they have not seen nor identified any problems with transmission-interconnected resources smaller than 1 MW.<sup>9</sup> PG&E also importantly noted that concerns are mainly tied to visibility into larger resources that may compose multiple technologies and that “when the aggregate of all generation at a site exceeds 1 MW, telemetry would be required, therefore there is no risk for adding multiple 0.99 MW generators that become large in the aggregate.”<sup>10</sup> Given that no party has raised concerns around individual transmission-connected resources smaller than 1 MW, no changes should be made to the Rule 21 interconnection procedures or telemetry requirements for these resources at this time.

The CAISO did express concerns at the Load Masking Workshop and in comments over potential challenges that “many small resources can ... present all the same challenges as a large resource, regardless of whether resources are interconnected to the distribution or transmission system.”<sup>11</sup> However, CESA reiterates that the CAISO’s concerns are more general than individual transmission-connected resources and are out of scope for this proceeding. These issues should be

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<sup>8</sup> *Ibid* at pg. 4-5.

<sup>9</sup> PG&E Comments at pg. 3, SCE Comments at pg. 3.

<sup>10</sup> PG&E Comments at pg. 3.

<sup>11</sup> CAISO Comments at pg. 5.

addressed in a proceeding that is more appropriately scoped to discuss the vast majority of distribution-connected resources that are creating the aggregate impacts, consistent with the CAISO's concerns.<sup>12</sup> In our opening comments, CESA suggested that the High DER proceeding (R.21-06-017) would be a more appropriate venue to discuss CAISO's concerns regarding aggregation impacts.<sup>13</sup> However, in their comments, the CAISO suggested that "the Commission should leverage Phase 1 Track 2 of R.22-11-013 to develop data requirements to help address load masking issues for aggregations of smaller DERs."<sup>14</sup> CESA believes that R.22-11-013 could also be an appropriate venue to address the CAISO's concerns, given that this proceeding is discussing DER data access and use and is broadly scoped to consider all DERs, including both distribution- and transmission-connected resources.

V. **CONCLUSION.**

CESA appreciates the opportunity to submit these reply comments on the Ruling and looks forward to collaborating with the Commission and stakeholders in this proceeding.

Respectfully submitted,



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<sup>12</sup> CESA Comments at pg. 2.

<sup>13</sup> *Ibid* at pg. 4.

<sup>14</sup> CAISO Comments at pg. 6.