



# ORA

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## THE OFFICE OF RATEPAYER ADVOCATES' COMMENTS ON THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR'S (CAISO) EXCESS BEHIND THE METER PRODUCTION INITIATIVE JUNE 28, 2018 ISSUE PAPER AND JULY 10, 2018 PRESENTATION.

July 24, 2018

The Office of Ratepayer Advocates (ORA) is the independent consumer advocate within the California Public Utilities Commission (CPUC) with a mandate to obtain the lowest possible rates for utility services, consistent with reliable and safe service levels, and the state's environmental goals.

ORA submits the following comments on the CAISO's Excess Behind the Meter (BTM) Production initiative Issue Paper posted on June 28, 2018 and Stakeholder Presentation on July 10, 2018. This initiative seeks stakeholder feedback on two proposals. The first proposal would require Utility Distribution Companies (UDC) to report their Gross Load data in a consistent manner. To this end, this initiative would require that excess BTM production not be netted from Gross Load data submittals.<sup>1</sup> ORA staff agrees with the first proposal of this initiative. As the CAISO states, the "transmission system provides numerous benefits to customers related to the reliability support and capacity services required to meet the Gross Load. This means that it is not appropriate to net excess BTM production from Gross Load because such treatment would ignore a portion of the customer's consumption that benefits from having access to, and use of, the transmission system."<sup>2</sup> For this reason, all UDCs should report their Gross Load data in a consistent manner and rely on the same method.

The second proposal on which the CAISO requests stakeholder feedback on is how to account for excess BTM production. The CAISO presents two options for treating excess BTM production, which are either as generation or negative load.

The costs associated with accounting for excess BTM production as generation or negative load were not discussed either in the Excess BTM Production Issue Paper or the Stakeholder Presentation on July 10, 2018, but the cost implications of either option should be considered. Accounting for excess BTM production may require improvements to the existing distribution infrastructure to measure, collect, and archive data. There is no existing mechanism for allocating the costs of these system improvements.<sup>3</sup> These costs should be discussed at the next

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<sup>1</sup> Excess BTM Production Issue Paper, June 28, 2018, CAISO, p. 3.

<sup>2</sup> Excess BTM Production Issue Paper, June 28, 2018, CAISO, p. 6.

<sup>3</sup> Currently, most Distributed Energy Resources (DERs) are interconnected through meters that measure net imports or exports and report this data to the appropriate Utility Distribution Company (UDC). These meters do not measure

stakeholder workshop and presented in the forthcoming CAISO straw proposal before requiring additional stakeholder comments.

If you have any questions or comments regarding this submittal, please contact Kanya Dorland at [Kanya.Dorland@cpuc.ca.gov](mailto:Kanya.Dorland@cpuc.ca.gov) or (415) 703-1374 or Steven Shoemaker at [Steven.Shoemaker@cpuc.ca.gov](mailto:Steven.Shoemaker@cpuc.ca.gov) or (415) 696-7330.

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and report production data on individual DERs. Such tracking systems, if they exist, are usually proprietary between the customer and their DER contractor, and currently a comprehensive technical or legal framework for sharing DER production data with the UDCs or the CAISO does not exist. Providing DER production data to the UDC or CAISO will require investments in additional equipment to transfer such data and potentially payments to DER contractors as compensation for the investments and operational expenses required to generate and transmit DER production data.