Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the discussion from the Energy Storage and Distributed Energy Resources Phase 3 stakeholder call at the California ISO on October 12, 2017.

Submit comments to initiativecomments@CAISO.com

Comments are due October 18, 2017 by 5:00pm Pacific time

Please provide your comments on the topics listed below from the Issue Paper presentation discussed during the October 12 stakeholder call, as well as any additional comments you wish to provide using this template.

1. Please provide comments on whether your organization supports or opposes the Demand Response proposal item, as well as the reasons why.

   Olivine supports the majority of the items outlined in the straw proposal. Given the number of distinct issues within the group, Olivine agrees that a workshop(s) are needed to determine an order of priority early in the stakeholder process. This will best assure that feasible improvements can be developed and implemented in a reasonable timeframe. Modelling improvements should be at the front of the list as they are informed by current DR participation in the CAISO markets and may dovetail (and provide solutions) with RA issues being discussed in the transmission planning "slow response." Further, if the EVSE

sub metering element is determined to be a priority that comes out of the stakeholder working group, the concepts should extend to all BTM technologies that have similar communications and measurement capabilities either from integrated or separate sub-metering.

Olivine agrees that the requirement that LSEs cannot be commingled within a PDR or RDRR resource is an unnecessary barrier and we support the removal of this limitation, noting that LSE validation as a part of the customer registration is a critical oversight right of the LSE and is a fully independent matter.

Olivine does have a concern that outside of the items that were surfaced and deferred from Phase 2 that the "Load Shift" element has already been given priority. Limiting incentives for consumption to load shifting only forecloses on the opportunity to consume excess renewable energy and transfer it to another form of clean energy such as hydrogen. As noted in section 3.1.7 of the issue paper many of the underlying concepts were vetted in Phase 2 and uncovered a number concerns that go beyond CAISO participation rules. Further, as currently described, the concept would likely require some form of netting of energy for settlement over a period of time outside of the current settlement intervals. If that turns out to be the case, it will present a major challenge to the CAISO exiting cost-causation settlement principles. Storage technology is actively participating in the CAISO market as well as providing load shift value to end use customers at the retail level and it is not clear if making accommodations for a specific technology would actually increase participation.

2. Please provide comments on whether your organization supports or opposes the Multiple-Use Applications proposal item, as well as the reasons why.

Olivine supports the proposed MUA items. In particular, distinct ISO participation periods would address a primary barrier to many DERA use case scenarios. It is not clear if any of the micro-grid participation issues noted in the issue paper are exclusive to micro-grids or whether they would be addressed by broader MUA solutions. The ESDER process might be best served to treat micro-grids as a technology rather than a collection of their underlying technologies. This could minimize the possibility that too granular of a solution excludes future participation of micro-grids as their composition is likely to change as a matter of course.

3. Please provide comments on whether your organization supports or opposes the Non-Generator Resource proposal item, as well as the reasons why.

It is not clear if this initiative is making the progress necessary to expand DER participation. While the NGR model needs further refinement if it is going to be the primary resource type for DERA, it isn't clear if the proposed items adequately address existing limitations for that use. The initial development of NGR was in the context of utility scale storage and not all elements sufficiently accommodate DER. The ESDER process would be better served if a more comprehensive look at the modelling needs of DER were developed rather than the current piecemeal approach of looking for low hanging fruit that might resolve very narrow barriers in the short run.

4. Please provide additional comments, if any, from the discussion.

[Insert comments here]