



## Excess Behind the Meter Production: Straw Proposal

This template has been created for submission of stakeholder comments on the Excess Behind the Meter Production: Straw Proposal that was published on September 11, 2019. The Excess Behind the Meter Production, Stakeholder Meeting presentation, and other information related to this initiative may be found on the initiative webpage at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/ExcessBehindTheMeterProduction.aspx>

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com).

### Introduction and Summary

| Submitted by            | Organization           | Date Submitted                    |
|-------------------------|------------------------|-----------------------------------|
| Simon Ou (415-973-6125) | Pacific Gas & Electric | September 27 <sup>th</sup> , 2018 |

PG&E appreciates this opportunity to provide written comments in response to the CAISO’s Excess BTM Production Straw Proposal (“Proposal”). While PG&E supports the objective of this initiative to clarify the definition of “Gross Load” and to standardize the reporting practice of different Load Serving Entities (LSE), PG&E is concerned that the Proposal does not adequately address all the settlement implication behind this definition change. PG&E urges the CAISO to more closely examine the settlements implications. PG&E offers the following comments to the questions listed in the comments template.

### Please provide your organization’s comments on the following issues and questions.

#### 1. *Gross Load tariff definition clarification*

PG&E supports and welcomes the Gross Load tariff definition clarification. However, PG&E thinks that further work needs to be done to fully consider the settlements implications of this definition change.

#### 2. *Excess Behind the Meter Production tariff definition clarification*

The proposed definition of Excess Behind the Meter Production as “Energy from an End-Use Customer in excess of its onsite Demand” is good start, but PG&E reserves its support until other implications and issues outlined in these comments are more fully fleshed out. It is important to consider the definition of Excess Behind the Meter in context of the Gross Load definition as well as its impact to the reporting and settlement process.

Currently, the proposal states that the Distribution Loss Factor (DLF) does not need to be applied to Excess BTM Production. PG&E asks the CAISO to more clearly articulate their rationale behind the exclusion.

### *3. Excess Behind the Meter Production reporting and settlements*

PG&E believes energy settlement and scheduling implications have not been fully addressed and requests further discussion and clarification. PG&E is especially concerned with the unintended impacts to the allocation of uplift and neutrality costs from this definition change.

Metered Load quantities used for LSE energy settlements should represent the effective position of the resource at the resource ID level. Thus, Metered Load quantities should include the appropriate locational credit for any “Excess BTM Production”. Therefore, we believe that any settlement accounting for exports to the grid from BTM generation should be done at the specific resource level, as part of that resource’s Real-Time Uninstructed Imbalance Energy (UIE) settlement amount. PG&E recognizes that identifying and maintaining both “Gross Load” and “Effective Load” (defined as “Gross Load” less “Excess BTM Production”) positions for any specific resource will require distinct settlement changes. These changes can include but are not limited to creating new billing determinant attributes and introducing new calculation logic, but PG&E believes that these changes are necessary in order to maintain CAISO’s existing cost causation and transparency principles.

PG&E supports the existing CAISO process of allocating uplift and neutrality costs based on the existing cost causation principles. As part of these principles, the CAISO regularly allocates such costs to market participants based on their Metered Load or Measured Demand positions. Measured Demand is defined as Load + Exports. PG&E believes that the metering changes proposed in this initiative introduce further complexity to the existing charge codes associated with both Metered Load or Measured Demand and requests that the CAISO provide a detailed review of how these metering changes would impact each such charge code and establish what load meter values would apply in the resulting charges.

Additionally, as the CAISO has already identified, it is possible for a Load resource to have a negative load position for a given interval, if BTM energy production is more than the resource’s Gross Load. PG&E believes that such a situation must be accounted for during the uplift process, and requests that the CAISO provide clarity on how these instances would be addressed.

### *4. Additional comments*

PG&E has no additional comments at this moment.