

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

Order Instituting Rulemaking Pursuant to Assembly Bill  
2514 to Consider the Adoption of Procurement Targets  
for Viable and Cost-Effective Energy Storage Systems.

R.10-12-007  
Filed December 16, 2010

**COMMENTS OF ICE ENERGY, INC.  
TO ORDER INSTITUTING RULEMAKING PURSUANT TO  
ASSEMBLY BILL 2514 TO CONSIDER THE ADOPTION OF  
PROCUREMENT TARGETS FOR VIABLE AND COST-EFFECTIVE  
ENERGY STORAGE SYSTEMS**

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January 21, 2011

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Pursuant Rules 1.4(a) and 6.2 of the California Public Utilities Commission's ("Commission's") Rules of Practice and Procedure, and Ordering Paragraph Number 5 of Order *Instituting Rulemaking Pursuant to Assembly Bill 2514 to Consider the Adoption of Procurement Targets for Viable and Cost-Effective Energy Storage Systems* ("OIR") Ice Energy, Inc. ("Ice Energy") hereby submits this response to the OIR.

**I. INTRODUCTION.**

Ice Energy strongly commends the Commission for initiating the first comprehensive proceeding in the nation to establish energy storage policy, including consideration of the procurement of viable and cost-effective energy storage systems, well in advance of the date required by AB 2514.<sup>1</sup> Ice Energy agrees with the Commission's guidance in the OIR regarding the measured approach to defining the scope of the proceeding: "Because AB 2514 provides broad discretion to the Commission, we request parties provide us with their views of the issues to be addressed in this proceeding before we establish a precise scope." (p. 5).

**II. THE COMMISSION SHOULD NOT ALLOW COMMENCEMENT OF THIS PROCEEDING TO HAVE AN UNINTENDED CONSEQUENCE OF IMPEDING ACTION IN OTHER COMMISSION PROCEEDINGS THAT ARE INTENDED, AND NEEDED, FOR THE ACCELERATED DEPLOYMENT OF ENERGY STORAGE TECHNOLOGY.**

Recognizing that it will take time to determine the scope of this proceeding, and begin addressing the substantive policy issues that will be presented in an orderly manner, Ice Energy

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<sup>1</sup> "We also open this proceeding on our own motion to initiate policy for California utilities to consider the procurement of viable and cost-effective energy storage systems." (p. 1).

urges the Commission to issue guidance as soon as possible that commencement of this proceeding should not delay progress being made in other active proceedings intended to advance deployment of energy storage (such as Permanent Load Shifting, the Self-Generation Incentive Program, and the Investor-Owned Utilities 2012-2014 Demand Response program applications). Ice Energy welcomes this proceeding as an important and timely focal point for accelerating deployment of energy storage, but, at the same time, respectfully cautions against allowing an unintended consequence of slowing or stopping efforts at the Commission that are on the verge of coming to fruition in other Commission proceedings.

**III. THE IMPORTANCE OF ASSESSING AND QUANTIFYING ENERGY STORAGE'S FULL BENEFITS AND COSTS CANNOT BE OVER EMPHASIZED BY THE COMMISSION.**

Ice Energy strongly supports the four stated purposes of this proceeding, and agrees that they should well cover the salient issues of the issues addressed in the proceeding. We would like to underscore in particular the importance of the third purpose (“review and weigh the associated costs and benefits of [energy storage technologies’] development and deployment”) for the ultimate success of this proceeding, AB 2514, and California’s broader electricity, economic and environment goals. We appreciate (as we believe does the Commission and stakeholders) that due to energy storage’s multiple and broad value streams it is analytically challenging to fully recognize and quantify those many benefits.

**IV. CONCLUSION.**

Ice Energy appreciates this opportunity to comment in response to the OIR, and looks forward to working with the Commission and other stakeholders to achieve the Commission’s goals in this proceeding.

Respectfully submitted,



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Donald C. Liddell  
DOUGLASS & LIDDELL

Counsel for  
**ICE ENERGY, INC.**

Date: January 21, 2011

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of *Comments of Ice Energy, Inc. to Order Instituting Rulemaking Pursuant to Assembly Bill 2514 to Consider the Adoption of Procurement Targets for Viable and Cost-Effective Energy Storage Systems* on all parties of record in proceeding *R.10-12-007* by serving an electronic copy on their email addresses of record and by mailing a properly addressed copy by first-class mail with postage prepaid to each party for whom an email address is not available.

Executed on January 21, 2011, at Woodland Hills, California.

  
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Michelle Dargott

## SERVICE LIST - R.10-12-007

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