

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.

Rulemaking 10-12-007
(Filed December 16, 2010)

**REPLY COMMENTS OF THE CONSUMER FEDERATION OF CALIFORNIA ON
THE ADMINISTRATIVE LAW JUDGE’S RULING ENTERING DOCUMENTS INTO
RECORD AND SEEKING COMMENTS.**

I. INTRODUCTION

The Consumer Federation of California (“CFC”) respectfully submits these reply comments to the California Public Utilities Commission (“Commission”) as directed in Administrative Law Judge’s (“ALJ”) Ruling Entering Documents into the Record and Seeking Comments.

**II. CFC REJECTS SOUTHERN CALIFORNIA EDISON’S DEFINITION OF
“BARRIER” TO ENERGY STORAGE.**

In opening comments Southern California Edison (“SCE”) defined a barrier to energy storage as a “regulatory or legal impediment to a storage device’s ability to compete against other comparable resources or market products.” SCE purposely excluded technology cost as a barrier to energy storage. CFC disagrees with SCE’s definition. Because SCE will most likely recover the cost of energy storage technologies in utility customer rates, it is important to overcome the cost barrier before adoption so that rates are not unduly increased. Consequently, cost should be considered a barrier.

SCE also states that cost will be addressed in Phase 2 and should not be given attention in the instant phase. CFC disagrees with this argument. Cost is relevant to shaping guidelines and informing policy for energy storage, which is the main objective in phase 1.

Cost plays a central role in widespread usage of energy storage. SCE mentions seven barriers to greater adoption, all of which the cost of energy storage technology is relevant. If Energy storage technologies are too expensive, then this should naturally be considered an impediment to adoption and as such this impediment and policies should be created to resolve this impediment before adoption.

III. PROCUREMENT TARGETS

CFC agrees with DRA and other parties that requiring procurement targets is contrary to plain meaning of AB 2514.

Dated September 16, 2011

Respectfully Submitted,

_____/s/_____,

Nicole A. Blake
1107 9th Street, Ste. 625
Sacramento, CA 95814
Phone: (916) 498-9608
Fax: (916) 498-9623
Email: blake@consumercal.org