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)

OPENING COMMENTS OF THE VOTE SOLAR INITIATIVE ON THE DECISION ADOPTING PROPOSED FRAMEWORK FOR ANALYZING ENERGY STORAGE NEEDS

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July 23, 2012

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Pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure, The Vote Solar Initiative ("Vote Solar") submits these opening comments on Commissioner Peevey's proposed decision, served on July 2, 2012 ("Proposed Decision" or "PD").

While Vote Solar has advocated for, and would like to have seen, a more aggressive approach toward realizing the benefits of storage, overall Vote Solar supports the PD as a solid step in the right direction. The vast and highly complex task of analyzing and incorporating storage into the California electric system is herculean in itself. Added to this already difficult situation are party positions that are varied and sometimes highly polarized. Under these circumstances, the Staff proposal presents a reasonable compromise and clear roadmap forward and, in echoing page 26 of the PD, Vote Solar commends and appreciates Staff's efforts.

Vote Solar also strongly supports the "priority" scenarios described on pages 25 through 26 of the PD. Vote Solar agrees that the prioritization of the scenarios helps to address concerns regarding the potential for delay embedded in the iterative nature of the proposed analysis. Vote Solar, however, is not clear as to whether the four scenarios are weighted equally, or whether they are listed in descending order of priority (consistent

with their numbering). To this end, Vote Solar urges the Commission to prioritize the scenarios amongst themselves.

Specifically, Vote Solar supports ranking the scenarios consistent with their numbering – i.e. Renewables Support/Dispatchability as the highest priority and Ancillary Services as the lowest priority. This ranking approach is based on focusing first on developing storage policies where storage will likely serve the most unique and needed functions. In the case of Renewable Support and Dispatchability, and also Distributed Storage, storage would be responding to emergent needs recently created by policies directing increased variable-renewable and distributed energy. Storage may prove to be a game changer in these areas. On the other hand, while ancillary services are clearly vital elements of a reliable grid, a number of resources have long been providing these services and thus are in less urgent need of new and unique solutions.

WHEREFORE, Vote Solar respectfully requests the Commission consider these comments in adopting the PD.

Respectfully	Submitted,
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