BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking To Continue Implementation and Administration, and Consider Further Development, of California Renewables Portfolio Standard Program.

(Not Consolidated)

Rulemaking 18-07-003

Order Instituting Rulemaking to Continue Implementation and Administration, and Consider Further Development, of California Renewables Portfolio Standard Program. Rulemaking 15-02-020 (Not Consolidated)

Order Instituting Rulemaking to Continue Implementation and Administration of California Renewables Portfolio Standard Program Rulemaking 11-05-005 (Not Consolidated)

CLEAN COALITION REPLY COMMENTS IN RESPONSE TO THE PROPOSED DECISION MODIFYING THE RENEWABLE MARKET ADJUSTING TARIFF PROGRAM AND DIRECTING IMPLEMENTATION

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I. INTRODUCTION

Pursuant to rule 14.3 of the California Public Utilities Commission ("the Commission") Rules of Practice and Procedure, the Clean Coalition respectfully submits these reply comments in response to the Administrative Law Judge's ("ALJ") Proposed Decision (PD") Modifying the Renewable Market Adjusting Tariff ("ReMAT") Program and Directing Implementation, issued in the above captioned proceedings on November 10, 2021. Clean Coalition comments will focus on the importance of Time of Delivery Factors necessary to optimize the value of storage and encourage exports when the grid needs it most.

II. DESCRIPTION OF PARTY

The Clean Coalition is a nonprofit organization whose mission is to accelerate the transition to renewable energy and a modern grid through technical, policy, and project development expertise. The Clean Coalition drives policy innovation to remove barriers to procurement and interconnection of distributed energy resources ("DER") — such as local renewables, demand response, and energy storage — and we establish market mechanisms that realize the full potential of integrating these solutions for optimized economic, environmental, and resilience benefits. The Clean Coalition also collaborates with utilities, municipalities, property owners, and other stakeholders to create near-term deployment opportunities that prove the unparalleled benefits of local renewables and other DER.

III. COMMENTS

A. Time of Delivery Factors are necessary to optimize the dispatchability of energy storage.

Clean Coalition agrees with the Joint ReMAT Parties and SEIA/Vote Solar about the importance of approving — and clarifying — the use of time of deliver ("TOD") factors to properly match the generation profile of a resource over the lifetime of a long-term contract. SEIA/Vote Solar/s comments underscore the confusion in the PD related to TOD factors, particularly when it comes to valuing the dispatchability offered by hybrid resources. Moreover, they make a relevant point that since the Commission is touting ReMAT as a PURPA-compliant program, there must be some mechanism to account for time-varying avoided costs, which is not currently the case with no-TOD option used in ReMAT pricing that are based on long-term contracts from the RPS program.¹ The Joint ReMAT parties explain the value of TOD Factors in their comments, suggesting, "First, it ensures the price paid for delivered electricity is correlated with value provided to the electrical grid and ultimately each IOU's ratepayers. Second, the TOD factors provide an incentive to the generators to match their output profile more closely to periods when electricity has the highest value to the utility and their ratepayers." As Clean Coalition mentioned in our opening comments, TOD Factors are an important price signal to developers about the needs of the grid and the value of energy storage. Allowing hybrid resources is an important step forward, but it needs to be paired with TOD Factors to unlock the true value of ReMAT and put the state on a more realistic pathway towards achieving the statewide cap.

B. SDG&E is incorrect that it should not have to reopen its program to fulfill its ReMAT allocation.

While SDG&E is correct that it used the proper procedure to close its ReMAT program based on *de minimis* status, it is incorrect that it should no longer be help responsible for achieving the capacity allocated by the state. The original program design created conflicting sections, specifically related to the sunset clause. However, the express purpose of the bill was to create a Feed-In Tariff capable of delivering 750 MW of procurement (split between BioMAT and ReMAT). As long as that target has not been met, the three IOUs have not fulfilled the requirements; therefore, it is a necessary conclusion that SDG&E should reopen its program and find contracts for the remaining MW.

IV. CONCLUSION

The Clean Coalition appreciates the opportunity to submit these reply comments.

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¹ SEIA/Vote Solar Opening Comments at 5-7

² The Joint ReMAT Parties Opening Comments at 5

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