

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southern California Edison Company

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Docket No. ER19-2505-000

**PROTEST AND MOTION TO INTERVENE OF
THE ENERGY STORAGE ASSOCIATION**

Pursuant to Rules 211 and 214 of the Federal Energy Regulatory Commission’s (“FERC” or the “Commission”) Rules of Practice and Procedure,¹ the Energy Storage Association (“ESA”) respectfully submits this motion to intervene and protest to Southern California Edison Company’s (“SCE”) revisions to its Wholesale Distribution Access Tariff (“WDAT”), FERC Electric Tariff, Volume No. 5.²

I. COMMUNICATIONS

Andrew O. Kaplan
Pierce Atwood LLP
100 Summer Street, Suite 2250
Boston, MA 02110
Phone: 617-488-8104
akaplan@pierceatwood.com

Jason Burwen
Vice President of Policy
U.S. Energy Storage Association
901 New York Ave, NW #510
Washington, DC 20001
Phone: 202-318-5325
j.burwen@energystorage.org

II. MOTION TO INTERVENE

ESA is the national trade association charged with working toward a more resilient, efficient, sustainable and affordable electricity grid – as is uniquely enabled by energy storage.

¹ 18 C.F.R. §§ 385.211, 214 (2019).

² See *Southern California Edison Company’s Storage Amendments to the Wholesale Distribution Access Tariff*, Docket No. ER19-2505-000 (July 31, 2019).

With more than 180 members, ESA represents a diverse group of companies, including independent power producers, electric utilities, energy service companies, financiers, insurers, installers, manufacturers, component suppliers and integrators involved in deploying energy storage systems around the globe.

ESA's member companies have expertise in grid operations relevant to energy storage as well as firsthand knowledge of the regulatory challenges to financing and operating commercial energy storage facilities to realize full benefits to the bulk power system. Numerous ESA member companies seek to provide wholesale electric service from energy storage resources connected to an electric distribution system, in SCE's territory. As such, ESA has a direct and substantial interest in the changes to the SCE WDAT Tariff proposed in this docket that will be substantially and specifically affected by the outcome of this proceeding. No other party could adequately represent ESA's interest in this proceeding. Therefore, ESA moves to intervene in this proceeding.

III. PROTEST

SCE's proposed WDAT revisions present unjust and unreasonable rates when electric storage resources are connected to SCE's distribution system. Specifically, the various demand charges SCE proposes associated with its two service levels, As-Available Charging Distribution Service and Firm Charging Distribution Service, do not correspond to the actual costs incurred on the distribution system for wholesale service for energy storage charging. Cost causation is the fundamental principle that undergirds rate design in the electric system. Contrary to SCE's

proposal, for rates to be just and reasonable, SCE's WDAT should reflect the "costs actually caused by the customer"³—in this case, energy storage charging from the distribution system.

SCE states that As-Available service will only be available when "SCE's existing Distribution System has sufficient capability to first serve retail and wholesale load and still accommodate the load-function of storage."⁴ SCE's demand charges for its proposed As-Available service, however, inappropriately are based on the costs to maintain infrastructure built for wholesale and retail loads that required firm service on a 24/7 basis. Demand charges for non-firm service should reflect costs of non-firm service. More to the point, since non-firm service is designed to avoid congestion and thereby minimize the additional costs to the transmission and distribution system, SCE's proposed demand charges should reflect the marginal costs associated with line losses rather than some fraction of embedded costs associated with capital expenditure for infrastructure.

SCE's proposed Firm service inappropriately subjects energy storage to curtailment priority. SCE states that Firm service will be available unless an emergency situation requires load shedding, at which point "Charging Capacity should be shed before retail and Wholesale Distribution Load."⁵ That is not Firm service. At the very least, that is not Firm service on par with retail and wholesale loads; as such, demand charges that impose fully embedded costs are inappropriate and should be modified to reflect the lower quality of service, per Commission precedent.⁶

³ *KN Energy, Inc. v. FERC*, 968 F.2d 1295, 1300 (D.C. Cir. 1992) (emphasis added).

⁴ Prepared Direct Testimony of Jeffrey Nelson On Behalf of Southern California Edison Company, Exhibit No. SCE-0001, at 17:4-7 ("Nelson Testimony").

⁵ SCE Transmittal Letter at p. 48.

⁶ See *Northeast Util. Serv. Co.*, Opinion No. 422-A, 84 FERC ¶ 61,159 (1998)

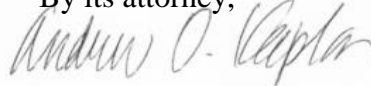
IV. CONCLUSION

SCE has proposed Demand Charge Rates for Firm and As-Available Charging Distribution Service that deviate significantly from cost causation principles and thus do not produce just and reasonable rates. ESA respectfully requests that the Commission reject the filing or set SCE's proposal for hearing.

Respectfully submitted,

ENERGY STORAGE ASSOCIATION

By its attorney,

A handwritten signature in blue ink that reads "Andrew O. Kaplan".

Andrew O. Kaplan
PIERCE ATWOOD LLP
100 Summer Street
Boston, MA 02110

Email: akaplan@pierceatwood.com

Telephone: 617.488.8104

Dated: August 21, 2019

CERTIFICATE OF SERVICE

I, Anne O'Hanlon, hereby certify that the foregoing Protest and Motion to Intervene of the Energy Storage Association were served via electronic mail to the service list.

Dated in Boston, MA this 21st. day of August, 2019.



Anne O'Hanlon, Legal Executive Assistant
PIERCE ATWOOD LLP
100 Summer Street
Boston, MA 02110
Phone: 617.488.8123
aohanlon@pierceatwood.com