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VIA ELECTRONIC MAIL

**Comments in Response to Commission on Catastrophe Wildfire Cost and Recovery
Request for Comment**

To the Members of the Governor's Strike Force Commission;

Advanced Energy Management Alliance ("AEMA") submits these comments as input in response to a request for comment from the public regarding the report "Wildfires and Climate Change: California's Energy Future" ("Strike Force") report.¹ We provide additional information based on what we believe has been overlooked in the report.

AEMA is a trade association under Section 501(c)(6) of the Federal tax code whose members include national distributed energy resource companies and advanced energy management service and technology providers, including demand response ("DR") providers, as well as some of the nation's largest demand response and distributed energy resources. AEMA members support the incorporation of distributed energy resources ("DER" or "DERs"), including advanced energy management solutions, to achieve electricity cost savings for consumers, contribute to reliability and resilience, and provide sustainable solutions for a modern electric grid. These comments represent the collective consensus of AEMA as an organization, although they do not necessarily represent the individual positions of the full diversity of AEMA member companies.

¹ Strike Force report link here: <https://www.gov.ca.gov/wp-content/uploads/2019/04/Wildfires-and->

AEMA has weighed in on numerous proceedings regarding resilience, including at the Federal Energy Regulatory Commission,² Puerto Rico’s microgrid proceeding,³ and California’s SB 700.⁴ In all of these proceedings, we have used examples of DERs providing resilience to the grid in a consumer-friendly, cost-effective, flexible, and reliable manner. And yet, AEMA believes, the Strike Force report does not adequately address the positive impact DERs could have in wildfire outage mitigation. In fact, the report seems to consider DERs as a liability rather than asset to the grid.⁵ To the contrary, AEMA has found that customer-sited DERs, including microgrids, can recover quickly in emergency outage situations, providing an additional resilience solution to customers and communities.

One specific example of DERs providing resilience in times of potential emergency was in California during the solar eclipse in August 2017 when 800 MW of demand response was called upon to mitigate potential power surges during reenergization of the electric grid.⁶ Other examples of DERs providing resilience include the following:

- PJM credited DR with helping the grid withstand the Polar Vortex, stating: “Although demand response is usually only needed by grid operators in the summer, operators also successfully deployed it during the power emergencies occasioned by the bitter cold ‘Polar Vortex’ weather in January 2014. As PJM set multiple winter peak records early that month, it called on demand response, and received more megawatts as load reductions than it could obtain as generation from all but the very largest generating stations. . . . In the midst of those challenging conditions, demand response—responding to PJM’s

² <https://aem-alliance.org/aema-files-comments-doe-nopr-ferc/>

³ Comments here <https://aem-alliance.org/aema-makes-resilience-recommendations-puerto-rico-commission/>

⁴ Letter sent by AEMA to Governor Brown, dated September 28, 2018.

⁵ Strike Force report, page 21.

⁶ See commentary from AEMA here: <https://aem-alliance.org/solar-eclipse-clean-response-california/>

dispatch as a wholesale market resource—helped maintain the reliability of the system.”⁷

- After Hurricane Irma, DR helped maintain balance between supply and demand to stabilize the Florida electric grid. As thousands of customers were rapidly having their power restored, demand threatened to outpace supply due to generation outages from the storm. If nothing was done, and demand was higher than supply, a blackout may have been caused when people had already been without power for an extensive period due to the Hurricane. Fortunately, Tampa Electric Company had the foresight to contract for a diverse set of resources, and dispatched DR. In this case, DR provided grid resilience, allowing the grid to bounce back from a major disturbance.
- The New York Independent System Operator, in their 2017 DER Roadmap, stated: “DER can help grid operators by *improving system resilience* [emphasis added], energy security, and fuel diversity. DER can lower consumer prices, improve market efficiency, and allow consumers to take greater control of their electricity use and costs through a variety of new technologies.”⁸

AEMA believes that, as California considers strategies that can be put into place to enable fast response solutions to wildfire outages, DERs should be a key component of those plans. AEMA urges the Governor’s Commission to review the full benefits that DERs, including strategically sited microgrids, can offer to a grid that is in fairly constant upheaval given the need for forced outages during threat of wildfire. These outages at a minimum are inconvenient to residents and costly to businesses, and at a maximum can pose a real threat to life and limb when hospitals, elder care facilities, and critical community services are disrupted.

⁷ (Petition For Rehearing En Banc Of PJM Interconnection, L.L.C., Electric Power Supply Ass’n v. FERC at 10-11, No. 11-1486 (D.C. Cir. July 7, 2014).

⁸ Distributed Energy Resources Roadmap for New York’s Wholesale Electricity Markets, A Report by the New York Independent System Operator, January 2017, Page 4.
http://www.nyiso.com/public/webdocs/markets_operations/market_data/demand_response/Distributed_Energy_Resources/Distributed_Energy_Resources_Roadmap.pdf

AEMA is glad of the opportunity to provide input to this process and looks forward to working with the Commission as the Strike Force moves ahead on a comprehensive plan for a situation in the state that will only increase, and yet that can be at least partially mitigated by DERs. Feel free to contact me at Katherine@aem-alliance.org or 202-524-8832 should you have any questions about our comments.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Katherine Hamilton". The signature is fluid and cursive, with a long horizontal stroke at the end.

Katherine Hamilton
Executive Director
Advanced Energy Management Alliance