



ADVICE LETTER SUMMARY

ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:

ELC GAS WATER
 PLC HEAT

Contact Person:

Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

¹Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Name:
Title:
Utility Name:
Address:
City:
State: Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

ENERGY Advice Letter Keywords

| | | |
|---------------------------|--|--------------------------------|
| Affiliate | Direct Access | Preliminary Statement |
| Agreements | Disconnect Service | Procurement |
| Agriculture | ECAC / Energy Cost Adjustment | Qualifying Facility |
| Avoided Cost | EOR / Enhanced Oil Recovery | Rebates |
| Balancing Account | Energy Charge | Refunds |
| Baseline | Energy Efficiency | Reliability |
| Bilingual | Establish Service | Re-MAT/Bio-MAT |
| Billings | Expand Service Area | Revenue Allocation |
| Bioenergy | Forms | Rule 21 |
| Brokerage Fees | Franchise Fee / User Tax | Rules |
| CARE | G.O. 131-D | Section 851 |
| CPUC Reimbursement Fee | GRC / General Rate Case | Self Generation |
| Capacity | Hazardous Waste | Service Area Map |
| Cogeneration | Increase Rates | Service Outage |
| Compliance | Interruptible Service | Solar |
| Conditions of Service | Interutility Transportation | Standby Service |
| Connection | LIEE / Low-Income Energy Efficiency | Storage |
| Conservation | LIRA / Low-Income Ratepayer Assistance | Street Lights |
| Consolidate Tariffs | Late Payment Charge | Surcharges |
| Contracts | Line Extensions | Tariffs |
| Core | Memorandum Account | Taxes |
| Credit | Metered Energy Efficiency | Text Changes |
| Curtable Service | Metering | Transformer |
| Customer Charge | Mobile Home Parks | Transition Cost |
| Customer Owned Generation | Name Change | Transmission Lines |
| Decrease Rates | Non-Core | Transportation Electrification |
| Demand Charge | Non-firm Service Contracts | Transportation Rates |
| Demand Side Fund | Nuclear | Undergrounding |
| Demand Side Management | Oil Pipelines | Voltage Discount |
| Demand Side Response | PBR / Performance Based Ratemaking | Wind Power |
| Deposits | Portfolio | Withdrawal of Service |
| Depreciation | Power Lines | |

VIA EMAIL

December 22, 2021

California Public Utilities Commission
Energy Division
Attention: Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298
Email: EDTariffUnit@cpuc.ca.gov

**RE: CleanPowerSF Advice Letter 20-E.
Energy Storage Procurement Notification (Public Version)**

PURPOSE

California Public Utilities Commission (“Commission”) Decision (“D.”) D.13-10-040, Decision Adopting Energy Storage Procurement Framework and Design Program establishes an energy storage (“ES”) procurement goal of 1% of 2020 annual peak load for Community Choice Aggregation (“CCA”) programs.¹ D.17-04-039 modified this requirement by implementing an “automatic limiter” that proportionally reduces a CCA program’s 1% ES procurement obligation to ensure that a CCA program’s total ES procurement (its direct ES procurement plus its proportional share of Investor-Owned Utility (“IOU”) ES procurement paid for through distribution rates and non-bypassable charges) does not exceed the ES procurement obligation of the IOU serving the CCA’s territory, as a percentage of load.²

CleanPowerSF submits this Tier 2 Advice Letter to inform the Commission about its compliance with ES procurement requirement of 5.50 MW (1% of CleanPowerSF’s 2020 peak load of 549.9 MW including CleanPowerSF’s ES procurement activities and the status of the automatic limiter).

The status of CleanPowerSF’s ES compliance is summarized below:

- 1) Since filing AL 6-E,³ CleanPowerSF has contracted for more than 140 MW of ES which is much more than its 1% obligation of 5.50 MW.

¹ D.13-10-040, pp. 77 (Ordering Paragraph 5)

² D.17-04-039, p. 68 (Ordering Paragraph 6)

³ CleanPowerSF Advice Letter 6-E, December 23, 2019.

CleanPowerSF is a program of the San Francisco Public Utilities Commission (SFPUC), an enterprise department of the City and County of San Francisco.

CleanPowerSF is committed to protecting customer privacy. Learn more at cleanpowersf.org/privacy.

OUR MISSION: To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.

London N. Breed
Mayor

Anson Moran
President

Newsha Ajami
Vice President

Sophie Maxwell
Commissioner

Tim Paulson
Commissioner

Ed Harrington
Commissioner

Dennis J. Herrera
General Manager



- 2) As of July 2020, the automatic limiter has been triggered relieving CleanPowerSF of its whole ES procurement obligation.
- 3) Although not necessary, CleanPowerSF is entitled to an ES credit of 0.943 MW, based on PG&E's Self Generation Incentive Program ("SGIP") funded ES projects in CleanPowerSF's service area.

BACKGROUND

The Commission issued D.13-10-040 on December 21, 2013, pursuant to Assembly Bill ("AB") 2514, and adopted the Energy Storage Procurement Framework and Design Program for IOUs, Electric Service Providers ("ESPs"), and CCA programs. D.13-10-040 establishes a goal for CCA programs to procure ES resources in an amount equal to 1% of their 2020 peak load. D.13-10-040 requires that each CCA program file a Tier 2 Advice Letter to showing their ES procurement progress every two years through 2024.⁴

In D.17-04-039 the Commission recognized that CCA customers would pay for ES procurement by Investor Owned Utilities ("IOUs") through their distribution rates and/or non-bypassable charges. To prevent the total effective ES procurement for which a CCA customer is responsible from exceeding the ES procurement obligation the Commission adopted an "automatic limiter" that:

. . . proportionately reduces each Community Choice Aggregator's and Energy Service Provider's one percent procurement obligation by the amount that the load serving entity's own procurement plus its customers' share of non-bypassable charges exceeds the utility bundled customer obligation as a percentage of load. If the limiter is reached, the consolidated utility compliance filing shall automatically reflect the reduced Community Choice Aggregator / Energy Service Provider energy storage procurement obligation.⁵

AUTOMATIC LIMITER AND SHARE OF IOU ES PROCUREMENT

D.17-04-039 requires that each IOU provide updated data comparing IOU and CCA/ESP storage procurement obligations as a percentage of load and calculate whether the automatic limiter has been triggered via an annual Tier 1 advice letter filing. The three IOUs jointly filed an advice letter regarding the

⁴ D.13-10-040 at 77 (Ordering Paragraph 5)

⁵ D.17-04-039 at 68 (Ordering Paragraph 6)

automatic limiter on August 3, 2020. The data in the IOUs' advice letter shows that the automatic limiter has been triggered in PG&E's distribution service territory and has been applied to the CCA's share of procurement responsibility, resulting in an adjusted share of 217 MW.⁶ CCA customers in PG&E's distribution service territory, in aggregate, are currently paying for 326 MW of PG&E ES procurement through non-bypassable charges and/or distribution rates.⁷ This 326 MW portion of ES procurement exceeds the adjusted CCA in PG&E's territory procurement obligation of 217 MW, relieving CleanPowerSF's of its ES procurement responsibility.⁸

ENERGY STORAGE PROCUREMENT AND COST-EFFECTIVENESS

Although the automatic limiter has relieved CleanPowerSF of its ES procurement obligation, CleanPowerSF will have operating ES resources in excess of 1% of its 2020 peak load by 2024. CleanPowerSF has more than 140 MW of ES under contract as of December 20, 2021:

- 1) Maverick 6 Energy Storage – 50 MW, 4hr duration, co-located project with 100 MW of solar – expected to be operational on 5/1/2022;
- 2) Blythe IV Energy Storage – ■ MW 4hr duration,⁹ co-located project with 62 MW solar – expected to be operational on 10/1/2022;
- 3) Crow Creek Energy Storage – 15 MW, 4hr duration, hybrid project with 20 MW of solar – expected to be operational on 12/1/2023;
- 4) Aramis Energy Storage – 75 MW, 4hr duration, co-located project with 75 MW of solar – expected to be operational on 12/31/2025.

⁶ PG&E Advice Letter 5902-E, p. 6 (Table 6)

⁷ PG&E Advice Letter 5902-E, p. 5 (Table 5)

⁸ PG&E Advice Letter 5902-E, p. 6 (Table 6)

⁹ CleanPowerSF maintains the confidentiality of the Blythe IV Energy Storage capacity because the total cost of the storage component of the contract has been made public as part of the approval process. If CleanPowerSF discloses the capacity of Blythe IV Energy Storage, any interested party could calculate the \$/kw which is market sensitive pricing information. The Declaration of Michael A. Hyams in support of Confidential Treatment of Data and Information Contained in CleanPowerSF's Advice Letter 20-E" provides the justification for the confidential treatment. In contrast, the capacity information for the other storage contracts have been publicly released because the price of those contracts have been kept confidential.

CleanPowerSF issued an RFO on October 15, 2021 to acquire standalone ES resources and is currently evaluating proposals. In addition, CleanPowerSF is a participant in a Joint CCA RFO to procure up to 500 MW of LDS resources.

Cost-effectiveness is an important consideration in CleanPowerSF's electricity resource procurement process. Generally speaking, CleanPowerSF considers an ES resource to be cost-effective if the costs of the project are less than or equal to the financial benefits (i.e., revenues and/or avoided costs) realized by ratepayers from the project. The financial benefits can be realized by avoiding power purchase costs CleanPowerSF would otherwise incur if not for the ES resource. Benefits that CleanPowerSF currently assesses in its ES resource procurement include, but are not limited to, (1) Resource Adequacy capacity value and (2) the energy arbitrage/load shifting value. CleanPowerSF's cost-effectiveness evaluation methodology is dependent on the use case and operating parameters of the ES resource. For example, the specific financial benefits of an ES resource will vary depending on the ES application involved (e.g., shift energy production from a utility scale project or improve local reliability for end use customer(s) in the case of a project located on the distribution system).

SHARE OF SGIP-FUNDED PROJECTS

Based on data included in PG&E's advice letter reporting on the breakout of SGIP funded energy storage installations, Advice Letter 5706-E¹⁰, 5838-E¹¹, 6015-E¹², 6215-E¹³ and 6411-E¹⁴, CleanPowerSF will receive an ES storage credit of 0.494 MW. Data provided by PG&E shows 256 SGIP funded ES projects in CleanPowerSF's service area with a total capacity of 1.886 MW. CleanPowerSF is entitled to an ES credit of 0.943 MW, 50% of the project's total rated capacity.¹⁵

EFFECTIVE DATE

CleanPowerSF requests that this Tier 2 Advice Letter become effective on January 23, 2022, which is 32 days after the date of this filing.

¹⁰ PG&E Advice Letter 5706-E, Attachment 1

¹¹ PG&E Advice Letter 5838-E, Attachment 1

¹² PG&E Advice Letter 6015-E, Attachment 1

¹³ PG&E Advice Letter 6215-E, Attachment 1

¹⁴ PG&E Advice Letter 6411-E, Attachment 1

¹⁵ D.16-01-032 at 61 (Findings of Fact 19)

TIER DESIGNATION:

Tier 2, as required by D.12-10-040, Ordering paragraph 5.

CONFIDENTIAL INFORMATION

The capacity for the Blythe IV Energy Storage is kept confidential pursuant to the “Declaration of Michael A. Hyams in support of Confidential Treatment of Data and Information Contained in CleanPowerSF’s Advice Letter 20-E” submitted concurrently.

PROTESTS

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received by January 11, 2022, no later than 20 days after the date of this advice filing. Protests should be mailed to:

CPUC, Energy Division
Attention: Tariff Unit 505 Van Ness Avenue
San Francisco, California 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

Firas Abu-Sneneh
Utility Specialist
525 Golden Gate Ave.
San Francisco, CA 94102
fabusneneh@sfgwater.org

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall set forth the grounds upon which it is based and must be received by the deadline shown above.

NOTICE

In accordance with General Rule 4 of General Order 96-B, a copy of this advice letter is being served to the service list for R.15-03-011 service list.

Michael Hyams
Director, CleanPowerSF
San Francisco Public Utilities Commission
525 Golden Gate Ave, 7th Floor
San Francisco, CA 94102
mhyams@sfgwater.org
(415) 554-1590

cc: R.15-03-011

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

Order Instituting Rulemaking to consider policy and implementation refinements to the Energy Storage Procurement Framework and Design Program (D.13-10-040, D.14-10-045) and related Action Plan of the California Energy Storage Roadmap.

R.15-03-011
(Filed March 26, 2015)

**DECLARATION OF MICHAEL A. HYAMS IN SUPPORT OF CONFIDENTIAL
TREATMENT OF DATA AND INFORMATION CONTAINED IN CLEANPOWERSF'S
ADVICE LETTER 20-E (DATED DECEMBER 22, 2021)**

I, Michael A. Hyams declare and state:

1. I am the Director of CleanPowerSF. As such, I have responsibility and oversight of CleanPowerSF's energy procurement, policy, compliance, and reporting. CleanPowerSF is the community choice aggregator ("CCA") for the City and County of San Francisco.
2. I have been authorized by Barbara Hale, Assistant General Manager for Power of the San Francisco Public Utilities Commission ("SFPUC"), to make this Declaration on behalf of CleanPowerSF.
3. I am making this Declaration in accordance with California Public Utilities Commission (Commission) Decision (D.) 06-06-066, D.08-04-023, D.20-07-005, and General Order (GO) 66-D which govern the submission of confidential, market-sensitive energy procurement information to the Commission.
4. Attachment A to this Declaration contains a table identifying the data and information for which CleanPowerSF seeks confidential treatment. Attachment A is incorporated by reference in its entirety into this Declaration.
5. The table specifies that the material CleanPowerSF seeks to protect constitutes confidential, market-sensitive data and information covered by D.06-06-066, D.08-04-023, D.20-07-005, and the ESP Confidentiality Matrix.¹

¹ D.20-07-005, pp. 3-5 (applying ESP Matrix to CCAs).

6. The Commission has granted confidential treatment of similar price information in both its Resource Adequacy (R.17-09-020).²
7. As demonstrated in the attached table, the information for which CleanPowerSF seeks confidential protection is consistent with categories of information that are treated as confidential for ESPs, and are reasonably tailored to address confidentiality concerns.
8. In addition, the Commission has discretion to determine whether the public interest in keeping confidential materials confidential outweighs the public interest in making them public.³
9. The Commission has also determined that data that does not fall precisely within a Confidentiality Matrix category but which “consists of information from which [Matrix category] information may be easily derived” is eligible for the confidential treatment specified in the corresponding Confidentiality Matrix category.⁴
10. The attached table specifies the protected categories of information under which the data and information fall, and why confidential treatment is justified.
11. CleanPowerSF is complying with the limitations on confidentiality specified for the particular type of data, as listed in the table.
12. The information listed in the table is not already public and cannot be aggregated, redacted, summarized or otherwise protected in a way that allows partial disclosure.
13. CleanPowerSF has kept the capacity of the Blythe IV Energy Storage project confidential by redacting this information in approval requests to the SFPUC and the San Francisco Board of Supervisors, which are the two times that this contract has been presented in a public forum.⁵

² R.17-09-020, *Administrative Law Judge’s Ruling Granting California Community Choice Association’s Request to Submit Information Under Seal* (May 18, 2018).

³ D.06-06-066, as modified by D.07-05-032, pp. 5-6. “[T]he test for non-disclosure to the public includes whether ‘the facts of the particular case the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure of the record.’ (See e.g., Gov. Code, §6255, subd. (a).)”

⁴ R.06-05-027, *Administrative Law Judge’s Ruling on San Diego Gas & Electric Company’s April 3, 2007 Motion to File Data Under Seal*, p. 2 (May 4, 2007).

⁵ The San Francisco Public Utilities Commission approved the project on September 28, 2021 in Resolution No. 21-0151, and the San Francisco Board of Supervisors approved the project on November 5, 2021 in Resolution No. 510-21.

14. CleanPowerSF added the Blythe energy storage project to an operating solar project through an amendment to the contract which required a new approval from the SFPUC and Board of Supervisors. The approval process required CleanPowerSF to disclose the total cost of the contract and the amendment because both entities needed to know the cost of the contract to approve it.
15. CleanPowerSF redacted capacity of the Blythe energy storage project in order to protect market sensitive pricing information that would be easily calculable if the MW size were to be revealed.
16. I have personal knowledge of the facts and representations herein, except for those facts expressly stated to be based upon information and belief, and as to those matters, I believe them to be true.
17. Based on the foregoing, I make this Declaration supporting the confidential treatment of the information contained in CleanPowerSF's Advice Letter 20-E, submitted on December 22, 2021.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on December 22, 2021, at San Anselmo, California.

By: 
MICHAEL A. HYAMS

Director, CleanPowerSF

San Francisco Public Utilities Commission,
Power Enterprise
525 Golden Gate Avenue, 7th Floor
San Francisco, CA. 94103
Phone: (415) 554-1590
Email: mhyams@sfwater.org

DECLARATION OF MICHAEL A. HYAMS IN SUPPORT OF CONFIDENTIAL TREATMENT OF DATA AND INFORMATION CONTAINED IN CLEANPOWERSF’S ADVICE LETTER 20-E (DATED DECEMBER 22, 2021)
 ATTACHMENT A – TABLE OF CONFIDENTIAL INFORMATION

| 2022 Year-Ahead System Resource Adequacy | | | |
|--|--|---|--|
| Confidential Data or Information | Category from D.06-06-066, D.08-04-023 | Justification for Confidential Treatment | Length of Time for Data to be Treated as Confidential |
| <ul style="list-style-type: none"> Capacity of Blythe IV Energy Storage (confidential information highlighted yellow in confidential version of advice letter). | <p>ESP Matrix § II.B (Supply data (both year ahead and month ahead)).</p> <p>General Order 66-D, specifically Government Code section 6254(k); Evidence Code sections 1060 (regarding “trade secrets”); and Government Code section 6255(a) (regarding the public interest exemption under the California Public Records Act).</p> | <p>The specified information corresponds to the listed ESP Confidentiality Matrix category and constitutes confidential and highly-sensitive market information. The disclosure of the capacity of this contract would provide insight into valuable market-sensitive price information. As part of the approval process, CleanPowerSF’s disclosed the total cost of the energy storage project but maintained the confidentiality of the capacity because if the capacity was disclosed, any interested person could calculate the price (\$/kw-month) of the contract. Although capacity is typically considered public, it should not be here. Consistent with D.06- 06-066, D.08-04-023, and D.20-07-005, this information should be protected as confidential, market-sensitive price information because maintaining the confidentiality of the capacity protects the price of the project.</p> <p>In addition, release of this highly valuable, market-sensitive information could damage the ability of CleanPowerSF to negotiate and procure future RA capacity on terms reasonable for its ratepayers. The contract price also constitutes CleanPowerSF’s counterparty’s trade secret information</p> | <p>Through December 22, 2024</p> |

DECLARATION OF MICHAEL A. HYAMS IN SUPPORT OF CONFIDENTIAL TREATMENT OF DATA AND INFORMATION CONTAINED IN CLEANPOWERSF'S ADVICE LETTER 20-E (DATED DECEMBER 22, 2021)
ATTACHMENT A – TABLE OF CONFIDENTIAL INFORMATION

| | | | |
|--|--|---|--|
| | | <p>because the information has economic value from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The public interest served by disclosing this information is clearly outweighed by the public interest in withholding such information from disclosure, given the sensitivity of the information and the potential harm that would be caused by its disclosure.</p> | |
|--|--|---|--|

**BEFORE THE PUBLIC UTILITIES COMMISSION OF
THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to consider policy and implementation refinements to the Energy Storage Procurement Framework and Design Program (D.13-10-040, D.14-10-045) and related Action Plan of the California Energy Storage Roadmap.

R.15-03-011
(Filed March 26, 2015)

CERTIFICATE OF SERVICE

I, Paula Fernandez, declare that I am an employee of the City and County of San Francisco, State of California. I am over the age of eighteen years and not a party to the within action. My business address is City and County of San Francisco, Office of the City Attorney, 1 Dr. Carlton B. Goodlett Place, Room 234, San Francisco, CA 94102; telephone (415) 554-4700.

On **December 22, 2021** I served 1) **CleanPowerSF Advice Letter 20-E - Energy Storage Procurement Notification (Public Version)** and 2) **Declaration of Michael A. Hyams in Support of Confidential Treatment of Data And Information Contained In CleanPowerSF's Advice Letter 20-E (Dated December 22, 2021)** via electronic mail on all parties in Proceeding No.**R.15-03-011**.

Executed on **December 22, 2021** at San Francisco, California.

/s/ Paula Fernandez
Paula Fernandez