

170 FERC ¶ 61,036
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;
Richard Glick and Bernard L. McNamee.

Southern California Edison Company

Docket Nos. ER19-2505-001
ER19-2505-002

ORDER ACCEPTING AND SUSPENDING PROPOSED TARIFF REVISIONS, AND
ESTABLISHING HEARING AND SETTLEMENT JUDGE PROCEDURES

(Issued January 24, 2020)

1. On July 31, 2019, as amended on August 28, 2019, Southern California Edison Company (SoCal Edison) filed, pursuant to section 205 of the Federal Power Act (FPA),¹ revisions to its Wholesale Distribution Access Tariff (WDAT) to offer charging service to facilitate the interconnection and operation of energy storage resources on SoCal Edison's distribution system. In this order, we accept SoCal Edison's proposed WDAT revisions, suspend them for a nominal period, to become effective October 30, 2019, subject to refund, and establish hearing and settlement judge procedures.

I. Background

2. On March 30, 2018, SoCal Edison filed a proposal to revise its WDAT to better accommodate the interconnection of energy storage resources to its distribution system, including a proposal to implement an "as-available" inbound distribution service, which would be provided at no cost, to account for the charging needs of energy storage resources. SoCal Edison proposed that, when necessary to maintain distribution system reliability, charging demand would be curtailed ahead of retail and wholesale distribution load.²

3. In August 2018, the Commission rejected the proposed revisions, finding that SoCal Edison had failed to demonstrate why it is just and reasonable and not unduly discriminatory or preferential to curtail one class of interconnection customer's load (in this case, an energy storage resource's charging demand) without providing an opportunity for an energy storage resource to have its load studied and to pay for any system upgrades needed to allow it the same curtailment priority as other wholesale

¹ 16 U.S.C. § 824d (2018).

² *S. Cal. Edison Co.*, 164 FERC ¶ 61,130, at PP 5, 9 (2018).

loads. The Commission acknowledged SoCal Edison's stated intent to facilitate the interconnection of energy storage devices and encouraged SoCal Edison to develop procedures that would allow it to study and account for an energy storage device's charging demand so that charging demand would not be treated in an unduly discriminatory or preferential manner compared to other wholesale loads.³

II. Proposed Revisions

4. In this filing, SoCal Edison proposes to revise its WDAT to provide firm and as-available (non-firm) wholesale charging distribution service for energy storage resources that will store energy for later resale in wholesale power markets. SoCal Edison asserts that, in comparison to traditional wholesale distribution load and retail distribution load, the wholesale distribution load of energy storage resources is unique and, therefore, energy storage resources cannot reasonably fit into the wholesale distribution load construct under the existing WDAT in a workable manner.⁴ In particular, SoCal Edison states that the existing WDAT did not contemplate the fact that energy storage resources may function as both a load and a generator, meaning that energy storage resources require interconnection service, outbound distribution service, and inbound distribution service for charging. SoCal Edison notes that it has recently offered as-available charging service on a case-by-case basis at no cost, but proposes the instant revisions to provide for both firm and as-available charging distribution service on a tariffed basis.⁵

5. SoCal Edison states that, during the interconnection study process, it uses different analyses for charging service based on which option a resource selects. SoCal Edison states that it will continue to use its existing WDAT generator interconnection procedures to perform analyses and studies involving charging distribution service. For customers seeking as-available service, SoCal Edison will provide customers with a non-binding preliminary analysis that provides hourly and monthly estimates of the charging opportunities that may be available over the next twelve-month period, utilizing SoCal Edison's existing distribution system.⁶ SoCal Edison explains that customers using as-available service will be curtailed ahead of distribution service used to serve firm charging distribution customers, retail load, and wholesale distribution load.⁷ For

³ *Id.* P 39.

⁴ SoCal Edison July 31 Transmittal at 8-10.

⁵ *Id.* at 6-7.

⁶ *Id.* at 17.

⁷ *Id.* at 19.

customers seeking firm charging distribution service, SoCal Edison states that it will be necessary to determine whether distribution upgrades are necessary to accommodate the requested service.⁸ SoCal Edison proposes to identify any necessary distribution system upgrades to ensure that a storage resource will receive firm service at all times, under normal operating conditions, for the life of a project. However, SoCal Edison states that firm charging distribution service will be curtailed before retail load and wholesale distribution load if an emergency or other event arises, to the extent practicable and necessary, in order to protect human life and safety.⁹

6. In terms of rates for the new services, SoCal Edison proposes eight stated demand charge rates, based on the embedded costs of its distribution system. These charges vary by service level, service type, and connection location, as shown in the table below:¹⁰

Service Level	Interconnection Point	As-Available Demand Charge Rate (\$/KW-Month)	Firm Demand Charge Rate (\$/KW-Month)
1	A-Station Distribution Facilities (Substation with high side transformation of above 115 kV)	0.41	0.74
2	High-Voltage Distribution Line Facilities (115 kV or 66 kV Distribution Line)	0.71	1.27
3	B-Station Distribution Facilities (Substation with high side transformation of 66 kV or 115 kV)	1.35	2.43
4	Low-Voltage Distribution Line Facilities (35 kV, 16 kV, 12 kV, or 4 kV Distribution Line)	4.00	7.19

Firm charging distribution service customers will pay to charge their storage resources based on a “higher-of” test, which compares: (1) the estimated costs of distribution upgrades needed for the requested service against (2) the present value of the applicable demand charge rates times the customer’s contract demand for ten years.¹¹ SoCal Edison explains that firm charging distribution customers will be subject to the higher of these two costs, as determined in the study process. SoCal Edison contends that the “higher-of” test is consistent with Commission policy both on transmission service and generation interconnection service. Further, SoCal Edison asserts that the “higher-of” approach is

⁸ *Id.* at 17.

⁹ *Id.* at 48-49.

¹⁰ *Id.* at 38.

¹¹ *Id.* at 39-41.

just and reasonable and creates incentives for storage resources to control costs and to connect to the system in locations where they are needed instead of locating only where the distribution system has excess capacity in order to avoid costs.¹²

7. SoCal Edison explains that it plans to discount demand charge rates for as-available service since these rates only consider costs of the existing distribution system, and exclude costs associated with load growth and other demand distribution system expansion. SoCal Edison argues that discounting the as-available charging distribution service customers is appropriate as these customers would only use the distribution grid during periods of available capacity, and not during periods when the grid is constrained. SoCal Edison states that as-available charging distribution customers will have the option to change to firm charging distribution service but will be required to file a new interconnection request and be restudied in order to do so.¹³

8. SoCal Edison highlights that it currently provides the as-available charging distribution service on a customer-specific basis at no cost. Thus, in its initial filing, SoCal Edison proposed to grandfather the rates for customers that have already signed a generator interconnection agreement and wholesale distribution service agreement as of September 30, 2019, and not to impose a charge for their charging distribution service.¹⁴ In its amended filing, SoCal Edison proposes to expand its grandfathering proposal such that it would provide as-available charging distribution service at no charge for energy storage resources that: (1) are already connected to its distribution system; (2) have a signed generator interconnection agreement and wholesale distribution service agreement as of October 30, 2019; or (3) were issued, prior to August 28, 2019, either: (i) a Phase I interconnection study under the cluster study process; or (ii) a system impact interconnection study under the independent study process.¹⁵

III. Notice of Filing and Responsive Pleadings

9. Notice of SoCal Edison's July 31, 2019 filing was published in the *Federal Register*, 84 Fed. Reg. 38,248 (2019), with interventions and protests due on or before August 21, 2019. Notice of SoCal Edison's August 28, 2019 filing was published in the *Federal Register*, 84 Fed. Reg. 46,511 (2019), with interventions and protests due on or before September 18, 2019. Timely motions to intervene were filed by Calpine

¹² *Id.* at 39-41.

¹³ *Id.* at 42-43.

¹⁴ *Id.* at 45-46.

¹⁵ SoCal Edison August 28, 2019 Transmittal at 4-5.

Corporation; Arizona Electric Power Cooperative, Inc.; Avangrid Networks, Inc.; Boston Energy Trading and Marketing LLC (BETM); and Tesla, Inc. Timely motions to intervene with comments or protests were filed by the Energy Storage Association; Enel Green Power North America, Inc. (Enel); California Storage Developers;¹⁶ the California Energy Storage Alliance (CESA); GlidePath Development LLC (GlidePath); NextEra Energy Resources, LLC (NextEra); the Solar Energy Industries Association (SEIA); Able Grid Energy Solutions (Able Grid);¹⁷ and Convergent Energy and Power LP (Convergent) (together, Protestors).

10. On September 18, 2019, CESA,¹⁸ GlidePath, and Convergent filed protests in response to SoCal Edison's amended filing. On October 3, SoCal Edison filed an answer. On October 16, 2019, the California Public Utilities Commission (CPUC) filed a motion to intervene out-of-time and protest. On October 25, SEIA and CESA filed answers in support of CPUC's motion to intervene out-of-time.

11. Also, on October 25, 2019, Commission staff issued a deficiency letter seeking additional information related to SoCal Edison's proposal (Deficiency Letter). SoCal Edison filed the Deficiency Response on November 25, 2019. Notice of SoCal Edison's response was published in the *Federal Register*, 84 Fed. Reg. 66,180 (2019) with comments due on or before December 16, 2019. CPUC, Convergent, CESA, and SEIA filed comments on SoCal Edison's Deficiency Response. On December 30, 2019, SoCal Edison filed an answer to the comments on the Deficiency Response.

IV. Comments and Protests

12. Protesters argue that SoCal Edison's proposed rates for charging distribution service are unjust and unreasonable, fail to satisfy the Commission's cost causation principles, and will discourage development of storage resources.¹⁹ For example, California Storage Developers, Enel, and SEIA argue that the proposal ignores the reality

¹⁶ The California Storage Developers are E.ON Climate & Renewables North America, LLC, Able Grid Energy Solutions, and esVolta, LP.

¹⁷ In addition to its own filed comments, Able Grid states that it supports and adopts the comments filed by CESA.

¹⁸ In its September 18, 2019 protest, CESA reiterates the arguments made in its August 21, 2019 protest.

¹⁹ California Storage Developers Protest at 6-9; Energy Storage Association Protest at 2-3; Enel Protest at 3-5, 9-11; CESA August 21 Protest at 10-14; NextEra Protest at 5; SEIA Protest at 5-7, 14-15; Convergent August 21 Protest at 2-3.

that energy storage resources will generally alleviate, not exacerbate, localized constraints on SoCal Edison's distribution system and ignores that such resources provide ratepayers benefits. California Storage Developers and Enel assert that the proposal to add an additional fee for charging distribution service costs ignores the fact that any costs necessitated by the requested service can be addressed through interconnection-related upgrades.²⁰ California Storage Developers contend that SoCal Edison's proposal violates cost causation principles by facilitating a double recovery.²¹

13. CESA states that SoCal Edison has not demonstrated how it will assess whether generation-related upgrades can accommodate the requested charging distribution charging service and ensure that it recovers only the incremental charging-related upgrade costs.²² CPUC argues that the proposed rates would unjustly duplicate charges for an energy storage resource's generation and charging functions.²³ CESA questions the degree to which power loss factors are already embedded in wholesale locational marginal prices and whether the proposed rates improperly double charge storage resources for these losses.²⁴ In addition, SEIA, NextEra, and CPUC argue that SoCal Edison's rate proposal is inconsistent with the Commission's requirement to directly assign the costs of non-networked facilities by using an average embedded-cost rate for wholesale distribution service. SEIA also contends that SoCal Edison's proposed revenue requirement raises data integrity concerns and does not provide for annual review and challenge procedures.²⁵

14. CESA claims that SoCal Edison has not sufficiently justified the "higher-of" charges for firm charging distribution service as being just, reasonable, and aligned with cost causation, and that customer-specific studies and upgrades are better aligned with cost-causation principles and encourage more efficient use of the distribution grid.²⁶ CESA and NextEra also claim that the proposed firm demand charge rates are not just

²⁰ California Storage Developers Protest at 6-7; Enel Protest at 3-4, 8-9; SEIA Protest at 5-7.

²¹ California Storage Developers Protest at 6-8.

²² CESA August 21 Protest at 11.

²³ CPUC Protest at 5-6.

²⁴ CESA August 21 Protest at 15; CPUC Protest at 5; NextEra Protest at 9.

²⁵ SEIA Protest at 16.

²⁶ CESA August 21 Protest at 13-14.

and reasonable because energy storage resources taking firm charging distribution service have a lower curtailment priority than retail and wholesale distribution load and the proposed fees do not reflect the lower quality of service.²⁷

15. Protestors argue that the imposition of a monthly demand charge for as-available charging distribution service is inappropriate. GlidePath asserts that the proposed fees do not reflect the “beneficiary pays” principle because as-available charging distribution customers are not entitled to any capacity that would justify the imposition of the charge, and the provision of such service does not cause any incremental costs to SoCal Edison.²⁸ NextEra claims that as-available charging distribution service does not contribute to the peak demand, and asserts that SoCal Edison has not justified its proposed rate, even with the discount factor, when it previously proposed to offer the same service at no cost.²⁹ Enel argues that the proposed discount factor for as-available demand charge rates has no relationship to individual resources’ use of the distribution system and thus does not bear a close enough relationship to cost causation to justify the fee’s assessment.³⁰ CESA and Energy Storage Association emphasize that customers taking as-available service will be using facilities designed to provide firm service to other loads, only when capacity is available, and may also increase utilization of the distribution system.³¹ Energy Storage Association argues that as-available charges should reflect marginal costs associated with line losses rather than some fraction of the embedded costs of infrastructure.³²

16. Protesters argued that SoCal Edison’s original grandfathering proposal would have inappropriately excluded projects currently in the interconnection queue that have made significant financial commitments based on the existing rules.³³ GlidePath argues that the revised grandfathering proposal does not go far enough, and asserts that, if SoCal Edison is permitted to charge a fee for as-available charging service, the

²⁷ *Id.* at 3; NextEra Protest at 7-8.

²⁸ GlidePath August 21 Protest at 6.

²⁹ *Id.* at 10-13.

³⁰ Enel Protest at 5.

³¹ CESA August 21 Protest at 12; Energy Storage Association Protest at 3.

³² Energy Storage Association Protest at 3.

³³ Enel Protest at 6-7; CESA August 21 Protest at 15-17; California Storage Developers Protest at 10-12; GlidePath August 21 Protest at 6-7; Convergent August 21 Protest at 3-4.

grandfathering policy should be expanded to include storage resources in the queue that have signed a generator interconnection study process agreement to avoid upsetting the economics of projects that have relied upon the existing rules. GlidePath requests that the Commission consider requiring SoCal Edison to explicitly include a full grandfathering provision in its WDAT.³⁴ Convergent expresses concern regarding SoCal Edison's suggestion that it may subject grandfathered customers to as-available charges in the future,³⁵ and states that any such changes must be made through a Commission filing.³⁶

17. Several protestors raise process arguments. CESA asserts that the introduction of the new charging distribution service necessitates process changes to the WDAT that will streamline study processes and allow for earlier discovery of potential upgrade and/or charging costs because the sequenced processes proposed by SoCal Edison creates too much uncertainty for customers.³⁷ CESA, CPUC, and California Storage Developers argue that storage charging energy should be modeled and studied as “negative generation” distinct from traditional end-use load.³⁸ GlidePath contends that SoCal Edison has not explained why it is not technically feasible at this time to allow an energy storage resource to designate a certain amount of charging capacity as firm while designating the remaining capacity as as-available.³⁹

18. Finally, some protestors request further procedures in the event the Commission does not reject the filing, including instituting the maximum five-month suspension,⁴⁰ hearing and settlement judge procedures,⁴¹ and convening a technical conference to explore the rates and methodologies through which energy storage resources will be

³⁴ GlidePath September 18 Protest at 3-5.

³⁵ Convergent September 18 Comments at 3 (citing SoCal Edison July 31 Transmittal at n.87).

³⁶ *Id.* at 4.

³⁷ CESA August 21 Protest at 17-18.

³⁸ *Id.* at 8; CPUC Protest at 5; California Storage Developers at 9.

³⁹ GlidePath August 21 Protest at 9-10.

⁴⁰ Able Grid Comments at 4-6.

⁴¹ GlidePath August 21 Protest at 9.

charged for their use of SoCal Edison's distribution system.⁴² CPUC contends that the proposed revisions are not the result of a collaborative effort, and asks the Commission to direct SoCal Edison to further develop its proposal through a broader stakeholder process or, alternatively, to initiate a rulemaking to address this matter more broadly.⁴³

V. SoCal Edison Answer

19. SoCal Edison argues that the use of rates based on average system costs for charging distribution service does not violate Commission policy. SoCal Edison acknowledges the Commission's traditional preference for a direct assignment methodology for wholesale distribution rates but asserts that this preference is not a prohibition on system average rates. SoCal Edison asserts that, in this case, a facility-specific approach is not feasible where potentially thousands of storage resources may seek to interconnect. SoCal Edison avers that, by offering different rates based on the point of interconnection, it broadly captures the costs of different types of facilities in the spirit of direct assignment, but in an administratively practical manner. Further, SoCal Edison argues that Order No. 841⁴⁴ recognized that approaches other than the traditional facility-specific approach could be used for storage.⁴⁵

20. SoCal Edison contends that protestors' questions about whether energy storage resources should pay anything at all for charging distribution service have already been answered by the Commission, which has affirmed that utilities may charge for inbound wholesale distribution service.⁴⁶ SoCal Edison asserts that interconnection service and distribution service are separate services under Commission policy and charging two rates for two different services is not impermissible or unreasonable.⁴⁷

⁴² SEIA Protest at 17-18.

⁴³ CPUC Protest at 6.

⁴⁴ *Electric Storage Participation in Markets Operated by Regional Transmission Organizations and Independent System Operators*, Order No. 841, 162 FERC ¶ 61,127 (2018), *order on reh'g*, Order No. 841-A, 167 FERC ¶ 61,154 (2019).

⁴⁵ SoCal Edison Answer at 24-26.

⁴⁶ *Id.* at 11-13 (citing Order No. 841-A, 162 FERC ¶ 61,127 at P 109).

⁴⁷ *Id.* at 20-22.

21. SoCal Edison disputes claims that benefits such as distribution deferral, operating flexibility, and other potential benefits of storage should be reflected in the rates or warrant free charging distribution service. It contends that other services provided by storage will be compensated in other ways and that such arguments ignore jurisdictional boundaries and fail to recognize the difference in rate setting roles between SoCal Edison's transmission and distribution function and its procurement function.⁴⁸ SoCal Edison contends that SEIA's concern about the lack of annual review and challenge procedures ignores that SoCal Edison is not proposing a formula rate, making such protocols unnecessary.⁴⁹

22. SoCal Edison argues that the alternative firm service rates proposed by protestors are neither reasonable nor equitable. For example, SoCal Edison contends that a rate based solely on actual upgrade costs would result in free-riding at the expense of retail customers. It dismisses arguments about the need to treat "negative generation" different from traditional end use load as semantics because, with respect to use of the distribution grid, distribution facilities cannot distinguish "negative generation" from "load." SoCal Edison denies that it is possible to quantify the benefits of an energy storage resource being able to charge in comparison to the rate being charged for that service. SoCal Edison also defends its proposed "higher-of" test for the reasons stated in its filing.⁵⁰

23. SoCal Edison highlights that its proposed study process for firm charging service will determine whether generation-related upgrades can also accommodate the requested charging distribution service because the assessment will evaluate the generation-related upgrades first and then assume those upgrades are already installed when studying the need for additional upgrades. However, SoCal Edison asserts the details of the technical studies need not be included in the WDAT.⁵¹ Additionally, SoCal Edison avers that its proposed firm charging distribution service is still firm despite allowances to curtail this service ahead of end-use loads in the event of emergency.⁵²

⁴⁸ *Id.* at 17-20.

⁴⁹ *Id.* at 32.

⁵⁰ *Id.* at 26-31.

⁵¹ *Id.* at 36.

⁵² *Id.* at 38-42.

24. With regard to the imposition of a demand charge rate for as-available service, SoCal Edison highlights that non-firm rates have been based on demand charges in the energy-only and transmission-only contexts for decades. Thus, SoCal Edison asserts that, while disputes about the level of the demand charge may be legitimate, arguments that use of the demand charge is facially faulty have no merit. SoCal Edison also argues that use of a discount factor is an appropriate way to derive the demand charge rate for as-available service, as opposed to a customer-specific approach or the lack of any rate at all.⁵³ SoCal Edison also explains that it does not currently have, and cannot predict when it will have, the technology necessary to offer energy storage resources the option to split charging service between as-available and firm, but states that it would be willing to offer this option once the technology exists.⁵⁴

25. SoCal Edison defends its proposed grandfathering policy, as revised, as reasonable in light of data on when projects typically drop out of the interconnection queue, which SoCal Edison argues would indicate that approximately three-quarters of interconnection customers drop out of queue and a significant portion of those do so after they have signed a study agreement. SoCal Edison confirms that if it seeks in the future to change its grandfathering policy, it will do so via a section 205 filing.⁵⁵

VI. Deficiency Response and Comments

26. The Deficiency Letter sought information about how SoCal Edison's proposal to base demand charge rates on average embedded costs is consistent with cost causation principles. SoCal Edison responds that its proposed rates are not intended to reflect the incremental costs of providing charging distribution service but are instead intended to reflect cost causation in a manner that is feasible at a large scale by reflecting the average embedded cost of the portions of the system being used by an energy storage customer. SoCal Edison asserts that a demand charge rate based on the average embedded cost of service is consistent with Order No. 841-A, in which the Commission did not mandate an incremental cost approach.⁵⁶ However, SoCal Edison notes that its planning studies for

⁵³ *Id.* at 34-35.

⁵⁴ *Id.* at 36.

⁵⁵ *Id.* at 9-11.

⁵⁶ SoCal Edison Deficiency Response at 2 (citing Order No. 841-A, 167 FERC ¶ 61,154 at P 123 (explaining that the Commission would not “dismiss as per se unreasonable any proposal to establish a non-facility-specific rate for wholesale distribution service to an electric storage facility for its charging.”)).

charging services will be able to identify instances in which a resource should be credited for avoiding the use of certain facilities.⁵⁷

27. The Deficiency Letter also asked whether SoCal Edison will use the same process to credit revenues to charging distribution customers, in order to ensure that SoCal Edison does not over-recover costs, as it does for other retail or wholesale distribution customers. SoCal Edison affirms that revenue received from charging distribution customers will be handled in the same manner as that received from other wholesale customers taking service under the WDAT.⁵⁸

28. In addition, the Deficiency Letter asked about the specific characteristics of energy storage resources that justify the proposed imposition of the “higher-of” test to deter cost shifting. SoCal Edison asserts that, in comparison to non-storage wholesale WDAT resources, storage resources create cost-shifting concerns because: (1) during charging they draw power from the CAISO grid to the storage device like load; (2) they can be rapidly sited and removed from the grid and can do so strategically; and (3) the number of potential storage resources could be orders of magnitude larger than the number of wholesale distribution load.⁵⁹

29. Finally, the Deficiency Letter inquired about the potential impact of SoCal Edison’s proposed grandfathering policy on customers currently in the interconnection queue. SoCal Edison states that seventy-six percent of the storage resources currently in the interconnection queue will be subject to the rates proposed here, and not eligible to receive no-cost as-available charging distribution service. SoCal Edison also clarifies that existing storage customers seeking to obtain firm charging distribution service will be required to submit a new interconnection request, which will place those resources on equal footing with new storage resource entering the interconnection queue. SoCal Edison states that, if the Commission directs it to amend its WDAT to include the grandfathering policy, it will submit a compliance filing to make such an amendment.⁶⁰

30. Protesters generally assert that the information contained in the Deficiency Response: (1) does not provide any new information that would support a conclusion that SoCal Edison’s proposal is just and reasonable; (2) raises additional concerns or questions; and (3) does not support a departure from Commission precedent concerning

⁵⁷ *Id.* at 2-5.

⁵⁸ *Id.* at 5-6.

⁵⁹ *Id.* at 6-10.

⁶⁰ *Id.* at 10-11.

the proper cost allocation for wholesale distribution over the distribution system.⁶¹ Specifically, CESA and SEIA dispute SoCal Edison's claim that facility-specific studies are infeasible. CESA notes that SoCal Edison already conducts such facility-specific studies for generation-related upgrades and questions SoCal Edison's characterization of storage resources as mobile or temporary. SEIA contends that the rates proposed for energy storage resources are unduly discriminatory because SoCal Edison has not shown that requests from energy storage resources are any more burdensome than service requests from other distribution-connected facilities. SEIA requests that the Commission convene a technical conference to further develop the record.⁶² CPUC asserts that questions about the configuration of SoCal Edison's distribution system warrant further inquiry, possibly in a rulemaking. CPUC also objects that SoCal Edison does not clarify how the proposed rate structure will prevent duplicative rates for interconnection and charging service.⁶³ Finally, Convergent requests that the Commission direct SoCal Edison to modify its WDAT to reflect its grandfathering proposal.⁶⁴

31. SoCal Edison responds by reiterating many of the arguments in its initial filing and answer. It again emphasizes that facility-specific rates would create an undue administrative burden. SoCal Edison defends its proposed rates, including the "higher-of" test and the imposition of a fee for as-available charging distribution service, as necessary and appropriate for creating rational economic incentives to encourage efficient interconnection of storage resources and prevent an overbuild of the system.⁶⁵

VII. Discussion

A. Procedural Matters

32. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2019), the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

⁶¹ Convergent Deficiency Comments at 1; CPUC Deficiency Comments at 1; SEIA Deficiency Comments at 1; CESA Deficiency Comments at 1.

⁶² CESA Deficiency Comments at 4-6; SEIA Deficiency Comments at 10-12.

⁶³ CPUC Deficiency Comments at 2-4.

⁶⁴ Convergent Deficiency Comments at 2.

⁶⁵ SoCal Edison Deficiency Comment Answer at 3-10.

33. Pursuant to Rule 214(d) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214(d) (2019), we grant CPUC's late-filed motion to intervene given its interest in the proceeding, the early stage of the proceeding, and the absence of undue prejudice or delay.

34. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2019), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We accept SoCal Edison's answers because they have provided information that assisted us in our decision-making process.

B. Commission Determination

35. Our preliminary analysis indicates that SoCal Edison's proposed revisions to its WDAT have not been shown to be just and reasonable and may be unjust, unreasonable, unduly discriminatory or preferential, or otherwise unlawful. We find that SoCal Edison's proposed revisions raise issues of material fact that cannot be resolved based on the record before us and that are more appropriately addressed in the hearing and settlement judge procedures that we order below. Therefore, we accept SoCal Edison's proposed revisions to its WDAT, suspend them for a nominal period, to become effective October 30, 2019, subject to refund, and establish hearing and settlement judge procedures. We are setting all issues, including but not limited to, the proposed rate design, as well as SoCal Edison's grandfathering proposal and how it should be codified in the WDAT, for hearing and settlement judge procedures.

36. While we are setting this matter for a trial-type evidentiary hearing, we encourage the parties to make every effort to settle their dispute before hearing procedures are commenced. To aid the parties in their settlement efforts, we will hold the hearing in abeyance and direct that a settlement judge be appointed, pursuant to Rule 603 of the Commission's Rules of Practice and Procedure.⁶⁶ If the parties desire, they may, by mutual agreement, request a specific judge as the Settlement Judge in the proceeding. The Chief Judge, however, may not be able to designate the requested settlement judge based on workload requirements which determine judges' availability.⁶⁷ The settlement judge shall report to the Chief Judge and the Commission within thirty (30) days of the date of the appointment of the settlement judge, concerning the status of settlement discussions. Based on this report, the Chief Judge shall provide the parties with

⁶⁶ 18 C.F.R. § 385.603 (2019).

⁶⁷ If the parties decide to request a specific judge, they must make their joint request to the Chief Judge by telephone at (202) 502-8500 within five (5) days of this order. The Commission's website contains a list of Commission judges available for settlement proceedings and a summary of their background and experience (<http://www.ferc.gov/legal/adr/avail-judge.asp>).

additional time to continue their settlement discussions or provide for commencement of a hearing by assignment of the case to a presiding judge.

The Commission orders:

(A) SoCal Edison's proposed revisions to its WDAT are hereby accepted for filing and suspended for a nominal period to become effective October 30, 2019, subject to refund, as discussed in the body of this order.

(B) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by section 402(a) of the Department of Energy Organization Act and by the Federal Power Act, particularly sections 205 and 206 thereof, and pursuant to the Commission's Rules of Practice and Procedure and the regulations under the Federal Power Act (18 C.F.R. Chapter I), a public hearing shall be held in Docket No. ER19-2505-000 concerning the justness and reasonableness of SoCal Edison's proposed revisions to its WDAT, as discussed in the body of this order. However, the hearing shall be held in abeyance to provide time for settlement judge procedures, as discussed in Ordering Paragraphs (C) and (D) below.

(C) Pursuant to Rule 603 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.603 (2019), the Chief Administrative Law Judge is hereby directed to appoint a settlement judge in this proceeding within fifteen (15) days of the date of this order. Such settlement judge shall have all powers and duties enumerated in Rule 603 and shall convene a settlement conference as soon as practicable after the Chief Judge designates a settlement judge. If the parties decide to request a specific judge, they must make their request to the Chief Judge within five (5) days of the date of this order.

(D) Within thirty (30) days of the appointment of the settlement judge, the settlement judge shall file a report with the Commission and the Chief Judge on the status of settlement discussions. Based on this report, the Chief Judge shall provide the parties with additional time to continue their settlement discussions, if appropriate, or assign this case to a presiding judge for a trial-type evidentiary hearing, if appropriate. If settlement discussions continue, the settlement judge shall file a report at least every sixty (60) days thereafter, informing the Commission and the Chief Judge of the parties' progress toward settlement.

(E) If settlement judge procedures fail and a trial-type evidentiary hearing is to be held, a presiding judge, to be designated by the Chief Judge, shall, within fifteen (15) days of the date of the presiding judge's designation, convene a prehearing conference in these proceedings in a hearing room of the Commission, 888 First Street, NE, Washington, DC 20426. Such a conference shall be held for the purpose of establishing a procedural schedule. The presiding judge is authorized to establish procedural dates and to rule on all motions (except motions to dismiss) as provided in the Commission's Rules of Practice and Procedure.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.