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California Energy Commission

DOCKETED

13-IEP-1D

TN 71774

JUL 29 2013

7/29/2013

Commissioners and Staff

California Energy Commission and Public Utilities Commission

RE: 13-IEP-1D CEC-CPUC Joint Workshop on Electricity Infrastructure Issues
Resulting from SONGS Closure, July 15, 2013
Honorable Commissioners and Staff:

On behalf of the California State University (CSU) System, we are providing our comments on CEC-CPUC Joint Workshop on Electricity Infrastructure Issues related to the closure of SONGS, held July 15, 2013 at UCLA.

CSU appreciates the comprehensiveness of the solutions discussed and presentations made in the workshop and would like to have the joint commission's support for our campuses participation in three areas.

One, CSU urges the joint commissioners to expand the energy supply, resource, and management solutions statewide. We are concerned that Once Through Cooling (OTC) generating facilities in northern California create similar power grid management challenges and opportunities and therefore should be included in the governor's report.

Second, with respect to Southern California Edison's proposal for a 'living pilot' CSU campuses in SCE territory stand ready to demonstrate micro-grid based demand side management solutions, including battery storage, load shifting, automated response and other viable technologies as they become available. We also recommend Pacific Gas and Electric (PG&E) adopt a similar program allowing CSU campuses in PG&E service territory to contribute to a solution. For your consideration we have highlighted some of our campuses current programs and opportunities.

CSU Campus Energy Initiatives and Program

CSU campuses provide particularly strong evidence of applied research programs in energy-related fields.

California State Polytechnic University, San Luis Obispo (Cal Poly SLO). Cal Poly SLO offers one of the best known and highest ranked¹ Electric Power Programs in the nation. The university has a rich history of applied research in electric power, energy engineering,

¹ Rated No. 1 public (No. 3 overall) primarily undergraduate programs in the USA, US News and World Report 2003-2009 continuously.

solar systems, alternative fuel and electric vehicle development, and is a well-established leader in undergraduate engineering education in these area.

CSU Chico (436kW PV) has an active Environmental Studies and Sustainability curriculum, including a professional Master's degree in Environmental Sciences.

Humboldt State University (750kW Cogen) is home to the Schatz Energy Research Center which serves the rural north coast region to provide model energy systems and projects as well as energy education.

CSU Long Beach's (635kW PV) Center for Energy and Environmental Research in the College of Engineering is a leader in development of wind powered energy advances and works closely with urban transportation initiatives.

CSU East Bay's (1MW PV 1.4MW Fuel Cell) Environmental Studies program has developed a model Energy and Environmental Studies curriculum, initiated the installation and monitoring of the 1MW campus photovoltaic systems, conducted many faculty-guided student-based studies of energy efficiency and renewable energy potential at CSU and in the surrounding communities, and the environmental implications thereof.

CSU Fresno (1.4MW PV) operates the Center for Irrigation Technology and the California Water Institute, both key to understanding and mitigating the water and energy uses of the state's agribusinesses. CSU Sacramento has created a Center for Micro Grid Development that is a national model, and is leading the region in terms of product testing of automated metering systems.

The CSU Sacramento (450 kBTU Solar hot water, 436kW PV) Center for Micro Grid Development provides practical solutions for stakeholders in industry, utilities, and the public sector. Through the excellent relationship that CSU Sacramento has with the City of Sacramento, community engagement and outreach is emphasized to demonstrate the benefits to consumers from every sector of our society.

San Jose State University (4.5MW Cogen) has created a Center for Energy Management and provides leadership in a number of energy-related areas, including energy efficiency technology such as next generation battery storage materials.

CSU Northridge (800kW solar, 1.4 MW Fuel Cell) has been at the forefront of energy research and has built a strong portfolio in distributed energy, including fuel cells, micro turbines, and solar photovoltaic systems.

San Diego State University (700kW PV, 14MW Cogen) researchers are working on a cognitive home management system through funding from the California Energy Commission. The project focuses on residential home energy management and in

particular on the development of smart meters and non-parametric embedded controllers for home demand response.

California State Polytechnic University, Pomona (Cal Poly Pomona) (700kW PV) is conducting research on Micro Grid technologies and cyber security through the Center for Information Assurance.

These are just a few of many exemplary stewards of applied research, education, and services entities within the CSU that are very productive, quality-oriented enterprises, and which will support Micro Grid Load Management 'living pilots' and related applied research projects.

Third, regarding certain Legacy Contracts, CSU understands that the staff's concept of legacy contracts does not include any QF who sells power to a utility and seeks to rely upon negotiation to address LDC – QF contract issues. However we urge the joint commission to preserve and protect the 'regulatory integrity' of the few remaining legacy contracts, allowing them to continue to operate un-encumbered through their expiration dates of approximately 2018.

The QF settlement does not address CSU's Channel Islands facility because it was a non-standard contract and as a result, the facility will be cycling back the plant as new compliance regulations will result in an unprofitable facility. CSU believes the unintended consequence of the AB – 32 emission compliance levied on top of existing facilities operating within current rules and regulations, creates a climate of uncertainty to which facility owners and developers are reluctant to invest in.

We thank you for your consideration of our proposed solutions and concerns.

Sincerely,



Len Pettis

Chief of Plant, Energy and Utilities
Capital Planning, Design and Construction

LGP:

cc: