



City of Banning Electric Department

December 22, 2016

John Mathias
California Energy Commission 1516 Ninth Street
MS-20 Sacramento, CA 95814
John.Mathias@energy.ca.gov

RE: City of Banning AB 2514 Compliance Filing Regarding Energy Storage Systems Procurement Target

Dear Mr. Mathias,

Pursuant to the requirements of Assembly Bill (AB) 2514 (Skinner, Chapter 469, Statutes of 2010), the City of Banning (Banning) hereby submits this report to the California Energy Commission (CEC) regarding its compliance with the energy storage (ES) system procurement targets and policies adopted by the Banning City Council.

On September 23, 2014, the Banning City Council determined, consistent with the Banning Electric Utility Department's (Department) evaluation, that the adoption of procurement targets for ES systems for either December 31, 2016 or December 31, 2021 was not appropriate due to lack of cost-effective energy storage system options. Therefore, no AB 2514 ES targets were set for 2016 or 2021. Attached please find Banning's Energy Storage Staff Report and Resolution No. 2014-65. Consistent with the 2014 Banning City Council ES procurement targets determination, the Department has not made any new ES commitments to date, for the reasons stated in the ES Staff Report and ES Resolution.

The Department continues to evaluate advances in ES systems and closely monitors other utilities' investments in ES systems. In anticipation of the next AB 2514 compliance filing in October 2017, the Department is collaborating with other municipalities and the Southern California Public Power Authority's (SCPPA) Energy Storage and Renewable Working Groups to actively review new and existing technologies for any ES pilot project opportunity. The SCPPA Energy Storage Working Group meets monthly, and brings in storage technology vendors, storage project

developers, storage control and analysis software vendors, and holds detailed ES discussions with fellow utilities.

Please contact Jim Steffens (jsteffens@ci.banning.ca.us, 951-922-3266), Power Resources & Revenue Administrator, with any questions about Banning's ES procurement target determinations.

Sincerely,



Fred Mason
Electric Utility Director
City of Banning