November 18, 2016

Mr. John Mathias
California Energy Commission
1516 Ninth Street MS-20
Sacramento, CA 95814

Re: Energy Storage Compliance Report pursuant to California Public Utilities Code Section 9506

Dear Mr. Mathias:

On February 14, 2012 pursuant to section 2836 (b) (1) of the California Public Utilities Code ("PUCode") the TID Board initiated the process of evaluating the viability of energy storage systems and to determine appropriate procurement targets. On September 23, 2014 the TID Board determined that energy storage systems were not cost effective at that time and therefore elected not to establish procurement targets.

Since the TID Board did not establish energy storage systems procurement targets, TID has not procured or attempted to procure energy storage systems. However, TID believes that energy storage systems will be a viable resource in the future and plans to continually monitor developments in this area and reevaluate the cost-effectiveness of energy storage systems. Furthermore, pursuant to section 2836 (b) (3) of the PUCode TID is currently in the process of reevaluating energy storage systems to determine what, if any, energy storage systems procurement targets to adopt on or before October 31, 2017.

Please contact me if you have any questions.

Sincerely,

[Signature]

Willie Manuel
Resource Planning Department Manager
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