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January 17, 2020

VIA, ELECTRONIC FILING
The Honorable Jocelyn Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re:
- **Docket 2019-393-E**
- South Carolina Solar Business Alliance, Inc.'s E-filing on January 16, 2020 in Docket 2019-184-E

Ms. Boyd:

On January 16, 2020, I e-filed the attached correspondence on behalf of the South Carolina Solar Business Alliance, Inc. My correspondence was appropriately e-filed in Docket 2019-184-E, but because of the subject matter of Docket 2019-393-E, I believe it is also appropriate to file this correspondence in this Docket, as information. Please let me know if you have any questions/concerns.

Respectfully submitted this 17th day of January, 2020.

WHITT LAW FIRM, LLC

/s/Richard L. Whitt
Richard L. Whitt,
As Counsel for the South Carolina Solar Business Alliance, Inc.

RLW/cas

cc: All parties of Record in Docket 2019-393-E, *via electronic mail*

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January 16, 2020

VIA, ELECTRONIC FILING
The Honorable Jocelyn Boyd,
Chief Clerk/Executive Director,
The Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re:
- Docket 2019-184-E
- Request of the South Carolina Solar Business Alliance, Inc.

Ms. Boyd:

The South Carolina Solar Business Alliance, Inc., ("SCSBA"), respectfully requests that this Commission move Dominion Energy South Carolina, Incorporated's ("DESC"), December 30, 2019, filing of its Rate PR – Qualifying Facility Storage ("Storage Tariff") to Docket 2019-184-E where it will be evaluated pursuant to the requirements of Act 62.

The SCSBA also requests that this Commission provide further opportunity for intervention of any additional parties that have an interest in the review and approval of DESC's Storage Tariff.

Finally, the SCSBA requests that this Commission schedule a status conference to discuss relevant filing requirements and a procedural schedule for meeting the statutory requirements of Act 62, as they pertain to the avoided cost rates and contract terms and conditions available to solar with storage facilities, as well as DESC's Storage Tariff.

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The proposed Storage Tariff includes both terms and conditions – which would have the same binding effect as PPA terms and conditions (except that they might not be negotiable among the parties) – and also proposed rates for solar plus storage facilities. Presumably those rates are based on some calculation methodology, although DESC provided no clarifying information.

There are many aspects of the DESC Storage Tariff that warrant Commission review and comment by interested parties. For example, the tariff includes a number of operating requirements and restrictions that are highly restrictive and are not supported by any evidence provided by DESC in its tariff filing. For instance, the Storage Tariff requires that DESC be given full dispatch control of the storage facility and that a Storage QF be at least 5 MW-AC and represent no more than 25% of the power production capacity of the Generating QF. The tariff is also limited in its availability to a total capacity amount of 100 MW-AC, an arbitrary limitation that SCSBA believes is contrary to the Settlement Agreement. Finally, the proposed Storage Tariff is not available to Generating QFs with an existing PPA, which SCSBA believes is inappropriate on a number of legal and policy grounds.

Act 62 requires that these issues be considered by this Commission in the avoided cost docket, for several reasons. First, to the extent the Storage Tariff includes rates that are calculated based on an avoided cost methodology,[1] Act 62 requires that they be considered according to the procedures set forth in Section 58-41-20.

That Section requires that, "Proceedings shall include an opportunity for intervention, discovery, filed comments or testimony, and an evidentiary hearing." And Section 58-41-20(B) establishes standards by which avoided cost methodologies, calculations, and rates are to be assessed by this Commission, requiring that:

> "…the commission shall treat small power producers on a fair and equal footing with electrical utility-owned resources by ensuring that:
> (1) rates for the purchase of energy and capacity fully and accurately reflect the electrical utility's avoided costs;
> (2) power purchase agreements, including terms and conditions, are commercially reasonable and consistent with regulations and orders promulgated by the Federal Energy Regulatory Commission implementing PURPA; and

[1] The proposed rates are not based on any avoided cost methodology approved by this Commission.

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> (3) each electrical utility's avoided cost methodology fairly accounts for costs avoided by the electrical utility or incurred by the electrical utility, including, but not limited to, energy, capacity, and ancillary services provided by or consumed by small power producers including those utilizing energy storage equipment. Avoided cost methodologies approved by the commission may account for differences in costs avoided based on the geographic location and resource type of a small power producer's qualifying small power production facility."

It is the SCSBA's view that Act 62's requirements for Commission employment of a third-party consultant (Section 58-41-20(I)) and the Act's transparency requirements (Section 58-41-20(J)) are generally applicable to the review and approval of DESC's Storage Tariff, as well as any additional terms, conditions, rates or other considerations related to the treatment of solar with storage facilities as required by Section 58-41-20 of Act 62.

In addition, Section 58-41-20(A) requires that this Commission, "…approve one or more standard form power purchase agreements for use for qualifying facilities not eligible for the standard offer." In the event that a single form power purchase agreement is not sufficient to accommodate multiple technologies, as is the current case with DESC, Section 58-41-20(A) provides that, "The commission may approve multiple form power purchase agreements to accommodate various generation technologies and other project specific characteristics." As discussed, the proposed Storage Tariff includes several terms that are the equivalent to PPA terms and conditions. Because the form power purchase agreement adopted in Order No. 2019-847 does not account for solar facilities that choose to add storage, additional Commission review and approval of a yet-to-be proposed form power purchase agreement is required under the Act.[2]

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[2] In Order No. 2019-847, issued on December 9, 2019 in the DESC Avoided Cost Docket (2019-184-E), this Commission declined to order DESC to file PPA terms related to storage based on the understanding that "Under the prior settlement agreement, DESC is required to make a filing by December 31, 2019 regarding Energy Storage contract terms." Order No. 2019-847 at 68. (This Commission has not reconsidered that aspect of its Order.) Because DESC has **not** filed contract terms related to energy storage along with its proposed tariff, the SCSBA requests the opportunity to either propose contract terms of its own or ask this Commission to direct DESC to file such terms in that docket.

In summary, the SCSBA is requesting that this Commission:

1. Not consider DESC's Storage Tariff filing for approval at this time and provide interested parties an additional opportunity to intervene;

2. Set a procedural schedule in consultation with the parties; and

3. Evaluate the DESC Storage Tariff in the Act 62 avoided cost docket, 2019-184-E, because (a) the Storage Tariff necessitates changes to the form power purchase agreement or creation of new form power purchase agreements, and (b) Section 58-41-20(A)(2) includes evaluation of the costs and benefits of storage in the avoided cost methodology.

Respectfully Submitted,
WHITT LAW FIRM, LLC

/**S**/Richard L. Whitt
Richard L. Whitt,
As Counsel for the South Carolina Solar Business Alliance, Inc.

RLW/cas

cc: All parties of record in Docket 2019-184-E, *via electronic mail*

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