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**California Efficiency + Demand Management Council Oral Statement  
on RDRR Bidding Enhancements Track 1 at March 16, 2022 CAISO Board of Governors Meeting**

Good afternoon. My name is Greg Wikler and I am the Executive Director of the California Efficiency + Demand Management Council.

Thank you for the opportunity to address the Board of Governors on the CAISO's Reliability Demand Response Resources Bidding Enhancements Track 1 stakeholder initiative. I would also like to thank CAISO staff for moving this initiative forward as quickly as they have to ensure compliance FERC Order 831 while preserving the appropriate role of RDRRs as emergency resources to be deployed when reliability and market conditions are most extreme.

The Council acknowledges the choice the CAISO faced in complying with Order 831 while preserving the parameters and role of the RDRR product. Order 831 requires resources bidding above the soft cap to base their bids on verifiable costs. However, the CAISO recognized that the fundamental nature of DR often renders its marginal costs extremely difficult to calculate. The CAISO rightly continues to observe the provisions of the settlement agreement approved in CPUC Decision 10-06-034, to which the CAISO was a party. This settlement agreement recognized that customers participating in RDRR have a high strike price well above the running cost of conventional resources. Therefore, we believe the proposed tariff revisions are consistent with the CAISO's commitments and recommend the Board approve them.

Thank once again for this opportunity to provide this oral statement. I am happy to answer any questions the Board may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Wikler".

Greg Wikler  
Executive Director  
California Efficiency + Demand Management Council