

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



FILED

08/25/22

11:16 AM

Rulemaking 22-07-005
(Filed July 14, 2022) R2207005

Order Instituting Rulemaking to Advance
Demand Flexibility Through Electric Rates.

**REPLY COMMENTS OF THE
CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL, CPOWER, AND
LEAPFROG POWER, INC. ("JOINT PARTIES") ON
THE ORDER INSTITUTING RULEMAKING TO ADVANCE DEMAND FLEXIBILITY
THROUGH ELECTRIC RATES**

Dated: August 25, 2022

Joseph Desmond
Executive Director
**California Efficiency + Demand
Management Council**
849 E. Stanley Blvd #294
Livermore, CA 94550
Telephone: (925) 785-2878
E-mail: policy@cedmc.org

Jennifer A. Chamberlin
Executive Director,
Market Development
CPower
2475 Harvard Circle
Walnut Creek, CA 94597
Telephone: 925-433-2165
E-mail: JAC@CPowerEnergyManagement.com

Luke Tougas
Consultant for
**California Efficiency + Demand
Management Council**
849 E. Stanley Blvd #294
Livermore, CA 94550
Telephone: (510) 326-1931
E-mail: l.tougas@cleanenergyresearch.com

Connor Waldoch
Senior Manager,
Policy & Regulatory Affairs
Leapfrog Power, Inc.
1700 Montgomery Street, Suite 200
San Francisco, CA 94111
Telephone: 630-815-4077
E-mail: marketdev.caiso@leap.ac

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Advance
Demand Flexibility Through Electric Rates.

Rulemaking 22-07-005
(Filed July 14, 2022)

**REPLY COMMENTS OF THE
CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL, CPOWER, AND
LEAPFROG POWER, INC. (“JOINT PARTIES”) ON
THE ORDER INSTITUTING RULEMAKING TO ADVANCE DEMAND FLEXIBILITY
THROUGH ELECTRIC RATES**

I. INTRODUCTION

The California Efficiency + Demand Management Council (the Council), CPower, and Leapfrog Power, Inc. (“Leap”), (jointly, “the Joint Parties”) appreciate this opportunity to submit their Reply Comments on the Order Instituting Rulemaking to Advance Demand Flexibility Through Electric Rates (“OIR”), pursuant to Rule 6.2 of the Rules of Practice and Procedure of the California Public Utilities Commission (“CPUC” or “Commission”), the instructions accompanying the OIR issued July 22, 2022, and the instructions contained in the E-mail from Shane Gutto, dated July 22, 2022.

**II. COMPLETION OF RESIDENTIAL RATE REFORM SHOULD NOT DELAY
CONSIDERATION OF THE REMAINING SCOPING ISSUES**

Pacific Gas and Electric Company (“PG&E”), Southern California Edison Company (“SCE”), and San Diego Gas & Electric Company (“SDG&E”) universally recommend that residential rate reform should come before dynamic rate design issues are addressed. PG&E recommends addressing Issues A, B, and C in a Track 1 and would only address the remaining issues beginning in early 2024.¹ SCE recommends a Track 1 that addresses Issues A, B, and K, a Track 2 that addresses Issues E and I, and a Track 3 addressing Issues C, D, F, G, H, I, J, K, L, and M only after Track 1 is completed.² Similarly, SDG&E recommends that the Commission

¹ PG&E Opening Comments, at Appendix A.

² SCE Opening Comments, at p. 10.

prioritize updating the Rate Design Principles prior to developing other rate elements or the other issues within the preliminary scope.³

The Joint Parties strongly urge the Commission not to prioritize addressing residential rate reform issues at the expense of the other issues, especially those pertaining to dynamic rates. Several parties have been trying since 2018 to move the ball forward on real-time pricing (“RTP”) with Petition 18-11-004 requesting that the Commission 1) open a rulemaking to consider whether to order PG&E, SCE, and SDG&E to offer optional RTP tariffs to all customer classes, and 2) consider certain demand charge reforms.⁴ The Joint Parties acknowledge that residential rate reform issues are critical and that the Commission is bound by the requirements in Assembly Bill 205 (2021-2022).

However, the Commission should not again delay consideration of dynamic rate issues because it would likely push out their disposition to an unacceptably distant point in the future. PG&E’s proposed schedule would have the Commission addressing these issues beginning in early 2024; assuming Issues A and B were addressed within PG&E’s proposed timeframe, it is very likely a final decision on dynamic rates issues would not come until 2025 at the earliest and possibly even 2026.

The Joint Parties respectfully urge the Commission not to delay consideration of these issues. Though there is some degree of dependency among some of the preliminary scoping issues, the Joint Parties believe that the Commission can safely address Issues A, B, D, and E in one track while Issues C, F, G, H, I, J, K, L, and M are addressed in a concurrent or slightly staggered track.

IV. CONCLUSION

The Joint Parties appreciate the Commission’s consideration and the opportunity to provide Reply Comments on the OIR.

³ SDG&E Opening Comments, at p. 3.

⁴ Petition of the California Solar & Storage Association, California Energy Storage Association, Enel X, Engie Services, Engie Storage, OhmConnect, Inc., Solar Energy Industries Association, and Stem, Inc. to Adopt, Amend, or Repeal a Regulation Pursuant to Public Utilities Code Section 1708.5 (“P.18-11-004.”)

Dated: August 25, 2022

Respectfully submitted,

/s/ JOSEPH DESMOND

JOSEPH DESMOND

On behalf of the Joint Parties (California Efficiency
+ Demand Management Council, CPower, and
Leapfrog Power, Inc.)

849 E. Stanley Blvd #294

Livermore, CA 94550

Telephone: 925-785-2878

E-mail: policy@cedmc.org