



DR, DERs + Resilience Committee

August 1, 2023



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Today's Agenda

• Issues/Topics

- Council's Phase 2 DR opening brief
- Incentive-based Supply Side DR QC working group kick-off
- Council comments on CAISO Rules of Conduct Enhancements
- Council response to IGFC ruling
- CEC approval of updated DSGS guidelines
- Quick hits
- Open discussion on consultant SoW & Data Working Group in R.22-11-013



Council's Phase 2 DR opening brief

- On 7/14, the Council submitted its [opening brief](#) on the IOUs' 2024-2027 DR program applications
- Primary recommendations:
 - Continued to stress the need for competitive parity between IOUs and 3P DR
 - Opposed the PG&E and SCE proposed Capacity Bidding Program (CBP) nomination schedules
 - Supported maintaining the current Emergency Load Reduction Program (ELRP) compensation levels
 - Should eliminate the ELRP A.6 opt-out
 - Need an ELRP Group B minimum dispatch requirement
 - There should be universal eligibility for technology incentives w/ participation in qualifying DR programs
 - Should develop a 2-hour dispatch DR product
- Next steps: Reply briefs due on 8/11

Incentive-based Supply Side DR QC working group kick-off

- On 7/27, the Energy Division & CEC Staff kicked off the Incentive-Based Supply-Side DR Qualifying Capacity (QC) Working Group
- Purpose of the meeting was to refresh the background, establish the format and schedule of future meetings
- WG will have 3 phases to address these elements:
 - Refine the formula for the Bid Normalized Load Impact (BNLI) metric
 - Refine the design of the penalty structure
 - Develop the enforcement mechanism
- Plan to begin on 8/10, hold 2-hour meetings every other Thursday afternoon
- Finalized elements will be tested in 2025 DR QC process in parallel w/ LIP process; final modifications will be made by ED & CEC by EOY 2024 for consideration in Resource Adequacy proceeding

Council comments on CAISO Rules of Conduct Enhancements

- On 7/19, the Council submitted [comments](#) on the CAISO Rules of Conduct Enhancements Track 1 [straw proposal](#)
- Council comments
 - Support proposed revisions to meter data penalties that would 1) set the penalty for inaccurate SQMD at the lower of 30% of error's absolute value (one-time) or \$1,000/trading day; and 2) implement an automatic notice for missing data
 - Support Track 2 scope to include submission requirements and penalty structures for DR customer load baseline monitoring data
 - Recommended that Track 2 scope also include a cure period for corrected monitoring data
- Next steps:
 - Expect a final Track 1 Straw Proposal on 8/1 and a draft Track 2 straw proposal on 9/18

Council response to IGFC ruling

- Responses to the [ALJ's Ruling](#) due 7/31 re: Income Graduated Fixed Charge implementation pathways
- The Council submitted [opening comments](#) that remained high level and principle-focused in scope
- Primary themes included:
 - Severe concern re: statutory permission for (some) impairment of demand side resources,
 - Concerns re: potential for IGFC to harm demand-side resources, if severe enough, through muffling price signals or altering CE considerations
 - Need to ensure community input is sought and incorporated into upcoming IGFC
 - Need to conduct/pursue pilot IGFCs
- Next steps: Reply comments are due August 11



2nd Round of DSGS Guidelines Adopted

- At its 7/26 Business Meeting, the CEC [adopted](#) the second edition of its [DSGS program guidelines](#)
- The CEC adopted the following changes (among others) that were recommended by the Council in its most recent comments:
 - Generally received further clarification on the bonus incentive for Opt. 2 and 3
 - Removed most of the attestation requirements (leading towards potential jailtime for non-compliers) for all 3 incentive options
 - Incentive Option 2 Demonstrated Capacity to be calculated once per summer season as requested
 - Chapter 5: Incentive Option 3: Market-Aware Behind-the Meter Battery Storage Pilot states that DSGS providers must “Receive authorization to participate in the DSGS Program from each participating customer.”
 - Received clarification that customers can authorize the use of their device

Quick hits

- On 7/27, the CEC issued a new [OIP](#) in 21-ESR-01 re: the Integrated Energy Policy Report (IEPR) to “further explore, collect information, conduct assessments, and support recommendations for ensuring grid reliability in California’s energy future”; no public events have been scheduled to date
- On 7/28, SCE submitted Supplemental Testimony in A.22-05-002 et al to increase the Base Interruptible Program (BIP) incentive for sub-transmission customers in light of expected more frequent dispatches; CPUC denied it w/o prejudice but SCE is attempting to re-file
- On 8/8, the Energy Division will convene a Workshop for Load Impact Protocols (LIP) Simplification to discuss ideas on how the LIP process and requirements might be simplified

Open discussion on consultant SoW & Data Working Group in R.22-11-013

- On 7/17, CPUC issued a [ruling](#) laying out several questions for party feedback regarding the Data Working Group (WG) and the scope of work for a consultant to be hired to facilitate, coordinate, and manage it
- Proposes that Data WG include providing actionable recommendations or solutions on these topics:
 - Identify types of data needed to:
 - Enable customers & other entities to make informed decisions on selecting, adopting, evaluation, and utilizing DERs
 - Increase accuracy of demand forecast from the DER load
 - Align w/ other DER-related proceedings, esp. R.22-07-005, R.21-06-017, Building Decarbonization proceeding, and Gas Decommissioning OIR
 - Enable local governments to know impacts of DERs for public safety and planning
 - Other data needs
 - Identify additional use cases for each type of data
 - Identify any barrier to obtaining data
 - Provide recommendations and/or solutions to existing barriers
 - Identify unresolved barriers, gaps, and/or issues
 - Identify any applicable privacy law by use case
- Data WG should include IOUs, State agencies, local & tribal governments, third-party implementers, CBOs, and other interested parties; it should meet at least once/month over no more than six months
- Feedback is requested by 8/11 on 1) draft consultant SoW, 2) scope of Data WG, and 3) membership of Data WG

Discussion & Q&A

Thank You!

Please contact us if you have any questions.

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