



DR, DERs + Resilience Committee

October 3, 2023



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Today's Agenda

• Issues/Topics

- Final decision in Click-Through proceeding (A.18-11-015 et al)
- Expanded dynamic rate pilot proposals and Council opening comments
- Responses to CLECA PfM of RA Decision 23-06-029
- Opening briefs on DRAM disposition



Final decision in Click-Through proceeding (A.18-11-015 et al)

- On 9/28, the CPUC issued [Decision 23-09-006](#) approving the IOUs' click-through enhancement applications
- Background
 - IOUs directed to submit applications to improve the click-through process (CTP) utilized by customers to authorize IOU sharing of customer data with DRPs
 - The current CTP involves a customer starting on the DRP's website, presented with a pop-up from the IOU website where they enter their credentials and select the parameters of their data authorization, then are re-directed back to the DRP
 - This CTP has proven to be problematic for many reasons which has led to a high rate of customers failing to complete the authorization process
 - The IOUs were directed to submit applications containing proposals and budgets to make several specified improvements to the CTP, including an API-based solution that would avoid customers being sent to IOU web pages to input credentials
- Key issues
 - Alternate Solution Proposal: IOUs oppose adopting the API-based solution b/c it is duplicative of current CTP, would be too expensive, and higher risks to customer privacy; DRPs want it because it is faster and more reliable which would reduce customer attrition during authorization process
 - Relevance of IOU proposals: The IOU proposals have aged and need to be updated
 - Service Level Agreement: Mission:data & Ohmconnect advocated for an SLA to guarantee 99.8% CTP uptime
 - Additional elements: OhmConnect advocated for IOUs providing error codes to DRPs when a customer fails to authorize data sharing
 - Future changes to CTP customer experience: Mission:data advocated for restrictions on changing the customer-facing authorization experience w/o CPUC approval

Expanded dynamic rate pilot proposals and Council opening comments

- On 8/15, the CPUC issued a [ruling](#) in the Demand Flexibility proceeding (R.22-07-005) proposing to expand & extend the existing dynamic rate pilots approved in D.21-12-015
- ED cited good initial results so expanding them will enhance summer reliability; other cited benefits include:
 - Increase customer & 3P understanding of operational needs & benefits of load management under dynamic rates
 - Provide utilities & CCAs w/ experience in offering dynamic rates to different customers to advance deployment timelines to meet requirements under LMS
 - Explore new flexible demand use cases/technologies
 - Support expedited achievement of LSR under SB 846



Expanded dynamic rate pilot proposals and Council opening comments (cont.)

- Expanded Pilot #1 (VCE/PG&E “AgFIT” Pilot)
 - Remove VCE 5 MW peak load enrollment cap & expand to other agricultural end uses
 - Purpose: Increase customer & 3P understanding of operational needs & benefits of load management under dynamic rates
 - Extend pilot beyond May 2024 to December 2027
 - Open to bundled & unbundled ag. customers in PG&E service area
 - Incremental budget of \$2.25M for vendor fees, systems & technology, and program administration (same as ‘22-’24)
 - Same rate design and use of shadow billing



Expanded dynamic rate pilot proposals and Council opening comments (cont.)

- Expanded Pilot #2 (VCE/PG&E “AgFIT” Pilot)
 - Allow participation of bundled & unbundled customers on B-19 (max. demand 500-999 kW), B-20 (max. demand >1,000 kW), and E-ELEC rates b/c they have potential to provide significant flex. load responses
 - Purpose: Include certain customer classes that have the potential to provide significant flexible load responses to dynamic prices
 - Extend pilot beyond May 2024 to December 2027
 - Incremental \$750K for program administration, incl. billing, evaluation, and ME&O (same as ‘22-’24)
 - Same rate design and use of shadow billing



Expanded dynamic rate pilot proposals and Council opening comments (cont.)

- Expanded Pilot #3 (SCE Dynamic Rate Pilot)
 - Expand eligibility to include Charge Ready Program participants to meet DR participation requirement
 - Purpose: Ensure current pilot participants maintain participation; also, there are many participants in the validation queue
 - Extend pilot beyond May 2024 to December 2027
 - Incremental budget of \$1.25M for vendor fees, systems & technology, and program administration
 - Same rate design and use of shadow billing



Expanded dynamic rate pilot proposals and Council opening comments (cont.)

- ME&O and customer eligibility
 - PG&E and SCE to conduct mid-term (12/31/25) and final (3/1/28) evaluations of expanded pilots with same scope as existing pilot evaluations
 - Customer eligibility rules intended to avoid problems w/ attribution and double compensation
 - Participating customers are excluded from simultaneous participation in:
 - Supply-side DR programs counted for Resource Adequacy (excl. BIP/AP-I)
 - Emergency Load Reduction Program
 - Flex Market Pilot
 - SDG&E Power Your Drive Pilot
 - PG&E Day-Ahead Hourly Real-Time Pricing Pilot
 - Critical peak pricing
 - Event-based load-modifying DR programs or pilots



Expanded dynamic rate pilot proposals and Council opening comments (cont.)

- Customer Eligibility (cont.)
 - Participating customers may also participate in:
 - TOU, electrification rates, PG&E Smart Rate tariffs
 - NEM and NBT tariffs
 - NEM/NBT customers w/ EVs
 - BIP and AP-I
 - BTM storage within Rule 21-approved power levels
 - Certain EVSE equipment under specific conditions
 - Sub-metered devices rather than entire site
 - IOUs are encouraged to engage 3P providers through contractual agreements under proposed incremental funding



Expanded dynamic rate pilot proposals and Council opening comments (cont.)

- Council submitted [opening comments](#) on 9/25
 - Generally supported expanding all 3 pilots
 - Proposed budgets will likely be a constraint on growth, especially if IOUs are intended to contract w/ third parties
 - Extending expanded pilots through 2027 would coincide w/ next IOU DR program application
 - Enrollment for expanded pilots should begin prior to June 2024
 - Oppose any prohibitions on dual participation with supply-side DR and ELRP; this should be tested with these pilots to assess different performance measurement methodologies
 - Highlighted need for greater diversity among AgFIT participants incl. w/o automation technologies and TOU customers w/ automation technologies
- Next steps
 - ED had reached out to CEDMC, CESA, and VGIC asking us to coordinate our responses and offered to meet with us separately; we reached out to CESA and VGIC but received no response
 - Reply comments due on 10/9

Responses to CLECA PFM of RA Decision 23-06-029

- Background
 - On 8/24, the California Large Energy Consumers Association (CLECA) filed a Petition for Modification of [D.23-06-029](#)
 - Focused primarily on the impact of reducing the RDRR activation threshold from CAISO EEA 2 to EEA Warning, in light of July 20 BIP Exceptional Dispatches for 4-19 minutes under EEA 1 conditions
 - Requested relief:
 - Allow economic bid under EEA Watch but Exceptional Dispatch immediately prior to EEA 2
 - Defer implementation of RDRR dispatch change until CAISO tariff can be revised to permit accurate reflection of RDRR fixed start-up costs and operating parameters
 - Allow participants to opt out or change their Firm Service Level
 - Suspend elimination of TLF and PRM Adders until a comprehensive DER policy can be developed

Responses to CLECA PfM of RA Decision 23-06-029 (cont.)

- Parties submitted responses to the PfM on 9/25
 - Council submitted [response](#) w/ CEERT, CPower, Enel X, Leap, and OhmConnect
 - Highlighted how the PfM aligned with arguments made in the AfR w.r.t. 1) failure of decision to support its “clarification” of RDRR activation threshold and to consider the repercussions of taking immediate effect, and 2) elimination of the TLF and PRM adders
 - SCE shares CLECA’s “very valid concerns” and recommends CPUC revisit the decision on RDRR dispatch
 - PG&E expressed its continued concern re: BIP participation and future viability of RDRR resources

Responses to CLECA PfM of RA Decision 23-06-029 (cont.)

- CAISO
 - Changes to the CAISO tariff re: how RDRR is deployed are outside the scope of this proceeding and should be taken up with the CAISO directly and done through the stakeholder process
 - Changes to CAISO operating procedures are outside of the CPUC's jurisdiction
 - Refuted CLECA's characterization of the July 20 event that a short dispatch was a departure from how BIP has always been used; CAISO claimed that the difference was only procedural b/c in the past it had to declare an EEA 2 when utilizing RDRR
- Next steps: CLECA has been authorized to respond to party comments by 10/5

Opening briefs on DRAM disposition

- On 10/2, opening briefs on the long-term disposition of the DRAM were submitted by Leap, Voltus, PG&E, SCE, SDG&E, and PAO (A.22-05-002 et al)
- PAO
 - CAISO market bid prices have been too high which reduces dispatch
 - DRPs often failed to meet min. energy requirement or overstate capacity
 - DRAM resources not being dispatched during high grid stress
 - Invoices are being overstated
 - Eliminating DRAM will allow IOUs to conduct needs-based solicitations
 - DRPs now have multiple pathways to sell their DR
- Next steps: Reply briefs then a proposed decision later this year



Discussion and Q&A

Thank You!

Please contact us if you have any questions.

Joe Desmond – jdesmond@cedmc.org

Clark McIsaac – cmcisaac@cedmc.org

Kira Kimick – admin@cedmc.org

www.cedmc.org

