



March 19, 2024

Via E-Mail (EDTariffUnit@cpuc.ca.gov)

California Public Utilities Commission

Attention: Tariff Unit

505 Van Ness Avenue

San Francisco, CA 94102

**RE: Advice Letter (AL) 7193-E (Pacific Gas & Electric Company)
Detailing the Automated Response Technology Program, in Compliance
with Decision 23-12-005
RESPONSE OF CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT
COUNCIL**

Dear Energy Division Tariff Unit:

On February 28, 2024, Pacific Gas and Electric Company (“PG&E”) submitted an Advice Letter (“AL”) in compliance with Ordering Paragraph (“OP”) 25 of California Public Utilities Commission (“Commission” or “CPUC”) Decision (“D.”) 23-12-005, requiring PG&E to submit a Tier 3 advice letter detailing the full program characteristics of the Automated Response Technology (“ART”) program. In the AL, PG&E requests approval to enable availability of the ART program to customers ahead of the 2024 summer season, and authority to submit advice letters as necessary to implement revisions to the ART program consistent with a final resolution. The California Efficiency + Demand Management Council (the “Council”) appreciates the opportunity to respond to this AL filing.

Background

The Council is a statewide trade association of non-utility businesses that provide energy efficiency, demand response, and data analytics services and products in California.¹ Our member companies employ many thousands of Californians throughout the state. They include energy efficiency (“EE”), demand response (“DR”), and distributed energy resources (“DER”) service providers, implementation and

¹ Additional information about the Council, including the organization’s current membership, Board of Directors, antitrust guidelines and code of ethics for its members, can be found at <http://www.cedmc.org>. The views expressed by the Council are not necessarily those of its individual members.

evaluation experts, energy service companies, engineering and architecture firms, contractors, financing experts, workforce training entities, and energy efficient product manufacturers. The Council's mission is to support appropriate EE, DR, and DER policies, programs, and technologies to create sustainable jobs, long-term economic growth, stable and reasonably priced energy infrastructures, and environmental improvement.

COUNCIL RESPONSE

I. PG&E's request should be approved to ensure that the smart thermostats currently enrolled in the Bring Your Own Thermostat program continue to provide reliability.

The Council generally supports the ART program design as proposed for several reasons. First, it retains the customers currently enrolled in PG&E's Bring Your Own Thermostat ("BYOT") program. As expressed in the Opening Comments of the California Efficiency + Demand Management Council, Leapfrog Power, Inc., and OhmConnect, Inc. on Proposed Decision Directing Certain Investor-Owned Utilities' Demand Response Programs, Pilots, and Budgets for the Years 2024-2027 ("Proposed Decision"), it is critical to ensure these participants not be lost during the sunset of the SmartAC program and the ramp-up of the ART program.² Another key element of the ART program is the opportunity it provides to the customers of contracted DR and DER providers (referred to as "Providers" in the AL) that possess eligible smart technologies. With the likely sunset of the Demand Response Auction Mechanism ("DRAM") Pilot, this will provide another channel for Providers with residential customers to deliver their valuable DR capacity. Also, the Council is intrigued by the creativity behind the program's pay-for-performance model in conjunction with capacity payments because it will hopefully motivate high performance while reducing performance risk, and lower an important barrier to customer and Provider participation. Finally, the 24 x 7 availability is well-suited for the Slice-of-Day Resource Adequacy framework and will hopefully unlock DR resources that can provide load curtailment in traditionally less orthodox windows of availability.

II. PG&E should expand the ART to other smart technologies as expeditiously as possible.

The Council appreciates that the initial iteration of the ART program will include smart thermostats, heat-pump water heaters ("HPWH"), electric vehicle ("EV") chargers, and batteries. Such a relatively broad range of technologies will hopefully attract a similarly broad range of Providers and a large number of customers with multiple smart technologies. The Council recommends that PG&E also expand ART program eligibility

² Joint Parties Opening Comments on Proposed Decision, submitted on November 28, 2023 in A.22-05-002, et al. (DR Programs), at p. 13.

to other smart meter technologies as quickly as is reasonable in order to maximize the amount of capacity delivered.

III. Providers should be allowed to manage customer acceptance of ART program Terms & Conditions.

Under *Customer Acceptance of Terms & Conditions* of the Electric Schedule E-ART, “customers will be required to accept the program terms and conditions at the time of enrollment.”³ It then specifies that customer disenrollment requests and any disputes that may arise are matters to be addressed between a customer and its Provider. The Council is concerned that requiring Providers’ customers to directly accept PG&E’s Terms & Conditions could cause confusion for these customers who may not even be aware of what program they are enrolled in. The Council recommends that participating Providers be required to accept PG&E’s Terms & Conditions on behalf of their customers; the ART program Terms & Conditions could then be communicated by Providers, and acquiesced to by their customers, in a way of their choosing. This would avoid any customer confusion over whether they are enrolled with PG&E or their Provider, and avoid any potential bottlenecks in ART program uptake.

CONCLUSION

The Council recommends that the advice letter be expeditiously approved for the reasons provided above.

Respectfully submitted,

March 19, 2024

JOE DESMOND

Joe Desmond

Executive Director

California Efficiency + Demand Management Council

policy@cedmc.org

³ Advice Letter 7913-E (PG&E), at Attachment 2, page 2.

cc (E-Mail):

Rachel Peterson
Executive Director
California Public Utilities Commission
E-Mail: rachel.peterson@cpuc.ca.gov

Leuwam Tesfai
Deputy Executive Director for Energy and
Climate Policy
California Public Utilities Commission
E-Mail: leuwam.tesfai@cpuc.ca.gov

Sidney Bob Dietz II
Director, Regulatory Relations
Pacific Gas and Electric Company
c/o Megan Lawson
E-Mail: PGETariffs@pge.com

cc: Electronic Service to Service List in A.22-05-002, et al. (Demand Response Programs)