

From: [Redacted]
Sent: 8/24/2011 8:28:45 AM
To: Morgenstern, Joy (joy.morgenstern@cpuc.ca.gov); hcf@cpuc.ca.gov (hcf@cpuc.ca.gov); dnl@cpuc.ca.gov (dnl@cpuc.ca.gov); Liang-Uejio, Scarlett (scarlett.liang-uejio@cpuc.ca.gov) (scarlett.liang-uejio@cpuc.ca.gov); Brooks, Donald J. (donald.brooks@cpuc.ca.gov) (donald.brooks@cpuc.ca.gov)
Cc: Dietz, Sidney (/O=PG&E/OU=Corporate/cn=Recipients/cn=SBD4) [Redacted]
[Redacted]

Bcc:

Subject: RE: Preliminary Agenda and Discussion Items for June 15th, 2011

Dear Scarlett, Hazlyn, Donald, Joy and Doris,

Thanks for meeting with us yesterday to discuss the Resource Adequacy issues for DR. I hope you all found it as useful as we did.

As we discussed at the end of the meeting yesterday, it would also be useful for us to continue the broader discussion with you on DR, the CAISO markets and RA in a general way. Let me know what topics would be of most interest to you. Perhaps we can meet again in a couple of weeks. One idea for our next meeting might be discuss how DR value is created. This is addressed briefly in the PG&E Rebuttal Testimony in the 2012-2014 DR application p. 7-1 to 7-7. It may be useful to go over that in a next meeting.

I'll check with Scarlett or Hazlyn on setting up another meeting.

Ulric's email below covers the barriers to DR bidding as PDR/RDRP and the current list of issues we are beginning to discuss with the CAISO to overcome the barriers. Please contact Ulric to follow up on these "barrier" discussions with the CAISO. A meeting is planned for September 20th to further work on these issues.

In the meantime, if I can help in any way, let me know.

[Redacted]

Principal Regulatory Analyst
Demand Response
Pacific Gas and Electric Company

[Redacted]

From: Redacted

Sent: Tuesday, August 23, 2011 11:00 PM

To: hcf@cpuc.ca.gov; Liang-Uejio, Scarlett (scarlett.liang-uejio@cpuc.ca.gov); Brooks, Donald J. (donald.brooks@cpuc.ca.gov)

Cc: Dietz, Sidney; Redacted

Subject: FW: Preliminary Agenda and Discussion Items for June 15th, 2011

Hazlyn, Scarlett, and Donald,

Summary: As requested, the following documents were provided to the CAISO for a meeting that we had with them on June 15th. There is another meeting scheduled for September 20th on this.

Action Required: PG&E would like to meet with the Commission again to discuss these items to ensure that the Commission understands the issues that all DRPs face in integrating with the CAISO markets. Please contact me when it is convenient for you to discuss this.

Background: The CAISO and PG&E have been working on the scope and process required to tackle some of these issues, which is why the meeting has not been advertised yet. PG&E believes that these issues apply to all DR providers, not just PG&E. As mentioned in today's meeting, PG&E and the CAISO have worked together to try to resolve the metering issues and have made major strides in managing the issue by changing the requirements for submission to be in line with all other resources (DR was held to a higher standard before).

Details: In summary, the issues as they relate to PG&E's programs are (excluding metering):

1. BIP: Separate RDRP for each LSE, number of subLAPs, subLAPs do not roll up correctly to LCA
2. PeakChoice: Telemetry requirement, type of telemetry required, need to register all customers, managing rapidly changing resources, certification of A/S resources, Separate PDR for each LSE, number of subLAPS, subLAPS do not roll up correctly to LCA
3. SmartAC: Telemetry requirement, type of telemetry required, need to register all customers, managing rapidly changing resources, certification of A/S resources, number of subLAPS, subLAPS do not roll up correctly to LCA
4. Capacity Bidding Program: same as PeakChoice
5. Aggregator Managed Portfolio: same as PeakChoice
6. SmartRate: same as SmartAC
7. Peak Day Pricing: same as PeakChoice

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<< File: CAISO Technical Issues - V7.doc >> << File: CAISO Presentation - June 15 2011 - v1.ppt >>

There are higher level policy issues than these, such as the ones that we discussed today regarding the need to bid into the CAISO markets like a generator. These discussions with the CAISO are looking at a more operational level. Please do not widely distribute these documents at this time, since the CAISO and PG&E are still determining the process to remove barriers, but maintain standards, at the CAISO.

Best Regards,

Redacted

Principal Product Manager
Emerging Markets and Technologies
Customer Energy Solutions
Pacific Gas and Electric Company

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