

DRAFT AGENDA

CFEE Energy Workshop

Rate Design for a 21st Century Electricity System: How does it all add up?

March 6, 2012

The Fountain View Meeting Room
Harvest Inn, St. Helena, Napa Valley, California

California has set extremely ambitious energy policy goals for 2020. Even greater challenges lie beyond if we are to achieve our target of reducing GHG emissions to 80% below 1990 levels by 2050. Over the coming decades California's utilities must transform themselves and the electric grid to accommodate ever more reliance upon renewable generation, greatly increased levels of energy efficiency and demand response, electrification of the transportation sector and growing penetration of distributed energy resources. Retail rate design is a potent tool which can either support or impede realization of this future. Methods for compensating distributed resources, such as net metering, are closely linked to rate design and must also be considered in this context. The goal of this workshop is to engender a thoughtful conversation on how retail rate design and associated policies can and should be used to meet our long-term climate and energy policy goals. This discussion will aid CPUC staff in scoping a policy guidance rulemaking to be initiated later this year.

7:00 am - 9:00 am – Breakfast on own in the Wine Country Kitchen

9:00 am - 9:15 am – Welcome and Introduction — The Fountain View Meeting Room

Patrick F. Mason, President, CFEE

9:15 am - 10:00 am – SESSION 1: Problem Statement: Does today's rate design support the attainment of our current long-term energy goals? What exactly are the perceived problems? What other policy goals should rate reform address (e.g. equity, efficiency)?

Mike Peevey, President, CPUC

Mike Florio, Commissioner, CPUC

Roundtable Discussion

10:00 am - 11:00 am – SESSION 2: From perception to facts: What can we learn from recent empirical analyses of the current rate design and net metering? Is today's approach actually delivering the results we want? Is it sustainable?

Severin Borenstein, Professor, Business Economics and Public Policy,

Haas School of Business, University of California, Berkeley

(Analyses of tiered structures, net metering, customer impacts) **(15 min)**

Roundtable Discussion

*presenter not confirmed

11:00 am - 12:00 pm – SESSION 3: What cost recovery challenges will California’s utilities face as they transform themselves to meet our long-term policy goals? What kind of rate structure do we need to support the grid of the future?

**Rep, SCE/PG&E/SDG&E (10 min)*

Roundtable Discussion

12:00 pm - 1:00 pm – LUNCH — Vineyard View Room & Terrace

1:00 pm - 2:30 pm – SESSION 4: Alternative Rate Designs: How are California’s municipal utilities and investor-owned utilities in other states and countries modifying rate design to support similar policy goals? How can alternative rate designs help us reduce GHG emissions in an efficient and equitable manner?

John DiStasio, General Manager & CEO, Sacramento Municipal Utility District
(15 min) (Overview of approaches by munis and SMUD’s rate principles and design)

Ahmad Faruqi, Principal, The Brattle Group (15 min)
(Trends across the country)

Lee Friedman, Professor, Goldman School of Public Policy, University of California, Berkeley (15 min)
(Alternative approaches to rate design)

Roundtable Discussion

2:30 pm - 2:45 pm BREAK

2:45 pm - 4:30 pm – SESSION 5: What does the CPUC need to consider to align rates with policy objectives? What are the key topics that should be covered in a CPUC rulemaking on policy guidance for rate design?

Facilitated Discussion led by
Nancy Ryan, Deputy Director, California Public Utilities Commission

4:30 pm – Adjourn

@ 2.27.12

*presenter not confirmed