

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the Commission's Own
Motion to Conduct a Comprehensive Examination of
Investor Owned Electric Utilities' Residential Rate
Structures, the Transition to Time Varying and Dynamic
Rates, and Other Statutory Obligations.

RULEMAKING 12-06-013
FILED JUNE 21, 2012

**DISTRIBUTED ENERGY CONSUMER ADVOCATES
COMMENTS IN RESPONSE TO THE ADMINISTRATIVE LAW JUDGES' JANUARY
31, 2013 RULING ON WORKSHOP**

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Distributed Energy Consumer Advocates (“DECA”) comments here on the Administrative Law Judges' Ruling on Workshop from January 31, 2013.

I. Introduction

DECA limits its comments on the January 31, 2013 Administrative Law Judge Ruling (“Ruling”) to the subject areas of the definitions modified by the ruling, the decision to not formally adopt the bill calculators, and coordination between proceedings. DECA supports these elements of the ruling and believes they will expedite the proceeding to the extent possible, with the exception of the subsection of Net Energy Metering (“NEM”). The language of the ruling on NEM leaves some uncertainty regarding if NEM is within scope and how the subject might be restricted. While DECA limits its comments to these subjects it reserves the right to reply on all issues addressed in the ruling.

II. DECA's Comments

A. Definitions

DECA supports the proposed changes to the definitions, as well as the decision to not define “on peak” and “off peak”. The period that is considered peak is in a state of flux as a result of an increase in peak coincident resources, some of which are behind the meter and some of which are not. So long as parties identify what they mean by peak, on-peak, and off-peak, the record will be better served than creating a number of closely related definitions. However,

DECA supports taking special note of periods of high prices when the load is not near a peak. The probability of high ramp needs resulting in higher wholesale than the actual peak load on certain days is very likely and this proceeding will do well to be prepared to consider prices that are contrary to the past century's peak-oriented high prices.

B. Bill Impact Models

DECA supports the decision to not formally adopt bill impact models in this proceeding. The adoption of computer models raises a great many issues and triggers requirements based on the Commission's rules of practice and procedure that are incompatible with a timely resolution of the issues within scope. DECA believes it would be beneficial to have a deadline established for modifications to rate impact models or the introduction of alternatives as part of this ruling. While much has been learned from the utilities developing their models and seeking input from the various parties, it is now clear that many concerns raised by parties will expressly not be included by the utilities. DECA believes it is essential to provide time for parties to respond to the extent they are able, with alternatives based on the inability or unwillingness of utilities to incorporate those changes.

C. Coordination

The language in the Ruling does not make clear how NEM will be considered in this proceeding. Certainly it appears that the subject of NEM will not be litigated in this proceeding and simultaneously in the NEM proceeding, but it does not appear possible, nor would it be wise to fully exclude the subject of NEM from the proceeding. The bill impact calculators all include

