

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

Order Instituting Rulemaking to Enhance the
Role of Demand Response in Meeting the State's
Resource Planning Needs and Operational
Requirements.

Rulemaking 13-09-011
(Filed September 19, 2013)

JOINT NOTICE OF EX PARTE COMMUNICATION

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Dated: February 3, 2014

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Pursuant to Rule 8.4(a) of the Commission's Rules of Practice and Procedure, EnerNOC, Pacific Gas & Electric (PG&E), Southern California Edison (SCE), San Diego Gas & Electric (SDG&E), Johnson Control, California Large Energy Consumers Association (CLECA), Center for Energy Efficiency and Renewable Technologies (CEERT), and Comverge hereby give notice of the following ex-parte communications. The communications occurred on Wednesday, January 29, 2014, at approximately 2:30pm and 3:30pm at the offices of the California Public Utilities Commission. The communications were oral and included handouts which are attached to this notice. [Rule 8.4(a)(c)] The discussions were substantially similar in each instance and each meeting lasted approximately 30 minutes.

Mona Tierney-Lloyd, Director of Regulatory Affairs, **EnerNOC**, initiated the meetings with Amy Baker, Advisor to Commissioner Sandoval, and Melicia Charles and Julie Fitch, Advisors to Commissioner Peterman. Other participants in addition to Mona Tierney-Lloyd were: **PG&E**, Ken Abreu, Principal Demand Response Policy and Planning and Alina Koch Lawrence, Regulatory Policy Analyst; **Southern California Edison**, David Lowrey, Senior Project Manager, Regulatory Policy & Affairs and Paul Kubasek, Principal Manager, Regulatory Policy & Affairs; **San Diego Gas and Electric**, Kari Kloberdanz-Yu, Regulatory Relations Manager; **CLECA**, Nora Sheriff, Attorney; **Johnson Controls**, Tim Goeben, Region Director;

Comverge, Carlos Lamas-Babbini; and **CEERT**, Megan Myers, Attorney.

The parties requested the meeting to discuss the bifurcation issue of the second phase in the current Demand Response Rulemaking (“DR”). Mona Tierney-Lloyd from EnerNOC opened the discussion by providing an overview of the group’s shared concerns on bifurcation and possible alternate approaches by talking through the points noted on Slide 3 of the attached presentation. Each of the stakeholders’ expressed their agreement with the points made in Slide 3 and why it was important for their organization. Recommended next steps included, reducing cost and complexity of DR integration (demand and supply side) with California Independent System Operator (“CAISO”) as well as evolving existing products and defining new products. Ms. Tierney-Lloyd noted a recent study Olivine conducted for the CAISO to identify barriers to transitioning distributed energy resources to the wholesale market.

To request a copy of this notice, please contact:

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Dated this 3rd day of February 2014, at San Francisco, California.

Respectfully submitted,

By: /s/ Kari Kloberdanz-Yu
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DR OIR Phase 2 Foundational Questions on Bifurcation

DR Collaborative Meeting with CPUC

January 29, 2014



DR Collaborative Consensus Echoed in Comments of Other Parties

DR Collaborative



Other Parties' Comments Support Consensus Expressed by DR Collaborative



Stakeholder Consensus on “Bifurcation”

- Demand response is an integral part of California’s sustainable energy future
- Changes must preserve customer options and program value

✔ Do’s	✘ Don’ts
Retain existing valuable programs	“Bifurcate” before identifying the real problem or purpose
Recognize demand-side or supply-side DR value (RA, LTPP, TPP, etc.)	Assume all DR resources belong in the wholesale market as supply side
Allow a range of DR options and let customers select the best approach	Incorporate DR into the wholesale market as supply without addressing barriers
Benchmark to other ISO’s/RTO’s	Start with most complex DR products for supply-side
Define resource needs, DR products and attributes	Integrate without learning from the pilots

NEXT STEPS

- Define resource needs, DR products and attributes
 - New products (e.g. for renewable's integration)
 - Evolve existing products
- Reduce costs and complexity of DR (demand and supply side) integrating with CAISO

