

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 OPENING COMMENTS OF JOINT DR PARTIES
(ENERNOC, INC., COMVERGE, INC., AND JOHNSON CONTROLS, INC.) ON
PROPOSED DECISION ON DR PROGRAM IMPROVEMENTS AND BRIDGE FUNDING**

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May 5, 2014

TABLE OF CONTENTS

Page

Table of Contents i

Table of Authorities ii

I. THE PROPOSED DECISION CORRECTLY APPROVES
THE 2015-2016 UTILITY DR PROGRAM BRIDGE FUNDING
BUDGETS AND ORDERS SCE TO CONDUCT GOOD FAITH
NEGOTIATIONS TO IMPROVE ITS AMP CONTRACTS AND
SHOULD BE ADOPTED WITH TWO MINOR MODIFICATIONS1

II. THE PROPOSED DECISION MUST BE MODIFIED TO
ALLOW SCE TO SUBMIT RE-NEGOTIATED AMP
CONTRACTS BY ADVICE LETTER2

III. ORDERING PARAGRAPH 2 OF THE PROPOSED DECISION
MUST BE MODIFIED TO REQUIRE CONFIDENTIAL TREATMENT
OF THE REFERENCED UTILITY REPORTS CONSISTENT WITH
THE DISCUSSION OF THIS ISSUE IN THE PROPOSED DECISION.....2

IV. CONCLUSION3

APPENDIX A: Proposed Ordering Paragraphs

TABLE OF AUTHORITIES

Page

CPUC DECISIONS

Decision (D.) 14-02-0331, 2

CPUC RULES OF PRACTICE AND PROCEDURE

Article 141

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(ENERNOC, INC., COMVERGE, INC., AND JOHNSON CONTROLS, INC.) ON
PROPOSED DECISION ON DR PROGRAM IMPROVEMENTS AND BRIDGE FUNDING**

EnerNOC, Inc., Johnson Controls, Inc., and Comverge, Inc. ("Joint DR Parties") respectfully submit these Joint Opening Comments on the Proposed Decision Approving Demand Response Program Improvements and 2015-2016 Bridge Funding Budget ("Proposed Decision"). The Proposed Decision was mailed in Rulemaking (R.) 13-09-011 on April 15, 2014. These Joint Opening Comments are timely filed and served pursuant to Article 14 of the Commission's Rules of Practice and Procedure and the instructions accompanying the Proposed Decision.

I.

THE PROPOSED DECISION CORRECTLY APPROVES THE 2015-2016 UTILITY DR PROGRAM BRIDGE FUNDING BUDGETS AND ORDERS SCE TO CONDUCT GOOD FAITH NEGOTIATIONS TO IMPROVE ITS AMP CONTRACTS AND SHOULD BE ADOPTED WITH TWO MINOR MODIFICATIONS.

The Joint DR Parties strongly support the efforts of Administrative Law Judge (ALJ) Hymes to offer a Proposed Decision that adopts the budgets for the bridge funding periods. The Joint DR Parties also fully support the Proposed Decision's direction for Southern California Edison Company (SCE) to enter into "good faith" negotiations with the aggregators to extend SCE's Aggregator Managed Portfolio (AMP) contracts through 2016 and consider modifications to these AMP contracts similar to those adopted by the Commission in D.14-02-033 for Pacific

Gas and Electric Company's (PG&E's) AMP Contracts.¹ Joint DR Parties urge the Commission's adoption of the Proposed Decision, with two minor modifications detailed below.

**II.
THE PROPOSED DECISION MUST BE MODIFIED TO ALLOW SCE TO
SUBMIT RE-NEGOTIATED AMP CONTRACTS BY ADVICE LETTER.**

Since the Joint DR Parties requested that SCE be required to enter into such good-faith negotiations, the Joint DR Parties strongly support the adoption of the Proposed Decision by the Commission on this point, with certain modifications. To the extent the Joint DR Parties and ORA successfully negotiate modifications to the SCE's contracts and those modifications are consistent with applicable Commission decisions and do not change the cost-effectiveness of the contracts, the Joint DR Parties do not believe that approval of those re-negotiated contracts must be requested by SCE through a time-consuming application. Instead, an Advice Letter would be a more appropriate vehicle to review and approve the contracts, since the changed terms would be responsive to Commission directives in the Proposed Decision and prior orders, including D.14-02-033 authorizing the same revisions for PG&E. A suggested revision to Ordering Paragraph 17 of the Proposed Decision is included in Appendix A hereto.

**III.
ORDERING PARAGRAPH 2 OF THE PROPOSED DECISION MUST
BE MODIFIED TO REQUIRE CONFIDENTIAL TREATMENT
OF THE REFERENCED UTILITY REPORTS CONSISTENT WITH
THE DISCUSSION OF THIS ISSUE IN THE PROPOSED DECISION.**

Ordering Paragraph 2 establishes a requirement for the utilities and interested parties to develop a template for the utilities to submit exception reports to the Commission of when DR was economic, but not dispatched.² In the body of the Proposed Decision, the discussion indicates that it is appropriate to afford confidential treatment to the utility reports relative to DR

¹ Proposed Decision, at p. 48.

² Proposed Decision, at p. 45.

dispatch exceptions.³ For that reason, the Joint DR Parties respectfully request that Ordering Paragraph 2 be modified, as proposed in Appendix A hereto, to include this confidential treatment.

**IV.
CONCLUSION**

The Joint DR Parties strongly support the Proposed Decision's approval of the utilities' 2015-2016 DR Program Budgets and the program improvements recommended for SCE's AMP program. The Joint DR Parties urge that the Proposed Decision be issued, but with the two minor modifications addressed above and reflected in changes to the proposed ordering paragraphs included in Appendix A hereto.

May 5, 2014

Respectfully submitted,

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³ Proposed Decision, at p. 16.

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APPENDIX A

JOINT DR PARTIES PROPOSED ORDERING PARAGRAPH

The Joint DR Parties propose the following modifications to the Ordering Paragraphs in the Proposed Decision Approving Demand Response Program Improvements and 2015-2016 Bridge Funding Budget (“Proposed Decision”) in R.13-09-011 (Demand Response).

Please note the following:

- A page citation to the Proposed Decision is provided in brackets for each Ordering Paragraph for which a modification is proposed.
- Added language is indicated by **bold type**; removed language is indicated by **bold strike-through**.

PROPOSED ORDERING PARAGRAPHS:

2. [45] Within 30 days from the issuance of this decision Pacific Gas and Electric Company, San Diego Gas & Electric Company and Southern California Edison Company (jointly, the Utilities) shall organize and meet with the appropriate Commission Staff, the Office of Ratepayer Advocates, and any other interested stakeholders to develop an agreed-upon reporting template for providing weekly exception reporting, using the draft reporting template in Attachment A as a starting point. All stakeholders should take into consideration other utility reporting requirements to ensure no unnecessary duplication. Within 30 days following the initial meeting, the Utilities shall file a Tier Two Advice Letter requesting approval by the Commission of the final reporting template, subject to confidential treatment by the Commission

17. [49] ~~No later than July 15, 2014,~~ Southern California Edison Company shall **submit by advice letter any Aggregator Managed Portfolio program agreement that is renegotiated consistent with the directives herein. file an application requesting approval of 2015-2016 re-negotiated Aggregator Managed Portfolio program agreements, to the extent the renegotiated.**