

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

CLEAN COALITION'S REPLY COMMENTS ON THE PROPOSED DECISION
APPROVING DEMAND RESPONSE PROGRAM IMPROVEMENTS AND 2015-2016
BRIDGE FUNDING BUDGET

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May 9th, 2014

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CLEAN COALITION'S REPLY COMMENTS ON THE PROPOSED DECISION
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I. INTRODUCTION

The Clean Coalition is a California-based nonprofit organization whose mission is to accelerate the transition to local energy systems that deliver cost-effective renewable energy, strengthen local economies, foster environmental sustainability, and enhance energy security and reliability. The Clean Coalition drives policy innovation to remove barriers to procurement, interconnection, and realizing the full potential of integrated distributed energy resources, such as wholesale distributed generation, advanced inverters, demand response, and energy storage. The Clean Coalition also designs and implements programs for utilities and state and local governments, including demonstrating that local renewables can provide at least 25% of the total electric energy consumed within the distribution grid, while maintaining or improving grid reliability. The Clean Coalition participates in numerous proceedings in California agencies and before other state and Federal agencies throughout the United States.

II. SUMMARY OF REPLY COMMENTS

- A. The Clean Coalition supports PG&E's comments regarding the demonstrated value of Phase II of the Transmission and Distribution Deferral Pilot and its continued funding in 2015-2016. PG&E's Transmission and Distribution (T&D) Deferral Pilot should continue in 2015-2016 to allow PG&E to complete the second phase of the pilot and develop useful results testing the use of demand-side management programs to improve local grid reliability and defer more costly T&D upgrades.
- B. The Transmission and Distribution Deferral Pilot would also address how demand-side management programs can be included in long-term planning and would substantially inform and contribute to the distribution planning by all utilities, including that required by Assembly Bill 327.

Not later than July 1, 2015, each electrical corporation shall submit to the commission a distribution resources plan proposal to identify optimal locations for the deployment of distributed resources. Each proposal shall do all of the following:

- (1) Evaluate locational benefits and costs of distributed resources located on the distribution system. This evaluation shall be based on reductions or increases in local generation capacity needs, avoided or increased investments in distribution infrastructure, safety benefits, reliability benefits, and any other savings the distributed resources provides to the electric grid or costs to ratepayers of the electrical corporation.
- (2) Propose or identify standard tariffs, contracts, or other mechanisms for the deployment of cost-effective distributed resources that satisfy distribution planning objectives.
- (3) Propose cost-effective methods of effectively coordinating existing commission-approved programs, incentives, and tariffs to maximize the locational benefits and minimize the incremental costs of distributed resources.
- (4) Identify any additional utility spending necessary to integrate cost-effective distributed resources into distribution planning consistent with the goal of yielding net benefits to ratepayers.
- (5) Identify barriers to the deployment of distributed resources, including, but not limited to, safety standards related to technology or operation of the distribution circuit in a manner that ensures reliable service.

We wish to draw the Commission's attention to the fact that Phase II of the T&D Pilot, as described by PG&E in its comments⁴ and prior Advice Letters referenced therein, is directly relevant to, and will contribute substantially to, each of the goals defined for the forthcoming Distribution Resources Plans. While this pilot is being conducted by PG&E within its own service territory, the information and experience developed will be highly applicable for other utilities, and enhance their ability to meet Section 769 requirements.

⁴ PG&E at p.4 & p.5

IV. CONCLUSION

The Clean Coalition believes that PG&E has adequately justified the value of continuing the T&D Pilot and respectfully requests ALJ Hymes to modify the PD to allow extension of PG&E's T&D pilot through the second phase.

Respectfully submitted,

By: /s/ Kenneth Sahm White
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Dated: May 9th, 2014

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VERIFICATION

I, Kenneth Sahm White, am authorized to make this verification on behalf. I am informed and believe that the matters stated in the foregoing pleading are true.

I declare under penalty of perjury that the foregoing is true and correct.
Executed this 9 day of April, 2014 in the City of Santa Cruz, California.

Kenneth Sahm White

A handwritten signature in black ink, appearing to read "Sahm", with a horizontal line underneath it.