



PG&E/ED Meeting – May 9, 2014

DR T&D PILOT FUNDING FOR BRIDGE PERIOD 2015-2016

Redacted – PG&E DR Policy and Planning

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Proposed Agenda

- **Goal of DR T&D Pilot**
- **Why the DR T&D Pilot is Important and Should be Funded for 2015-2016**
- **The “Ask” for 2015-2016 funding**
- **Q&A**



Goal of DR T&D Pilot

The Goal of DR T&D Pilot is:

- To enhance the role of demand response programs in meeting the state's long-term clean energy goals while maintaining system and **local reliability**

How will the T&D Pilot Do This?

- The T&D pilot will provide data to determine whether and to what extent PG&E's demand-side management programs can be used to target specific areas flagged by system planners to defer T&D capacity expansion projects.
- The pilot will also demonstrate the efficacy of including demand-side management programs in an integrated least-cost T&D system planning framework.



Why the DR T&D Pilot is Important and Should be Funded for 2015-2016

The T&D Pilot Supports Important Public Policy Goals

The OIR also recognizes that DR "has potential value . . . as an alternative to transmission upgrades" and indicates a need to determine how to correctly match DR resources with the needs of the grid. (OIR, pp. 8-9.) -- *Order Instituting Rulemaking To Enhance The Role Of Demand Response In Meeting The State's Resource Planning Needs And Operational Requirements*, R.13-09-011 (Sept. 25, 2013), p. 18 (OIR).

AB327 – Creates a new PUC 769 to read in part that:

- Each electrical corporation shall submit to the Commission a distribution resources plan proposal to identify optimal locations for the deployment of distributed resources.
- Evaluate locational benefits and costs of distributed resources located on the distribution system.



The “Ask” for 2015-2016 Funding

\$1.6 million for the 2015-2016 bridge period to:

Fund completion of Phase II of the 2012-2014 authorized T&D Pilot.

plus

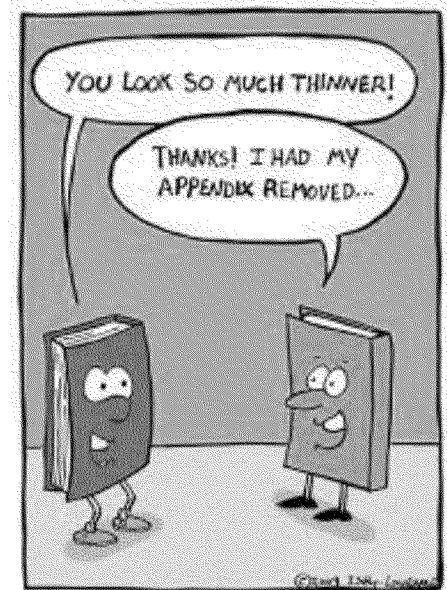
Expand T&D Pilot activities in 2015-2016 to include assessment and development of tools to support inclusion of DR resources in an integrated least-cost T&D Planning framework.

Or

Roll forward unspent authorized funding for 2012-2014 T&D Pilot to Complete Phase II of the of the 2012-2014 authorized T&D Pilot.

Please note that the 2012-2014 T&D Pilot was delayed by 15 months pending approval of the advise letter for all three DR Pilots proposed for the 2012-2104 DR program cycle. For that reason we will only be able to complete Phase I of the authorized T&D Pilot by end of 2014 leaving Phase II uncompleted unless there is funding during the bridge period.

Appendix





PG&E/ORA Meeting – March 12, 2014

TARGETED DSM FOR DISTRIBUTION RELIABILITY INITIATIVE

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PG&E DR Policy and Planning



Targeted DSM for Distribution Reliability Initiative

Proposed Agenda

Goal of Targeted DSM Initiative

The CES/T&D Integrated Planning Vision

2014-2015 Targeted Substations

2014-2015 Load Reduction Objectives

2014 Targeted Marketing Activities

Targeted DSM Dashboard

Questions?



Targeted DSM for Distribution Reliability Initiative

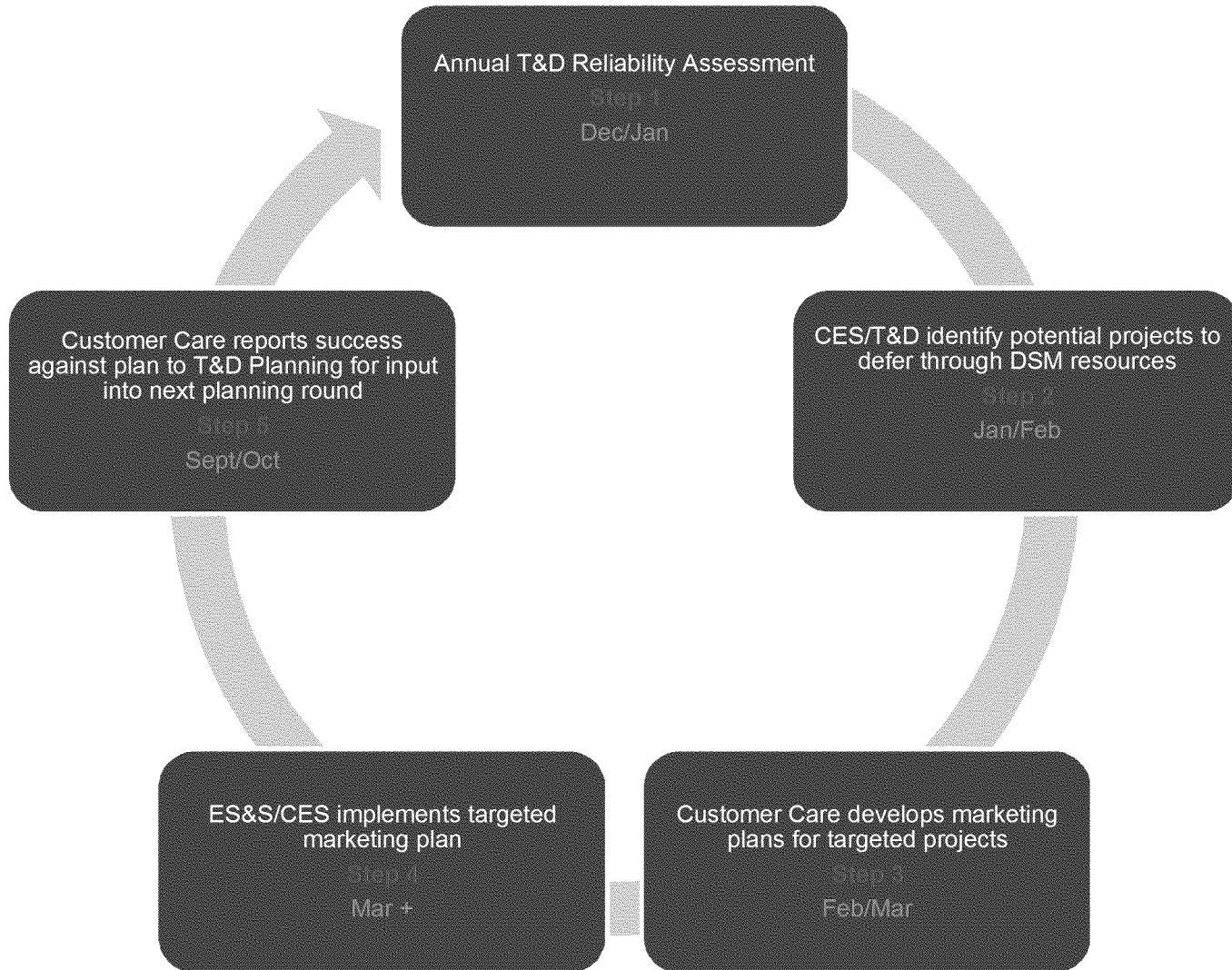
Goal of Initiative

Develop a framework wherein customer-side programs can be integrated into a least cost planning framework to support distribution system reliability.

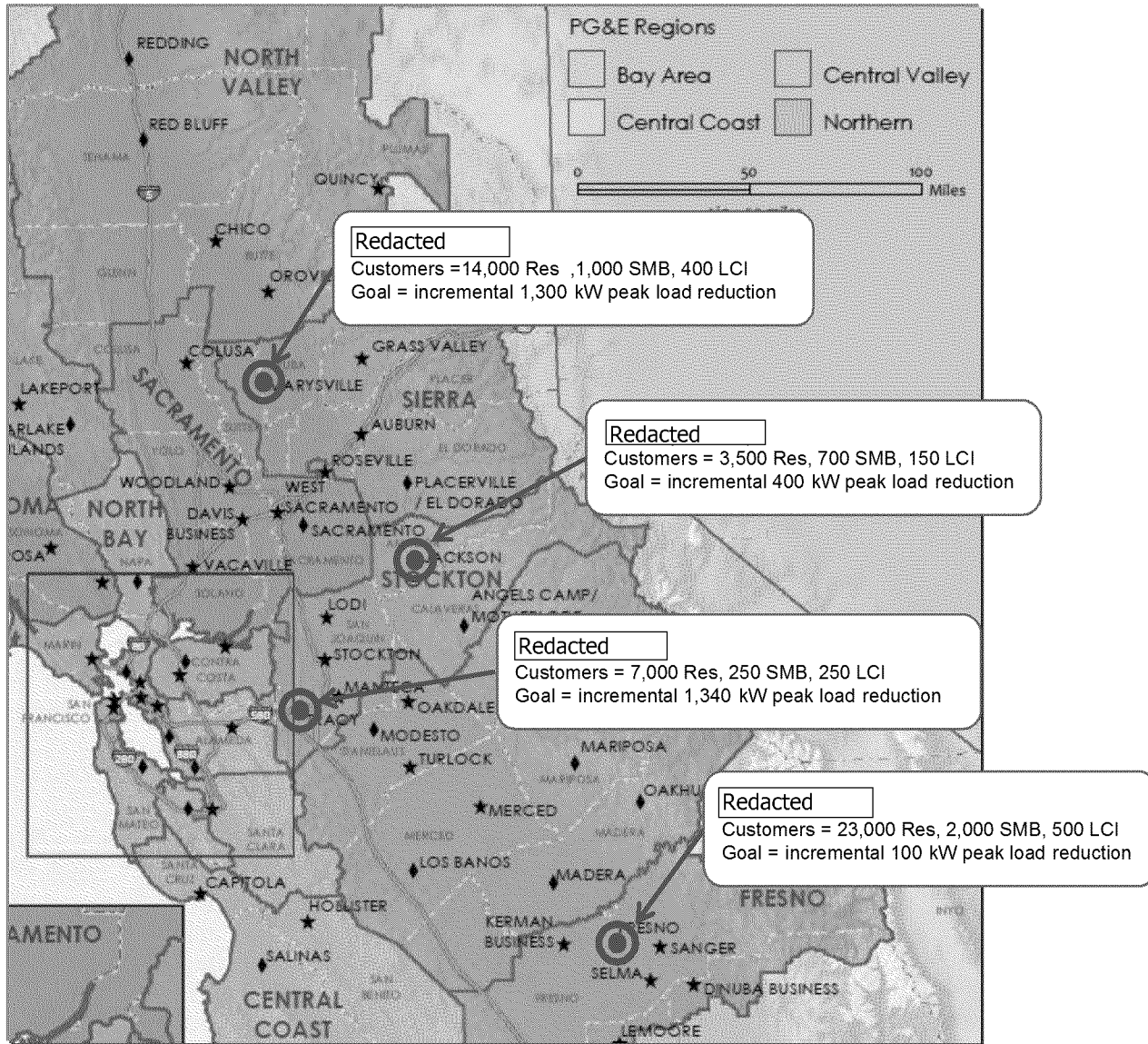


Targeted DSM for Distribution Reliability

The Long-Term Vision for Integrated Planning



PG&E® Targeted Substations for T&D Initiative 2014-2015





Targeted DSM for Distribution Reliability

In order to meet this objective we will need to:

Work with D&T Planning and Operations to give visibility to the current DSM resources that exist in the area. In particular the SmartAC Cycling program resources that are direct load control and can be called at the substation level by Distribution Ops responding to local reliability concerns.

Double the penetration of SmartAC installations/load reductions on the high priority feeders in each of the four targeted substations.

Increase by 50% the residential and SMB peak load reductions from EE programs/measures in the targeted areas.

Double the LCI peak load reductions from IDSM programs/measures in the targeted areas.



2014 Targeted Marketing Activities

Residential

Progress To Date

- Clarified Marketing plan will focus on SmartAC Cycling and Energy Upgrade California
- Identified strategy for enhanced offering – EUC “kicker” for HVAC/pool pumps in the targeted areas

Upcoming

- Be “in market” with enhanced residential offerings by April 2014

Non-Residential

Progress To Date

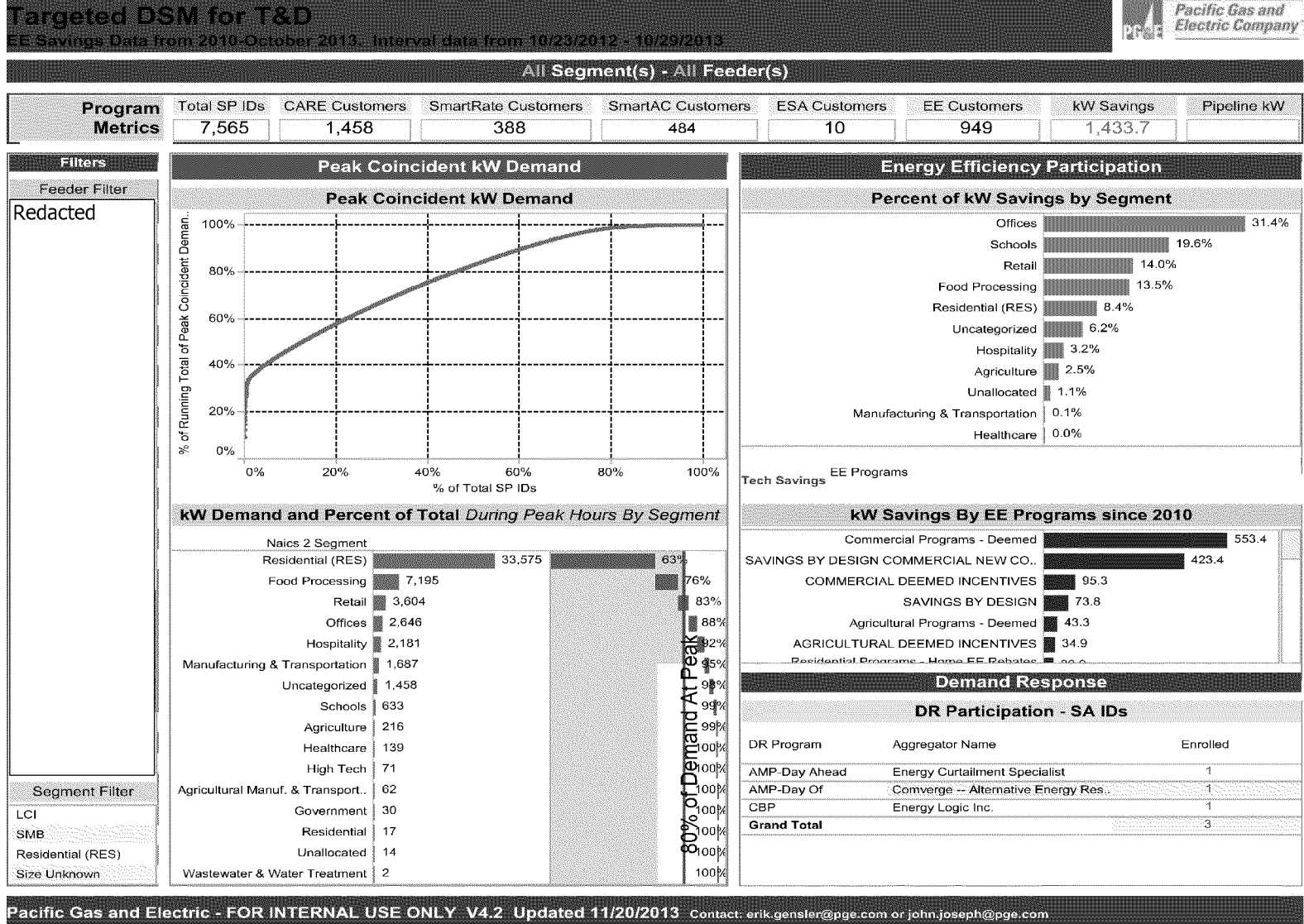
- Completed top-25 LCI contacts (in person ES&S) -- end of February
- Completed top-1000 SMB contacts (telemarketing) – end of February
- Funding approval for dedicated Field Engineering support person for targeted substations

Upcoming

- Continue follow-up support from initial LCI and SMB outreach
- On-board dedicated Field Engineering support person for targeted substations
- Possible expansion to include one or more impacted Ag pumping substations

Targeted DSM for Distribution Reliability

The Targeted DSM for T&D Dashboard



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Questions?