

**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)

**COMMENTS OF CALPINE CORPORATION ON  
DRAFT WORKSHOP REPORT**

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July 1, 2014

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Pursuant to the June 23, 2014 Administrative Law Judge Hymes' email ruling, Calpine Corporation ("Calpine") provides the following comments on the Demand Response ("DR") draft workshop report. Calpine appreciates the parties' efforts during the July 9, 10, and 11, 2014 workshops towards developing a better understanding of the many complex issues within the scope of this proceeding and in working towards resolving points of disagreement. Calpine further appreciates the time and effort the Investor-Owned Utilities ("IOUs") – Pacific Gas and Electric Company ("PG&E), San Diego Gas & Electric Company ("SDG&E"), and Southern California Edison Company ("SCE") – have contributed to drafting the workshop report.

Calpine's comments on the draft workshop report are primarily clarifications of Calpine's statements made during the workshops regarding the Demand Response Auction Mechanism ("DRAM"). Specifically, Calpine commented that the non-Resource Adequacy value streams of DR procured through DRAM would be monetized outside of DRAM. Later, Calpine inquired about how bids into DRAM would be compared other than by price for the relevant type of RA tag. The Energy Division's Ms. McMahon responded that to simplify procurement through DRAM, bids would be bucketed by IOU RA obligations (e.g., system, local, or flex) and ranked

by price. Calpine also posed the question: what elements of the cost-effectiveness methodology are relevant to DRAM if DRAM will procure standardized RA tags in order of price?

Included as Attachment A to these comments is a red-lined version of the draft workshop report reflecting Calpine clarifications as well as suggested corrections to other sections of the report.

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