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July 18, 2014

ADVICE LETTER 2629-E
(San Diego Gas & Electric Company - U902-E)

Public Utilities Commission of the State of California

**SUBJECT: COMPLIANCE ADVICE FILING ADDRESSING REPORTING TEMPLATE AND
TIMELINE TO PROVIDE FEEDBACK ON SDG&E'S EXPERIENCE WITH
BIDDING DEMAND RESPONSE RESOURCES INTO CAISO'S WHOLESALE
ENERGY MARKET PURSUANT TO DECISION 14-05-025**

In compliance with Ordering Paragraph (OP) 4 of Decision (D.)14-05-025, San Diego Gas & Electric ("SDG&E") submits this advice letter requesting approval of a reporting template and timeline to provide feedback on its experience with bidding to the California Independent System Operator's (CAISO) energy markets during 2015-2016.

Background

On May 19, 2014 the Commission issued D.14-05-025, which approved the investor-owned utilities' (IOUs') demand response portfolio budgets for 2015-2016. In OP 4 of D.14-05-025, the Commission required:

"Within 30 days of the issuance of this decision, Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Edison Company (SCE) shall meet with the appropriate Commission Staff to discuss and develop a reporting template and timeline to provide feedback on the utilities' experience with bidding into the California Independent System Operators (CAISO) energy markets during the 2015-2016 demand response program cycle. Within 30 days of this initial meeting, PG&E, SDG&E and SCE shall each file a finalized reporting template and timeline for approval via a Tier One Advice Letter."

On June 18, 2014, Southern California Edison Company (SCE) hosted a conference call with Commission Staff, PG&E, and SDG&E to discuss and develop a reporting template and timeline. SDG&E, in collaboration with the other IOUs, developed a reporting structure and timeline, which was presented to Commission Staff for review. Commission Staff and the IOUs agreed that this proposal is sufficient to provide feedback on the utilities' experiences with CAISO market integration, and that a standardized reporting template is not needed.

Proposed Reporting Template and Timeline

SDG&E requests approval of the proposed reporting process and timeline as directed in D.14-05-025.

1. March 2015 – The IOUs will submit a pre-market integration report which would describe work completed to date and set the stage for the bridge period activities. The report would detail each IOUs':
 - a. Plans for 2015-2016 market integration activities, e.g., SCE's PRG report and PG&E's market bidding expansion beyond its 2014 experience.
 - b. Steps it has taken in preparation for market integration (e.g., 2014 bidding activities), challenges it has encountered, and lessons learned (if applicable).
2. October 2015 and October 2016 – The IOUs will submit a mid-year progress Report. This is not meant to be comprehensive, but rather a summary of each IOU's progress-to-date.
3. March 2016 and March 2017 – The IOUs will submit an annual Report. This is meant to encompass the utilities' experience from the past year (i.e., the experience from 2015 is reported out on March 2016), therefore it would be more comprehensive than the midyear progress report.

EFFECTIVE DATE

This filing is classified as a Tier 1 (effective pending disposition) pursuant to GO 96-B. SDG&E respectfully requests that this filing become effective July 18, 2014, the date filed, in accordance with OP 4 of D.14-05-025.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than August 7, 2014 which is 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Court, Room 32C
San Diego, CA 92123-1548
Facsimile No. (858) 654-1879
E-mail: mcaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in R.13-09-011 and A.11-03-002 by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed. Address changes should be directed to the emails or facsimile numbers above.

CLAY FABER
Director – Regulatory Affairs

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Christina Sondrini

Phone #: (858) 636-5736

E-mail: csondrini@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
 PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2629-E

Subject of AL: Compliance Filing Addressing Reporting Template and Timeline to Provide Feedback on SDG&E's Experience w/Bidding Demand Response Resources Into CAISO's Wholesale Energy Market Pursuant to D.14-05-025

Keywords (choose from CPUC listing): Compliance, Demand Response

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.14-05-025

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL N/A

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Does AL request confidential treatment? If so, provide explanation: N/A

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 7/18/14

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
 Attention: Tariff Unit
 505 Van Ness Ave.,
 San Francisco, CA 94102
 EDTariffUnit@cpuc.ca.gov

San Diego Gas & Electric
 Attention: Megan Caulson
 8330 Century Park Ct, Room 32C
 San Diego, CA 92123
 mcaulson@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

S. Cauchois
R. Pocta
W. Scott

Energy Division

P. Clanon
S. Gallagher
D. Lafrenz
M. Salinas

CA. Energy Commission

F. DeLeon
R. Tavares

Alcantar & Kahl LLP

K. Cameron

American Energy Institute

C. King

APS Energy Services

J. Schenk

BP Energy Company

J. Zaiontz

Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

R. Schmidt

Braun & Blaising, P.C.

S. Blaising

California Energy Markets

S. O'Donnell
C. Sweet

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

Children's Hospital & Health Center

T. Jacoby

City of Poway

R. Willcox

City of San Diego

J. Cervantes
G. Lonergan
M. Valerio

Commerce Energy Group

V. Gan

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill
J. Pau

Dept. of General Services

H. Nanjo
M. Clark

Douglass & Liddell

D. Douglass
D. Liddell
G. Klatt

Duke Energy North America

M. Gillette

Dynergy, Inc.

J. Paul

Ellison Schneider & Harris LLP

E. Janssen

Energy Policy Initiatives Center (USD)

S. Anders

Energy Price Solutions

A. Scott

Energy Strategies, Inc.

K. Campbell

M. Scanlan

Goodin, MacBride, Squeri, Ritchie & Day

B. Cragg

J. Heather Patrick

J. Squeri

Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

N. Pedersen

Itsa-North America

L. Belew

J.B.S. Energy

J. Nahigian

Luce, Forward, Hamilton & Scripps LLP

J. Leslie

Manatt, Phelps & Phillips LLP

D. Huard

R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

Pacific Gas & Electric Co.

J. Clark

M. Huffman

S. Lawrie

E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

San Diego Regional Energy Office

S. Freedman

J. Porter

School Project for Utility Rate Reduction

M. Rochman

Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Southern California Edison Co.

M. Alexander
K. Cini
K. Gansecki
H. Romero

TransCanada

R. Hunter
D. White

TURN

M. Hawiger

UCAN

D. Kelly

U.S. Dept. of the Navy

K. Davoodi

N. Furuta

L. DeLacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing

Communities Association

S. Dey

White & Case LLP

L. Cottle

Interested Parties In:

R.13-09-011

A.11-03-002