

Appointment:

From: Sotero, Maria

To: Sotero, Maria (Maria.Sotero@cpuc.ca.gov); [Redacted]  
[Redacted] Jacobson, Erik B  
(RegRel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=EBJ1); Warner, Christopher  
(Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=CJW5); [Redacted]  
[Redacted]  
[Redacted] Aaron.Renfro@sce.com  
(Aaron.Renfro@sce.com); john.minnicucci@sce.com (john.minnicucci@sce.com);  
[Redacted]  
HRasool@SempraUtilities.com (HRasool@SempraUtilities.com);  
Walker.Matthews@sce.com (Walker.Matthews@sce.com);  
jcnichols@semprautilities.com (jcnichols@semprautilities.com);  
CMcClelland2@semprautilities.com (CMcClelland2@semprautilities.com);  
SKing@semprautilities.com (SKing@semprautilities.com); joy.weed@sce.com  
(joy.weed@sce.com); Douglas.Rhoades@sce.com (Douglas.Rhoades@sce.com);  
Glenn.Haddox@sce.com (Glenn.Haddox@sce.com)

Subject: Session invitation: CES-21 discussion to build consensus

Location Benecia Room A&B, Milton Marks Conference Center, Basement of 455 Golden Gate, San Francisco

Start: 7/23/2014 1:00:00 PM

End: 7/23/2014 5:00:00 PM

Hi all,

[Redacted] provided your contact information for this meeting. Please contact me if you have questions. I'll be in touch if I have more detail as we get closer to the day of. Thanks! If we have yet to meet, I am the analyst in Energy Division assigned to CES-21 (and other research programs).

This location is in the basement of the 455 Golden Gate building where Energy Division is temporarily located, not at HQ on Van Ness. The Benecia Room is downstairs to the right of the auditorium.

Maria Sotero  
Regulatory Analyst, Emerging Procurement Strategies  
Energy Division, CPUC  
(415) 703-2494 | [maria.sotero@cpuc.ca.gov](mailto:maria.sotero@cpuc.ca.gov)

### OVERVIEW and AGENDA

We've identified some issues that we want to discuss and hopefully maximize agreement on among the Joint Utilities and ORA. We find some of the protests raised by ORA to be reasonable, but want to move forward as quickly as possible. Can the project managers come

in for a half-day meeting with ED staff (including LTPP) and ORA, with the express goal of achieving some consensus on the following issues? Following the meeting, ED staff will be able to move forward with resolving this filing inclusive of specific direction and consensus that result.

**Discussion objectives:**

**Part 1: Flexibility Metrics and Standards Project, 1pm-3pm**

Objective 1: From a technical and policy standpoint, identify the specific differences between current flexibility modeling efforts and those proposed for CES-21. ED staff views this objective as critical.

Points of discussion and key questions:

1. **Technical overview of Flexibility Metrics project.** This portion of the discussion should cover the technical aspects of the project so that policy analysts understand what the project seeks to do, what it is, and what it isn't. This portion of the discussion should be led by the Joint Utilities with a focus on explaining the project proposal and plan. Analysts will have the opportunity to ask clarifying questions of the project team.
2. **Selected issues raised by parties.** Other issues raised by ORA, such as whether the project addresses an identified problem, may be addressed above, but time will be allotted to discuss any outstanding concerns. If there is another discussion of existing planning models, other than the document above, the Joint Utilities are encouraged to bring this to the table.
3. Agreement on follow-up action

Possible follow-up action to achieve Objective 1:

After this discussion, the Joint Utilities could provide a matrix that shows how the proposed project fits with existing work. In the response to ORA's protest, there was a very clear and extremely helpful discussion of how the Flexibility Metrics project is distinct from CEC's work; we'd like to discuss how this could be demonstrated more broadly. A similar matrix is being filed related to the EPIC proceeding.

Objective 2: The Joint Utilities state that the LTPP and RA proceedings are "the most likely venues where the benefits of this project can be realized"; Objective 2 is to identify specific processes for incorporating results into Commission proceedings that can be built into the CES-21 project management process.

Points of discussion and key questions:

1. **Process.** LTPP staff can provide input regarding how results might be incorporated, as can

the utilities from a project management/results timeline perspective.

2. Agreement on follow-up action

## **Part 2: Cybersecurity and Benefits. 3pm-5pm**

Objective 3: Identify additional project implementation details that would benefit the MMATR cybersecurity project.

Points of discussion and key questions:

1. **Project plan overview.** The Joint Utilities should lead this portion of the discussion by presenting their implementation plan for this project.
2. Discussion of additional potential detail on deliverables and/or milestones that are reasonable in light of prior submissions as well as structured oversight of the project. Discussion of process for using/reporting on those deliverables.
3. Agreement on follow-up action

Objective 4: Identify strategies to address barriers to including net present value and quantitative benefits of projects.

Points of discussion and key questions:

1. Decision 14-03-029, OP 15c states “The business case for each new research project should: i) demonstrate quantifiable customer benefits, including a demonstration that safety and environmental benefits exceed costs on a net present value basis, using a Commission approved methodology, such as that used in calculating a Market Price Referent.” The Joint Utilities should present the methods they propose for assessing benefits and NPV, and barriers therein.
2. Discussion of available resources and strategies for assessing benefits/NPV
3. Agreement on follow-up action

Possible follow-up action: The Joint Utilities could consult with the benefits assessment team in the CEC’s R&D division, which works on exactly these issues, as it assesses benefits for CES-21.