

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



CPUC Demand Response Rulemaking (R.13-09-011)
Stakeholder Workshop 1 - Supply Side Demand Response
Wednesday, October 16, 2013 (9:30 a.m.-4:30 p.m.)
CPUC Auditorium
505 Van Ness Ave. San Francisco, CA

(Webex and Teleconference Info. provided on the last page of this agenda)

Session 1: Bifurcation of Demand Response 9:30-11:30am

Moderator: Audrey Lee, CPUC (10 minutes) (Presentation)

- Introduce Rulemaking
- What is bifurcation? Why do it?
- Are there additional reasons for bifurcation (besides what was cited in the OIR)?
- What are the potential problems or concerns with doing it? Will bifurcation fix the policy issues identified in the OIR?
- Will bifurcation create new policy issues?
- How can DR meet future resource planning needs and system requirements without bifurcation?

Panel Discussion (30 minutes):

- Kenneth Abreu, PG&E
- Cindy Li, Office of Ratepayer Advocates
- Heather Sanders, CAISO
- Eric Cutter, Energy and Environmental Economics
- Seth Frader-Thompson, EnergyHUB
- Barbara Barkovich, CLECA

Open Discussion (80 minutes)

Lunch Break: 11:30am-12:30pm

Session 2: Supply-Side Demand Response Product Types and Specifications 12:30-2 pm

Moderator: Nick Chaset, Governor's Office

- What are the 1) system, 2) local, and 3) flexible needs of the grid for demand response?
- What is the impact of SONGS replacement, renewable integration, and once-through cooling retirements with regard to DR products?
- What are the specifications for those products, in terms of 1) Duration, 2) Frequency, 3) Response time, 4) Availability, 5) Contract term, 6) Notification time, 7) Penalties, 8) Payment, 9) RA requirements (eg. Must Offer Obligations: Flexible, System, Local), 10) Wholesale markets participation (PDR and Rule 24)?
- What products can the customers/demand response providers/third party behind the meter storage developers provide?

- How do we transition existing IOU/aggregator /third party storage developer demand response programs to this paradigm? What are the cost-effectiveness considerations for the transition?
- Should special consideration be given to each sector (e.g., residential and small commercial?) or other customer attributes?
- What demand response interfaces with wholesale markets have been successful in other jurisdictions (i.e., PJM, New England ISO, New York ISO)? Can they be implemented in California? What are the obstacles, if any?

Panel Discussion (30 minutes):

- Karl Meeusen, CAISO
- Muir Davis, SCE
- Beth Reid, Olivine
- Rich Quattrini, Johnson Controls
- Stacey Reineccius, PowerTree Services
- Joanna Gubman, Energy Division, CPUC

Open Discussion (90 minutes)

2-2:15pm Break

Session 3: Supply-Side: How should supply-side DR products best be competitively procured?

2:15 – 3:45 pm

Moderator: Rachel McMahon, Energy Division, CPUC

- How should future supply-side demand response be procured by the IOUs? All-source RFO or DR-specific RFO? What are the cost-effectiveness policy considerations for either method?
 - What should be the selection criteria? Should the criteria be specific to DR, or be based on selection criteria specific to other Commission-administered programs, such as least-cost best-fit criteria for the RPS program? Should the direction of the Energy Action Plan and Loading Order to maximize all cost-effective DR be reflected in the competitive bidding of DR?
- Could the Commission take a phased approach to procurement?
 - Near term: DR determination of need by LTPP, distribution planning and transmission planning. MW target for each product type for each year
 - Long term: all-source request for offers where demand response either a) competes equally against all sources - conventional generation, storage, and other resources; or b) competes equally against other demand-side resources or other preferred resources; or c) some combination.
- Should the CPUC mandate that a certain level of demand response be procured from 3rd party providers or open to a competitive mechanism where all DRPs including the utilities, have an equal opportunity?
- How would a competitive solicitation work if LSEs were allowed to compete to provide supply side DR? What are the lessons learned from the experience of LSE participation in competitive bidding for other resources?
- What does supply side DR procurement mean for CCAs and ESPs?
- Potential CAISO-run DR auction?

Panel Discussion (30 minutes):

- Athena Besa, SDG&E
- Mona Tierney-Lloyd, EnerNOC
- Sue Mara, DACC-ARem
- John Goodin, CAISO
- Cliff Hamal, Navigant Economics (remotely)

Open Discussion (60 minutes)

Session 4: IRM Pilot Proposal 3:45- 4:30pm

Moderators/Presenter: Dave Erickson, Energy Division, CPUC (5 minutes)

- IRM2 Pilot Proposal
- What can we accomplish in 2015 to help us transition to a bifurcated framework in 2016 and beyond?
- What do we need to learn from pilots in 2015?
- Are there other pilots we should consider for 2015?

Panel Discussion (15 minutes): (Panelists)

- John Hernandez, PG&E
- Jill Powers, CAISO
- Greg Brehm, MEA
- Muir Davis, SCE

Open Discussion (25 minutes)

Close: 4:30 pm

Webex Meeting Information

Topic: Demand Response Rulemaking Workshop 1: Supply-Side DR
Date: Wednesday, October 16, 2013
Time: 9:30 am, Pacific Daylight Time (San Francisco, GMT-07:00)
Meeting Number: 742 716 994
Meeting Password: supply

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