

DOCKETED

Docket Number:	23-LMS-01
Project Title:	Load Management Standards Implementation
TN #:	269306
Document Title:	Compliance Assistance Memorandum for Submitting Load Management Standards Annual Reports
Description:	Compliance Assistance Memorandum for Submitting Load Management Standards Annual Reports
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Organization:	California Energy Commission
Submitter Role:	Commission Staff
Submission Date:	3/24/2026 11:02:10 AM
Docketed Date:	3/24/2026



MEMORANDUM

TO: Regulated entities of Load Management Standards
FROM: Load Management Standards Unit, Efficiency Division
SUBJECT: Compliance Assistance Memorandum for Submitting Load Management Standards Annual Reports
DATE: March 24, 2026

Summary

This memorandum provides compliance assistance to regulated parties for developing and submitting their annual reports to the California Energy Commission (CEC or the Commission), as required by the Load Management Standards regulations. This document provides an overview of the relevant Load Management Standards requirements, describes the CEC's annual report review process, and includes annual report information that is relevant to demonstrating implementation of the approved compliance plan.

Introduction

This document provides an overview of the regulations and a suggested format for regulated parties submitting their Load Management Standards (LMS) compliance filings as required by Title 20 California Code of Regulations (CCR) Sections 1621(d) and 1623.1(b)(3). (All citations are to Title 20 of the CCR unless otherwise noted.) The CEC is providing this non-binding resource to assist, streamline, and clarify the process by which regulated entities can comply with regulatory requirements.

Timely compliance with the LMS regulations by the regulated entities is critical to achieving California's clean energy policy priorities, climate goals, electric grid resilience, and the reduction of Californians' energy burden. The LMS regulations lay the foundation for an automated load flexibility ecosystem in California that will be necessary to achieve 100 percent clean energy for all over the coming decades, while minimizing costs and maximizing benefits for California ratepayers.

Regulatory Overview

Requirements

The LMS regulations require each regulated entity to submit an annual report one year after its plan is approved and annually thereafter.

Section 1621 (d)

This subsection reads, in part, as follows:

(4) Large IOUs shall submit to the Executive Director annual reports demonstrating their implementation of plans approved pursuant to this section. The reports shall be submitted one year after plans are approved pursuant to subsection (2) and annually thereafter.

Section 1623.1 (a)

This subsection reads, in part, as follows:

(3)(C) Each Large POU and Large CCA shall submit to the Executive Director annual reports demonstrating their implementation of plans approved pursuant to this subsection, as such plans may be revised pursuant to this subsection. The reports shall be submitted one year after plans are approved pursuant to subsection (2) and annually thereafter.

Annual Report Information Relevant to Demonstration of Implementation

The annual report should provide information relevant to demonstrating implementation of the regulated entity's approved compliance plan. The CEC suggests the following information be included in the annual report:

- 1) Implementation status of rates or programs in the approved compliance plan.
 - a) For rates or programs under implementation, provide information of the key milestones and major accomplishments. Reference the approved compliance plan for timeline and milestones adherence.
 - b) For active LMS compliant rates or programs, provide key details, including:
 - i) Name
 - ii) Type (rate or program)
 - iii) Customer class
 - iv) Brief description, including, but not limited to signal type, participating end uses, and incentive structure
 - c) Discuss material deviation relative to the approved compliance plan, if any:
 - i) Summary of the deviation
 - ii) Reason for the deviation
 - iii) Projected impact of such deviation on compliance of the LMS regulations

2) Time-varying rate submission to MIDAS

Confirm that time-varying rates are being uploaded to the Market Informed Demand Automation Server (MIDAS) per approved compliance plan.

- a) Provide a list of Rate Identification numbers (RINs) and the following key details:
 - i) Applicable tariff and rate modifiers
 - ii) Customer class

- b) Rate Modifier Exclusion: if your approved compliance plan includes a plan to exclude certain non-time-dependent modifiers, provide information to demonstrate that:
 - i) Each modifier excluded represents less than 0.5% of the total number of customers served by the utility AND less than 0.5% of total annual load as sales, or
 - ii) Each modifier excluded is less than 0.01 \$/kWh for additive modifiers OR 2% for ratio modifiers.
- 3) RIN(s) on customer billing statements
Confirm that RIN(s) are provided on customer billing statements and online account using both text and QR Code. Confirm that both RINs from the IOU and the CCA are available for unbundled customers.
- 4) Address compliance with any conditions in the order approving the regulated entity's compliance plan.

Annual Report Submission Process and Timeline

Regulated parties shall submit their annual reports one year after the compliance plan is approved and annual thereafter. The CEC requests those submissions are made to the LMS Implementation docket [23-LMS-01](#).

Questions and Answers About the Annual Report

Do we have to report enrollment levels in RTP rates and programs?

Enrollment or participation in RTP rates and programs is of interest to the CEC but is not required.

Should new LMS compliant rates or programs not part of the approved compliance plan be added to the annual report?

Yes, rates or programs that are not part of the approved compliance plan, and are designed to supplement those in the approved compliance plan, should be submitted along with relevant details following the same standard. Please see section Annual Report Information Relevant to Demonstration of Implementation above.

What update is the CEC looking for the statewide tool?

The Commission has extended the RIN Tool final plan deadline to May 8, 2029, in its Order No. 26-0312-03b docketed to Docket No. 23-LMS-01 on March 24, 2026. Further, the CEC staff is planning to present an OIR for the Commission's approval at the Business Meeting in the second quarter of 2026, which will likely address possible amendments to the RIN Tool requirement.

What to expect after the annual report is submitted?

CEC staff will provide confirmation of receipt to the regulated parties after the annual report is docketed. CEC staff will review the annual report to verify the implementation of the approved compliance plan by the regulated parties. LMS regulations do not require the Commission to issue formal approval of the annual reports but CEC staff may be reaching out with questions and requests for revisions going forward if the report fails to demonstrate how the regulated entity is implementing its compliance plan.