



*Marcel Hawiger*, Staff Attorney  
*Gayatri Schilberg*, JBS Energy, Inc.,  
Consultant to TURN  
711 Van Ness Avenue Suite 350  
San Francisco, CA 94102  
Tel: (415) 929-8876  
Fax: (415) 929-1132  
Email: [marcel@turn.org](mailto:marcel@turn.org)

**Submitted via Email**

March 24, 2008

California Energy Commission  
Dockets Office, MS-4  
1516 Ninth Street  
Sacramento, CA 95814-5504

RE: **Docket No.08-DR-01**

<b>DOCKET</b>	
<b>08-DR-1</b>	
DATE	MAR 24 2008
RECD.	MAR 24 2008

Dear Sir or Madam:

Pursuant to the direction provided in "Notice of Efficiency Committee Workshop," the Utility Reform Network (TURN) provides these comments on the scope of the "Informational and Rulemaking Proceeding on Demand Response Rates, Equipment, and Protocols."<sup>1</sup>

***Electricity Rate Design***

Regarding the second topic noticed in the workshop notice, electricity rate design, TURN recommends that this topic be removed from the scope of this proceeding. Consideration here would be duplicative of deliberations at the CPUC in A.06-03-005 (PG&E's dynamic tariffs), R.07-01-041 (demand response

---

<sup>1</sup> The workshop notice specified a due date of March 14, 2008 for written comments, though a March 19 date was specified orally during the March 3 workshop. TURN apologizes that these comments are submitted late.

rulemaking) and in the rate design phases of other utility rate cases. The agencies are coordinating and CEC staff already has special input into CPUC proceedings (not subject to cross examination). Since final approval of rate design lies with the CPUC, we do not see additional benefit to be gained by consideration of rate design in this proceeding. Furthermore consumer resources would be taxed by additional participation at the CEC on this topic.

In the event that rate design is considered at the CEC, TURN emphasizes that reflecting marginal costs by time period is only one of the many goals of rate design. The existing residential rate design complies with legislative mandates and encourages conservation and energy efficiency, the first priority in the loading order. The increasing tiers support the simple concept that using more energy costs more. Any changes to rate design should not be at the expense of this primary goal of supporting energy efficiency.

Moreover, as TURN has argued in comments filed in R.07-01-041, any rate design changes that depend on wholesale market prices should be closely integrated with the policies being pursued by the CPUC with respect to resource adequacy requirements and future market design for energy and capacity. These policies will impact market prices and the costs paid by ratepayers for energy and capacity. The CPUC is in the best position to ensure that these various policies are complementary rather than creating conflicting incentives for utilities and ratepayers.

### ***Pool Pumps***

One of the first components of standards adopted by the Energy Commission in the early 1980's was the requirement that pool pumps be equipped with a switch providing the *capability* to operate only during off-peak periods. This mandate that pump motors have a switch that allows the

“capability” to set pump motors times to off-peak periods is still the existing Title 24 requirement.<sup>2</sup> The Energy Commission has apparently proposed only minor modifications to this language for 2008 standards.

Data collected in 2000 indicate that approximately 10% of California residences have pools with pool pumps, or a total of over 1.1 million pool pumps. Pool pumps are generally the single largest electricity end-use in a residence that has a pool. As the Energy Commission explained in its most recent IEPR report, most new residential expansion is occurring in inland areas, which are much more likely to include air conditioning and pool pumps. The discretionary use of pool pumps should be a much higher priority for shifting to off-peak periods than air conditioning use, which may be critical for some people.

TURN recommends that the scope of this rulemaking be **expanded** to include 1) an evaluation of the impact of existing pool pump control requirements on shifting pool pump use to off-peak periods, and 2) an evaluation of the need for and efficacy of requiring the installation of direct load control equipment to allow utility control of pool pump motors. These evaluations should be given high priority and should include coordination with members of the relevant pool and spa maintenance industry.

### ***Consumer Education***

TURN supports customer education regarding energy efficiency and demand response possibilities. We especially encourage education with respect

---

<sup>2</sup> California Title 24, Part 6, Section 114 (b) 3. states: “The circulation pump shall have a time switch that allows the pump to be set to run in the off-peak electric demand period, and for the minimum time necessary to maintain the water in the condition required by applicable public health standards.”

to the consequences of consumption in the higher tiered rates, and support any bill messages that alert customers to the fact that bill savings would be possible by reducing energy use to avoid rates in tiers 4 and 5.

### *Enabling Technology*

The CEC may contemplate implementing load management standards involving various devices, such as programmable communicating thermostats (PCTs) or other technology. Any requirement of such devices would need to be accompanied by evidence that the technology is cost effective. TURN cautions the Commission that any such analysis should focus on costs and benefits that are incremental to those declared elsewhere or in other proceedings. Furthermore, any communicating devices should include not only the cost of the device but the also the cost of the communication method and the cost of acquiring a customer for the program if the benefit of reducing demand is also to be counted in the cost-benefit analysis. For example, since SCE is already claiming the benefit of peak reductions due to AMI communication with PCTs, those peak MW reductions cannot be claimed also as a benefit to any CEC standard requiring PCTs unless the benefits are incremental to what Edison has already counted.

Sincerely,

Marcel Hawiger  
Staff Attorney

Cc: Jackalyne Pfannenstiel, Chair, CEC  
Arthur Rosenfeld, Commissioner, CEC  
E.V. Garcia, Project Manager, CEC