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IEPR Commissioner Workshop on Supply-Side Demand Response

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**CALIFORNIA LARGE
ENERGY CONSUMERS
ASSOCIATION**

Who is CLECA

- An organization of large high load factor customers located in CA who all participate in the Base Interruptible Program (BIP)
- BIP was used to maintain grid reliability seven times in 2020 and once in 2021
- In 2020, BIP was 845 MW (Sep) which represented 75% of event-based demand response
- CLECA members represent a significant portion of the statewide BIP participation and have responded when necessary to reduce load by shutting down their manufacturing processes

Demand response is a triple Win

- DR maintains grid reliability by reducing load so other customers do not suffer from rotating outages
→ A reliability Win
- DR avoids the need to purchase costly peaking capacity and allows participants to offset the expensive electric rates in CA
→ A cost Win for all customers
- DR off-sets high industrial rates, which keeps manufacturing in CA which prevents GHG leakage and avoids increased GHG from transport of goods into CA
→ A carbon Win

Measuring DR requires balance between accuracy and cost

- Load Reduction should be measured accurately but also appropriately
 - The methodology for measuring a customer's load drop during a peak event must be understandable by the customer
 - Overly expensive and complex measurement methodologies reduce DR incentives and reduce customer participation

Focus on RA Reform

- The CPUC's Resource Adequacy program is being reformed to use the Slice of Day method
 - Changing to the Slice of Day method requires adjustments to measurement
 - The CEC working group should be focused on these needed changes and not on interim costly methodology for just 2023