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Project Title:	2022 Load Management Rulemaking
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Document Title:	Corrected Notice of 15-Day Public Comment Period
Description:	*** This document supersedes TN ***This Document Supersedes TN 242565 *** - Notice of fifteen (15) day comment period for proposed revisions to the Load Management Standards. Corrected to attach revised Proposed Regulatory Language
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Organization:	California Energy Commission
Submitter Role:	Commission Staff
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CEC-057 (Revised 1/21)



NOTICE OF 15-DAY PUBLIC COMMENT PERIOD PROPOSED REVISIONS TO THE LOAD MANAGEMENT STANDARDS California Energy Commission Docket No. 21-OIR-03

On December 24, 2021, the California Energy Commission (CEC) published a Notice of Proposed Action (NOPA) with proposed amendments to the Load Management Standards (LMS), California Code of Regulations (CCR), Title 20, Division 2, Chapter 4, Article 5. The CEC made all the documents available for a 45-day comment period ending February 7, 2022, and held a public hearing on February 8, 2022.

Based on comments received during the 45-day comment period and public hearing, the CEC is proposing changes to the proposed amendments offered on December 24, 2021. **Any interested persons are invited to review and provide written comments to the CEC for consideration during the 15-day comment period from April 5, 2022 through April 20, 2022.** The CEC appreciates receiving written comments on the earliest possible date. Comments submitted after April 20, 2022, are considered untimely and the CEC may, but is not required to, respond to such comments, including those raising significant issues.

The CEC encourages use of its electronic commenting system. Visit the [e-commenting page](https://www.energy.ca.gov/proceedings/energy-commission-proceedings/2020-load-management-rulemaking) at <https://www.energy.ca.gov/proceedings/energy-commission-proceedings/2020-load-management-rulemaking>, which links to the comment page for this proceeding. Enter your contact information and a comment title describing the subject of your comment(s). Comments may be included in the "Comment Text" box or attached as a downloadable, searchable document consistent with 20 CCR Section 1208.1. The maximum file size allowed is 10 MB.

Written comments may also be submitted by email. Include docket number 21-OIR-03 in the subject line and email to docket@energy.ca.gov.

A paper copy may be sent to:

California Energy Commission
Docket Unit Docket No. 21-OIR-03
715 P Street, MS-4
Sacramento, CA 95814

Written and oral comments, attachments, and associated contact information (including address, phone number, and email address) will become part of the public record of this proceeding with access available via any internet search engine.

The 15-day proposed language and related documents are available for review on the [CEC website](https://www.energy.ca.gov/proceedings/energy-commission-proceedings/2020-load-management-rulemaking) at <https://www.energy.ca.gov/proceedings/energy-commission-proceedings/2020-load-management-rulemaking>.

In proposing the 15-day language, the CEC relied on an additional document. This document is:

- <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-rates>

This document, and all documents relied upon in this rulemaking, are part of the rulemaking file for the proposed regulations and are publicly available from the CEC's docket log for this proceeding at <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=21-OIR-03>.

In accordance with Government Code section 11347.1, these documents are made available for public comment at least 15 days before the CEC's consideration and possible adoption of the proposed regulations. Copies of these documents are available for public inspection at the CEC located at the address above, subject to COVID-19 limitations. The CEC has considered all public comments received in developing the 15-day proposed language.

The text of the modified regulatory language is also included as Attachment A. Amendments to the existing code that were made public with the 45-day notice on December 24, 2021, are shown in ~~strike-through~~ to indicate deletions and underline to indicate additions. Additional amendments proposed with this 15-day notice are shown in ~~double-strike-through~~ for deletions and double underline for additions.

In the Final Statement of Reasons, staff will respond to all comments received on the record during comment periods. The Administrative Procedure Act requires that staff respond to comments received regarding all noticed changes. Therefore, staff will only address comments received during opportunities to comment that are responsive to this notice, documents added to the record, or the changes detailed in the proposed 15-day language at the above-referenced website.

To stay informed about this proceeding and receive documents and notices of upcoming workshops and hearings as they are filed, please subscribe to the proceeding list serve at the following link: <https://www.energy.ca.gov/proceedings/energy-commission-proceedings/load-management-rulemaking>. The list serve sends out email notifications and direct links when documents and notices are filed in the proceeding docket. If you are unable to access the website and would like a copy of the rulemaking

documents mailed or emailed to you, or if you have any questions, please contact Corrine Fishman at corrine.fishman@energy.ca.gov.

The CEC's Public Advisor provides the public assistance in participating in CEC proceedings. If you want information on how to participate in this forum, please contact the Public Advisor at publicadvisor@energy.ca.gov, or by phone at (916) 957-7910. Requests for language services and reasonable accommodations should be made as soon as possible or at least five days in advance. The CEC will work diligently to accommodate late requests.

Direct media inquiries to the Media and Public Communications Office at (916) 654-4989, or by email at mediaoffice@energy.ca.gov.

Summary of Proposed Modifications

The following is a summary of the amendments proposed with 15-day language. It does not include non-substantive amendments to correct typographical or grammatical errors, change/correct numbering or formatting, or improve clarity.

1) Modifications to Section 1621 General Provisions.

§ 1621(a) Staff is proposing language to specify entities covered by the proposed regulation offer rates structured according to the proposed regulation's requirements. This responds to comments that the proposed amendments could be viewed as themselves setting rates, which is the province of the ratemaking approval bodies of the utilities and community choice aggregators (CCAs) and not an intention of these regulations.

§ 1621(b) Staff is proposing to add language that refers to "Community Choice Aggregators" or "CCAs" instead of referring to them as "utilities" for drafting purposes. Staff is also proposing to add language to specify that §1621 and §1623 (the provisions of the load management standards which the proposed amendments would modify) apply to CCAs and that CCAs are not subject to the load management standards' legacy provisions (§1622, §1624, and §1625). This responds to comments that referring to the CCAs as utilities was inappropriate and could subject CCAs to portions of the load management standards that were obsolete or unsuited to them. The words "any customers of" are proposed for deletion because they are not necessary.

§ 1621(c) Staff is proposing to make several changes to the definitions which appear in this subsection of the proposed amendments.

In subsection (c)(2), "Community Choice Aggregators" are defined separately from "Utilities". For consistency, in subsection (c)(15) the term "CCAs" is proposed to be deleted from the definition of "utility" and references to "CCAs" are proposed to be added to the following other definitions in subsection (c): subsection (c)(4) "commercial customers", (c)(9) "rate-approving body", (c)(10) "residential", (c)(11) "service area", and

(c)(12) “tariff”. Again, in these subsections’ references to CCAs are being added to refer to them by name, rather than by referring to them as “utilities”.

In subsection (c)(6), a definition of “customer class” to give meaning to the term which appears several times in the proposed amendments.

In subsection (c)(7), a definition of “greenhouse gases” and “GHGs” is proposed to be added to give meaning to this term which is used elsewhere in the proposed amendments. The proposed definition references definitions that appear in the regulations for the California Air Resources Board’s mandatory greenhouse gas reporting and cap and trade programs.

In subsection (c)(9), the term “customer initiated” is proposed to be deleted because it is unnecessary.

In subsection (c)(11), “the Board of Water and Power Commissioners of the City of Los Angeles is the rate-approving body for the Los Angeles Department of Water and Power” is being added to identify the rate-approving body in response to comments from Los Angeles Department of Water and Power.

In subsection (c)(14), in response to comments from the utilities, the definition of “tariff” is being modified to mean a pricing schedule or rate plan offered to customers that specifies the components of their electricity bills.

§§ 1621(d), (e), (f) and (g). Staff is proposing to make changes to these subsections to add the term “CCAs”, consistent with the proposed revision to subsection (c)(15), which would delete the term “CCAs” from the definition of “utility”. Again, in these subsections’ references to CCAs are being added to refer to them by name, rather than by referring to them as “utilities”.

2) Modifications to Section 1623 Load Management Tariff Standard.

§§ 1623(a), (b), (c), and (d). Staff is proposing to make changes to these subsections to add the term “CCAs”, consistent with the proposed revision to § 1621(c)(15), which would delete the term “CCAs” from the definition of “utility”. As above, references to CCAs in these subsections are being added to refer to CCAs by name, rather than by referring to them as “utilities”.

§ 1623(a) and (a)(2) In response to comments from utilities, staff is proposing to add the word “based” to the term “marginal cost rates” so the resulting term would read “marginal cost-based rates”. According to comments, this helps to clarify what cost components can be included in rates. Staff is also proposing to add “structured according to the requirements of this article” in response to comments to clarify that the proposed amendments require certain rate structures and do not require ratemaking. Staff is also proposing to add “for approval” to clarify that the resulting cost structures must be approved by the appropriate rate-making approval bodies of the utilities and

CCAs. Staff is also proposing to add the term “including social costs” to § 1623(a)(1) to clarify that these costs must be accounted for in marginal cost-based rate structures.

§ 1623(b) In response to comments that it is not accurate or desirable, staff is proposing to delete, “Each customer shall be able to access all rate information applicable to the customer with a single RIN assigned by the utility.” This sentence is inaccurate because a customer should have more than one RIN if they have multiple meters or multiple sites.

§1623(c)(1)(E) and §1623(c)(1)(G) For clarity and in response to comments, staff is proposing to change §1623(c)(1)(E) to provide the third-party access tool “incorporate reasonable and applicable cybersecurity measures” instead of “ensuring cybersecurity”. For the same reasons, staff is proposing to add a new §1623(c)(1)(G) which would require that the tool: “Be accessible in a digital, machine-readable format according to best practices and standards.”

§1623(c)(5) To ensure that once the third-party access tool is approved, it is not changed without CEC oversight, staff proposes to add the following: “Any changes to the single statewide standard tool, including changes to the terms and conditions, shall be submitted to the Executive Director for approval. The Executive Director shall submit any substantive changes to the Commission for approval at a Business Meeting.”

Attachment A

Title 20. Public Utilities and Energy
Division 2. State Energy Resources Conservation and Development Commission
Chapter 4. Energy Conservation
Article 5. Load Management Standards
Sections 1621 -1625

The proposed new language appears as underline (example) and proposed deletions appear as strikeout (~~example~~). Existing language appears as plain text. Proposed new 15-day changes appear as double underline (example) and proposed deletions appear as double strikeout (~~~~example~~~~).

§ 1621. General Provisions.

- (a) Purpose. This article establishes electric load management standards pursuant to Section 25403.5 of the Public Resources Code. These standards establish cost-effective programs and rate structures which will encourage the use of electrical energy at off-peak hours and encourage the control of daily and seasonal peak loads to result in improved utility electric system efficiency and reliability, ~~will~~ lessen or delay the need for new electrical capacity, and reduce fossil fuel consumption and greenhouse gas emissions, ~~and will thereby lowering~~ the long-term economic and environmental costs of meeting the State's electricity needs. These load management standards do not set rates. The standards instead require that entities subject to this article offer rates structured according to the requirements established herein.
- (b) Application. Each of the standards in this article applies to the following electric utilities: Los Angeles Department of Water and Power, San Diego Gas and Electric Company, Southern California Edison Company, Pacific Gas and Electric Company, and Sacramento Municipal Utility District, ~~as well as.~~ In addition, the standards set forth in subsections 1621 and 1623 of this article apply to any Community Choice Aggregators (CCA) operating within the service areas and receiving distribution services from the foregoing electric utilities. CCAs are not subject to subsections 1622, 1624, and 1625 of this article. The California Energy Commission has found these standards to be technologically feasible and cost-effective when compared with the costs for new electrical capacity for the above-named electric utilities., including any customers of CCAs operating within the service areas of such electric utilities.
- (c) Definitions. In this article, the following definitions apply:
- (~~0~~)(1) "Building type" means the classification of a non-residential building in accordance with ~~the following table:~~ California Code of Regulations, Title 24, Part 2, Chapter 3 of the California Building Code.

Building Type	Description
1	Office
1.1	Small (0-30,000 sq. ft.)
1.2	Med (30,000-200,000 sq. ft.)
1.3	Large (200,000 + sq. ft.)
1.3.1	Low-rise (two or less stories)
1.3.2	Highrise (three or more stories)
2	Retail
2.1	Retail-General
2.1.1	Small (1-9,000 sq. ft.), detached
2.1.2	Small (1-9,000 sq. ft.), attached
2.1.3	Med (9,000-20,000 sq. ft.), detached
2.1.4	Med (9,000-20,000 sq. ft.), attached
2.1.5	Med (9,000-20,000 sq. ft.), enclosed mall
2.1.6	Large (20,000 + sq. ft.), detached
2.1.7	Large (20,000 + sq. ft.), attached
2.1.8	Large (20,000 + sq. ft.), enclosed mall
2.1.9	Highrise department store (three or more stories)
2.2	Retail-Food
2.2.1	Small (1-5,000 sq. ft.)
2.2.2	Large (5,000 + sq. ft.)
3	Restaurants
3.1	Fast Food
3.2	Sit-down
4	Storage Buildings
4.1	Conditioned
4.2	Unconditioned
5	Hotels and Motels
5.1	Large (50,000 + sq. ft.)
5.2	Small (less than 50,000 sq. ft.)
6	Schools
6.1	Elementary/pre-schools
6.2	Jr. high/high schools
6.3	Jr. colleges/trade schools
6.4	Colleges/universities
7	Public assembly buildings
7.1	Auditoriums

7.2	Theaters
7.3	Sports arenas
8	Health care facilities
8.1	General hospitals
8.2	Research hospitals
8.3	Mental hospitals
8.4	Convalescent hospitals/homes
9	Computer facilities
10	Auto repair and service stations
11	Miscellaneous

~~(2)~~ "Community choice aggregators" or "CCAs" means entities as defined in Public Utilities Code section 331.1.

~~(6)~~~~(3)~~ "Central air conditioner" means any residential electric air conditioner which delivers cooled air through ducts to rooms.

~~(8)~~~~(4)~~ "Commercial customers" means those customers of a utility or CCA who run any business described in Standard Industrial Classification Groups 40 through 86, and 89 through 99, and which do not treat sewage or manufacture goods or provide other process-oriented services.

~~(i)~~~~(A)~~ "Large commercial customers" are those businesses whose demand for electricity equals or exceeds 500 kilowatts.

~~(ii)~~~~(B)~~ "Small commercial customers" are those businesses whose demand for electricity is less than 500 kilowatts.

~~(40)~~~~(5)~~ "Conditioned Space" means an enclosed space within a building that is directly conditioned or indirectly conditioned, consistent with California Code of Regulations, Title 24, Part 6, section 100.1(b). the space, within a building which is provided with a positive heat supply or positive method of cooling.

~~(6)~~ "Customer class" means a broad group of customers used for rate design. Customer classes include but are not limited to residential, commercial, industrial, agricultural, and street lighting.

~~(7)~~ "Greenhouse gas" or "GHG" has the same meaning as in California Code of Regulations, Title 17, sections 95102 and 95802.

~~(6)~~~~(8)~~ "Load management tariff" means a tariff with time-dependent values that vary according to the time of day to encourage off-peak electricity use and reductions in peak electricity use.

~~(7)~~~~(9)~~ "Marginal cost" or "locational marginal cost" is means the change in current and committed future electric system utility cost that is caused by a customer initiated change in electricity usage supply and demand during a specified time interval at a specified location. Total marginal cost may be divided into

- ~~the commonly known categories of marginal energy, marginal capacity, and marginal customer costs, or any other appropriate categories.~~
- ~~(8)(10)~~ (10) “Rate Identification Number” or “RIN” means the unique identifier established by the Commission for an electricity rate.
- ~~(3)(9)~~ (11) “Rate-approving body” means the California Public Utilities Commission in the case of investor-owned utilities, such as the San Diego Gas and Electric Company, the Southern California Edison Company, and the Pacific Gas and Electric Company. It means or the governing body of CCAs or publicly owned utilities such as the Los Angeles Department of Water and Power, and the Sacramento Municipal Utility District. For purposes of this article, the Board of Water and Power Commissioners of the City of Los Angeles is the rate-approving body for the Los Angeles Department of Water and Power.
- ~~(4)(10)~~ (12) “Residential” means any family dwelling within the utility's or CCA's service area which uses electricity for noncommercial purposes as defined in the utility's or CCA's terms and conditions of service.
- ~~(2)(11)~~ (13) “Service area” ~~is the~~ means any contiguous geographic area serviced by the same electric utility or CCA, in which the utility supplies electricity to retail customers.
- ~~(12)~~ (14) “Tariff” means ~~the contract between the utility and customer that a pricing schedule or rate plan that a utility or CCA offers to their customers~~ specifying the components of the customer's electricity bill.
- ~~(13)~~ (15) “Time-dependent rate” means a rate that can vary depending on the time of day to encourage off-peak electricity use and reductions in peak electricity use. Time-of-use, hourly, and sub-hourly rates are time-dependent rates.
- ~~(14)~~ (16) “Time-of-use rate” means a rate with predefined prices that vary according to the time of day, the season, and/or the day type (weekday, weekend, or holiday).
- ~~(1)(15)~~ (17) “Utility” means those electric utilities to which the sections of this article apply, as specified in subsection (b), and any CCA serving customers within the service area of any of these specified electric utilities.
- ~~(5)(16)~~ (18) “Water heater” means any residential electric water heater except those which provide hot water to heat space or those which operate within electric dishwashers.
- ~~(d) Review and Approval of Utility Submittals. These load management standards require utilities to submit various plans to the Executive Director. All such submittals shall be reviewed by the Executive Director, and shall be subject to approval by the full Commission. The Executive Director shall complete his review of such submittals and shall report to the Commission within thirty calendar days after receipt as to whether the submittal is consistent with the~~

~~provisions of this article. Within thirty calendar days after the Executive Director renders his report, the Commission shall, following a public hearing, approve or disapprove the submittal. The Commission may also approve a submittal on condition that the utility make specified changes or additions to the submittal, within a reasonable period of time set by the Commission. A conditional approval shall not take effect until the utility makes the specified changes or additions to the submittal under review. The Commission shall approve submittals which are consistent with these regulations and which show a good faith effort to plan to meet program goals for the standards.~~

~~If the Commission disapproves a submittal, the utility shall be notified of the specific reasons for such disapproval, and the utility shall submit a revised submittal for review by the Executive Director in accordance with the provisions of this subsection.~~

- ~~(e) Information Requests. In order to facilitate his review of a utility's compliance with the provisions of this article, the Executive Director may request a utility to furnish copies of any information in the utility's possession which is relevant to its implementation of these standards, including any tariff proposals and associated information which it submits to its rate approving body. The Executive Director may set a reasonable period of time within which the utility must supply the requested information.~~

~~If any document which is requested by the Executive Director contains proprietary information or trade secrets, the utility shall only be required to furnish the document to the Executive Director, if the Commission has established procedures, after a public hearing, for the protection of such proprietary information or trade secrets.~~

- ~~(f) Revisions of Approved Plans. Each time a utility significantly revises any plan or part of a plan required by this article, that was previously approved by the Commission, it shall submit this revised plan for review and approval pursuant to subsection (d) above. Such revised plan shall not be valid until it is approved by the Commission. If the Executive Director believes that new technologies, the state of the economy or other new information warrant revisions to plans which have already been approved, he shall request the utilities to make the appropriate revisions as part of their next annual report or within 90 days, whichever comes later. If the Executive Director issues such a request, the utility shall submit a revised plan for review and approval pursuant to subsection (d) above.~~

- ~~(g) Modifications to Program Goals. If, during the planning or execution of any program required by this article, a utility, despite its best good faith efforts, believes that it cannot achieve one or more of the program goals set forth in the various sections of this article or that a program is not cost effective, the utility may submit a report to the Commission explaining the reasons therefore, and indicating when the utility believes that it could achieve the program goal or goals, or suggesting alternative goals. If based upon the utility report, or its own~~

~~studies, the Commission finds that there are good and sufficient reasons for the utility not being able to achieve the goal or goals, the Commission shall modify any previously approved goal for that utility to one that is feasible and costeffective for the utility to achieve.~~

~~(h) Utility Request for Exemptions:~~

~~(1) A utility may, at any time after the effective date of this article, apply to the Commission for an exemption from the obligation to comply with any or all of these standards. Any such application shall set forth in detail the reasons why a denial of the application by the Commission would result in extreme hardship to the utility, or in reduced system reliability and efficiency, or why the standard or standards from which the exemption is sought would not be technologically feasible or cost effective for the utility to implement. The application shall also set forth the period of time during which the exemption would apply, and shall indicate when the utility reasonably believes the exemption will no longer be needed.~~

~~(2) Within 30 days after receipt of any such application, the Commission shall hold a hearing to consider whether there is sufficient information contained in the application to justify further hearings on the merits. If the Commission finds that the application does not contain sufficient information, it shall dismiss the application, and notify the utility of the specific reasons for the dismissal. The utility may thereafter submit a revised application in good faith.~~

~~(3) If the Commission finds that the application does contain sufficient information, it shall schedule such further hearings as may be necessary to fully evaluate the application.~~

~~(4) If, after holding hearings, the Commission decides to grant an exemption to a utility, the Commission shall issue an order granting exemption. The order shall set forth findings and specific reasons why the exemption is being granted.~~

~~(i) Noncompliance. The Executive Director may, after a review of the matter with the utility, file a complaint with the Commission, alleging that the utility is not in compliance with the provisions of this article:~~

~~(1) If the utility is not conducting a program in conformance with the provisions of its approved plan;~~

~~(2) If the utility fails to provide a required submittal in a timely manner; or~~

~~(3) If the utility fails to make requested changes or additions to any such submittal within a reasonable time.~~

(d) Utility and CCA Plans to Comply with Load Management Standards

(1) Each utility and CCA shall submit a plan to comply with Sections 1621 and 1623 of this article to the Executive Director no later than six (6) months after the effective date of these standards.

- (2) The Executive Director shall review the plans and either return them to the utility or CCA for revision or submit them to the Commission for review and potential approval. The Executive Director may recommend, and the Commission may approve, a submittal on condition that the utility or CCA make specified changes or additions to the submittal, within a reasonable period of time set by the Commission. A conditionally-approved plan shall not become effective until the utility or CCA makes the specified changes or additions to the submittal under review. The Commission shall approve submittals which are consistent with these regulations and which show a good faith effort to plan to meet program goals for the standards. In reviewing a plan, the Executive Director and the Commission may request additional information consistent with Sections 1621 and 1623.
- (3) All proposed plan revisions must be submitted to the Executive Director for review. The Executive Director may approve plan revisions that do not affect compliance with the requirements of Sections 1621 or 1623. The Executive Director shall submit all other plan revisions to the Commission for approval.
- (4) Utilities and CCAs 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.

(e) Exemptions, Delays, or Modifications

- (1) Utilities and CCAs may apply to the Executive Director for an exemption from the requirements of Sections 1621 and 1623 of this article, to delay compliance with its requirements, or to modify a load management standard compliance plan. The Commission may, by resolution, order a utility or CCA to modify its approved load management standard plan. Upon such order by the Commission, a utility or CCA shall submit an application to modify its plan within 90 days of the Commission's order.
- (2) Applications for exemptions or delays shall set forth the requested period during which the exemption or delay would apply and indicate when the utility or CCA reasonably believes the exemption or delay will no longer be needed. The application further shall demonstrate one or more of the following:
 - (a) that despite a utility's or CCA's good faith efforts to comply, requiring timely compliance with the requirements of this article would result in extreme hardship to the utility or CCA,
 - (b) requiring timely compliance with the requirements of this article would result in reduced system reliability and efficiency, or
 - (c) requiring timely compliance with the requirements of this article would not be technologically feasible or cost-effective for the utility or CCA to implement.

- (3) Applications for modifications shall demonstrate that despite the utility's or CCA's good faith efforts to implement its load management standard plan, the plan must be modified to provide a more technologically feasible or cost-effective way to achieve the requirements of this article or the plan's goals.
- (4) The Executive Director shall review applications for exemptions, delays, and modifications and make an initial determination of whether an application demonstrates the requirements of either subsection (2) or (3) above. The Executive Director shall then submit the application to the Commission with a recommendation of whether to approve or reject the application based on their initial determination. In reviewing these applications, the Executive Director and the Commission may request additional information or revisions of the application from a utility or CCA consistent with Sections 1621 and 1623. If a utility or CCA fails to provide information or revisions by a deadline established by the Executive Director or the Commission, the Commission may deny the application on that basis.
- (f) Enforcement. The Executive Director may, after reviewing the matter with the utility or CCA, file a complaint with the Commission following the process set forth in Sections 1233.1 to 1233.4 or seek injunctive relief if a utility or CCA:
- (1) Fails to adhere to its approved load management standard plan,
 - (2) Modifies its approved load management standard plan without approval,
 - (3) Does not provide information by a deadline established by the Executive Director or the Commission, or
 - (4) Fails to make requested revisions to its approved load management standard plan by the deadline established by the Executive Director or the Commission, or
 - (5) Violates the provisions of this article.

(j)(g) Recovery of Program Costs

In its rate applications, each utility or CCA shall seek to recover the full costs associated with conducting each program required by this article from the class of customers which the program most directly affects. The utility or CCA shall not be required to commence implementation of any program required by this article until the utility's or CCA's rate-approving body has approved the tariffs which are a part of any such program and a method for recovering the costs of the program.

- (k)(h) Notwithstanding Section 2231 of the Revenue and Taxation Code, there There shall be no reimbursement to local government entities (i.e., the Los Angeles Department of Water and Power and the Sacramento Municipal Utility District) for the costs of carrying out the programs mandated by these standards, because the Commission has found these standards to be cost-effective. The savings which these entities will realize as a result of carrying out these programs will outweigh the costs associated with implementing these programs.

Note: Authority cited: Sections 25132, 25213, ~~and 25218(e)~~, and 25403.5, Public Resources Code. Reference: Sections 25132 and 25403.5, Public Resources Code.

§ 1622. Residential Load Management Standard. – No Changes

§ 1623. Load Management Tariff Standard.

(a) Marginal Cost Rates. This standard requires that ~~each~~ utility and CCA develop marginal cost-based rates, ~~using a recommended methodology or the methodology approved by its rate approving body, when it prepares rate applications for retail services, structured according to the requirements of this article~~ and that the utility or CCA submit such rates to its rate-approving body for approval.

(1) Total marginal cost shall be calculated as the sum of the marginal energy cost, the marginal capacity cost (generation, transmission, and distribution), and any other appropriate time and location dependent marginal costs, including social costs, on a time interval of no more than one hour. Energy cost computations shall reflect locational marginal cost pricing as determined by the associated balancing authority, such as the California Independent System Operator, the Balancing Authority of Northern California, or other balancing authority. Marginal capacity cost computations shall reflect the variations in the probability and value of system reliability of each component (generation, transmission, and distribution). Social cost computations shall reflect, at a minimum, the locational marginal cost of associated greenhouse gas emissions.

(2) Within one (1) year of the effective date of these regulations, each utility and CCA shall apply to its rate-approving body for approval of at least one marginal cost-based rate, in accordance with 1623(a)(1), for each customer class.

(3) Utilities and CCAs shall provide the Commission with informational copies of tariff applications when they are submitted to their rate-approving bodies.

(b) Publication of Machine-Readable Electricity Rates. Each utility and CCA shall upload its composite time-dependent rates applicable to its customers to the Commission's Market Informed Demand Automation Server (MIDAS) database upon each of the following circumstances:

(1) no later than three (3) months after the effective date of these standards,

(2) each time a rate is approved by the rate-approving body, and

(3) each time a rate changes.

The composite time dependent rates uploaded to the MIDAS database shall include all applicable time dependent cost components, including, but not limited to, generation, distribution, and transmission. The Commission maintains public access to the MIDAS-database through an Application Programming Interface (API) that, provided a Rate Identification Number (RIN), returns information

sufficient to enable automated response to marginal grid signals including price, emergency events, and greenhouse gas emissions. ~~Each customer shall be able to access all rate information applicable to the customer with a single RIN assigned by the utility.~~

~~Marginal Cost Methodologies and Rates. Within six months after the Marginal Cost Pricing Project Task Force (which is jointly sponsored by the CEC and CPUC under an agreement with the Federal Department of Energy) makes its final report available to the public, and the Commission approves it by resolution, a utility submitting a general rate filing to its rate approving body shall include marginal cost based rates in such filing which have been developed by using at least one methodology recommended by the Task Force, except that if a utility's rate approving body has approved a marginal cost methodology, a utility may substitute the approved methodology for one recommended by the Task Force.~~

~~If at any time subsequent to the Commission's approval of the Task Force report, the utility's rate approving body approves a marginal cost methodology which is substantially different from any of the methodologies recommended by the Task Force, the utility shall so inform the Commission, and shall explain the nature of and the reasons for these differences.~~

~~In addition to marginal cost based rates which it develops using a methodology recommended by the Task Force report for that utility or approved by its rate approving body, the utility may also submit marginal cost based rates which it develops using any alternative methodology that it deems appropriate.~~

~~The utility may also submit other rates or tariffs which it deems appropriate.~~

~~Nothing in this section shall prevent the Commission from recommending the approval of marginal cost methodologies different from those used by a utility to any rate approving body.~~

(c) Support Customer Ability to Link Devices to Electricity Rates.

(1) Third-party Access. The utilities and CCAs shall develop a single statewide standard tool for authorized rate data access by third parties that is compatible with each utility's and CCA's system. The tool shall:

(A) Provide the RIN(s) applicable to the customer's premise(s) to third parties authorized and selected by the customer;

(B) Provide any RINs, to which the customer is eligible to be switched, to third parties authorized and selected by the customer;

(C) Provide estimated average or annual bill amount(s) based on the customer's current rate and any other eligible rate(s) if the utility or CCA has an existing rate calculation tool and the customer is eligible for multiple rate structures;

- (D) Enable the authorized third party to, upon the direction and consent of the customer, modify the customer's applicable rate to be reflected in the next billing cycle according to the utility's and CCA's standard procedures;
 - (E) ~~Ensure~~ Incorporate reasonable and applicable cybersecurity measures;
~~and~~
 - (F) Minimize enrollment barriers; and
 - (G) Be accessible in a digital, machine-readable format according to best practices and standards.
- (2) The utilities and CCAs shall submit the single statewide standard tool developed pursuant to Section 1623(c)(1) to the Commission for approval at a Business Meeting.
 - (A) The tool must be submitted within ~~one~~ (1) year of the effective date of these regulations.
 - (B) The Executive Director may extend this deadline upon a showing of good cause.
 - (C) The utilities and CCAs shall describe a single set of terms and conditions they intend to require of third parties using the single statewide standard tool.
- (3) Upon Commission approval the utilities and CCAs shall implement and maintain the tool developed in Section 1623(c)(1).
- (4) Customer Access. No later than nine (9) months after the effective date of these standards, each utility and CCA shall provide customers access to their RIN(s) on customer billing statements and online accounts using both text and quick response (QR) or similar machine-readable digital code.
- (5) Any changes to the single statewide standard tool, including changes to the terms and conditions, shall be submitted to the Executive Director for approval. The Executive Director shall submit any substantive changes to the Commission for approval at a Business Meeting.
- (d) ~~(c)~~ Public Information Programs. Utilities and CCAs shall encourage mass-market automation of load management through information and programs. As soon as a utility's rate approving body has adopted a tariff in accordance with a recommended or approved marginal cost methodology, the utility shall conduct a public information program which shall inform the affected customers why marginal cost-based tariffs are needed, exactly how they will be used and how these tariffs can save the customer money.
 - (1) No later than eighteen (18) months after the effective date of these standards, each utility and CCA shall submit to the Executive Director a list of load flexibility programs deemed cost-effective by the utility or CCA. The portfolio of identified programs shall provide any customer with at least one option for automating response to MIDAS signals indicating marginal cost-based rates.

marginal prices, hourly or sub-hourly marginal greenhouse gas emissions, or other Commission-approved marginal signal(s) that enable automated end-use response.

(2) Within three (3) years of the effective date of these regulations, each utility and CCA shall offer to each of its electricity customers voluntary participation in a marginal cost rate developed according to Section 1623(a) if such rate is approved by the utility's or CCA's rate-approving body, or a cost-effective program identified according to Section 1623(d)(1) if such rate is not yet approved by the utility's or CCA's rate-approving body.

(3) Each utility and CCA shall conduct a public information program to inform and educate the affected customers why marginal cost-based rates and automation are needed, how they will be used, and how these rates can save the customer money.

~~(d) Compliance. A utility shall be in compliance with this standard if all of the utility's rate applications are prepared in accordance with the provisions of subsection (b) above, and the utility provides informational copies of its applications to the Commission.~~

Note: Authority cited: Sections 25132, 25213, ~~and 25218(e)~~, and 25403.5, Public Resources Code. Reference: Sections 25132 and 25403.5, Public Resources Code.

§ 1624. Swimming Pool Filter Pump Load Management Standard. – No Changes.

§ 1625. Non-Residential Load Management Standard. – No Changes.