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May 26, 2023

Mr. Drew Bohan
Executive Director
California Energy Commission
715 P Street
Sacramento, CA 95814

RE: SDG&E Comments on CEC Executive Director's Initial Determination and Recommendation Regarding Joint Parties' Request for Extension on Uploading Time Dependent Rates into the MIDAS Database (Docket No. 23-LMS-01)

Dear Executive Director Bohan:

On April 28, 2023, San Diego Gas & Electric Company (SDG&E) and other load-serving entities¹ (collectively referred to herein as "Joint Parties") submitted a letter requesting extension of the July 1, 2023, deadline established in the Load Management Standards (LMS) to upload existing time-dependent rates to the Market-Informed Demand Automation Server (MIDAS) database ("Request for Extension"). The Request included a phased approach to providing uploads to MIDAS, largely hinging upon key milestones with system functionality.

On May 17, 2023, the Initial Determination and Recommendation ("Initial Determination") responding to the Request for Extension was issued. The Initial Determination, to be considered at the May 31 Business Meeting, proposes that the Joint Parties upload "unbundled time-dependent electricity rates" by August 1, 2023, and the remaining time-dependent rates (such as those including price modifiers) by October 1, 2023.

While the extensions proposed in the Initial Determination are shorter than those sought by the Joint Parties, SDG&E nonetheless appreciates the additional

¹ The other parties include Pacific Gas and Electric Company (PG&E), Southern California Electric Company (SCE), Clean Power Alliance of Southern California (CPA), East Bay Community Energy (EBCE), Marin Clean Energy (MCE), Central Coast Community Energy (CCCE), Silicon Valley Clean Energy Authority (SVCE), San Jose Clean Energy (SJCE), Peninsula Clean Energy Authority (PCE), CleanPowerSF (CPSF), Sonoma Clean Power Authority (SCP), San Diego Community Power (SDCP), Pioneer Community Energy (Pioneer), Valley Clean Energy (VCE), and Orange County Power Authority (OCPA).

flexibility. To clearly state our intent, SDG&E will push to try to meet these deadlines to the greatest extent feasible. We understand the Commission's interest in making the MIDAS tool available for third parties to provide price signals that could aid in customer load shifting/reduction, particularly as we enter the summer months when the grid is more likely to experience stressed conditions.

However, SDG&E continues to anticipate that several of the clarifications identified in the Request for Extension as critical milestones still need to be addressed. The issued MIDAS documentation is helpful, but further detail/specificity on upload parameters will be necessary. Although the MIDAS documentation was provided to all parties at the April 27, 2023, LMS Working Group Meeting #6, any system integration will require iterative discussion to ensure that the upload runs smoothly. This will be the case regardless of whether the process is performed manually or automated. SDG&E is committed to working with CEC staff and the LMS Working Group; we will soon meet with CEC staff in the interest of trying to align the information we have available with staff's expectations.

SDG&E is proud to offer innovative rate structures to our customers through our Vehicle-Grid Integration (VGI) rate and Grid Integrated Rate (GIR). These dynamic rates are based on hourly CAISO pricing for electric vehicles. **While this level of granularity in SDG&E rate design directly ties our pricing to market conditions, it unfortunately adds complexity to the process of maintaining manually uploaded rates in MIDAS.** Using a manual process to upload this hourly shift every day creates a disproportionately large resource burden on SDG&E staff, while impacting a limited number of SDG&E customers. Only a small portion of SDG&E's customers (less than 0.01 percent) are enrolled in these rates, and these customers already have access to the hourly rate data. As such, the upload into MIDAS is not likely to result in a significant benefit or added level of transparency.

For these reasons, SDG&E respectfully requests that the CEC consider providing an additional extension for uploading a small subset of our rates—those that incorporate hourly pricing—until an automated solution can be available. As previously stated in our Request for Extension, we anticipate that this may take until April 1, 2024, to allow more time for an automated system to be developed and tested. This very limited extension for just two rates (that already have prices published) will allow SDG&E to focus on uploading other rates into MIDAS that will be of more benefit to summer reliability.

Going forward, SDG&E urges the CEC to work with the load-serving entities (LSEs) complying with the LMS to monitor progress in MIDAS uploads. Based on these progress check-ins, the CEC should work with the LSEs to identify the potential need for additional extensions and consider such extensions as appropriate. Such an approach would allow for work to continue while recognizing that the ongoing refinement of MIDAS, further testing with rate uploads, and development of solutions to address price modifiers all contribute to the timeline needed to have a well-functioning tool for third-party use.

Thank you for your consideration of these comments. Please do not hesitate to contact

me should you have any questions. SDG&E staff can be available to discuss the above-noted considerations in greater detail with you and/or CEC staff.

Sincerely,



Sarah M. Taheri
Regulatory Affairs Manager

Cc:

Honorable CEC Commissioners
Michael Sokol, CEC
Jennifer Nelson, CEC
Stefanie Wayland, CEC