

DOCKETED	
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Submitted On: 11/30/2023
Docket Number: 23-LMS-01*

SMUD's Load Management Standard (LMS) Compliance Plan

Board Resolution 23-11-04

Additional submitted attachment is included below.

RESOLUTION NO. 23-11-04

WHEREAS, the **California Energy Commission (CEC)** amended **Load Management Standard (LMS)** regulation became effective in April 2023, establishing new requirements for large utilities, including the two largest publicly owned utilities (POUs); and

WHEREAS, the goal of the regulation is to encourage the use of energy at off-peak hours, encourage the control of peak loads to improve system efficiency and reliability, lessen or delay the need for new capacity, and reduce fossil fuel consumption and greenhouse gas emissions; and

WHEREAS, to achieve these goals, the **LMS** regulation requires the Large POU's to evaluate the design and implementation of hourly marginal cost-based rates and if, based upon the evaluation, the utilities do not propose dynamic rates, they must evaluate the implementation of programs that allow customers to automatically respond to price signals available in the **CEC's** centralized database; and

WHEREAS, the **LMS** regulation requires the utilities to apply to their rate-approving bodies for approval of hourly marginal cost-based rates and/or to offer load flexibility programs allowing customers to automatically respond to prices signals available in the **CEC's** centralized database, if such rates and/or programs are determined to materially reduce peak load; and

WHEREAS, the **LMS** regulation contains additional requirements for providing access to price signals and information about the benefits of reducing peak loads; and

WHEREAS, POU's may modify or delay the requirements in the **LMS** regulation and adopt a more technologically feasible, equitable, safe or cost-effective way to achieve the

requirements after making findings based on the evaluation, as detailed in their compliance plan; and

WHEREAS, in accordance with **LMS** regulations, staff submitted the **2023 SMUD Load Management Standard Compliance Plan (Plan)** to the Board on September 29, 2023; and

WHEREAS, the **Plan** describes how SMUD will meet the goals and requirements of the regulation and includes evaluation of dynamic hourly rates and programs; and

WHEREAS, the **Plan** was presented at the publicly noticed Board Energy Resources & Customer Services Committee and Special SMUD Board of Directors meeting on October 18, 2023; and

WHEREAS, the **Plan** reflects staff's assessment, evaluation, and conclusions; and

WHEREAS, if adopted by the Board, the **Plan** must be submitted to the **CEC**;

NOW, THEREFORE,

**BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF THE SACRAMENTO MUNICIPAL UTILITY DISTRICT:**

Section 1. This Board adopts the **2023 SMUD Load Management Standard Compliance Plan (Plan)** substantially in the form set forth in **Attachment A** hereto and made a part hereof.

Section 2. This Board cannot at this time determine that new dynamic hourly rates and/or programs would materially reduce peak load for any customer class relative to SMUD's current and planned rates and load flexibility programs and pilots.

Section 3. Staff is directed to file the **Plan** with the **California Energy Commission**.

Section 4. The Chief Executive Officer and General Manager, or his designee, is authorized to make future changes to the SMUD **Plan** that, in his prudent judgment: (a) further the primary purpose of the SMUD **Plan**; and (b) are intended to provide a net benefit to SMUD.

Approved: November 16, 2023

INTRODUCED: DIRECTOR FISHMAN				
SECONDED: DIRECTOR TAMAYO				
DIRECTOR	AYE	NO	ABSTAIN	ABSENT
SANBORN	X			
ROSE				X
BUI-THOMPSON				X
FISHMAN	X			
HERBER	X			
KERTH	X			
TAMAYO	X			