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Filer:	Sarah Taheri
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Sarah M. Taheri
Regulatory Affairs Manager

925 L Street, Ste. 650
Sacramento, CA 95814

phone: 916.708.7409
email: STaheri@sdge.com

March 29, 2024

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

RE: San Diego Gas & Electric (SDG&E) Update Regarding Progress Toward Uploading Hourly Dynamic Pricing Rates into the MIDAS Database (Docket No. 23-LMS-01)

Dear Mr. Bohan:

On May 31, 2023, the California Energy Commission adopted Order No 23-0531-10 ("Order") regarding the Joint Parties' Request for Delay of July 1, 2023, MIDAS Rate Upload Deadline. Ordering Paragraph 3 states:

SDG&E shall upload hourly dynamic prices offered through its Vehicle-Grid Integration (VGI) rate and Grid Integrated Rate (GIR) by April 1, 2024. SDG&E shall file reports of its progress towards meeting this deadline with CEC staff on July 1, 2023, October 1, 2023, January 1, 2024, and April 1, 2024.

Accordingly, SDG&E is providing an update on the progress of its work toward developing an automated system to support the upload of hourly dynamic pricing rates, include its VGI and GIR rates, by April 1, 2024.

Status Update

On March 1, 2024, SDG&E submitted an application for extension of compliance deadline, requesting to further extend the deadline for uploading VGI and GIR rates beyond April 1, 2024. In that application, SDG&E noted:

SDG&E believes that timely compliance with the requirement to upload hourly time dependent VGI and GIR rates by April 1, 2024, would not be cost-effective. As such, SDG&E respectfully requests an extension of the deadline to upload VGI and GIR rates until SDG&E uploads its Real-Time Pricing (RTP) import pilot rate, or until 120 days (approximately 4 months) after SDG&E's RTP import pilot rate has been approved by the California Public Utilities Commission (CPUC), whichever is sooner...

...these two rates impact a very small number of SDG&E customers – only 600 meters to be exact. This amounts to 0.045% of SDG&E's total customer population. And to comply with LMS § 1623(b) for these rates, SDG&E estimates it will cost \$450-675k annually in IT systems to support and maintain these uploads. These costs are required to support the day-ahead and day-of uploads of California Independent System Operator (CAISO) commodity and base rate hourly pricing, as well as uploads of the complex calculations supporting the VGI Distribution Critical Peak Pricing hourly adders and the VGI Commodity Critical Peak Pricing hourly adders. All these prices must be uploaded and verified on a daily basis to ensure accurate pricing...

... Extending the deadline as proposed would align the timing for the upload of VGI and GIR rates into MIDAS with a larger upload grouping of hourly rates, making the needed technological investments more cost-effective. SDG&E expects its proposed RTP pilot rate will make hourly, time-dependent rates available for many more, if not all, SDG&E customer classes, reaching a much more significant portion of SDG&E's customer base.¹ Accordingly, combining uploads associated with the RTP pilot with the VGI and GIR uploads would spread the costs amongst significantly more customers and significantly more eligible customers.

On March 20, 2024, SDG&E staff met with the CEC LMS team to answer questions and provide additional detail around the request for extension. SDG&E currently awaits the CEC's response to its request.

Please do not hesitate to contact me with any questions you may have.

Sincerely,



Sarah M. Taheri
Regulatory Affairs Manager

¹ SDG&E notes that it cannot predict, with any certainty, the eligibility for its expected RTP pilot rate. However, SCE and PG&E have RTP pilot rates eligible to significant percentages of their customers. See D.24-01-032. Further, SDG&E expects to propose eligibility for its RTP Pilot rate to include all customer classes, with the exception of streetlighting.