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# Renew Home Updated Comments on Proposed DSGS Guidelines, 4thEd

Additional submitted attachment is included below.



November 22, 2024

California Energy Commission Docket No. 22-RENEW-01

Submitted Electronically

RE: Updated Comments on the California Energy Commission's Proposed Demand Side Grid Support Guidelines, Fourth Edition

Renew Home values the opportunity to provide updated comments on the California Energy Commission's (CEC) Proposed Demand Side Grid Support (DSGS) Guidelines, Fourth Edition.

Renew Home is an integrated technology provider for utility demand response programs and also provides third-party demand response through its wholly owned subsidiary, OhmConnect, Inc., OhmConnect provides Demand Response (DR) services to residential retail electric customers in California pursuant to Electric Rules 24 (Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE)) and 32 (San Diego Gas & Electric Company (SDG&E)). OhmConnect's cost-free software service notifies households of impending DR events and rewards customers for their automated energy reductions using in-home smart devices. OhmConnect is registered to participate as a DRP in the wholesale electricity market operated by the California Independent System Operator Corporation (CAISO).

OhmConnect has participated in DSGS Options 2 and 3 in prior program years. Our comments primarily focus on the new DSGS Option 4 Emergency Load Flexibility Virtual Power Plant Pilot and these comments supersede our comments filed on October 30, 2024. Renew Home looks forward to helping the CEC maximize the amount of load that can be reduced during times of grid stress to support the reliable provision of electricity to all California residents.

Respectfully submitted,

Elysia Vannoy Regulatory Affairs Manager

#### **Summary**

Renew Home's updated recommendations focus on Option 4 only and supersede our October 30th comments for the numbers two and three recommendations (and related questions and answers) and are summarized below:

- 1. Utilize a capability profile for monthly nominations for smart thermostat aggregations.
- 2. Maintain the proposed penalty structure but remove the cap on overperformance and provide parity on incentives.

### Recommendations

## Utilize a capability profile approach (e.g., time/temperature matrix) for monthly nominations for smart thermostat aggregations.

The proposed guidelines state that at least five business days ahead of the first day of each participation month, a load flexibility VPP aggregator shall nominate a capacity quantity (kW) for each VPP. Renew Home proposes that nominations for each aggregation are provided in the format of a capability profile, similar to the process described in the ex-ante process for the bid alignment metric and performance alignment metric as detailed in the DR QC Workplan. While still meeting the requirement for a minimum of 500 devices per utility distribution company territory, aggregations can be further defined based on climate zones or standardized to a grouping of zip codes with a corresponding weather station. The capability profile nomination approach eliminates the risk of inappropriately penalizing performance due to mild temperatures on an event or test event day.

## Maintain the proposed penalty structure but remove the cap on over performance and provide parity on incentives.

The proposed guidelines include low incentives with a stringent penalty structure and a 110% cap above demonstrated capacity. Renew Home supports the application of the 4-hour capacity level for nominated capacity and the 2-hour incentive amount for demonstrated capacity above the nominated amount. This change would move towards parity with the other program options.

<sup>&</sup>lt;sup>1</sup> California Public Utilities Commission and California Energy Commission. February 2024. *DR QC Workplan v1.0: Demand Response Qualifying Capacity Proposed Methodology Testing Workplan*, pp. 6-7.