

**DOCKETED**

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**Comments in Support of DSGS Option 4 Emergency Load  
Flexibility Power Plant Pilot**

*Additional submitted attachment is included below.*



March 21, 2025

California Energy Commission  
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Sacramento, CA 95814-5512  
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**RE: Docket No. 22-RENEW-01 – Peninsula Clean Energy Authority Comments in Support of DSGS Option 4: Emergency Load Flexibility Power Plant Pilot**

Dear Commissioners, Board Members, and Staff,

Peninsula Clean Energy Authority (“PCE”) submits these comments in support of the Proposed Demand Side Grid Support (“DSGS”) Program Guidelines, 4th Edition as written by California Energy Commission (“CEC”) staff. PCE requests that the final Program Guidelines ultimately adopted by the CEC include Option 4: Emergency Load Flexibility Power Plant Pilot.

PCE appreciates the considerable work the CEC and staff have dedicated to these latest Program Guidelines to improve program effectiveness and encourage the growth of load flexibility resources in California. PCE also recognizes the substantial effort still needed to achieve the CEC’s goal of 7,000 MW of flexible resources statewide by 2030 to support the reliability of California’s electric grid.

The proposed Option 4: Emergency Load Flexibility Power Plan Pilot is a valuable opportunity to demonstrate how non-emitting virtual power plants (“VPPs”) can provide load flexibility during emergency grid events. As Californians will continue to adopt clean behind-the-meter (“BTM”) technologies such as electric vehicles (“EVs”), smart control thermostats (“SCTs”), heat pump water heaters (“HPWHs”), and battery energy storage systems (“BESSs”), it is important that California works now to evaluate how these resources can support grid stability.

PCE is a Community Choice Aggregation (CCA) agency. It is the official electricity provider for San Mateo County and for the City of Los Banos. Founded in 2016 with a mission to reduce greenhouse gas emissions, the agency serves a population of 810,000 by providing more than 3,600 GWh of energy annually of electricity that is 50 percent renewable, 100 percent carbon-free, at a lower cost than Pacific Gas and Electric (“PG&E”). Since its inception, PCE has saved its customers over \$185,000,000 on their electric bills.<sup>1</sup>

PCE is committed to supporting the growth of load flexibility resources in California to benefit ratepayers, the electric grid, and load-serving entities (“LSEs”). In September 2024, PCE issued an RFP for Customer

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<sup>1</sup> See “Peninsula Clean Energy Lowers 2025 Electric Generation Rates.” Peninsula Clean Energy.  
<https://www.peninsulacleanenergy.com/news-releases/peninsula-clean-energy-lowers-2025-electric-generation-rates/>.

Demand Flexibility Services in partnership with Silicon Valley Clean Energy, a CCA serving 13 jurisdictions in Santa Clara Count. The RFP sought proposals for a Distributed Energy Resource Management Software (“DERMS”) capable of dispatching a wide range of customer-sited load flexibility resources across both CCAs’ service areas.<sup>2</sup>

BTM resources hold tremendous potential to to enhance grid reliability by serving as aggregated, flexible loads. In PCE’s service area, there are approximately 30,000 residential solar systems, over 5,000 residential BESS, over 55,000 EVs, and over 50,000 SCTs controlling HVAC loads. These numbers show that there are vast opportunities to engage with customers through programs that deliver load flexibility. The size of this yet largely untapped resource also suggests that it will take many programs, and many program administrators, to leverage its potential to provide grid flexibility. To unlock this potential, PCE strongly supports an “all-hands-on-deck” approach to load flexibility and demand response (“DR”).

PCE supports DSGS Option 4 because we believe it is consistent with that approach. We believe that California should encourage multiple programs and entities to work collectively to scale BTM load flexibility solutions. A range of active BTM load flexibility solutions will better support grid reliability and allow the continued adoption of the BTM clean technologies critical to achieving the State’s climate goals. PCE does not see a risk of duplication between the DSGS program and other load flexibility or DR programs. On the contrary, enabling customers to compare and choose between programs will increase their collective reach and drive greater grid benefits.

Supporting VPPs as load flexibility resources is essential to achieve California’s ambitious climate and grid reliability goals. The proposed Option 4 offers a valuable opportunity to demonstrate how VPPs can provide critical grid support during emergencies while accelerating the adoption of clean, customer-sited technologies. PCE strongly supports this approach and believes it will help scale the flexible, distributed energy solutions needed to build a more resilient, decarbonized electric grid.

Thank you for your consideration and attention.

Sincerely,

/s/ Jana Kopyciok-Lande  
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<sup>2</sup> See “RFP for Customer Demand Flexibility Services.” Peninsula Clean Energy.  
<https://www.peninsulacleanenergy.com/solicitations/rfp-customer-demand-flexibility/>.