

**DOCKETED**

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## Stakeholder Comments Template - Proposed Consolidation of Principles

**Submit comments to:** [Tom.Flynn@energy.ca.gov](mailto:Tom.Flynn@energy.ca.gov)

**Comments are due October 1 by 5:00 p.m.**

All comments received will be posted to CEC Docket 21-DR-01

Instructions: CEC staff is requesting stakeholder comments on the set of nine principles retained, combined, and/or reworded based on stakeholder discussion during the Principles WG meetings held on September 13 and 27. This discussion also resulted in some principles being dropped.<sup>1</sup> Each proposed principle is followed by three questions; please provide a response to each question, as applicable, in the space provided. Toward the end of this comments template, CEC staff is requesting comments, as applicable, in two other areas.

### **Comments on the refined set of principles**

- I. Principles #1, #5, #11 combined – **“The QC methodology, including ex-post performance measurement, should be transparent, replicable, and understandable.”**
  - a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*  
*Changes are required for support.*
  - b. If your organization would require changes to support, what changes would your organization suggest? *Response:*  
*The principle should be changed to:*

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<sup>1</sup> Principles #4, #7, #13, #14, #15, #16, #17, #18, #20, #21, #22 were dropped based on stakeholder discussion.

**The QC methodology, including ex-post performance measurement, should be accessible, transparent, replicable, and understandable by most of the DR providers and participants.**

- c. Explain your organization's support or opposition of this principle. *Response:*

Transparent, replicable, and understandable are subjective terms because not all parties have the same resources to implement or validate a methodology's results.

II. Principles #2, #3 combined – **"The QC methodology should be forward-looking and use the most current information regarding resource capabilities, including historical performance data where possible."**

- a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*

*Support*

- b. If your organization would require changes to support, what changes would your organization suggest? *Response:*

- c. Explain your organization's support or opposition of this principle. *Response:*

III. Principle #6 – **"The QC methodology should be sufficiently fast and easy to update to enable DR providers to participate in all capacity solicitations."**

- a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*

*Support with changes.*

- b. If your organization would require changes to support, what changes would your organization suggest? *Response:*

*Change to:*

**The QC methodology and update process should be timely to enable DR providers to participate in capacity solicitations and RA capacity showings with accurate information.**

- c. Explain your organization's support or opposition of this principle. *Response:*

The principle leaves out RA showings. Accuracy may be compromised if the QC process is "fast and easy".

IV. Principle #8 – “The QC methodology should be compatible with individual DR resources and aggregations of resources.”

- a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*

*Support with caveats*

- b. If your organization would require changes to support, what changes would your organization suggest? *Response:*

- c. Explain your organization’s support or opposition of this principle. *Response:*

*Need better clarity on what is a “individual resource”. Is it at customer level or program level or resource ID level?*

V. Principle #9 – “The QC methodology should be consistent and compatible with the RA program.”

- a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*

*The principle needs changes for CLECA to support the principle.*

- b. If your organization would require changes to support, what changes would your organization suggest? *Response:*

*CLECA recommends the principle be changed to the following:*

**The QC methodology should be consistent and compatible with the RA program design, either the current program or the Slice of Day concept adopted by the CPUC for RA compliance year 2024.**

- c. Explain your organization’s support or opposition of this principle. *Response:*

*The CPUC is restructuring the RA program from an annual and monthly peak target to a program that is more granular across the day and seasons, which is called Slice of Day. The CPUC has adopted the Slice of Day concept and plans to implement the new RA design in 2024. A QC method that may work with for the current RA program may not be appropriate for the new RA program design in 2024. The principle lacks clarity that a QC method for the existing RA program may not be the same as a QC method under a Slice of Day concept.*

- VI. Principle #10 – **“The QC methodology should account for all factors that substantially influence DR variability.”**
- a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*  
*Support with slight change to remove “all”.*
  - b. If your organization would require changes to support, what changes would your organization suggest? *Response:*  
*Change to:*  
**The QC methodology should account for factors that substantially influence DR variability.**
  - c. Explain your organization’s support or opposition of this principle. *Response:*  
*The standard of “all factors” is too high. The language already has substantially.*
- VII. Principle #12 – **“The QC methodology should account for the use-limited, availability-limited, and variable-output nature of DR.”**
- a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*  
*Support*
  - b. If your organization would require changes to support, what changes would your organization suggest? *Response:*
  - c. Explain your organization’s support or opposition of this principle. *Response:*
- VIII. Principle #19 – **“The QC methodology should accurately account for DR’s contribution to reliability.”**
- a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*  
*CLECA opposes this principle as drafted. CLECA would support a principle as drafted in VIIIb.*
  - b. If your organization would require changes to support, what changes would your organization suggest? *Response:*

Change to:

**The QC methodology should accurately account for DR's load reduction or contribution to reliability.**

- c. Explain your organization's support or opposition of this principle. *Response:*

*This principle dictates a specific methodology without any determination of whether the CPUC's RA program requires a value of load reduction or a contribution to reliability. Therefore, the term "load reduction" should be added if "contribution to reliability" is kept.*

IX. Principle #23 – **"The QC methodology should, to the extent possible, rely on software or code that is available at nominal cost to DR providers."**

- a. Indicate whether your organization supports the principle as worded, would require changes to support, or opposes the principle. *Response:*

*Support with changes*

- b. If your organization would require changes to support, what changes would your organization suggest? *Response:*

*The QC methodology should, to the extent possible, rely on software or code that is available at nominal cost to DR providers to both obtain and implement so that it does not unduly jeopardize cost effectiveness.*

- c. Explain your organization's support or opposition of this principle. *Response:*

*The software might be free or available at a small cost, but this does not mean the cost to run the software is low; it might require specialized computers or specialized staff to implement. Measurement costs should not be so high that they would make a DR program or portfolio no longer cost effective.*

**Comments about principles not included**

Please provide any comments concerning principles that your organization believes are missing from the refined set of principles.

*Response:*

*In combining the principles, the following important issues were deleted:*

- *The QC methodology should not systematically over or underestimate the QC.*

- *The QC methodology should be consistent with standards established for other use limited or availability limited resources unless there is a justified reason for different treatment for Demand Response.*

**Any additional comments**

Please provide any additional comments that your organization would like to make.

*Response:*