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Corrected PG&E Comments on the Demand Side Grid Support Program Draft Guidelines

Additional submitted attachment is included below.



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California Energy Commission 517 P Street Sacramento, CA 95814 Docket Number 22-RENEW-01

RE: Pacific Gas and Electric Company Comments on the Demand Side Grid Support Program Draft Guidelines (Docket Number 22-RENEW-01)

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to comment in response to the California Energy Commission's (CEC) Staff Workshop on the Demand Side Grid Support (DSGS) Program draft guidelines held on July 25, 2022.

PG&E thanks the CEC staff for organizing this workshop to share the proposed requirements for DSGS Program participation, including eligibility, enrollment documentation, DSGS incentive structures, and the payment process.

PG&E agrees with the CEC's position and its interpretation of Assembly Bill (AB) 205, dated July 20, 2022, that the DSGS only applies to customers of retail suppliers as defined in the Public Utilities Commission (PUC) section 398.2, Excluding investor-owned utilities (IOUs) and community choice aggregation (CCAs). Therefore, the definition of *eligible DSGS provider* would include local publicly owned electric utilities (POUs) and electric service providers (ESPs). In addition, customers of eligible DSGS providers would not be eligible for DSGS if the customer is:

- "a. Eligible to participate in demand response (DR), net energy metering (NEM), or emergency load reduction programs (ELRP) offered by entities under the jurisdiction of the California Public Utilities Commission.
- b. Receiving payment or accounting for the same reduction in use of electricity through any other utility or state program." (Chapter 1, A. 2.)"

These customer eligibility requirements are important for coordination between the DSGS program and IOUs' and CCAs' demand response, net energy metering and emergency load reduction programs (together called *existing programs*), which have been established and implemented pursuant to the CPUC and CCAs governing bodies. Without these customer eligibility requirements, the DSGS Program would potentially erode existing programs, rather than bringing incremental megawatts of load response. That result would be inconsistent with providing a mechanism for non-CPUC-regulated

entities to make additional contributions to support the grid needs. Instead, the current definition of eligible DSGS provider and customer eligibility is designed to reach customers who are not eligible for existing programs. Bringing those DSGS providers' customers into the DSGS program is the way to reach new potential load reductions.

The DSGS should be viewed as the equivalent to the Emergency Load Reduction Program (ELRP) for eligible DSGS providers. By reference, the California State Emergency Program (CSEP), established by a Proclamation of a State of Emergency¹ issued on July 30, 2021, by California Governor Gavin Newsom, did not allow dual enrollment in both ELRP and CSEP primarily due to concerns around load shifting between the two.

PG&E requests the CEC clarify whether CPUC jurisdictional entities would need to take on additional work associated with supporting DSGS even if the program is limited to eligible DSGS providers. Specifically, PG&E requests the CEC clarify whether there could be the need to support validation for DSGS programs' eligibility (i.e., where customer is already enrolled in an IOU program) or the need to provide metered data (i.e., where PG&E is the Meter Data Management Agent (MDMA) for a retail energy service provider's (ESP) eligible customer, as defined in Chapter 2, A. 2.). Certainly, if the definitions for eligible DSGS provider or customer eligibility are changed, there could be a significant impact on the effort from PG&E to support. If PG&E is involved in supporting DSGS, then the CEC should provide for commensurate cost reimbursement.

If the definition of eligible DSGS provider, and/or the definition of eligible participant, are modified, PG&E requests the opportunity to review and comment on the modified definitions before they are finalized. Alternatively, PG&E requests that the DSGS provider be required to inform PG&E if the DSGS provider enrolls a CPUC-jurisdictional customer of PG&E's in DSGS, for purposes of verifying eligibility for PG&E's core DR programs. Therefore, PG&E requests Step 4 under Section B of the draft Guidelines instructing the DSGS enrollment process be modified as follows [bold/italics to indicate proposed additional language]:

Step 4: DSGS Provider Initial Report on Participant Enrollment Within 10 days of enrollment under Step 1, DSGS providers must submit to CEC staff an initial report on enrolled participants *and must notify the IOU or POU that serves the customer that it has been enrolled in DSGS, by providing the customer's name, IOU account number, the service address, the customer contact information.*

PG&E appreciates the opportunity to comment on this workshop and to share our perspective on the draft guidelines. Please reach out to me if you have any questions.

Sincerely,

Licha Lopez State Agency Relations

¹ https://www.gov.ca.gov/wp-content/uploads/2021/07/Energy-Emergency-Proc-7-30-21.pdf