DOCKETED	
Docket Number:	23-LMS-01
Project Title:	Load Management Standards Implementation
TN #:	252478
Document Title:	SDG&E 2023 Load Management Standards Annual Report
Description:	N/A
Filer:	Sarah Taheri
Organization:	San Diego Gas & Electric Company (SDG&E)
Submitter Role:	Public
Submission Date:	10/2/2023 4:04:36 PM
Docketed Date:	10/2/2023

Sarah M. Taheri
Regulatory Affairs Manager

925 L Street, Ste. 650
Sacramento, CA 95814

phone: 916.708.7409
email: STaheri@sdge.com

October 2, 2023

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

RE: San Diego Gas & Electric (SDG&E) Load Management Standards Annual Report (Docket No. 23-LMS-01)

Dear Mr. Bohan:

On behalf of San Diego Gas & Electric Company (SDG&E), I am pleased to provide the attached Load Management Standards (LMS) 2023 annual report (Attachment 1). Also included in this report is an update provided in response to the California Energy Commission's adopted Order No. 23-0531-10 ("Order") regarding the Joint Parties' Request for Delay of July 1, 2023, MIDAS Rate Upload Deadline (Attachment 2).

SDG&E has prepared its annual report based on the guidance issued by CEC staff. There is a significant nexus between the work being completed for the Load Management Standards and that proposed to the California Public Utilities Commission (CPUC) for Real-Time Pricing (RTP) Pilots and the Demand Flexibility Order Instituting Rulemaking (DFOIR). For this reason, several portions of SDG&E's annual report reference materials that have been filed with the CPUC, where the questions or topics posed in the LMS report are similar to ones for which SDG&E has provided responses to the CPUC. The referenced documents will be uploaded to the CEC's 23-LMS-01 docket, if not provided as an attachment hereto.

Please do not hesitate to contact me should you have any questions about the information provided in this report or require additional information.

Sincerely,

Sarah M. Taheri

Attachments (2):

(1) SDG&E 2023 Load Management Standards Annual Report
(2) SDG&E Second Progress Report on Uploading Hourly Dynamic Pricing Rates into the MIDAS Database

Attachment 1:
SDG&E 2023 Load Management Standards Annual Report

Information Relevant to Demonstrating Good Faith Efforts to Meet LMS Program Goals

This section highlights information that can be relevant to determining whether a Large IOU's plan meets the requirements of the regulation and represents a good faith effort to meet LMS program goals. This list provided here is not intended to be exhaustive; nor are each of the elements listed here required for compliance. CEC staff may consider other information not listed here and may use discretion in deciding which information to consider and how to weigh it. CEC will document its decisions on the public record, including the LMS docket 23-LMS-01.

1. Marginal rate design and application -1623 (a)

   SDG&E Response to 1: Please see the attached for SDG&E's Real Time Pricing (RTP) Pilot Application.[1] This application was submitted to the California Public Utilities Commission (CPUC) on December 13, 2021. A final decision has not yet been issued, but the Proposed Decision, issued on September 25, 2023, proposes to dismiss the RTP application and relevant pilot rate without prejudice and requires SDG&E to file a new application for a RTP rate within 90 days of the issuance of a forthcoming decision in the Demand Flexibility Rulemaking, which is expected to provide guidance on dynamic rate applications.[2] And while SDG&E expects to refile an updated RTP application based on new guidance, SDG&E's original RTP pilot rate application and testimony in support thereof will likely provide the backbone of SDG&E's updated rate design and implementation of RTP rates. SDG&E's previous proposed RTP pilot rate is used extensively throughout this compliance plan as an example of a real time rate that will be further informed and modified after the DFOIR guidance.

   a) Rate design timeline

      SDG&E Response to 1(a): SDG&E expects to develop its RTP rate design in Q2 and Q3 of 2024 and file its real time pricing application at the CPUC sometime in Q3 of 2024. This timeline is based on two assumptions (1) the timing in the recently issued RTP proposed decision is approved (i.e., SDG&E is required to file its RTP rate within 90 days of the final decision in Track B of the Demand Flexibility OIR (R.22-05-007)), and (2) that the DFOIR, Track B final decision is issued in Q2 of 2024. Currently, the proposed schedule for Track B of the DFOIR states that a proposed decision is expected in March 2024.[3] The timing of the subsequent final decision is unknown but, for purposes of the timing addressed above, SDG&E is assuming a final decision will be issued in Q2 of 2024.

   b) Rate application timeline

      SDG&E Response to 1(b): SDG&E expects the CPUC to direct a window in which SDG&E must file its application. SDG&E will comply with that direction and, based on the information above, expects to file an application in or around Q3 of 2024.

   c) Marginal rate design resource commitment

      i. Resource commitment plan by year (0.5-4 years after effective date) that includes expected funding, contracts, and/or personnel
      SDG&E Response to 1(c)(i): SDG&E Please see Prepared Supplemental Direct

[1] A.21-12-006.

[2] A.21-12-006 et al., Proposed Decision Adopting Dynamic Rate Pilot and Dismissing Application for a Real Time Pricing Rate Pilot (filed September 25, 2023) at Ordering Paragraph 1.

[3] R.22-07-005, Assigned Commissioner's Phase 1 Scoping Memo and Ruling (November 2, 2022) at 9.

Testimony of Ray Utama (Chapter 4), specifically Section III at RU-10 – RU-14 for implementation costs.[4]

ii. Current resource commitment to date (this can be included in a table or graph with the plan by year)

SDG&E Response to 1(c)(ii): Per Ordering Paragraph (OP) 6 in CPUC Decision D.21-07-010, SDG&E created a RTP department that has been and will continue to work on all dynamic pricing issues. Currently, the department is staffed with a RTP Manager and a Business/Economics Analyst and further supported by the Customer Pricing team. For additional information on the approved resources discussed above, please refer to D.21-07-010.

d) Marginal cost-based rate design progress. Identify potential marginal cost rates and evaluate their compliance with 1623(a)(1)

SDG&E Response to 1(d): Discussion of SDG&E's progress toward designing potential marginal cost rates is included in in the record on SDG&E's RTP Pilot application (A.21-12-006). As such, specific cross references are provided below for consistency.

i. Discussion of rate design intentions, considerations, and trade-offs

SDG&E Response to 1(d)(i): Please see Revised Prepared Supplemental Direct Testimony of Jeff DeTuri (Chapter 1) on Behalf of SDG&E, specifically Sections III-VII at JDT-14 – JDT-29.[5]

ii. Frequency

SDG&E Response to 1(d)(ii): Please see Revised Prepared Supplemental Direct Testimony of Jeff DeTuri (Chapter 1), specifically Section VI at JDT-24 – JDT-26 for the reasons for choosing day ahead hourly prices.[6]

iii. Proposed details about marginal capacity costs

SDG&E Response to 1(d)(iii): Please see Prepared Supplemental Direct Testimony of William G. Saxe (Chapter 3), specifically Section II.B at WS-5 – WS-6.[7]

iv. Proposed details about marginal energy costs

SDG&E Response to 1(d)(iv): Please see Prepared Supplemental Direct Testimony of William G. Saxe (Chapter 3), specifically Section II.A at WS-4 – WS-5.[8]

[4] *See* A.21-12-006, May 15, 2023 Email Ruling on Motion to Receive Party Exhibits Into the Record at Attachment 2, Exhibit (Ex.) SDGE-04.
[5] *Id.* at Ex. SDG&E-01.
[6] *Id.*
[7] *Id.* at Ex. SDGE-03.
[8] *Id.*

v. Proposed details about marginal transmission and distribution costs

SDG&E Response to 1(d)(v): Please see Prepared Supplemental Direct Testimony of William G. Saxe (Chapter 3), specifically Section IV at WS-7-8 for illustrative time differentiated transmission rates which were not used as part of the rate design for the proposed RTP application. These transmission rates were not included as part of SDG&E's proposed RTP rate design in A.21-12-006 because the Federal Energy Regulatory Commission (FERC), not the CPUC, has jurisdiction over the adoption of transmission rates. FERC has authority over the adoption of the revenue requirements recovered in transmission rates, including the retail rates adopted to recover those revenue requirements.

SDG&E anticipates it will need an extension to the LMS in order to comply with including a time varying transmission component. SDG&E intends to file a new application in 2024 with the CPUC to offer a dynamic pricing import pilot rate. Once the pilot rate is implemented, SDG&E will evaluate information from the pilot to show the potential impact of transmission rate time differentiations. This should include a comparison of the proposed pilot rate design with current transmission rate structure and with time-differentiated transmission rates. This will allow FERC and other stakeholders to better understand the potential impact of transmission rates before making a transmission rate proposal.

Similarly, SDG&E anticipates it will need an extension for the distribution component depending on the guidance provided in the DFOIR. SDG&E has experience with circuit level distribution components through Schedules VGI and Public GIR rates, but those rates have limited eligibility and have resulted in difficulties that require constant monitoring for the impacted circuits, as explained below. SDG&E does not intend to expand these rates to more customer classes because this would require hourly monitoring of all of SDG&E's roughly 800 circuits at significant cost. SDG&E is considering non-circuit level distribution component design; however, because SDG&E expects the CPUC's DFOIR Track B decision to address dynamic rate applications and distribution components specifically, SDG&E cannot say for certain how and when a distribution component may be added.

A circuit level distribution component was not included in SDG&E's 2021 proposed RTP pilot rate because SDG&E experienced difficulty in implementing and billing the D-CPP (distribution-critical peak pricing) rate component adopted for Schedules VGI and Public GIR. Those rates required pricing based on the customer's circuit assignment. There were two significant challenges SDG&E faced when implementing and billing the D-CPP rate component for Schedules VGI and Public GIR circuit assignments and customer fairness:

i. Circuit Assignments: This significantly complicated executing the appropriate pricing for each customer on these rates because each customer's circuit had to be tracked for CPP events and to confirm when each customer was on a particular circuit. The D-CPP adder is predicated on having accurate and updated circuit assignments, and certain customers may switch between circuits throughout the day based on grid operating conditions. Schedules VGI and Public GIR have very limited customer participation, yet SDG&E still experienced these issues. Applying a similar D-CPP rate component to dynamic pricing rate design would increase this

circuit assignment issue since SDG&E would now need to follow and evaluate all circuits for every hour of every day.

ii. Customer Fairness: The D-CPP adder logic results in an uneven distribution of D-CPP events being called and applied due to high loads on circuits. On highly impacted circuits, customers can have more events called than on less impacted circuits. This imbalance of "called" D-CPP events can create a negative customer experience because not all customers on the same rate schedule are presented the same prices at the same time.

vi. Proposed details about other marginal costs

SDG&E Response to 1(d)(vi): SDG&E's original RTP application did not have any other marginal costs included, but there may be more details when the RTP application based on the DFOIR guidance is resubmitted. SDG&E can provide an update in its next report to the CEC.

vii. Proposed details about the fixed costs

SDG&E Response to 1(d)(vii): Please see Prepared Supplemental Direct Testimony of William G. Saxe (Chapter 3), specifically Section II.C at WS-6.[9]

viii. Customer class(es)

SDG&E Response to 1(d)(viii): Please see Prepared Supplemental Direct Testimony of Jeff DeTuri (Chapter 1), specifically JDT-11, line 21, which states that the RTP pilot will be available to all customer classes except streetlighting.[10]

e) Resource commitment to rate application and current progress

i. Resource commitment plan by year (0.5-4 years after effective date): funding, personnel

SDG&E Response to 1(e)(i): Please see Prepared Supplemental Direct Testimony of Ray Utama (Chapter 4), specifically Section III at RU-10 – RU-14 for implementation costs.[11]

ii. Current resource commitment to-date

SDG&E Response to 1(e)(ii): Per OP 6 in D.21-07-010, SDG&E created a RTP department that has been and will continue to work on all dynamic pricing issues. Currently the department is staffed with a RTP Manager and a Business/Economics Analyst and further supported by the Customer Pricing team.

[9] *Id.*
[10] *Id.* at Ex. SDGE-01.
[11] *Id.* at Ex. SDG&E-04.

f) Internal infrastructure development in support of marginal cost rates adoption
   i. Billing system compatibility review and improvement plan and resource commitment:
      A. Software
      B. Hardware
      C. Resource Commitment: funding and personnel
   ii. Hourly marginal costs-based rates calculation system development plan and resource commitment:
      A. Software
      B. Hardware
      C. Resource Commitment

SDG&E Response to 1(f): This will be developed as part of SDG&E's current billing system. For funding please see the response to 1.e.i. above, which provide numbers related to the previous RTP application.

2. 1623(b) Time-dependent rate submission to MIDAS via MIDAS Application Programming Interface (API)
   a) Status of MIDAS submission for current time-dependent rates
      i. List of current time-dependent rates and their RINs

SDGE Response to 2(a)(i): This information will be provided via separate file upload to Docket 23-LMS-01.

      ii. Proof of rates availability on MIDAS (e.g., Large IOUs could attach MIDAS rate download file in JSON format and submit to LMS Implementation Docket 23-LMS-01)

SDGE Response to 2(a)(ii): The August 1 RINs were uploaded on 07/27/2023 between 3:00 AM and 1:00 PM PST and the October 1 rates were uploaded on 09/21/2023 between 6:00 AM and 9:30 AM PST. SDG&E's rate and hourly price information are currently publicly accessible on MIDAS via the MIDAS API at https://midasapi.energy.ca.gov/. Any party wanting to examine this information can do so by connecting to the API and downloading the relevant pricing information for SDG&E's rates.

      iii. Composite rate calculation and submission solution

SDG&E Response to 2(a)(iii): To ensure compliance with the August 1st and October 1st deadlines, SDG&E utilized a manual approach of extracting the required pricing from its system and creating the required RINs. SDG&E used an appropriate validation process to ensure the pricing provided for the RINs was accurate and complete. Time-dependent UDC and Commodity Charges base rate RINs were uploaded on August 1, 2023. On October 1, 2023, SDG&E uploaded additional base rate RINs along with time-dependent rate modifier RINs, which include Critical Peak Pricing modifiers and discount modifiers (e.g., CARE, FERA, Medical Baseline, Food Bank, Economic Development Rate, etc.).

iv. Plan for ensuring accuracy and maintenance of current time-dependent rates

SDG&E Response to 2(a)(iv): SDG&E is currently using a manual process for creating and uploading RINs to the MIDAS server. This includes a test and review process to ensure accuracy of the uploaded RINs. SDG&E will continue to do this for upcoming rate changes until the solution is partially automated, which is expected to occur by April 1, 2024.

b) Plan and current progress of internal infrastructure upgrade for LMS compliant submission of current and future time-dependent rates, including hourly or sub-hourly marginal cost-based rates streaming process to MIDAS

SDG&E Response to 2(b): SDG&E will continue to manually upload RINs at least a day before the effective date of a rate or price change impacting RINs. SDG&E will continue design discussions towards a partially automated solution expected to be implemented by April 1, 2024.

SDG&E along with Southern California Edison (SCE) and Pacific Gas and Electric (PG&E), collectively the Joint IOUs, filed a letter with the CEC on September 29, 2023, describing in detail the Joint IOU position on time varying rate modifiers as stated in the regulation. Also described in the letter is the infeasibility of including every rate modifier that affects time varying rates that would result in an unmanageable number of RINs. Without additional staffing and resources, SDG&E would not be able to comply with accurate numbers. Full automation is also not possible due to the complexities of more rates and rate modifiers being added and altered. Further, because rate design is never frozen, maintaining the MIDAS uploads requires regular monitoring, which will only become more difficult and time consuming the larger the number of uploaded RIN permutations.

3. 1623(c)(4) Plan to provide RIN(s) on customer billing statements and online account using both text and QR code

a) Implementation plan with timeline

SDG&E Response to 3a: SDG&E has begun designing the system changes required for the new text and QR code that will be included in bills effective April 1, 2024. Based upon its assessment, these changes include the following three processes:

1. System integration changes to support receiving a separate RIN for Energy Service Providers (CCA/DA)
2. Changes to SDG&E's bill layout to incorporate the text and QR codes
3. Web changes to host a URL that supports the QR Code/RIN

When accessed from the printed bill or bill PDF that will be available in SDG&E's MyAccount online system, the QR code will point to a separate URL site with the corresponding RIN for either SDG&E or the customer's applicable Energy Service Providers (CCA/DA).

The current timeline for making these changes is estimated as follows:

Q3/Q4 2023 – Design/development of changes for the three processes

Q1 2024 – Testing and validation of changes for the three processes
Q2 2024 – Deployment and stabilization of changes for the three processes

b) Billing system update plan and current progress

SDG&E Response to 3b: Please see response to question 3a above.

c) Proposed text design and QR code design and proposed placement on billing statements

SDG&E Response to 3c: SDG&E will be adding separate QR codes to the SDG&E bill. These will correspond with the SDG&E and the Energy Service Provider (CCA/DA) sections of the bill.

d) QR Code linked webpage (if any)
   i. Timeline for webpage creation and finalization
   ii. Webpage objectives
   iii. Proposed contents
   iv. As a potential channel for public information program per 1623(d)(3), considerations and/or plans, if any, to include LMS-compliant programs and/or rates available for the customer to encourage enrollment.

SDG&E Response to 3d: As part of the April 1, 2024, implementation, SDG&E will be providing a webpage to support the QR code URL. Once accessed, the webpage will display the customer's corresponding RIN. Additional changes to the website will come at a later date.

4. 1623(c)(1)-(3) Plans and current participation in the development of Single Statewide RIN Access Tool
   a) Resource commitment
      i. Resource commitment to the tool working group: funding, contracts, personnel

      SDG&E Response to 4(a)(i): SDG&E has volunteered to be on the development committee and participated in the September 20th meeting, which was the first meeting on the single statewide tool. SDG&E plans to actively participate in subsequent meetings as they are scheduled. The RTP department as described in Section 1.e.ii. will be leading SDG&E's involvement in the development of the tool.

      ii. Resource plan for development of the tool

      SDG&E Response to 4(a)(ii): It is premature to have a detailed plan for resources needed to develop the tool. SDG&E envisions it will include multiple departments spanning billing, rates, marketing and information technology to name a few.

      iii. Resource commitment and plan for implementation of the tool:
         A. Funding plan

         SDG&E Response to 4(a)(iii)(A): SDG&E as part of the DFOIR WG2 Joint IOU proposal has asked the CPUC for cost recovery for MIDAS related costs which include the Single Statewide RIN Access Tool.

         B. Utility's review and identification of its internal infrastructure needs

         SDG&E Response to 4(a)(iii)(B): It is premature to detail what the internal

infrastructure needs will be given that it is still unknown how the single statewide tool will interact with SDG&E's systems.

C. Plans to address infrastructure needs identified in item B directly above

SDG&E Response to 4(a)(iii)(C): Once SDG&E has more clarity on how the statewide tool will interact with SDG&E's systems, a plan will be developed to address gaps/needs. Additional information will be provided in future reports to the CEC.

5. 1623(d)(1)-(2) List of cost-effective, LMS-compliant programs and rates
   a) Marginal Cost Rates
      i. Supplemental information regarding marginal cost rates not included in section 1, above (anything regarding proposed rates: rates structure, target customer classes, rate application status)
      ii. Enrollment targets, and projections

SDG&E Response to 5(a): Please see SDG&E's response to 1. above.

   b) Hourly-MIDAS signals-based load flexibility programs
      i. Description of current and/or proposed programs:
         A. types of hourly MIDAS signals
         B. target end-uses/customers
         C. equipment requirements
         D. participating third-party automation service providers, if applicable
         E. control algorithms
         F. enrollment – current and projections
         G. load impact projections

SDG&E Response to 5(b): A listing of SDG&E's Demand Response (DR) programs is provided in Appendix A to this Attachment. Please note that these programs have not been deemed cost-effective by the CPUC. Nonetheless, SDG&E provides the list of relevant load flexibility programs that are currently being made available to customers.

In addition, SDG&E notes that it is awaiting a CPUC decision on pending proposals to implement new customer load flexibility programs. Upon receiving direction from the CPUC, SDG&E can provide the CEC with an updated list of programs.

6. 1623(d)(3) Plan for conducting public information program

SDG&E Response to 6: SDG&E incorporates public and customer information and outreach on new and/or changing rates as part of our standard business practices. For additional specificity on SDG&E's approach, please see Prepared Supplemental Direct Testimony of April Bernhardt (Chapter 5), Education

and Outreach for all responses to a, b, and c below.[12] Specific cross-references are included for ease of reference.

a) Public Information Program details on informing and educating customers.
    i. Why marginal cost-based rates and automation are needed
    ii. How the rates will be used
    iii. How these rates can save the customer money

SDG&E Response to 6(a): Please see Prepared Supplemental Direct Testimony of April Bernhardt, specifically Section II.1.b at AB-2.

b) Public Information Program:
    i. Dissemination medium
    ii. Outreach targets and scale
    iii. Partners

SDG&E Response to 6(b): Please see Prepared Supplemental Direct Testimony of April Bernhardt, specifically Section II.4 at AB-5 – AB-6.

c) Resource commitment plan to design and implement the public information programs:
    i. Funding
    ii. Contracts
    iii. Personnel

SDG&E Response to 6(c): Please see Prepared Supplemental Direct Testimony of April Bernhardt, specifically Section III. at AB-12.

[12] *Id.* at SDGE-05.

Attachment 1:
SDG&E 2023 Load Management Standards Annual Report

APPENDIX A: LIST OF SDG&E LOAD FLEXIBILITY PROGRAMS

Capacity Bidding Program

Program Description:
Customers choose how much energy they can commit to reducing during a Demand Response event. This program is available to non-residential bundled customers including those being billed on a utility commercial, industrial, or agricultural rate schedule. It is also available to Direct Access ("DA") and Community Choice Aggregation ("CCA") customers.

Customers sign up for the Capacity Bidding Program (CBP) either directly with SDG&E or through one of SDG&E's third-party Demand Response aggregators.

Current Program Offering:

- CBP Traditional
  - Day-Ahead 11 a.m. to 7 p.m.
  - Day-Ahead 1 p.m. to 9 p.m.
  - Day-Of 11 a.m. to 7 p.m.
  - Day-Of 1 p.m. to 9 p.m.
- CBP Elect Option
  - Day-Ahead 1p.m. to 9 p.m. $200/MWh
  - Day-Ahead 1 p.m. to 9 p.m. $400/MWh
  - Day-Ahead 1 p.m. to 9 p.m. $600/MWh
  - Day-Of 1 p.m. to 9 p.m. $200/MWh
  - Day-Of 1 p.m. to 9 p.m. $400/MWh
  - Day-Of 1 p.m. to 9 p.m. $600/MWh
- CBP Residential Pilot
- AC Saver Day-Ahead (Thermostats)
- AC Saver Day-Of (Switches)

2024-2027 Offering (pending CPUC Approval):

- CBP Elect Option
  - Day-Ahead 1p.m. to 9 p.m. $200/MWh
  - Day-Ahead 1 p.m. to 9 p.m. $400/MWh
  - Day-Ahead 1 p.m. to 9 p.m. $600/MWh
  - Day-Of 1 p.m. to 9 p.m. $200/MWh
  - Day-Of 1 p.m. to 9 p.m. $400/MWh
  - Day-Of 1 p.m. to 9 p.m. $600/MWh

A. Types of hourly MIDAS signals
   SDG&E Response: Customers are on TOU rates and not hourly rates.

B. Target end-uses/customers

   SDG&E Response: Targets commercial and industrial customers that are aggregated by Aggregators that are submitted to SDG&E for bidding into the CAISO via a Proxy Demand Resource (PDR)

C. Equipment requirements
   SDG&E Response: No equipment requirements.

D. Participating third-party automation service providers, if applicable

   SDG&E Response: Notifications to aggregators are sent via SDG&E's Demand Response Management System (DRMS).

E. Control algorithms

SDG&E Response: Event activation signal sent to Aggregator. The aggregator then communicates with their customers the event hours.

F. Enrollment– current and projections
SDG&E Response: 2023 Enrollment ~175; 2024 Enrollment ~250

AC Saver Day-Ahead (Thermostats)

Current Program Offering:
SDG&E's AC Saver day-ahead program is a voluntary demand response program open to customers with an ecobee, Google-Nest, Honeywell Home, or Sensi smart thermostat. All participants receive $50 per thermostat for enrolling in the program and residential participants receive an ongoing payment of $20 per year. Events occur between 12:00 and 9:00 p.m. and last no longer than 4 hours. There is a maximum of 25 event per year.

A. Types of hourly MIDAS signals
SDG&E Response: none

B. Target end-uses/customers

SDG&E Response: The program consists primarily of residential customers with central air-conditioning, but commercial customers may also enroll.

C. Equipment requirements
SDG&E Response: Wi-fi connected smart thermostat from a participating manufacturer.

D. Participating third-party automation service providers, if applicable

SDG&E Response: ecobee, Google-Nest, Resideo (Honeywell Home thermostats), and Emerson (Sensi). SDG&E pays an annual license fee via its signaling platform to each of the OEM's (manufacturers) to be able to have them signal the device for each event.

E. Control algorithms
SDG&E Response: Honeywell Home and Emerson thermostat use a 4-degree set-back with 30 minutes pre-cooling. Ecobee and Google-Nest have their own algorithms.

F. Enrollment – current and projections

SDG&E Response: 2023 Enrollment 35,000.

2024 -2027 Offering (pending CPUC Approval):
SDG&E proposed to open the program up to devices that control end-uses other than air-conditioners and to change the name of the program to Smart Energy Program

AC Saver Day-Of (Summer Saver):

Program Description:
AC Saver is a voluntary demand response program available to all customers with air conditioner units installed at their premise with SDG&E approved technology capable of curtailing the customers AC unit. When conservation is needed, SDG&E activates the device to cycle the AC "on and off", during a Demand Response event.

An annual bill credit will be paid to the customer based on the AC unit's tonnage and the customer-elected cycling option.

Residential Day-Of	Per Ton	Non-Residential Day-Of	Per Ton
100% Cycling	$27.00	50% Cycling	$7.50
50% Cycling	$10.35	30% Cycling	$4.50

Events can be called:

- April 1st through October 31st
- Events are called the Day-Of.
- Monday through Sunday, in the window of 12 p.m. to 9 p.m.
- The maximum number of event hours called per year is 80.
- The maximum number of consecutive days that events can be called is 3.
- The maximum number of event hours that can be called per month is 24.
- The maximum number of events per day is 1.

2024 -2027 Offering (pending CPUC Approval):
Program closing in 2024, pending CPUC approval.

A. Types of hourly MIDAS signals

SDG&E Response: Customers are on TOU rates and not hourly rates.

B. Target end-uses/customers

SDG&E Response: Targets residential and small commercial customers that join the program and are bid into the CAISO via PDR's

C. Equipment requirements

SDG&E Response: Smart Programable Thermostat

D. Participating third-party automation service providers, if applicable

SDG&E Response: Ecobee, Nest and Honeywell, and Emerson.

E. Control algorithms

SDG&E Response: Event Activation signal sent to Original Equipment Manufacturer (OEM) via SDG&E signaling platform. OEM communicates to customers smart thermostats.

F. Enrollment – current and projections

SDG&E Response: SDG&E has filed with the CPUC to sunset this program in 2024.

G. Load impact projections -

SDG&E Response: SDG&E has filed with the CPUC to sunset this program in 2024.

Rates with a DR Component:

- **TOU-PA-P -Agricultural**
  This optional tariff provides agricultural and water pumping customers with the opportunity to manage their electric costs by either reducing load during high-cost pricing periods defined as a Reduce Your Use (RYU) Event Day or shifting load from high-cost pricing periods to lower cost pricing periods.

  Current Offering: Tariff effective date of January 1, 2023

- **TOU-A-P Small Commercial**
  This tariff provides commercial customers with the opportunity to manage their electric costs by either reducing load during high-cost pricing periods defined as a Reduce Your Use (RYU) Event Day or shifting load from high-cost pricing periods to lower cost pricing periods. This schedule is the optional commodity rate for customers currently receiving bundled utility service on a small nonresidential rate schedule; or a medium/large non-residential rate schedule with a Maximum Monthly Demand below 20 kW for three consecutive months.

  Current Offering: Tariff effective date of January 1, 2023

- **TOU-DR-P Voluntary Residential**
  This optional tariff provides residential customers with the opportunity to manage their electric costs by either reducing load during high-cost pricing periods defined as a Reduce Your Use (RYU) Event Day or shifting load from high-cost pricing periods to lower cost pricing periods. This Schedule is not applicable to commercial customers.

  Current Offering: Tariff effective date of January 1, 2023

- **Critical Peak Pricing - Large Customers**
  Critical Peak Pricing Default (CPP-D) is a commodity tariff that provides customers with an opportunity to manage their electric costs by either reducing load during high cost pricing periods or shifting load from high-cost pricing periods to lower cost pricing periods.

  Current Offering: Tariff effective date of January 1, 2023

- **Critical Peak Pricing - Medium Customers**
  Critical Peak Pricing Default (CPP-D) is a commodity tariff that provides customers with an opportunity to manage their electric costs by either reducing load during high cost pricing periods or shifting load from high-cost pricing periods to lower cost pricing periods.

  Current Offering: Tariff effective date of January 1, 2023

2024 -2027 Offering (pending CPUC Approval):
No known proposed changes to the rate-based tariffs.

Answers are relevant for all Rate Based programs listed above.

A. Types of hourly MIDAS signals
   SDG&E Response: Customers are on TOU rates and not hourly rates.
B. Target end-uses/customers
   SDG&E Response: All Commercial, Industrial and Agricultural.
C. Equipment requirements
   SDG&E Response: N/A
D. Participating third-party automation service providers, if applicable
   SDG&E Response: N/A
E. Control algorithms
   SDG&E Response: N/A
F. Enrollment – current and projections

SDG&E Response: N/A

G. Load impact projections

SDG&E Response: N/A

Emergency Load Reduction Pilot

Program Description:
The Emergency Load Reduction Program (ELRP) enables eligible SDG&E business and residential customers to get paid for voluntarily reducing their energy load in the event of a grid emergency called by the CAISO.

Current Program Offering:
Eligible customers are paid $2 kWh for verified load shed per the CPUC approved Terms and Conditions.

Events can be called:

- May – October
- 4 p.m. to 9 p.m.
- Event duration is 1 to 5 hours.
- Only one event per day
- Can be called either Day Ahead or Day Of.
- Participation is voluntary.
- No Penalties for non-performance.
- Customers can aggregate their meters/accounts.
- Customer can use their prohibited resources on the issuance of an Emergency Proclamation by the Governor's Office.
- Eligible Subgroups for Customer participation are:
  - Group A:
    - A.1 Non-Residential
    - A.2 BIP and other Non-Res Aggregators
    - A.3 Non-Residential Rule 21 Exporting DERS
    - A.4 Virtual Power Plant (VPP) Aggregators
    - A.5 Vehicle Grid Integration Aggregators
    - A.6 Residential (Power Saver Rewards)
  - Group B:
    - B.1 Third Party DR Providers (DRP's)
    - B.2 IOU Capacity Bidding Programs (CBP)

2024-2027 Offering (pending CPUC Approval):
No changes for 2024

A. Types of hourly MIDAS signals

SDG&E Response: Customers are on TOU rates and not hourly rates.

B. Target end-uses/customers

SDG&E Response: Target customers are residential and commercial customers that can shed load based on the issuance of either a Flex Alert or EEA Notice or Watch issued by the CAISO are eligible to join the program.

C. Equipment requirements

SDG&E Response: None

D. Participating third-party automation service providers, if applicable

SDG&E Response: Olivine as Program administrator for SDG&E, with the exception of ELRP Subgroup A.6 which SDG&E manages.

E. Control algorithms

SDG&E Response: None

F. Enrollment – current and projections
SDG&E Response: Current enrollment 563,365

G. Load impact projections

SDG&E Response: 44.3 MW (Ex Ante)

Technology Incentive Program

Program Description:
The Technology Incentives (TI) Program offers incentives for the purchase and installation of qualified demand response measures that provide verified, dispatchable, on-peak load reduction at customer-owned facilities.

Current Offering:
Eligible customers can receive up to $200 per kilowatts (kW) of verified, dispatchable, fully automated on-peak load reduction. The total of the earned incentive is limited to 75% of the total project cost.

2024 -2027 Offering (pending CPUC Approval):
Program to be closed pending CPUC approval.

A. Types of hourly MIDAS signals

SDG&E Response: N/A

B. Target end-uses/customers

SDG&E Response: All Commercial, Industrial and Agricultural.

C. Equipment requirements

SDG&E Response: Open Auto Demand Response (ADR) enabled Technology.

D. Participating third-party automation service providers, if applicable

SDG&E Response: N/A

E. Control algorithms

SDG&E Response: N/A

F. Enrollment – current and projections:

SDG&E Response: none / none

G. Load impact projections

SDG&E Response: N/A

Attachment 2:
SDG&E Second Progress Report on Uploading Hourly Dynamic Pricing Rates into the MIDAS Database

On behalf of SDG&E, please find below an update provided in response to the California Energy Commission's 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.

- SDG&E continues to engage in the CEC's LMS MIDAS Working Group meetings, in which issues to support implementation of MIDAS are being resolved.
- SDG&E established an internal project team and secured the services of a consultant to support the development of a partially automated method to upload data.
- SDG&E has uploaded information in MIDAS to comply with the August 1 and October 1, 2023, deadlines and plans to upload additional time-dependent RINs as they become approved. For August, SDG&E uploaded 138 RINs, which represents SDG&E base rates without modifiers. For October, SDG&E uploaded an additional 196 RINs, which constitute time-dependent modifiers for SDG&E's Critical Peak Pricing (CPP) events and will require continual uploads when CPP events occur.
- In December, SDG&E plans to upload an additional 740 RINs related to implementation of the Solar Billing Plan.
- In April 2024, SDG&E will upload additional RINs for Grid Integrated Rate (GIR) and Vehicle-Grid Integration (VGI) rates, per the CEC granted extension request. SDG&E is currently using a manual process to create and support these RIN uploads.
- Moreover, in addition to the time-dependent modifiers being uploaded pursuant to the LMS regulations, in the spirit of collaboration and in an effort to provide more RINs for use in MIDAS, SDG&E has already uploaded 308 RINs related to its discounted programs and plans to upload 828 RINs related to the new Modified CAM line item.
- SDG&E agrees with SCE and PG&E on the complexities of stacking rate modifiers to develop RINs. And while SDG&E has fewer CCAs and franchise fee modifiers, which results in fewer RINs, it is still an unmanageable number of RINS. Without additional staffing and resources, SDG&E would not be able to provide accurate numbers.
- Additionally, full automation is not possible due to the complexities of more rates and rate modifiers being added and altered. Further, because rate design is never frozen, maintaining the MIDAS uploads requires regular monitoring, which will only become more difficult and time consuming the larger the number of uploaded RIN permutations.

SDG&E will provide another update on January 1, 2024.