# THE STATE OF CALIFORNIA BEFORE THE CALIFORNIA ENERGY COMMISSION

<b>DOCKET</b>
08-DD-1

DATE DEC 19 2008

RECD. DEC 19 2008

In the Matter of:	)	
	)	
2008 Order Instituting Informational	)	Docket No. 08-DR-01
Proceeding and Rulemaking on	)	
Load Management Standards	)	

## COMMENTS OF THE IMPERIAL IRRIGATION DISTRICT

The Imperial Irrigation District (IID) respectfully provides these comments in response to the November 21, 2008 Notice of Efficiency Committee Load Management Standards Workshop on Draft Proposed Load Management Standards ("Draft Proposed Standards") promulgated by California Energy Commission ("Commission") Staff.

IID agrees with the Commission goal of reducing peak loads in California. IID's comments address our concern that the unique nature of our customer base, load characteristics and our desert climate require flexibility in implementation of Load Management Standards in our balancing authority. IID agrees with and adopts the December 19<sup>th</sup> comments of the California Municipal Utilities Association (CMUA) on the role of Publicly Owned Utilities (POUs) in the cooperative effort needed by the POUs, Investor Owned Utilities (IOUs), and relevant state agencies to ensure success of this effort. The divergence of IID's customer and load characteristics from the rest of the state provides further support for CMUA's comments on the need to recognize the soundness of the existing legislative policy to leave the implementation

of load management standards in the control of those governing bodies directly responsible to their customers.

#### I. DESCRIPTION OF IID

IID is an irrigation district organized under the California Water Code, serving over 140,000 households and businesses in the Imperial and Riverside Counties in a 6,471 square mile area. The Imperial County has the highest unemployment rate it the state of California and many of IID's customers are low income. Given the desert climate within the IID balancing authority, IID is a summer peaking demand curve with temperatures often above 100 degrees for 4 or more months a year, which dictates much of IID's load management practices.

#### II. COMMENTS ON DRAFT PROPOSED LOAD MANAGEMENT STANDARDS

IID recognizes the benefits of or providing customers as much direct information as possible to make decisions about their energy use. IID currently has an advanced meter program and is developing, monitoring and evaluating an AMI-hybrid technology system that will allow IID to select the best fit technology for the application. To that effect, IID has installed an enterprise wide meter data management system that will accommodate multiple meter technologies. Many of IID's largest customers can access their meter data via the internet through a new pilot program using cellular technology. IID has plans to implement its advanced meter program through existing on-going operations, maintenance and replacement programs to avoid impacting customer rates in this time of economic uncertainty for most of its customers, residential and business alike. Given IID's fairly inelastic summer peak, IID is seeking the best options to assist its customers' needs.

IID understands the desire to create a consensus set of Load Management Standards. IID concurs with the goal to create a set of agreed upon guidelines to assist all appropriate governing bodies in drafting and implementing programs to implement the guidelines. Specifically, IID appreciates the proposed amendments, by Chair Pfannensteil, to several of the Proposed Draft Load Management Standards, particular LMS-1 and LMS-2 to reach common ground among utility needs. However, to reach the goal of cost effective and efficient load management practices throughout the state, the POUs are best suited to determine how the guidelines should be incorporated into their own rate designs.

As Chair Pfannenstiel recognized at the July 10, 2008 Workshop, the Commission generally lacks ratemaking authority. As explained in detail in the CMUA comments, Chair Pfannensteil's understanding is consistent with the 1982 Load Management Standards cited in the Staff Draft Proposed Standards, at Section 1623. Section 1623 provides as follows:

(a) This standard request that a utility develop marginal cost rates, using a *recommended* methodology or the methodology approved by its rate-making body, when it prepares rate applications for retail services, *and that the utility submit such rates to its rate-approving body*.

IID's own programs to adopt advanced metering without significantly impacting its customer rates is proof that allowing the POUs to develop and adopt load management programs that complement their customer needs is the most cost effective method of implementing these efforts across the state.

### III. CONCLUSION

The IID appreciates the opportunity to work with the Commission staff, other POUs, CMUA and the IOUs in developing guidelines for all utilities to use in

implementing load management practices to lesson and shift peak load in a cost effective

manner. IID has been following the proceedings and recommendations to assist our

current efforts to implement load management practices in the desert summer peaking

environment. This effort has been an example of how to collaboratively work with all of

the utilities in California to better serve our customers. Thank you for this opportunity to

comment on the recommendations.

December 19, 2008

Respectfully submitted,

Isl Carrie Downey

Carrie A. Downey

LAW OFFICES OF CARRIE ANNE DOWNEY

Carrie A. Downey 1313 Ynez Place Coronado, CA 92118

Phone: (619) 522-2040 Fax: (619) 522-2043

Email: cadowney@san.rr.com

Attorney for

IMPERIAL IRRIGATION DISTRICT

4