



Smart Grid Proceeding Update to the CEC



11-IEP-1H

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11-IEP-1G

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California Public Utilities Commission

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Presentation Objectives & Agenda

- **Why do we have a Smart Grid proceeding?**
 - History of proceeding
 - What has been done as part of the Rulemaking?
 - State legislation (SB 17)
- **CPUC Final Decision on Smart Grid Deployment Plan Requirements**
 - Smart Grid Deployment Plan Requirements
 - SDG&E's Deployment Plan
 - Next steps on the Deployment Plans
- **Next Steps**
 - Privacy Proposed Decision





History of Smart Grid Rulemaking

- **December 2008**: Issued Order Instituting Rulemaking (R.08-12-009)
- **October 11, 2009**: Governor signs SB 17 (Padilla) directing CPUC to set requirements for IOU Smart Grid Deployment Plans by July 1, 2010; IOUs to file Deployment Plans by July 1, 2011.
 - Directs PUC to work with CEC and CAISO to develop policies to implement Smart Grid
- **December 2009**: Issued Decision addressing Energy Independence and Security Act requirements and identified customer access issues for next phase of OIR (D.09-12-046)
 - Declines to adopt PURPA standards as directed by EISA
 - Sets schedule for providing customers with retail and wholesale price information by end of 2010, access to usage data through an agreement with a third party by end of 2010, and provide access to usage information on a near real-time basis for customers with AMI by end of 2011.
- **February 8, 2010**: Assigned Commissioner issues Scoping Memo to address customer access to prices and usage information, and to address SB 17 implementation issues.
- **June 24, 2010**: Final Decision on utilities' Smart Grid deployment plan requirements issued, as required by SB 17. (D.10-06-047)





What has been done thus far?

D.09-12-046

- Sets timeframe for IOUs to provide certain information to customers:
 - SCE, SDG&E, and PG&E must be capable of providing an authorized third party with access to the customer's usage information that is collected by the utility by the end of 2010 should the customer desire that information.
 - SCE, SDG&E, and PG&E must be capable of providing a customer possessing an advanced meter with access to the customer's usage information on a near real-time basis by the end of 2011.
- Sets the following policy goals:
 - Customers be provided retail and wholesale electricity prices in a uniform manner by end of 2010
 - Provide access to usage data through an agreement with a third party by end of 2010, and
 - Provide access to usage information on a near real-time basis for customers with AMI by end of 2011.





State Legislation SB 17

- SB 17 defines what characterizes a “Smart Grid”
 - Cost effective digital technologies
 - Dynamic optimization of grid operations and resources
 - Deployment and integration of cost effective distributed resources and generation, including renewables
 - Development and incorporation of cost effective demand response, energy efficiency and demand side resources
 - Deployment of cost effective smart grid technologies, such as communication networks concerning grid operations and technologies that optimize grid operations
 - Integration of cost effective smart appliances and consumer devices
 - Deployment and integration of cost effective electricity storage and peak-shaving technologies, such as PHEVs and thermal storage A/C
 - Provide customers with timely information and control options
 - Develop standards for communication and interoperability of appliances and equipment connected to the grid
 - Identification and lowering of barriers to adoption of smart grid technologies





Smart Grid Deployment Plan Requirements

- **Smart Grid Deployment Plans must address 8 topics:**
 - Smart Grid Vision Statement
 - Deployment Baseline
 - Smart Grid Strategy
 - Grid Security and Cyber Security Strategy
 - Smart Grid Roadmap
 - Cost Estimates
 - Benefits Estimates
 - Metrics
- **Smart Grid Deployment Plan to be filed by July 1, 2011**





SDG&E'S Deployment Plan

- **Filed with the PUC on June 6 (A.11-06-006)**
- **Organized according to 8 topics identified in PUC's June 2010 decision**
- **Identifies 9 program areas**
 - Customer Empowerment
 - Renewable Growth
 - Electric Vehicle Growth
 - Reliability and Safety
 - Security
 - Operational Efficiency
 - Smart Grid RD&D
 - Integrated and cost-cutting Systems
 - Workforce Development
- **Estimated Costs- \$3.5-3.6 billion; Estimated Benefits- \$3.8-7.1 billion**





Next Steps on the Deployment Plans

- **PG&E and SCE deployment plans to be filed by July 1.**
- **PUC, in coordination with CEC and CAISO, will likely hold a series of workshops to discuss the deployment plans through the rest of the year.**
- **Reminder- approval of a deployment plan does not mean approval of specific programs or funding. Funding for programs must still be done either through the GRC or separate application**





Privacy and 3rd Party Access PD

- **PUC issued a proposed decision on privacy and third party access rules on May 6, 2011**
- **Major items from PD:**
 - Implements SB 1476 on privacy and security requirements for utilities
 - Aligns California with the Fair Information Practice Principles
 - Directs utilities to provide additional information and tools to consumers to better manage usage
 - Proposes a pilot to provide customers prices in near-real time
 - Proposes a pilot to allow customers to connect devices with their meter through the Home Area Network
 - Requires utility to notify the PUC upon a security breach affecting 1,000 or more customers
 - New phase to determine applicability of privacy rules upon gas companies, ESPs, and CCAs.
- **Initial Comments filed June 2 (25 parties); Reply Comments filed June 8 (10 parties).**





For Further Information

CPUC Smart Grid webpage:

<http://www.cpuc.ca.gov/PUC/energy/smartgrid.htm>

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