

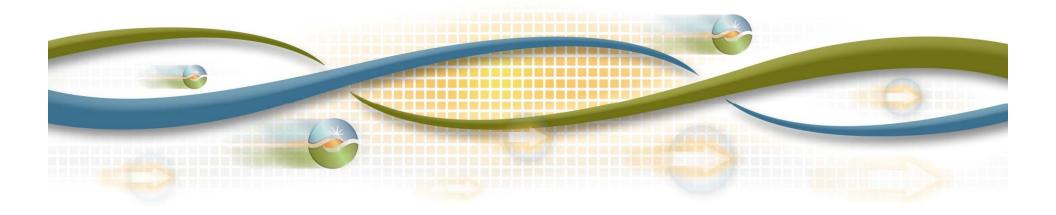
CEC IEPR Demand Response Workshop

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The ISO published a roadmap last week focused on increasing DR and EE to reduce or offset additional generation and transmission infrastructure.

Document link:

<u>http://www.caiso.com/Documents/Draft-</u>
<u>ISODemandResponseandEnergyEfficiencyRoadmap.pdf</u>

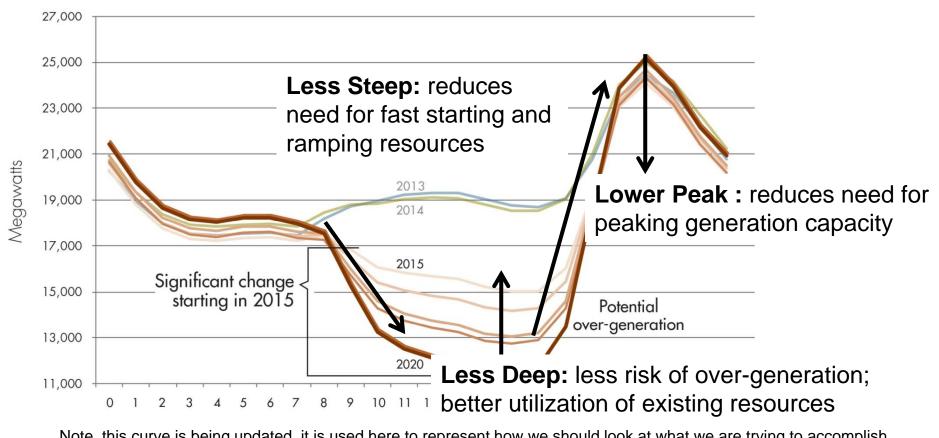
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We must design programs and tariffs that modify the load shape and provide resources at the right time, location, and magnitude.

Net load



Note, this curve is being updated, it is used here to represent how we should look at what we are trying to accomplish

Resources vs. Load California ISO Slide 3 Modifiers: Page 7

The roadmap organizes activities on four paths and includes recommendations for assignments and timing.

- Load shaping
- Resource sufficiency
- Operations
- Monitoring



Introduction to the four roadmap paths: pages 3-4

Slide 4

Stakeholders need to understand each other and frequently assess and monitor. We need to recognize that needs have changed; capabilities have also changed.

- What is flexible capacity? page 12
- The importance of monitoring: page 19
- ISO market models and market products: page 18



The ISO, CPUC, and CEC must collaborate and align on a road forward. We must implement, measure and adjust.

Goal Activities		CPUC	ISO	CEC	
Ensure consistent assumptions in ISO,	ure consistent assumptions in ISO, Identify process interaction and dependencies		Х	Х	х
CEC, and CPUC planning and					
procurement processes	Identify and implement adjustments to processes		х	х	х
	Create targeted EE programs and incentives to locations and time periods		x		
	Investigate and define retail rate options		х		
Modify load shape to reduce recourse. Develop approach to align retail rates with grid conditions		х	х		
			х		0
over-generation, and r CONTI	nue to ask: How does what we		X		Ŭ
are do	bing advance demand response		x	0	0
Clarify ISO needs for D	ing advance demand response		U		U
				х	
operation and el	nergy efficiency to offset	Inning local areas		x	
				х	
gener	ation and transmission needs?			x	
gener	ation and transmission needs:	२		x	
	Develop more granular forecasts for EE				х
	Develop criteria for classification of demand-side programs		х		
	Include load-modifying programs in demand forecast				х
Ensure resources are procured and	Revise RA counting for DR programs classified as resources		х		
developing to meet capability, timing,	Develop policy guidance for DR and EE programs targeted to meet needs		х		
and location needs	Develop approach to monitor progress of DR and EE program development and implementation		0		0
	Develop multi-year forward RA procurement mechanism		x		U
	Develop market-based replacement for ISO backstop capacity (CPM replacement)		~		
				x	
	Evaluate and measure DR and EE program effectiveness Complete CPUC Rule 24		x		X
	Implement ISO RDRR		~	x	
		x	X		
Increase DR program and pilot Bid DR resources into ISO markets participation in ISO market developing Expand ISO metering and telemetry options		^	x		
operations experience and providing	Refine and automate wholesale DR registration process			x	
feedback for policy refinement	Execute PG&E intermittent resource pilot in ISO market		0	x	
robubuok for policy reminiment	Modify and implement ISO NGR – DDR				
	Define and execute pilot programs and assess resource flexibility capabilities	Call to action: page 22			



Thank you

Roadmap comments appreciated through July 12. Please submit to <u>RDRP@caiso.com</u>. Contact Tom Cuccia at <u>tcuccia@caiso.com</u> with questions.

