



# CALIFORNIA'S SMART GRID

California Public Utilities Commission  
Smart Grid Rulemaking  
R.08-12-009

## **WORKSHOP 5** **REGULATORY APPROACH FOR SMART GRID**

### **AGENDA**

**JULY 31, 2009**  
**10:00 AM – 3:00 PM**  
**AUDITORIUM**  
**CPUC, 505 VAN NESS AVENUE, SAN FRANCISCO, CA 94102**

This workshop will focus on the development of a regulatory approach by the California Public Utilities Commission to develop a smarter electric grid in California in a manner that is consistent with state energy goals and laws. The workshop will also address the appropriate approach for evaluating incremental Smart Grid-related investments.

Each section of the agenda will begin with a brief ten minute presentation by each panel member. The presentations will be followed by a discussion moderated by ALJ Tim Sullivan.

The workshop will be webcast (video & listen only). The video webcast will be at [www.californiaadmin.com/cgi-bin/cpuc.cgi](http://www.californiaadmin.com/cgi-bin/cpuc.cgi). Presentations will be on the web for viewing at <http://www.cpuc.ca.gov/PUC/energy/smartgrid.htm>.

The following questions should be addressed by each presenter from his or her unique perspective:

1. How should the Commission guide and direct the utilities to approach and propose Smart Grid-related investments in the face of rapidly evolving technologies and California's reliance on renewable energy, energy efficiency and demand response programs to meeting the State's energy needs? Some possible approaches include:
  - Direct the utilities to develop Smart Grid "deployment plans" subject to Commission review and approval;
  - Direct the utilities to file special applications that meet minimum functionality requirements, established in advance by the Commission (following the advanced metering initiative model); or
  - Use traditional General Rate Cases to make gradual Smart Grid-related investments over time.





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2. What criteria should the Commission consider in assessing the reasonableness of Smart Grid-related investments, consistent with the Energy Independence and Security Act of 2007 and state energy goals and laws? Examples include:
  - Quantifiable costs and benefits;
  - Environmental benefits;
  - Consistency with federal and state energy policies, including Assembly Bill 32;
  - Adherence to widely-adopted open standards;
  - Upgradability as standards evolve;
  - Other criteria.
3. Should there be a clear demarcation point between the utility owned grid and consumer owned devices? Why and for what purposes?
4. Should the Commission adopt Smart Grid metrics modeled on federal metrics? How should the state Smart Grid metrics be updated to keep up with advances in technology? How should the metrics measure the evolving intelligence of each utility's grid?
5. What ratemaking treatment should Smart Grid projects receive?
6. Do the Commission's depreciation rules require any revision for Smart Grid-related investments due to the rapid pace of technological change?
7. What issues related to electric vehicles need to be addressed quickly and by the Commission in this rulemaking, and what issues are more appropriately addressed in the upcoming electric vehicle rulemaking? What factors drive addressing some issues more quickly?
8. How should the Commission coordinate and align its policies with the California Independent System Operator, California Energy Commission, and California Air Resources Board? Are there other agencies the Commission should coordinate with?
9. In addition to the federal initiatives discussed above, what should the Commission do to coordinate with federal government policies and initiatives-related to Smart Grid?





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### AGENDA

**10:00 a.m. - 10:15 a.m. Welcome and Opening Comments:**  
**Assigned Commissioner Rachelle Chong & ALJ Sullivan**

**10:15 a.m. - 11:15 a.m. Utility Representatives**

*Panelists:*

- *Paul De Martini, Southern California Edison (SCE)*
- *Lee Krevat, San Diego Gas & Electric (SDG&E)*
- *Kevin Dasso, Pacific Gas & Electric (PG&E)*
- *Chase Kappel, California Small and Multi-jurisdictional Utilities (CASMU)*

**11:15 a.m. - 12:30 p.m. Lunch Break**

**12:30 p.m. - 1:30 p.m. Consumer Representatives**

*Panelists:*

- *Karin Hieta, Division of Ratepayer Advocates (DRA)*
- *Barbara Alexander, The Utility Reform Network (TURN)*
- *Barbara Barkovich, California Large Energy Consumer Association (CLECA)*

**1:30 p.m. - 2:30 p.m. Vendor Representatives**

*Panelists:*

- *Jeffrey Ross, GridPoint*
- *Michele Tihami, IBM*
- *Christos Polyzois, Honeywell*

**2:30 p.m. - 3:00 p.m. Wrap-up and Closing Statements by Commissioner Chong & ALJ Sullivan**

