BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



Order Instituting Rulemaking to Enhance the Role of Demand Response in Meeting the State's Resource Planning Needs and Operational Requirements.

Rulemaking 13-09-011

NOTICE OF EX PARTE COMMUNICATIONS OF THE CALIFORNIA LARGE ENERGY CONSUMERS ASSOCIATION

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October 23, 2017

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Pursuant to Rule 8.4 of the California Public Utilities Commission (Commission)

Rules of Practice and Procedure, the California Large Energy Consumers Association¹

(CLECA) hereby gives notice of the following ex parte communication on the pending

Proposed Decision (PD) and Alternate Proposed Decision (APD) in this proceeding.

This communication was initiated by Dr. Barbara Barkovich, consultant, on behalf

of CLECA, and was oral only, taking place by telephone on October 20, 2017.² The

communication occurred from 1:31 pm to 1:46 pm with Shannon O'Rourke, adviser to

Commissioner Peterman.

Dr. Barkovich expressed support for the identical requirements for similarity in

both Proposed Decision and Alternate Proposed Decision, particularly the "same

¹ CLECA is an organization of large, high load factor industrial customers of Southern California Edison Company and Pacific Gas and Electric Company; the members are in the cement, steel, industrial gas, pipeline, beverage and mining industries. CLECA has been an active participant in Commission regulatory proceedings since 1987.

² CLECA timely filed and served Three Working Days' Notice for this meeting on October 16, 2017; at that time, Nora Sheriff was expected to participate in the communication as well; due to unforeseen intervening events, Ms. Sheriff was unable to participate in the communication.

approximate number" and same customer class requirement. She explained the importance of providing access to customers of all classes to participation in demand response. She also said that the customer class and approximate number requirement protects customer choice and should be clarified as recommended by Marin Clean Energy and supported in CLECA's reply comments. The "number" should be understood as being reflective of the number of customers in the class in the competing provider's territory - not the total number in the class in the competing utility's territory.

Dr. Barkovich also noted that the CAISO's brief opening comment on the PD and APD that the utilities should be able to combine underlying retail DR programs to meet minimum resource requirements in its markets and avoid stranding resources fails to recognize the different program parameters in those retail programs, including notification times, hours of applicability, and run times.

Regarding the APD's direction for an additional pilot auction for the Demand Response Auction Mechanism, Dr. Barkovich stated CLECA's concern that another pilot auction not take place until the results of the DR pilot evaluation, scheduled for summer 2018, occur so that the Commission can use those results to inform any future DRAM procurement. She also cited CLECA's concern that the DRAM procures resource adequacy (RA) and that additional RA should not be procured unless it is needed. In response to a question, she noted that CLECA members are currently participating in utility DR programs and that she did not know if any had been approached about participating in a DRAM pilot. Dr. Barkovich discussed the Load Impact Protocols (LIP) and noted that the discussion in the final decision on the LIP should be clarified, due to the apparent confusion among the parties, reflected in their comments, over who would perform and oversee the LIP studies. She explained that the LIP feed into RA counting for DR as well as cost-effectiveness analysis for existing utility programs and are generally performed by consultants under the supervision of the DR Measurement and Evaluation Committee.

Dr. Barkovich also suggested that more time than the provided 75 days for the bill credit methodology may be warranted, and recommended allowing additional discretion for the ALJs to revise the timeline. She noted that various parties had commented that there would need to be consideration of how to treat DR costs that apply to multiple DR Programs, such as measurement and evaluation and auto-DR.

To obtain a copy of this ex parte notice, please contact:

Nora Sheriff, Attorney at Law Alcantar and Kahl Telephone: (415) 421-4143 Email: <u>nes@a-klaw.com</u>

Respectfully submitted,

Hora Sheriff

Nora Sheriff

Counsel to California Large Energy Consumers Association

October 23, 2017