RTP Option for All

• SDG&E should offer two RTP options: Day-Ahead and Five-Minute

• Both tariffs should be available to all customers, but could focus Day-Ahead on smaller customers

• Day-Ahead provides more time to plan response whereas five-minute more accurately reflects day-of conditions

• Other options could include pricing based on hour-ahead or fifteen minute markets
Structure of Day Ahead RTP

• Similar to SDG&E’s Grid Integration Rate
• Day-ahead prices passed through to customer
• Most generation capacity costs recovered through top 150 hour surcharge
• No generation-related demand charge
Structure of Day Ahead RTP (2)

- 50% of distribution revenue recovered through top 200 hour circuit surcharge
- No distribution demand charge
- User pays fixed charges, NBCs, FERC transmission at otherwise applicable tariff
- A commodity base rate covers costs such as RPS and above-market legacy legacy procurement costs
Structure of 5-Minute RTP

- Five-Minute market prices passed through to customer using average price across the billing interval
- Other elements same as day-ahead rate
- Participants can receive day-ahead and day-of pricing alerts
Hedging Option

• SDG&E should offer RTP customers the chance to hedge their exposure by buying blocks of energy at the standard TOU generation rate

• For residential and small C&I customers options could be simplified to offer a small number of basic load shapes scaled to annual usage
Example of Hedging Product

![Graph showing kWh usage and billed rates]

- Billed at TOU
- Actual Usage

Billed at RTP rate
Enabling Customer Response

• Day-ahead prices and high-price alerts should be distributed by email, text, phone, and app
• Push prices to devices whether day-ahead or five-minute
• SDG&E should facilitate automation by partnering with vendors who offer AC, energy storage, EV, and smart appliance load management products and services
RTP in Context of LSWG

Our RTP proposal scores well on LSWG metrics:

- Dispatch method since prices directly informed by wholesale market
- Locational granularity with circuit-specific adders and, where applicable, sub-LAP pricing
- Temporal granularity, especially five-minute option

- Incentivizes bi-directional load response
- Non-integration into CAISO market reduces complexity, reduces expense, and avoids need for counterfactual baselines