

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



December 11, 2013

Advice Letter 3604-E

Brian K. Cherry
Vice President, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

**SUBJECT: Revisions to the Demand Bidding Program and the Capacity Bidding
Program Rate Schedule**

Dear Mr. Cherry,

Advice Letter 3604-E has been withdrawn per PG&E Withdrawal Letter dated
December 5, 2013.

Sincerely,

A handwritten signature in cursive script that reads 'Edward F. Randolph'.

Edward F. Randolph, Director
Energy Division

January 28, 2010

Advice 3604-E

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Revisions to the Demand Bidding Program and the Capacity Bidding Program Rate Schedules

Pacific Gas and Electric Company (PG&E) hereby submits revisions to its electric demand response (DR) rate schedules E-CBP – Capacity Bidding Program and E-DBP – Demand Bidding Program. The affected rate schedules are included as Attachment 1.

Purpose

The purpose of this filing is to modify language in PG&E's rate schedules E-CBP and E-DBP as described below in order to clarify the elimination of scheduling coordinator trades (SC-to-SC trades) for Direct Access (DA) and Community Choice Aggregation (CCA) service participation.

Background

On September 25, 2009, PG&E filed Advice Letter (AL) 3447-E-A revising language in rate schedule E-CBP resolving concerns raised by the Alliance for Retail Energy Markets (AReM) in its protest to PG&E's Application for Approval of its 2009-2011 DR Programs and Budgets (Application (A.) 08-06-003), specifically AReM's request that SC-to-SC trades for DA and CCA service participation in CBP be justified or eliminated. AReM, PG&E, Southern California Edison (SCE), and San Diego Gas and Electric (SDG&E), filed a Joint Status Report on December 22, 2008, that resolved several issues raised by AReM and committed the parties to "use their best efforts to resolve, before MRTU is implemented, through the California Independent System Operator's (CAISO) DR Working Group or other groups as appropriate: (a) any identified technical or regulatory barriers to DA customer participation in MRTU DR Programs; (b) whether an SC-to-SC trade or a similar mechanism should continue after MRTU;

and (c) any ongoing concerns (financial, logistical or other) regarding ending or continuing of SC-to-SC trades or similar mechanisms with ESPs as a result of DA customers' participation in a DR program."¹ AL 3447-E-A was approved by the Commission's Energy Division effective November 9, 2009.

When PG&E filed AL 3447-E-A, PG&E anticipated that rate schedule E-DBP would have been terminated prior to the summer 2010 and its customers transitioned to PG&E's PeakChoice program as proposed in its 2009-2011 DR Programs and Budgets Application (A.08-06-003). Accordingly, PG&E did not propose changes to E-DBP in AL 3447-E-A. However, in Decision (D.) 09-08-027, the Commission required PG&E to retain the Demand Bidding Program.

PG&E filed AL 3558-E on November 13, 2009, in compliance with D.09-08-027. However, in order to be consistent with the goals in the Joint Status Report and to ensure consistency with its approved changes to E-CBP which removed the SC-to-SC trade requirement, PG&E proposes to eliminate additional SC-to-SC trade language in E-CBP and to modify the notification requirements in E-DBP.

Revisions to Existing Rate Schedules

PG&E proposes to modify rate Schedule E-CBP to eliminate SC-to-SC trade language originally approved in AL 3447-E-A and in addition to the changes pending in AL 3558-E:

PG&E will not provide energy payments to directly-enrolled DA or CCA service customers, or Aggregator on behalf of a DA or CCA service customer, for load reductions during CBP events (\$0/kWh), ~~due to the Scheduling Coordinator (SC)-to-SC trade and payment changes to the CBP Program.~~ Customers and Aggregators will still receive capacity payments from PG&E for DA or CCA customers' load as applicable under this Schedule. This provision does not prevent DA or CCA customers from entering into arrangements with their respective ESPs or CCAs to receive part or all of the energy benefits derived from the DA or CCA customers' load reductions during CBP events. PG&E will notify existing CBP participants and Aggregators of this recent ~~SC-to-SC~~ program change.

PG&E proposes to eliminate the SC-to-SC trade language in rate Schedule E-DBP and also to eliminate the notification requirements of DA customers to be similar to those specified in E-CBP as agreed to in the Joint Status Report in addition to the changes pending in AL 3558-E.

Customers participating in this program and receiving service under CCA Service/~~Direct Access~~ must notify their Community Choice Aggregator (CCA)/~~Energy Service Provider~~ that they are participating in this program and

¹ Joint Status Report on Energy Service Provider Issues filed December 22, 2008, in A.08-06-001 et al.

when they participate in a DBP event. The per event notification must include the amount of hourly bid for each accepted bid. ~~PG&E reserves the right to require that the CCA/Direct Access Service customer's Scheduling Coordinator (SC) must submit a Scheduling Coordinator to Scheduling Coordinator (SC to SC) trade with the service electric utility. If PG&E imposes this requirement, then: (1) the SC to SC trade must be submitted in a timeframe that complies with the California Independent System Operator's (ISO's) requirements; and (2) the CCA Service/Direct Access customer is responsible for all additional costs incurred by the serving utility if the customer's SC fails to submit a SC to SC trade, or if the SC to SC trade is not accepted by the ISO because of an action or inaction of the customer's SC.~~

Protest Period

Anyone wishing to protest this filing may do so by sending a letter by **February 17, 2010**, which is 20 days from the date of this filing. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. Protests should be mailed to:

CPUC Energy Division
Tariff Files, Room 4005
DMS Branch
505 Van Ness Avenue
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:

Brian K. Cherry
Vice President, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-7226
E-mail: PGETariffs@pge.com

Effective Date

PG&E submits this filing with a Tier 2 designation pursuant to General Order (GO) 96-B, Energy Industry Rule 5.2. PG&E requests that this advice filing become effective on regular notice, **March 1, 2010**, which is 32 calendar days after the date of filing.

Notice

In accordance with GO 96-B, Section IV, a copy of this Advice Letter is being sent electronically or via U.S. mail to parties shown on the attached list and to the service lists for A.08-06-003 and R.07-01-041. Address changes should be directed to e-mail PGETariffs@pge.com. Advice Letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.

A handwritten signature in cursive script that reads "Brian Cherry / Int".

Vice President - Regulatory Relations

Attachments

cc: Service Lists – A.08-06-003 and R.07-01-041

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type:

☒ ELC

☒ GAS

☐ PLC

☐ HEAT

☐ WATER

Contact Person: Linda Tom-Martinez

Phone #: 415.973.4612

E-mail: lmt1@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas ☐

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 3604-E

Tier: 2

Subject of AL: Revisions to the Demand Bidding Program and the Capacity Bidding Program Rate Schedules

Keywords (choose from CPUC listing):

AL filing type: ☐ Monthly ☐ Quarterly ☐ Annual ☒ One-Time ☐ Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.09-08-027

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: N/A

Resolution Required? ☐ Yes ☒ No

Requested effective date: March 1, 2010

No. of tariff sheets: 4

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: Electric Rate Schedule E-DBP and E-CBP

Service affected and changes proposed: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Tariff Files, Room 4005

DMS Branch

505 Van Ness Ave., San Francisco, CA 94102

jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Pacific Gas and Electric Company

Attn: Brian K. Cherry, Vice President, Regulatory Relations

77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, CA 94177

E-mail: PGETariffs@pge.com

**ATTACHMENT 1
Advice 3604-E**

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
28923-E	ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM Sheet 8	28419-E
28924-E	ELECTRIC SCHEDULE E-CBP CAPACITY BIDDING PROGRAM Sheet 7	28428-E
28925-E	ELECTRIC TABLE OF CONTENTS Sheet 1	28918-E
28926-E	ELECTRIC TABLE OF CONTENTS RATE SCHEDULES Sheet 5	28916-E



**ELECTRIC SCHEDULE E-CBP
CAPACITY BIDDING PROGRAM**

Sheet 7

**ENERGY
PAYMENT:**

All Energy Payments will be determined separately for each Capacity Nomination.

If no CBP Events were called during the operating month, then the monthly Energy Payment is zero (0).

If one or more CBP Events were called during the operating month, then the monthly Energy Payment is obtained by summing the Hourly Energy Payments. The Hourly Energy Payments will be determined as follows:

$$\text{Nominated Energy}_{\text{HR}} = \text{Nominated Capacity}_{\text{HR}}$$

$$\text{Delivered Energy}_{\text{HR}} = \text{lesser of Delivered Capacity}_{\text{HR}} \text{ or } 1.5 * \text{Nominated Energy}_{\text{HR}}$$

$$\text{If Delivered Energy}_{\text{HR}} \geq \text{Nominated Energy}_{\text{HR}}$$

$$\text{Energy Payment}_{\text{HR}} = \text{Delivered Energy}_{\text{HR}} * \text{Energy Price}_{\text{HR}}$$

$$\text{If Delivered Energy}_{\text{HR}} < \text{Nominated Energy}_{\text{HR}}$$

$$\text{Energy Payment}_{\text{HR}} = \text{Delivered Energy}_{\text{HR}} * \text{Energy Price}_{\text{HR}} \text{ less } (\text{Nominated Energy}_{\text{HR}} - \text{Delivered Energy}_{\text{HR}}) * \text{the higher of the ex-post energy price for the event hour or the Energy Price}_{\text{HR}}$$

$$\text{Where the Energy Price}_{\text{HR}} = 15,000 \text{ BTU/kWh} * \text{PG\&E citygate midpoint gas price as published by Platts Gas Daily for the date of the CBP Event } (\$/\text{BTU})$$

See section below for special conditions regarding DA and CCA service customers' energy payments.

**SPECIAL
CONDITIONS
FOR DIRECT
ACCESS AND
CCA SERVICE
CUSTOMERS:**

Aggregators must make the necessary arrangements with the ESP of its DA or CCA service customers before enrolling DA or CCA service customers in this program.

PG&E will not provide energy payments to directly-enrolled DA or CCA service customers, or Aggregator on behalf of a DA or CCA service customer, for load reductions during CBP events (\$0/kWh). Customers and Aggregators will still receive capacity payments from PG&E for DA or CCA customers' load as applicable under this Schedule. This provision does not prevent DA or CCA customers from entering into arrangements with their respective ESPs or CCAs to receive part or all of the energy benefits derived from the DA or CCA customers' load reductions during CBP events. PG&E will notify existing CBP participants and Aggregators of this recent program change.

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ELECTRIC SCHEDULE E-DBP DEMAND BIDDING PROGRAM

Sheet 8

**TECHNICAL AUDIT
ASSISTANCE AND
EQUIPMENT
INCENTIVES:**

Technical audit assistance and equipment incentives are available to enhance the customer's ability to respond to curtailment requests for on-peak demand reductions.

If the customer receives a technical incentive payment, that is contingent upon enrolling in this demand response program, and the customer fails to participate in the demand response program for a minimum of 12 consecutive months, then the customer must repay a portion of the incentive payment, up to fifty percent (50%) of the total amount, to PG&E.

**FAILURE TO
REDUCE LOAD:**

Except as provided in the Incentive Payment section of this schedule, no additional monetary penalties will be assessed under this Program for a customer's failure to comply (reduce energy) during any or all hours of an E-DBP Event.

PROGRAM TERMS:

Customers' participation in this tariff will be in accordance with Electric Rule 12. Customers may terminate their E-DBP participation by giving a minimum of 30 days written notice. Cancellation will become effective with the first regular billing cycle after the 30-day notice period. PG&E may terminate a participant's E-DBP participation at any time after giving a thirty (30) day written notice to participants.

**INTERACTION
WITH CUSTOMER'S
OTHER
APPLICABLE
PROGRAMS AND
CHARGES:**

Participating customers' regular electric service bills will continue to be calculated each month based on their actual recorded monthly demands and energy usage.

Customers who participate in a third-party sponsored interruptible load program must immediately notify PG&E of such activity.

Load can only be committed to one program for any given hour of a curtailment, and customers will be paid for performance under only one program for a given load reduction. In other words, should another demand response program be activated, while an E-DBP Event is in progress, those events will supersede an E-DBP Event, and no E-DBP incentive payments will be applied for those overlapping hours. E-DBP customers shall not participate in PG&E's Capacity Bidding Program (Schedule E-CBP), the California ISO's Participating Load Program (Supplemental and Ancillary Services), any PG&E sponsored non-tariff demand response program or any other pay for performance program.

Customers enrolled in the Scheduled Load Reduction Program (Schedule E-SLRP) may participate in E-DBP during the days when the customer's load is not scheduled for curtailment under the E-SLRP program.

**EMERGENCY
STANDBY
GENERATION:**

Customers may achieve energy reductions by operating back-up or onsite generation. The customer will be solely responsible for meeting all environmental and other regulatory requirements for the operation of such generation.

**COMMUNITY
CHOICE
AGGREGATION
SERVICE
CUSTOMERS AND
DIRECT ACCESS
SERVICE
CUSTOMERS**

Customers participating in this program and receiving service under CCA Service must notify their Community Choice Aggregator (CCA) that they are participating in this program and when they participate in a DBP event. The per event notification must include the amount of hourly bid for each accepted bid.

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(Continued)



ELECTRIC TABLE OF CONTENTS

Sheet 1

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(Continued)

Advice Letter No: 3604-E
Decision No. 09-08-027

Issued by
Brian K. Cherry
Vice President
Regulatory Relations

Date Filed January 28, 2010
Effective _____
Resolution No. _____



ELECTRIC TABLE OF CONTENTS RATE SCHEDULES

Sheet 5

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E-DASR	Direct Access Services Request Fees	14847-E
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**PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV**

Alcantar & Kahl	Day Carter Murphy	North Coast SolarResources
Ameresco	Defense Energy Support Center	Northern California Power Association
Anderson & Poole	Department of Water Resources	Occidental Energy Marketing, Inc.
Arizona Public Service Company	Department of the Army	OnGrid Solar
BART	Dept of General Services	Praxair
BP Energy Company	Division of Business Advisory Services	R. W. Beck & Associates
Barkovich & Yap, Inc.	Douglass & Liddell	RCS, Inc.
Bartle Wells Associates	Downey & Brand	Recon Research
Boston Properties	Duke Energy	SCD Energy Solutions
C & H Sugar Co.	Dutcher, John	SCE
CA Bldg Industry Association	Economic Sciences Corporation	SMUD
CAISO	Ellison Schneider & Harris LLP	SPURR
CLECA Law Office	FPL Energy Project Management, Inc.	Santa Fe Jets
CSC Energy Services	Foster Farms	Seattle City Light
California Cotton Ginners & Growers Assn	G. A. Krause & Assoc.	Sempra Utilities
California Energy Commission	GLJ Publications	Sierra Pacific Power Company
	Goodin, MacBride, Squeri, Schlotz & Ritchie	Silicon Valley Power
California League of Food Processors	Green Power Institute	
California Public Utilities Commission	Hanna & Morton	Silo Energy LLC
Calpine	Hitachi	Southern California Edison Company
Cameron McKenna	International Power Technology	Sunshine Design
Cardinal Cogen	Intestate Gas Services, Inc.	Sutherland, Asbill & Brennan
Casner, Steve	Los Angeles Dept of Water & Power	Tabors Caramanis & Associates
Chamberlain, Eric	Luce, Forward, Hamilton & Scripps LLP	Tecogen, Inc.
Chevron Company	MBMC, Inc.	Tiger Natural Gas, Inc.
Chris, King	MRW & Associates	Tioga Energy
City of Glendale	Manatt Phelps Phillips	TransCanada
City of Palo Alto	McKenzie & Associates	Turlock Irrigation District
Clean Energy Fuels	Merced Irrigation District	U S Borax, Inc.
Coast Economic Consulting	Mirant	United Cogen
Commerce Energy	Modesto Irrigation District	Utility Cost Management
Commercial Energy	Morgan Stanley	Utility Specialists
Consumer Federation of California	Morrison & Foerster	Verizon
Crossborder Energy	New United Motor Mfg., Inc.	Wellhead Electric Company
		Western Manufactured Housing Communities Association (WMA)
Davis Wright Tremaine LLP	Norris & Wong Associates	eMeter Corporation