June 30, 2015

Meredith Allen  
Senior Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

SUBJECT: Reporting Template & Timeline to Provide Feedback on PG&E's Experience w/ Bidding Demand Response Resources into CAISO's Wholesale Energy Market Pursuant to D.14-05-025

Dear Ms. Allen:

Advice Letter 4463-E as modified by Supplemental Advice Letter 4463-E-B is effective as of June 18, 2015.

Sincerely,

Edward Randolph  
Director, Energy Division
June 18, 2015

Advice 4463-E-B
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Second Supplemental: Reporting Template and Timeline to Provide Feedback on PG&E’s Experience with Bidding Demand Response Resources into CAISO’s Wholesale Energy Market Pursuant to Decision 14-05-025

Purpose

At the request of the California Public Utilities Commission (Commission or CPUC) Energy Division staff, Pacific Gas and Electric Company (PG&E) hereby submits a revised Reporting Template to supplement its request for approval of PG&E Advice 4463-E and 4463-E-A. The original AL was submitted in compliance with Ordering Paragraph (OP) 4 of Decision (D.) 14-05-025 and requested approval of a reporting template and timeline to provide feedback on its experience with bidding to the California Independent System Operator’s (CAISO) energy markets during 2015-2016. This filing supercedes Advice 4463-E-A in its entirety.

Background

On May 19, 2014 the California Public Utilities Commission (Commission or CPUC) issued D.14-05-025, which approved the investor-owned utilities’ (IOUs’) demand response portfolio budgets for 2015-2016. In OP 4 of this decision, the Commission required:

Within 30 days of the issuance of this decision, Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Edison Company (SCE) shall meet with the appropriate Commission Staff to discuss and develop a reporting template and timeline to provide feedback on the utilities’ experience with bidding into the California Independent System Operators (CAISO) energy markets during the 2015-2016 demand response program cycle. Within 30 days of this initial
On June 18, 2014, Southern California Edison Company (SCE) hosted a conference call with Commission Staff, PG&E, and San Diego Gas & Electric Company (SDG&E) to discuss and develop a reporting template and timeline. PG&E, in collaboration with the other IOUs, developed a reporting structure and timeline, which was presented to Commission Staff for review. Commission Staff and the IOUs agreed that this proposal is sufficient to provide feedback on the IOUs’ experiences with CAISO market integration, and that a standardized reporting template is not needed. On April 15, 2015, Energy Division staff directed the IOUs to file supplemental advice letters with the revised reporting template.

On June 5, 2015, Energy Division staff suggested that the IOUs may include the following clause under the heading “Bidding Experience Data”: “In the event that the Bidding Experience Data may disclose trade secrets or other competitive information, [IOU] will treat the data for that particular resource as confidential.” PG&E included this note; however, PG&E does not waive its rights and obligations to protect customers’ privacy of the data, as well as to protect proprietary and market sensitive data under other existing laws, rules and tariffs.

**Proposed Reporting Template and Timeline**

The IOUs request approval of the reporting template and timeline as directed in D.14-05-025. The reports are only required to be provided to the Energy Division and Office of Ratepayer Advocates.

1. **July 10, 2015** – The IOUs will submit a pre-market integration report which would describe work completed to date and set the stage for the bridge period activities. The report would detail each IOUs:
   a. Plans for 2015-2016 market integration activities, e.g., SCE’s PRG report and PG&E’s market bidding expansion beyond its 2014 experience.
   b. Steps it has taken in preparation for market integration (e.g., 2014 bidding activities), challenges it has encountered, and lessons learned (if applicable).

2. **October 20, 2015 and October 20, 2016** – The IOUs will submit a mid-year progress Report. This is not meant to be comprehensive, but rather a summary of each IOU’s progress-to-date.

3. **March 20, 2016 and March 20, 2017** – The IOUs will submit an annual Report. This is meant to encompass the utilities’ experience from the past year (i.e., the experience from 2015 is reported out on March 2016), therefore it would be more comprehensive than the midyear progress report.
The filing would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

**Protests**

Pursuant to CPUC General Order 96-B, Section 7.5.1, PG&E hereby requests the protest period be waived.

**Effective Date**

PG&E requests that this Tier 1 advice filing become effective upon date of filing, which is June 18, 2015.

**Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service lists for A.11-03-001 and R.13-09-011. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission’s Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs/.

/S/
Eric Jacobson
Director, Regulatory Relations

cc: Service Lists A.11-03-001 and R.13-09-011
Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 E)**

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Kingsley Cheng</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ELC</td>
<td>Phone #: (415) 973-5265</td>
</tr>
<tr>
<td>☐ GAS</td>
<td>E-mail: <a href="mailto:k2c0@pge.com">k2c0@pge.com</a> and <a href="mailto:PGETariffs@pge.com">PGETariffs@pge.com</a></td>
</tr>
<tr>
<td>☐ PLC</td>
<td></td>
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<tr>
<td>☐ HEAT</td>
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<td>☐ WATER</td>
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</table>

**EXPLANATION OF UTILITY TYPE**

<table>
<thead>
<tr>
<th>ELC = Electric</th>
<th>GAS = Gas</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLC = Pipeline</td>
<td>HEAT = Heat</td>
</tr>
<tr>
<td>WATER = Water</td>
<td></td>
</tr>
</tbody>
</table>

Advice Letter (AL) #: **4463-E-B**

Subject of AL: **Second Supplemental: Reporting Template and Timeline to Provide Feedback on PG&E’s Experience with Bidding Demand Response Resources into CAISO’s Wholesale Energy Market Pursuant to Decision 14-05-025**

Keywords (choose from CPUC listing): Compliance

AL filing type: ☑ One-Time ☐ Monthly ☐ Quarterly ☐ Annual ☐ Other _____________________________

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: **D.14-05-025**

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: ____________________

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: __________________________________________________________________________________________________

Resolution Required? ☑ No

Requested effective date: **June 18, 2015**

No. of tariff sheets: N/A

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: N/A

Service affected and changes proposed: N/A

Pending advice letters that revise the same tariff sheets: N/A

Pursuant to CPUC General Order 96-B, Section 7.5.1, PG&E hereby requests the protest period be waived.

**California Public Utilities Commission**

**Pacific Gas and Electric Company**

**Energy Division**

**Attn: Eric Jacobson**

**EDTariffUnit**

**Director, Regulatory Relations**

**505 Van Ness Ave., 4th Flr.**

**77 Beale Street, Mail Code B10C**

**San Francisco, CA 94102**

**P.O. Box 770000**

**San Francisco, CA 94177**

**E-mail: EDTariffUnit@cpuc.ca.gov**

**E-mail: PGETariffs@pge.com**
Progress Report: Wholesale Market Integration of Utility Demand Response

The goal of this report is to provide the CPUC with concise feedback on the utility’s experience bidding utility-administered demand response resources into the CAISO energy markets in bridge years 2015-2016. Submitting reports according to the schedule below will represent compliance with ordering paragraph 4 of D.14-05-025. For each report filed, the utility should complete each section of the Commission-provided template. Annual reports should follow the same template as the pre-market and mid-year reports, but include more detailed and comprehensive data, roadmaps, and descriptions of challenges and takeaways.

Please select the appropriate report:


☐ October 20, 2015 (Mid-year Report)  ☐ October 20, 2016 (Mid-year Report)

1. Overall Challenges and Lessons Learned
Please succinctly describe the key challenges encountered by the utility when attempting to bid DR programs into CAISO markets, as well as any lessons learned from the utility’s experience with wholesale market integration to date. Please also describe any discreet actions utilities, the CPUC, CAISO, or other stakeholders can take to improve the utility’s ability to bid in DR. Many of these actions may have already been identified in the Supply DR Integration Working Group filings – if so, this report need only mention the actions – a detailed explanation is not needed. This section is intended to summarize and add context to the information supplied in Section 2, and to identify action steps to improve integration efforts.

2. Bidding Progress to Date

Portfolio Status
For each program in the utility’s 2015-2016 DR portfolio, please list the program, select the appropriate level of integration achieved, and describe specific issues or risks encountered when integrating, or attempting to integrate, the program into the CAISO markets. For programs where an attempt to bid in DR was not made, explain why (e.g. non-dispatchable, could not meet 1-minute telemetry requirement). Examples of types of issues or risks encountered in the bidding process include telemetry requirements, dispatch process, resource size requirements,

resource aggregation requirements, registration issues, discrete dispatch limitation, new metering responsibilities, transfer of SQMD for settlement, customer discontent, modifications to AMPs, et al. Please be as specific as possible (e.g. “was not able to comply with +/-2% accuracy telemetry requirement due to cost of installing additional metering” is preferred to “telemetry requirements”). Insert additional program lines as needed.

Program Name:
Stage of Integration: ☐ Successfully bid in entire program ☐ Successfully bid in partial program
☐ Attempted to bid in but not successful ☐ No integration attempts were made
Bidding Experience:

Program Name:
Stage of Integration: ☐ Successfully bid in entire program ☐ Successfully bid in partial program
☐ Attempted to bid in but not successful ☐ No integration attempts were made
Bidding Experience:

Program Name:
Stage of Integration: ☐ Successfully bid in entire program ☐ Successfully bid in partial program
☐ Attempted to bid in but not successful ☐ No integration attempts were made
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Program Name:
Stage of Integration: ☐ Successfully bid in entire program ☐ Successfully bid in partial program
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Bidding Experience:

Program Name:
Stage of Integration: ☐ Successfully bid in entire program ☐ Successfully bid in partial program
☐ Attempted to bid in but not successful ☐ No integration attempts were made
Bidding Experience:
<table>
<thead>
<tr>
<th>Program Name</th>
<th>Stage of Integration</th>
<th>Bidding Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>□ Successfully bid in entire program</td>
<td>□ No integration attempts were made</td>
</tr>
<tr>
<td></td>
<td>□ Successfully bid in partial program</td>
<td>□ No integration attempts were made</td>
</tr>
<tr>
<td></td>
<td>□ Attempted to bid in but not successful</td>
<td>□ No integration attempts were made</td>
</tr>
</tbody>
</table>

**Program Name:**

Stage of Integration:  
☐ Successfully bid in entire program  ☐ Successfully bid in partial program
☐ Attempted to bid in but not successful  ☐ No integration attempts were made

**Bidding Experience:**

**Bidding Experience Data**

Please complete the following tables for all resources successfully bid in or attempted to be bid in to CAISO markets beginning January 1, 2015. The table is cumulative from report to report; insert additional rows as needed. In the event that the Bidding Experience Data may disclose trade secrets or other competitive information, PG&E will treat the data for that particular resource as confidential.

**Wholesale Resources**

<table>
<thead>
<tr>
<th>CAISO Resource Name</th>
<th>What retail programs/contracts are part of this resource?</th>
<th>PDR or RDRR</th>
<th>Number of Service Agreements (Accounts)</th>
<th>Resource Pmax registered in CAISO</th>
<th>CAISO Services (Energy, Ancillary Service Non-Spinning)</th>
<th>CAISO Market (Day Ahead, Real Time, or Both)</th>
<th>Average offered MWs per bid, by operational month</th>
<th>Bid Price Parameter (Floor / Ceiling) - Include CAISO Net Benefit Test On and Off Peak</th>
<th>Number of Bids per operational month</th>
<th>Number of Awards per operational month</th>
<th>Number of times dispatched per operational month</th>
<th>If partially dispatched, Average Settled MW, by operational month</th>
</tr>
</thead>
</table>
## Retail Information

<table>
<thead>
<tr>
<th>Retail Program</th>
<th>Program Options</th>
<th>Number of Service Agreements (Accounts)</th>
<th>Percentage of service accounts that are non-bundled</th>
<th>Average MW enrolled over reporting period</th>
<th>Operational Dispatch (SLAP, or other grouping)</th>
<th>Notification Timeline per tariff/contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregator Managed Portfolio</td>
<td>Day Ahead</td>
<td>#</td>
<td>#</td>
<td>#</td>
<td>DLAP/SLAP/Custom?</td>
<td></td>
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<tr>
<td></td>
<td>Day Of</td>
<td></td>
<td></td>
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<tr>
<td>Base Interruptible Program</td>
<td>Day Of</td>
<td></td>
<td></td>
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<tr>
<td>Capacity Bidding Program</td>
<td>Day Ahead</td>
<td></td>
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<td></td>
<td>Day Of</td>
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<td>Demand Bidding Program</td>
<td>Day Ahead</td>
<td></td>
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<tr>
<td>Optional Binding Mandaotry Curtailment</td>
<td>Day Of</td>
<td></td>
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<tr>
<td>Peak Day Pricing (&lt; 200 kW)</td>
<td>Day Ahead</td>
<td></td>
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<tr>
<td>Peak Day Pricing (&gt; 200 kW)</td>
<td>Day Ahead</td>
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<tr>
<td>SmartAC (SMB)</td>
<td>Day Of</td>
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<tr>
<td>SmartAC (RES)</td>
<td>Day Of</td>
<td></td>
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</table>
3. Steps Taken to Date
Describe the steps taken to date by the utility in preparation for the wholesale market integration of DR programs. This list should be cumulative from report to report; insert additional rows if needed.

<table>
<thead>
<tr>
<th>Step</th>
<th>Program</th>
<th>Timing</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.g. Develop detailed implementation plan</td>
<td>e.g. Various</td>
<td>e.g. June 2014</td>
<td>e.g. A detailed implementation plan was developed to support integration and to allow time for contingency plan development.</td>
</tr>
</tbody>
</table>
4. Proposed Roadmap for Continued Integration

Describe the planned action steps to be taken by the utility in the future to further the wholesale market integration of DR programs.

<table>
<thead>
<tr>
<th>Item</th>
<th>Program</th>
<th>Timing</th>
<th>Comments</th>
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These progress reports should include, at a minimum, the above information, however utilities may provide additional data they believe could assist CPUC staff in better understanding their experiences with wholesale market integration of DR.
PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV

AT&T
Albion Power Company
Alcantar & Kahl LLP
Anderson & Poole
BART
Barkovich & Yap, Inc.
Bartle Wells Associates
Braun Blaising McLaughlin, P.C.

CENERGY POWER
CPUC
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
California State Association of Counties
Calpine
Casner, Steve
Center for Biological Diversity
City of Palo Alto
City of San Jose
Clean Power
Coast Economic Consulting
Commercial Energy
Cool Earth Solar, Inc.
County of Tehama - Department of Public Works
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy
Defense Energy Support Center

Debt of General Services
Division of Ratepayer Advocates
Douglas & Liddell
Downey & Brand
Ellison Schneider & Harris LLP
G. A. Krause & Assoc.
GenOn Energy Inc.
GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
In House Energy
International Power Technology
Interstate Gas Services, Inc.
K&L Gates LLP
Kelly Group
Leviton Manufacturing Co., Inc.
Linde
Los Angeles County Integrated Waste Management Task Force
Los Angeles Dept of Water & Power
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McKenna Long & Aldridge LLP
McKenzie & Associates
Modesto Irrigation District
Morgan Stanley
NLine Energy, Inc.
NRG Solar
Nexant, Inc.

Occidental Energy Marketing, Inc.
Office of Ratepayer Advocates
OnGrid Solar
Pacific Gas and Electric Company
Praxair
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions
SCE
SDG&E and SoCalGas
SPURR
Seattle City Light
Sempra Energy (SoCal Gas)
Sempra Utilities
SoCalGas
Southern California Edison Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
Tiger Natural Gas, Inc.
TransCanada
Utility Cost Management
Utility Power Solutions
Utility Specialists
Verizon
Water and Energy Consulting
Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)
YEP Energy