December 11, 2015

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


Dear Mr. Jacobson:

Advice Letter 4749-E is effective as of December 3, 2015.

Sincerely,

Edward Randolph
Director, Energy Division
December 3, 2015

ADVICE 3321-E
(Southern California Edison Company U 338-E)

ADVICE 4749-E
(Pacific Gas and Electric Company U 39-E)

ADVICE 2824-E
(San Diego Gas & Electric Company U 902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION


PURPOSE
Through this Advice Letter, Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), and San Diego Gas & Electric Company (SDG&E) seek California Public Utilities Commission (Commission or CPUC) approval of editorial corrections to the Commission approved 2016 Demand Response Auction Mechanism (DRAM) Pilot pro-forma. The objective of this filing is to clarify the contract language as to minimize any confusion between the DRAM Sellers and the IOUs.

I. BACKGROUND
On December 4, 2014, the Commission issued Decision (D. or Decision) 14-12-024, “Resolving Several Phase Two Issues and Addressing the Motion for Adoption of Settlement Agreement on Phase Three Issues” (later revised to be the Joint Proposal of the Joint Sponsoring Parties). In this Decision, SCE, SDG&E, and PG&E (together, the IOUs) were ordered to file an Advice Letter for the Demand Response Auction Mechanism (DRAM), together with a standard contract. The DRAM pilot is intended to test: a) the feasibility of procuring Demand Response Supply Resources for Resource Adequacy (RA) with third party direct participation in the CAISO markets through an auction mechanism; and b) the ability of winning bidders to integrate their Demand Response (DR) Resources directly into the CAISO market.

D.14-12-024 authorized the IOUs to participate collaboratively with interested stakeholders in the DRAM pilot design working group, whose activities were conducted at the express direction and under continuing supervision of the Commission. The DRAM working group included the IOUs, Ratepayer Advocates (ORA and TURN), DR providers, Energy Division Staff, and other interested stakeholders.

The IOUs filed a Tier 3 Advice Letter on April 20, 2015 to implement the first year of the DRAM pilot (2016 DRAM) pursuant to Ordering Paragraph 5 of D.14-12-024. In the 2016 DRAM, DR aggregators (Sellers) can offer DR load only for June through December of 2016 for System RA. In addition to the design and Standard Contract for the 2016 DRAM, the IOUs proposed to continue the DRAM working group and to file an Advice Letter in September 2015 that would outline contract updates and other changes necessary for the second year of the DRAM pilot (2017 DRAM).

On July 27, 2015, the Commission issued Resolution E-4728, which approved, with modifications, the overall design and Standard Contract for the 2016 DRAM. The IOUs filed Advice Letters on August 24, 2015 in compliance with the contract and pilot design modifications directed by Resolution E-4728. The CPUC issued a Staff Disposition Letter on September 24, 2015 which approved the IOU’s Advice Letters except for the proposals related to the Auto DR incentive program (which were determined to be out of scope of Resolution E-4728).

This Advice Letter clarifies Section 5.1(c) of the 2016 DRAM pro-forma. The same clarifications were made in the 2017 DRAM pro-forma, and filed for Commission approval via Advice Letter (AL) 3292-E et al.

II. Proposed Pro-Forma Editorial Corrections

The pro-forma language SCE filed in AL 3208-E-A had two inadvertent editorial errors in Section 5.1(c), which addresses the timing of Performance Assurance posting:

1 SCE Advice Letter 3208-E, PG&E Advice Letter 4618-E, SDG&E Advice Letter 2729-E.
2 On August 10, 2015, the Commission issued Resolution E-4737, Executive Director Resolution Instituting Editorial Corrections in Resolution E-4728.
1. A reference to “Effective Date,” which is not a defined term in the contract, and is therefore clarified to “Execution Date,” which is a defined term in the contract.

2. A cross-reference to Section 5.1(b) instead of Section 5.1(a). Section 5.1(a) discusses the conditions under which posting of Performance Assurance would be required, while Section 5.1(b) describes the conditions under which such posting is not required.

Therefore, Section 5.1(c) in the SCE pro forma is corrected as follows:

If required pursuant to Section 5.1(b), Seller shall post the Performance Assurance with Buyer within ten (10) Business Days of the Execution Date.

The pro-forma language PG&E filed in AL 4618-E-A already corrected the “Effective Date” reference, and therefore Section 5.1(c) in the PG&E pro forma is corrected as follows:

If required pursuant to Section 5.1(b), Seller shall post the Performance Assurance with Buyer within ten (10) Business Days of the Execution Date.

The pro-forma language SDG&E filed in AL 2729-E-A did not contain an “Effective Date” reference, and therefore Section 5.1(c) in the SDG&E pro forma is corrected as follows:

If required pursuant to Section 5.1(b), Seller shall post the Performance Assurance with Buyer within ten (10) Business Days.

These corrections are also included in the 2017 DRAM pro-forma, filed as Attachment A to AL 3292-E. They were made as part of the DRAM working group stakeholder process, and no party protested these changes.4

III. Waiver of Protest Period

Considering the editorial nature of the proposed changes, and these changes were not protested in response to the 2017 DRAM Advice Letter, SCE requests the Commission waive the protest period.

AUTHORIZATION

This Advice Letter is filed by Southern California Edison Company on behalf of, and with the authorization from, Pacific Gas & Electric Company, San Diego Gas & Electric Company and Southern California Edison Company.

4 While several protests were filed in response to AL 3292-E et al., none contested Section 5.1.
TIER DESIGNATION

Pursuant to General Order (GO) 96-B, Energy Industry Rule 5.1, this Advice Letter is submitted with a Tier 1 designation.

EFFECTIVE DATE

SCE respectfully requests that this filing become effective on December 3, 2015, the same date as filed.

NOTICE

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than December 23, 2015, which is 20 calendar days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this Advice Letter shall be sent to either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

For SCE:

Russell G. Worden
Managing Director, State Regulatory Affairs
Southern California Edison Company
8631 Rush Street
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com
There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

Under General Rule 4 of GO 96-B, SCE is serving copies of this advice filing to the interested parties on the attached GO 96-B and R.13-09-011 service lists. Address change requests to the GO 96-B service list should be directed by electronic mail to AdviceTariffManager@sce.com or at (626) 302-4039. For changes to all other service lists, please contact the Commission’s Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Further, under Public Utilities Code Section 491, notice to the public is given by filing and keeping the advice filing at SCE’s corporate headquarters. To view other SCE Advice Letters filed with the Commission, log on to SCE’s web site at https://www.sce.com/wps/portal/home/regulatory/advice-letters.
For questions, please contact Gigio Sakota at (626) 302-5927 or by electronic mail at Gigio.Sakota@sce.com.

Southern California Edison Company

/s/ Russell G. Worden
Russell G. Worden

RGW:gs:jm
Enclosures
**Company name/CPUC Utility No.:** Southern California Edison Company (U 338-E)

**Utility type:**
- ☑ ELC
- ☐ GAS
- ☐ PLC
- ☐ HEAT
- ☐ WATER

**Contact Person:** Darrah Morgan

**Phone #:** (626) 302-2086

**E-mail:** Darrah.Morgan@sce.com

**E-mail Disposition Notice to:** AdviceTariffManager@sce.com

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### EXPLANATION OF UTILITY TYPE

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<tr>
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<th>PLC = Pipeline</th>
<th>HEAT = Heat</th>
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**Advice Letter (AL) #:** 3321-E

**Tier Designation:** 1

**Subject of AL:** Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company's Demand Response Auction Mechanism Pilot for 2016 Pro Forma Contract Language Cleanup

**Keywords (choose from CPUC listing):** Compliance

**AL filing type:** ☑ One-Time

**If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:**

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**Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:**

**Summarize differences between the AL and the prior withdrawn or rejected AL:**

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**Confidential treatment requested?** ☑ Yes ☐ No

**If yes, specification of confidential information:**

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/access to confidential information:

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**Resolution Required?** ☑ Yes ☐ No

**Requested effective date:** 12/3/15

**No. of tariff sheets:** -0-

**Estimated system annual revenue effect:** (%): 

**Estimated system average rate effect:** (%):

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**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

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**Service affected and changes proposed**: 

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**Pending advice letters that revise the same tariff sheets:** None

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1 Discuss in AL if more space is needed.
Protests and all other correspondence regarding this AL are due no later than December 23, 2015, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, California 94102  
E-mail: EDTariffUnit@cpuc.ca.gov

SCE

Russell G. Worden  
Managing Director, State Regulatory Operations  
Southern California Edison Company  
8631 Rush Street  
Rosemead, California 91770  
Facsimile: (626) 302-4829  
E-mail: AdviceTariffManager@sce.com

Michael R. Hoover  
Director, State Regulatory Affairs  
c/o Karyn Gansecki  
Southern California Edison Company  
601 Van Ness Avenue, Suite 2030  
San Francisco, California 94102  
Facsimile: (415) 929-5544  
E-mail: Karyn.Gansecki@sce.com

PG&E

Erik Jacobson  
Director, 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

SDG&E

Megan Caulson  
Regulatory Tariff Manager  
San Diego Gas and Electric Company  
9305 Lightwave Avenue, SD1190  
San Diego, CA 92123-1548  
E-mail: mcaulison@semprautilities.com
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