

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



FILED

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In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON
COMPANY (U 338-E) for Authority to
Make Various Electric Rate Design
Changes.

A.09-12-024
(Filed December 23, 2009)

**PROTEST
OF THE DIVISION OF RATEPAYER ADVOCATES**

Pursuant to Rule 2.6 of the Commission's Rules of Practice and Procedure, the Division of Ratepayer Advocates ("DRA") hereby protests the "Application of Southern California Edison Company ("SCE") for Authority to Make Various Electric Rate Design Changes". SCE requests approval of two rate design proposals.

I. ISSUES TO BE ADDRESSED

SCE requests that two rate design proposals be examined and adopted in this proceeding:

- 1) "Consistent with the guidance provided in D.09-08-027 and D.09-08-028, modify the capacity-related credits provided under SCE's Critical Peak Pricing ("CPP") and other demand response ("DR") programs, such as the Base Interruptible Program ("BIP"), to appropriately limit the total credit provided to customers who participate in more than one program to avoid overpaying customers for their DR participation.
- 2) Modify the Residential and Small Commercial Rate Design Settlement Agreement approved by D.09-08-028 to defer the increase to Summer Discount Plan ("SDP") credits that would otherwise occur in 2010.

This modification is necessary due to the limits imposed by the Commission on SDP program participation in D.09-08-027 and due to anticipated changes to be made to the SDP program in 2011.” (SCE testimony, p.1)

DRA agrees that it is appropriate to consider these two issues in this proceeding. DRA is especially interested in the first issue, which is sometimes referred to as the “dual DR participation” issue. SCE has provided recommendations on how to limit total capacity-related credits to customers who participate in more than one demand response program. DRA and SCE have discussed this issue in two conference calls, and would like to continue discussions on this issue. DRA will also continue to study this issue and would like to be included in efforts to solve the dual DR participation issue.

DRA has been opposed to dual DR participation because of the difficulty of accurately adjusting the credits and other rate elements of the two programs such that the customer’s bill is not reduced twice for the same demand reduction. DRA is still studying whether SCE’s proposal for capping the sum of the BIP and CPP credits adequately takes into consideration the fact that the CPP rates and credits are deliberately reduced relative to the marginal generation capacity costs because of CPP operational constraints. DRA is also investigating whether merely capping the sum of the BIP and CPP credits, while making no adjustment to the CPP energy rate, is sufficient. The CPP energy rate is designed to recover the same generation marginal capacity costs that the BIP is designed to reduce. Thus, the customer benefits from two bill reductions for the same reduced capacity costs – once through the BIP credit and once through avoiding the payment of the CPP rate on the energy not used when a BIP interruption is called.

II. PROCEDURAL ISSUES

DRA agrees with SCE that the proceeding should be treated as Ratesetting. DRA believes that hearings may not be necessary and that parties may be able to settle these issues. Below is DRA’s proposed schedule.

DRA'S PROPOSED SCHEDULE

Protest	January 28
Replies to comments	February 11
ALJ ruling on the necessity to reopen the GRC for consideration of any or all Electric rate design proposals	February 25
Intervenor Testimony (if necessary)	April 1
All Parties - Rebuttal Testimony	April 15
Evidentiary Hearings	TBD
Opening Briefs	TBD
Reply Briefs	TBD
ALJ Proposed Decision (PD)	TBD

Respectfully submitted,

/s/ GREGORY HEIDEN

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