Reliability-Based Demand Response Settlement
(CPUC Rulemaking 07-01-041, Phase 3)

This settlement (Settlement) in Phase 3 of the Demand Response rulemaking (DR OIR) proceeding (R.07-01-041 or this Rulemaking) is entered into by the undersigned Parties in fulfillment of the objective of this proceeding phase to address the operation of investor-owned utilities' emergency triggered DR programs in the wholesale electricity market and the integration of emergency triggered DR into wholesale market design.[1]

PARTIES

The parties to this Settlement are Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas and Electric Company (SDG&E), the California Independent System Operator (CAISO), the California Large Electricity Consumers Association (CLECA), the Division of Ratepayer Advocates (DRA), The Utility Reform Network (TURN), and EnerNOC, Inc. (collectively, the Parties).

PG&E, SCE, and SDG&E are investor-owned utilities (collectively, the Utilities or IOUs) and are subject to the jurisdiction of the California Public Utilities Commission (CPUC) with respect to providing electric service to their CPUC-jurisdictional retail customers.

CAISO is the systems operator of the bulk power electrical system with the CAISO balancing area. This area includes the bulk transmission systems owned by the three IOUs (PG&E, SCE, and SDG&E). The CAISO also administers California's wholesale electricity markets pursuant to the CAISO tariff.

CLECA is an organization of large, high-voltage industrial customers of PG&E and SCE, most of whom take interruptible service.

DRA is an independent division of the CPUC that advocates solely on behalf of utility ratepayers.

TURN is an independent, non-profit consumer advocacy organization that represents the interest of residential and small commercial utility customers.

EnerNOC is a demand response aggregator operating in one or more of the IOUs' service areas.

RECITALS

PG&E, SCE and SDG&E manage emergency-based (also described as reliability-based) demand response (DR) programs under the authority of the CPUC. These programs are the Base

[1] See Assigned Commissioner's and Administrative Law Judge's Amended Scoping Memo and Ruling, July 18, 2008, R.07-01-041, page 1. See also Assigned Commissioner's Ruling Amending the Scoping Memo and the Schedule of Phase 3 of this Proceeding, July 8, 2009, page 1.

Interruptible Program (or BIP), the air conditioning cycling programs (A/C Cycling), and the agricultural pumping-interruptible program (AP-I), which are offered by one or more of the IOUs. The IOUs call their air conditioning cycling programs by different names:

PG&E: SmartAC™
SCE: Summer Discount Plan (SDP)
SDG&E: Summer Saver

The SDG&E Summer Saver program is price-responsive and thus not considered emergency-based. PG&E has proposed to add a price trigger to its existing SmartAC™ program in Application 09-08-018.

In A.08-06-001 et. al. (the DR Cycle Applications), the CPUC capped emergency triggered demand response programs (as therein defined) at their current levels of enrolled MW, with a limited exemption for PG&E's SmartAC™ program, pending resolution in this Rulemaking proceeding. (See D.09-08-027, Ordering Paragraph 11).

The CPUC opened this Rulemaking on January 31, 2007 as part of a "continuing effort to develop effective demand response (DR) programs" and identified consideration of "modifications to DR programs needed to support the California Independent System Operator's (CAISO) efforts to incorporate DR into market design protocols" as an objective of the rulemaking.

Subsequently, on July 18, 2008 the CPUC issued an amended scoping memo opening Phase 3 of this proceeding and a subsequent ruling (on July 8, 2009) scheduling workshops.

As part of Phase 3, the CPUC held two workshops on August 10, 2009 and October 20, 2009 to discuss a cap on emergency-triggered DR and alternatives to current IOU emergency-triggered DR programs, respectively. A third workshop to address implementation/transition concerns was taken off the CPUC's calendar at the request of the parties participating in the second workshop in order to facilitate settlement efforts.[2].

In recognition of the foregoing, and in order to resolve the issues extant in the R.07-01-041, Phase 3, the Parties jointly support and recommend adoption of the following Agreement.

AGREEMENT

The reliability-based DR programs subject to this Settlement are the Base Interruptible Program (or BIP), the air conditioning cycling programs of PG&E and SCE (A/C Cycling[3]), the agricultural pumping-interruptible program (AP-I) and any future reliability-based program offered by one or more of the IOUs (provided that those programs are consistent with the terms of this Settlement). For the purposes of this Settlement, reliability-based DR programs refer to programs in which customer load reductions are triggered only in response to abnormal and adverse operating conditions, such as imminent operating reserve violations or transmission

[2] ALJ Sullivan e-mail to the parties, November 4, 2009
[3] SDG&E's air conditioning cycling program is not included because it is already price responsive.

constraint violations (i.e., emergencies). Programs that are triggered for reasons not exclusively limited to emergencies, which may include prices (or implied market heat rates), temperature, or system load, and "at utility discretion" programs triggered for such reasons, are not considered to be reliability-based programs even if they include an emergency-based (aka reliability-based) trigger.

A. CAISO WHOLESALE RELIABILITY DEMAND RESPONSE PRODUCT

1. The CAISO will initiate a stakeholder process in 2010, with the objective of developing a wholesale reliability demand response product (RDRP) that is compatible with IOU reliability-based demand response programs, generally referred to as BIP, A/C Cycling and AP-I.

2. The intended timeframe for CAISO board adoption of the RDRP will be fourth quarter 2010 (with a CAISO tariff filing with FERC shortly thereafter), so that information on the RDRP can be incorporated into IOU DR Cycle applications for 2012-2014, which are expected to be filed in January 2011.

3. To the extent the timing of CAISO's RDRP development and approval process permits, the IOUs will address transitional issues associated with integrating their reliability-based DR programs into the RDRP in their DR Cycle applications. To the extent that timing does not allow transitional issues to be addressed in IOU DR Cycle applications, IOUs and the CAISO will jointly seek an alternative forum to resolve such transitional issues, such as a request for the opportunity to submit supplemental testimony or a subsequent phase of the DR Cycle proceeding.

4. The RDRP will be designed to support demand response products with the following attributes:

   a. For CPUC jurisdictional entities, there will be a MW limit on the amount of RDRP (or other reliability based DR Programs if RDRP does not capture them) that qualifies for RA, as specified in Section C of this Agreement.

   b. Subject to the MW limit of RA that will be accepted from the RDRP (as specified in Section C of this Agreement), the MW offered into this product category will qualify as RA capacity, in accordance with the RA counting rules of the applicable local regulatory authority. There is no limit on the MW amount of RDRP, only on the amount that counts for RA as determined by the CPUC. IOUs may develop new forms of reliability-based DR that will count towards the MW caps described in Section C if the IOUs seek to count them for RA. The CAISO RDRP product will be designed to accommodate the primary features (such as notice period and number/duration of program calls) of the existing BIP, reliability-based SDP, and AP-I programs.

c. Utilities are not precluded from developing and seeking CPUC approval for new types of reliability-based DR programs that may or may not be appropriate for RDRP and may or may not count for RA. In particular, utilities are interested in preserving an option to offer reliability-based programs that compensate participating customers on a per event basis and programs that would be called as a last resort prior to rotating outages. Any such new reliability based DR program would count toward the MW caps described in Section C if it counts for RA and is integrated with the CAISO. Utilities recognize that it may be appropriate to place an additional MW cap on such programs if they count for RA, and that these additional MW would be a subset of the 2% overall Limit (as defined below).

d. RDRP resources must meet minimum operating requirements, and also must meet certain technical requirements developed in the CAISO's stakeholder process. RDRP also may have maximum availability limitations.

e. RDRP is not "price responsive", but will be economically dispatched once triggered.

f. CAISO dispatch of RDRP will recognize that participating customers have a high "strike price" that is well above the running cost of conventional supply-side resources

g. Participating RDRP MW may have multiple reliability-only uses (system, transmission and local reliability), and may be triggered by IOUs for reasons other than CAISO needs, such as IOU-controlled distribution circuit operations. IOUs will work with the CAISO to establish procedures to 1) provide timely notice of when these participating RDRP MW are triggered for non-CAISO needs and 2) allow for potential dispatch by the CAISO for purposes of recognition within the CAISO systems.

h. RDRP will help mitigate, or limit the duration of, Scarcity Pricing events.

i. RDRP will allow up to one test event each year to ensure compliance and performance. This limitation does not preclude an RDRP provider from scheduling additional test events in coordination with the CAISO. Parties expect that actual events would normally, under most circumstances, eliminate the need for a test. Parties expect there will be at least one event per year.

j. All qualified Demand Response Providers (DRPs) will be allowed to participate in supplying RDRP. Providers will be subject to certain performance and compliance requirements. Aggregation of customers under a DRP will be subject to the rules established by the Local Regulatory Authority (LRA), if any.

k. Payments associated with the RDRP will be settled through the CAISO settlement system; any additional incentives or payments, if appropriate, will be the prerogative of the LRA and handled outside the CAISO.

l. The RDRP product design will modify the existing system trigger from pre-Stage 1 imminent to the point immediately prior to the CAISO need to canvas neighboring balancing authorities and other entities for available exceptional dispatch

energy/capacity. That is, the DR resource will be eligible for dispatch once the CAISO has issued a Warning Notice under its Emergency Operating Procedures and immediately prior to the CAISO need to canvas neighboring balancing authorities and other entities for available exceptional dispatch energy/capacity. Parties will not propose to change this RDRP trigger for any year prior to 2015. When RDRP is eligible for dispatch by the CAISO, notification will take place through normal CAISO notification channels, i.e. Automated Dispatch System (ADS) to the responsible Scheduling Coordinator.

m. Once triggered, MWs under this product will be dispatchable by location and quantity.

n. Use of the RDRP product will be formally incorporated and documented into CAISO processes and operating procedures.

B. RELIABILITY-BASED DR PROGRAM TRANSITION

1. Upon CPUC approval of its pending Application 09-08-018 filing, PG&E will begin transitioning its existing reliability-based SmartAC™ customers to a program that adds a price trigger as directed in the CPUC Decision. PG&E's application proposed a target date of summer 2012 for this additional trigger that includes bidding into CAISO markets. This settlement does not prevent parties to the A.09-08-018 proceeding from advocating for an alternative price responsive trigger implementation in the A.09-08-018 proceeding, or subsequent application addressing SmartAC™ or its successor.

2. SCE will submit an Application to create a price-responsive option for its SDP (SCE's AC Cycling program) by the end of the second quarter of 2010 that will modify the program to include a proposal to allow SDP to be bid into CAISO markets. SCE will make participation in the price-responsive option voluntary to customers, and will actively promote customer transition to the price-responsive option through customer communication and by decreasing current incentives for customers who chose to stay on the reliability-based option. This Agreement does not restrict SCE from making the price-responsive option mandatory for its customers.

3. Upon CPUC approval of the request in the filing referenced in Section B.2 above, SCE will begin a multi-year transition effort and process that takes into consideration the roll-out of SmartConnect™ metering and potential replacement of customer premises hardware devices with new technology that enables a price-responsive program offering that can be bid into CAISO markets. The anticipated time period of this transition will be 2011-2014.

4. PG&E, SDG&E and SCE may continue to offer dual participation options to BIP A/C Cycling and AP-I customers who are willing to participate in a price-responsive DR program (e.g. Demand Bidding Program, Peak Day Pricing, CPP, etc.) where such dual participation is allowed by the CPUC. Megawatt quantities from such dual-participation-

customers will not be considered to be supplying reliability-based DR MWs, as determined in the Load Impact Protocol Compliance filing, to the extent that the protocol identifies the MW quantities from such dual participation customers that participate in a price responsive program.

C. RELIABILITY-BASED DEMAND RESPONSE PROGRAM CAPS

1. The freeze on IOU DR reliability–based program participation that was adopted in D.09-08-027 will be removed by May 2010 and replaced with the CPUC enforced annual limit designed to limit reliability-based demand response program capacity to a specified percent of the CAISO's all-time coincident peak demand, which is currently 50,270 MW. Currently, IOU reliability-based DR programs are about 3.5% of the CAISO all-time peak load. (This calculation omits capacity in PG&E's A/C Cycling program, since PG&E has sought CPUC approval to transition this program to fully price-responsive.) The annual limits are as follows:

    a. For 2012 the limit will be 3%.

    b. For 2013 the limit will be 2.5%

    c. For 2014 and forward, the limit will be set at 2% of the recorded all-time coincident CAISO peak load (the "2% Limit"), unless revised as discussed in item 6 below.

    The 2012 and 2013 limits are above the 2% limit which the parties recognize as the CAISO's determination of the optimal level of reliability based DR resources from an operating standpoint but the Parties also recognize the IOU's desire to accommodate concerns that removing customers from the existing programs without developing a reasonable alternative and transition time is problematic.

2. In their annual April 1st Load Impact Compliance Protocol reports, the IOUs will include, in a discrete section, a summary of BIP, A/C Cycling and AP-I capacity (ex-post and ex-ante) categorized between reliability-based and price-responsive, and will compare the reliability-based capacity to each IOU's share of the overall limit (plus tolerance), as determined in Section C.4.a.v.

    a. MW quantities will be determined using CPUC-adopted load impact protocols as established in D.08-04-050 for counting both reliability and price based DR.

    b. For PG&E and SDG&E, A/C Cycling MW will not be counted towards the limit, because these MWs are programs that are considered to be price responsive. For SCE, only the reliability-based portion of A/C Cycling MW will be counted towards the limit. If the CPUC does not approve a price trigger in PG&E's pending application A.09-08-018 (as described in Section B.1) or SCE's planned SDP application (as described in Section B.2) the parties recognize this as a fundamental change in the regulatory conditions as described in Section C.7.

    c. RA MW from customers also participating in price-responsive DR programs (e.g., BIP customers participating in DBP, PDP, CPP etc.) will not be counted against

the limit as determined by the Load Impact Protocols developed in the Load Impact Protocol Compliance filing, to the extent that the protocol identifies the MW quantities from such dual participation customers that participate in a price responsive program.

d. For illustration, the following represents utilities' expectations of MW enrollment level in reliability-based DR programs in comparison to the 2% of peak load limit:

   i. **Starting situation is 1721 MW of reliability-based DR (2010-2011). Note that this number would be higher if PG&E and SDG&E A/Cycling programs were included.**

      1. PG&E: BIP = 300 MW
      2. SCE: BIP + AC Cycling + AP-I = 1414 MW
      3. SDG&E: BIP = 7 MW

   ii. **In 2014 with SCE's roll out of price-responsive A/C Cycling, reliability-based DR declines to between 1032 and 1220 MW**

      1. PG&E BIP = 300- 400 MW
      2. SCE BIP and AP-I adjusted for DBP= 650 MW
      3. SCE reliability-based DR (assumes 10- 20 % of existing SDP customers stay on reliability-based program) = 75 - 150 MW
      4. SDG&E BIP = 7 -20 MW
      5. Total = 1032 - 1220 MW

   iii. **The 2% limit is currently 1005 MW, but subject to upward revision if a new all-time peak is set.**

      1. 2% of CAISO all time peak (50,270 MW) = 1005 MW

   iv. **Also a 10 % "tolerance band" will be utilized for enforcement purposes.**

      1. With consideration of a 10% tolerance band, the level of IOU MW that would count for RA is 1.1(1005) = 1106 MW
      2. The tolerance band will decline after 2015 as follow:
         a. 2015 – 10%
         b. 2016 and beyond – 0%

Note: The actual IOU MW will be determined in the Load Impact Protocol Compliance Filing made April 1 of each year. See Attachment 1 to the Agreement for details on the process for measuring, reporting and acting on performance to meet these limits. Also, if the CAISO all-time peak is higher, then the limit will be proportionally higher

3. The Utilities shall undertake reasonable efforts to promote customer participation in price-responsive demand response programs consistent with 1) the CPUC policy stated in D.09-08-027 (pages 30 to 31) to increase price-responsive demand response that aligns with the CAISO wholesale markets and 2) the limits and transition period described in Section C. 1 above. In upcoming 2012 to 2014 DR cycle applications, the Utilities will address and seek approval for their program marketing efforts and funding associated with these efforts for the 2012 to 2014 period.

4. To the extent that the reliability–based MW do not achieve the annual limit described in Section C.1, the CPUC will take remedial action in RA or other appropriate proceedings as described below in C.4.b. The process, options and considerations for the remedial action are described below:

   a. The parties agree the following processes are appropriate for CPUC consideration of how to address an "oversupply" of the reliability-based program MWs

      i. The total amount of BIP, SDP and AP-I MW that are identified in the Load Impact (LI) Protocol Compliance filing made April 1 of each year (as subject to adjustment by the CPUC, as noted in Attachment 1) will be summed for each IOU and totaled for all IOUs.

      ii. The amounts in C.4.a.i will then be reduced by the amount of non-reliability based DR MW that are provided by the customers in BIP, SDP and AP-I that are also in non-reliability based DR programs (e.g. DBP, CPP, etc.). These MW reductions will also come from the LI Protocol Compliance filing made on April 1.

      iii. The parties recognize that a "Tolerance Band" of 10% is reasonable to allow for a variety of uncertainties in achieving the MW limit shown in Section C.1, including uncertainty in the rate of economic rebound from the current recession, and (for SCE) the degree and timing of customer acceptance of SDP transitioning to price-responsive demand response. In addition, the parties recognize that a "tolerance band" (or deviation from reaching limit) of 10% is reasonable in measuring the utilities' performance limit in transitioning customers to price responsive programs, and that such tolerance band would be considered appropriate for enforcement purposes. The tolerance band concept applies between years 2012 and 2015. By the year 2016, the tolerance band would terminate, as the utilities should have completed the transition of existing customers.

      iv. To the extent that the total MW from C.4.a.ii for all IOUs combined exceeds the limit plus tolerance band from C.4.a.iii, an "oversupply" is identified.

v. If an "oversupply" has been identified, responsibility for the "oversupply" will be allocated to the IOUs as follows:

1. The annual limit in Section C.1 plus the tolerance band amount in Section C.4.a.iii will be allocated in proportion to the following[4]:

a. PG&E: 400 MW

b. SCE: 800 MW

c. SDG&E: 20 MW

2. The individual IOU total from C.4.a.ii will be compared to the individual IOU limit from C.4.a. v. 1. This will establish the "oversupply" (if any) attributed to each IOU.

vi. CPUC will provide details on any RA adjustment due to "oversupply" for each IOU.

b. The CPUC will then determine the appropriate action to take with regards to the "oversupply" for each individual IOU. The CPUC would have several options to address an "over supply" of reliability based DR including the following:

1. The CPUC could eliminate the counting for RA of MW of reliability-based DR that is determined to be "oversupply", while allowing the "oversupply" to be used for its additional reliability value including local distribution needs, and/or

2. The CPUC could order the IOU to modify the program (BIP, SDP and AP-I) so as to reduce participation (e.g. lower incentives, increase requirements like calls per year, etc.).

See Attachment 1 for a flow diagram on how the CPUC could deal with the "oversupply".

5. Any A/C Cycling program where a price trigger proposal that has been filed with the CPUC will not be restricted in actively recruiting customers. This settlement does not prevent parties to the A.09-08-018 proceeding from advocating for a limit on the size of PG&E's A/C Cycling program in the A.09-08-018 proceeding, or subsequent application addressing SmartAC™ or its successor. Also participation in both a reliability and price-responsive program will be encouraged where such dual participation is allowed.

[4] This settlement does not address how this allocation might be shared between IOUs and other qualified Demand Response Providers in the future. Resolution of this issue, with respect to CPUC-jurisdictional end-use customers, is the responsibility of the CPUC.

6. The parties agree that any re-consideration of the 2% reliability-based DR limit and the IOU specific limit MW (per Section C.4.a.v.1) in any future proceeding (e.g. CPUC RA or Planning Reserve Margin (PRM)) would benefit from the following inputs:

    a. A properly structured resource planning analysis submitted to a formal regular CPUC proceeding (such as RA, LTPP, PRM, DR, etc.)

    b. Consideration of (1) whether the limit should be formalized as part of the maximum cumulative capacity (MCC) "buckets" approach for counting limited use resources for RA; and (2) whether the limit value should be modified.

    c. The burden of proof for changing the 2% of all-time system coincident peak limit for reliability-based demand response program capacity that counts for RA would be on the party advocating for the change.

    d. A party advocating an allocation method that is not based on the application of the 2% Limit (or revised limit) to each IOU individually to set the IOU specific MW allocations would bear the burden of proof. If no party seeks reconsideration of the IOU allocation described in Section C.4.a.v, then the IOU allocation described in Section C.4.a.v will remain in effect as currently stated in this Settlement

    e. Any such reconsideration would not take place before a proceeding covering compliance year 2014, except as provide in Section 7.

7. Parties are not precluded from seeking reconsideration of the terms of this Settlement in an appropriate CPUC proceeding prior to 2014 in the event of either (1) failure of the CAISO to establish a CAISO Board approved final design proposal for RDRP consistent with the attributes specified above by the end of 2011; or (2) major changes in load, resource, regulatory or economic conditions from those anticipated at the time of this Settlement.

8. The primary operational features of the reliability-based programs covered by this settlement (set forth in Section A.4) will be maintained through at least 2014 in a manner that preserves their ability to count for resource adequacy and to participate in RDRP. Parties will not oppose reliability-based programs that qualify as RDRP from counting for RA, as long as the MW limits are not exceeded.

REGULATORY APPROVAL

The Parties shall use their best efforts to obtain CPUC approval of this Settlement and shall jointly request that the CPUC adopt this agreement in its entirety as reasonable in light of the record, consistent with law, and in the public interest.

It is the intent of the Parties that the CPUC adopt this Settlement in its entirety and without modification. This Settlement is to be treated as a complete package and not as a collection of

separate agreements on discrete issues. To accommodate the interests related to various issues, the Parties acknowledge that changes, concessions or compromises by a Party or Parties in one section of this Settlement resulted in changes, concessions or compromises by a Party or Parties in other sections. Consequently, the Parties agree to oppose any modification of this Settlement not agreed to by all Parties. Any Party may withdraw from this Settlement if the CPUC modifies it. The Parties agree, however, to negotiate in good faith with regard to any CPUC-ordered changes in order to restore the balance of benefits and burdens, and to exercise the right to withdraw only if such negotiations are unsuccessful. The terms and conditions of this Settlement may only be modified in writing subscribed to by the Parties.

NON PRECEDENTIAL

Consistent with Rule 12.5 of the CPUC's Rules of Practice and Procedure, this Agreement is not precedential in any other proceeding before this Commission, except as provided in this Settlement or unless the Commission expressly provides otherwise.

PREVIOUS COMMUNICATION

This Settlement contains the entire agreement and understanding between the Parties as to the subject matter of this Settlement, and supersedes all prior agreements, commitments, representation, and discussions between the Parties. In the event there is any conflict between the terms and scope of the Agreement and the terms and scope of the accompanying joint motion, this Settlement shall govern.

NON-WAIVER

None of the provisions of this Settlement shall be considered waived by any Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Settlement or to take advantage of any of their rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

SUBJECT HEADINGS

Subject headings in this Settlement are inserted for convenience only, and shall not be construed as interpretations of the text.

GOVERNING LAW

This Settlement shall be interpreted, governed and construed under the laws of the State of California, including CPUC decisions, orders and rulings, as if executed and to be performed wholly within the State of California.

[continued on next page]

NUMBER OF ORIGINALS

This Agreement is executed in counterparts, each of which shall be deemed an original. The undersigned represent that they are authorized to sign on behalf of the Party represented.

ENERNOC, INC.

By: Mona Tierney-Lloyd
Mona Tierney-Lloyd

Title: Senior Manager, Western Regulatory Affairs

Date: 2-3, 2010

CALIFORNIA INDEPENDENT SYSTEM OPERATOR

By: _____
Keith Casey, Ph.D.

Title: Vice President, Market & Infrastructure Development

Date: _____, 2010

DIVISION OF RATEPAYER ADVOCATES

By: _____
Dana Appling

Title Director

Date: _____, 2010

SAN DIEGO GAS & ELECTRIC COMPANY

By: _____
Hal D. Snyder

Title: Vice President, Customer Solutions

Date: _____, 2010

CALIFORNIA LARGE ENERGY CONSUMERS ASSOCIATION

By: _____
William H. Booth

Title: Counsel for CLECA

Date: _____, 2010

THE UTILITY REFORM NETWORK

By: _____
Michel Peter Florio

Title: Senior Attorney

Date: _____, 2010

PACIFIC GAS AND ELECTRIC COMPANY

By: _____
Steven McCarty

Title: Director

SOUTHERN CALIFORNIA EDISON COMPANY

By: _____
Lynda R. Ziegler

Title: Senior Vice President, Customer Service

Date: _____, 2010

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ENERNOC, INC.

By:_____
Mona Tierney-Lloyd

Title: Senior Manager, Western Regulatory Affairs

Date: _____, 2010

CALIFORNIA LARGE ENERGY CONSUMERS ASSOCIATION

By:_____
William H. Booth

Title: Counsel for CLECA

Date: _____, 2010

CALIFORNIA INDEPENDENT SYSTEM OPERATOR

By:_____
Keith Casey, Ph.D.

Title: Vice President, Market & Infrastructure Development

Date: Feb 3, 2010

THE UTILITY REFORM NETWORK

By:_____
Michel Peter Florio

Title: Senior Attorney

Date: _____, 2010

DIVISION OF RATEPAYER ADVOCATES

By:_____
Dana Appling

Title Director

Date: _____, 2010

PACIFIC GAS AND ELECTRIC COMPANY

By:_____
Steven McCarty

Title: Director

SAN DIEGO GAS & ELECTRIC COMPANY

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CALIFORNIA INDEPENDENT SYSTEM OPERATOR

By:_____
Keith Casey, Ph.D.

Title: Vice President, Market & Infrastructure Development

Date: _____, 2010

DIVISION OF RATEPAYER ADVOCATES

By:_____
Dana Appling

Title Director

Date: 2-2-2010, 2010

SAN DIEGO GAS & ELECTRIC COMPANY

By:_____
Hal D. Snyder

Title: Vice President, Customer Solutions

Date: _____, 2010

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By:_____
William H. Booth

Title: Counsel for CLECA

Date: _____, 2010

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By:_____
Michel Peter Florio

Title: Senior Attorney

Date: _____, 2010

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By:_____
Keith Casey, Ph.D.

Title: Vice President, Market & Infrastructure Development

Date: _____, 2010

DIVISION OF RATEPAYER ADVOCATES

By:_____
Dana Appling

Title Director

Date: _____, 2010

SAN DIEGO GAS & ELECTRIC COMPANY

By:_____
Hal D. Snyder

Title: Vice President, Customer Solutions

Date: February 3, 2010

CALIFORNIA LARGE ENERGY CONSUMERS ASSOCIATION

By:_____
William H. Booth

Title: Counsel for CLECA

Date: _____, 2010

THE UTILITY REFORM NETWORK

By:_____
Michel Peter Florio

Title: Senior Attorney

Date: _____, 2010

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Title: Director

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Date: _____, 2010

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Title: Vice President, Customer Solutions

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By: William H. Booth
William H. Booth

Title: Counsel for CLECA

Date: 2/2/, 2010

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By:_____
Michel Peter Florio

Title: Senior Attorney

Date: _____, 2010

PACIFIC GAS AND ELECTRIC COMPANY

By:_____
Steven McCarty

Title: Director

SOUTHERN CALIFORNIA EDISON COMPANY

By:_____
Lynda R. Ziegler

Title: Senior Vice President, Customer Service

Date: _____, 2010

NUMBER OF ORIGINALS

This Agreement is executed in counterparts, each of which shall be deemed an original. The undersigned represent that they are authorized to sign on behalf of the Party represented.

ENERNOC, INC.

By:_____
Mona Tierney-Lloyd

Title: Senior Manager, Western Regulatory Affairs

Date: _____, 2010

CALIFORNIA LARGE ENERGY CONSUMERS ASSOCIATION

By:_____
William H. Booth

Title: Counsel for CLECA

Date: _____, 2010

CALIFORNIA INDEPENDENT SYSTEM OPERATOR

By:_____
Keith Casey, Ph.D.

Title: Vice President, Market & Infrastructure Development

Date: _____, 2010

THE UTILITY REFORM NETWORK

By: MPFlorio
Michel Peter Florio

Title: Senior Attorney

Date: Feb. 3, 2010

DIVISION OF RATEPAYER ADVOCATES

By:_____
Dana Appling

Title Director

Date: _____, 2010

PACIFIC GAS AND ELECTRIC COMPANY

By:_____
Steven McCarty

Title: Director

SAN DIEGO GAS & ELECTRIC COMPANY

By:_____
Hal D. Snyder

Title: Vice President, Customer Solutions

Date: _____, 2010

SOUTHERN CALIFORNIA EDISON COMPANY

By:_____
Lynda R. Ziegler

Title: Senior Vice President, Customer Service

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William H. Booth

Title: Counsel for CLECA

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CALIFORNIA INDEPENDENT SYSTEM OPERATOR

By:_____
Keith Casey, Ph.D.

Title: Vice President, Market & Infrastructure Development

Date: _____, 2010

THE UTILITY REFORM NETWORK

By:_____
Michel Peter Florio

Title: Senior Attorney

Date: Feb. 4, 2010

DIVISION OF RATEPAYER ADVOCATES

By:_____
Dana Appling

Title Director

Date: _____, 2010

PACIFIC GAS AND ELECTRIC COMPANY

By: Steve McCarty
Steven McCarty

Title: Director

SAN DIEGO GAS & ELECTRIC COMPANY

By:_____
Hal D. Snyder

Title: Vice President, Customer Solutions

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SAN DIEGO GAS & ELECTRIC COMPANY

By:_____
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Date: _____, 2010

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Date: _____, 2010

THE UTILITY REFORM NETWORK

By:_____
Michel Peter Florio

Title: Senior Attorney

Date: _____, 2010

PACIFIC GAS AND ELECTRIC COMPANY

By:_____
Steven McCarty

Title: Director

SOUTHERN CALIFORNIA EDISON COMPANY

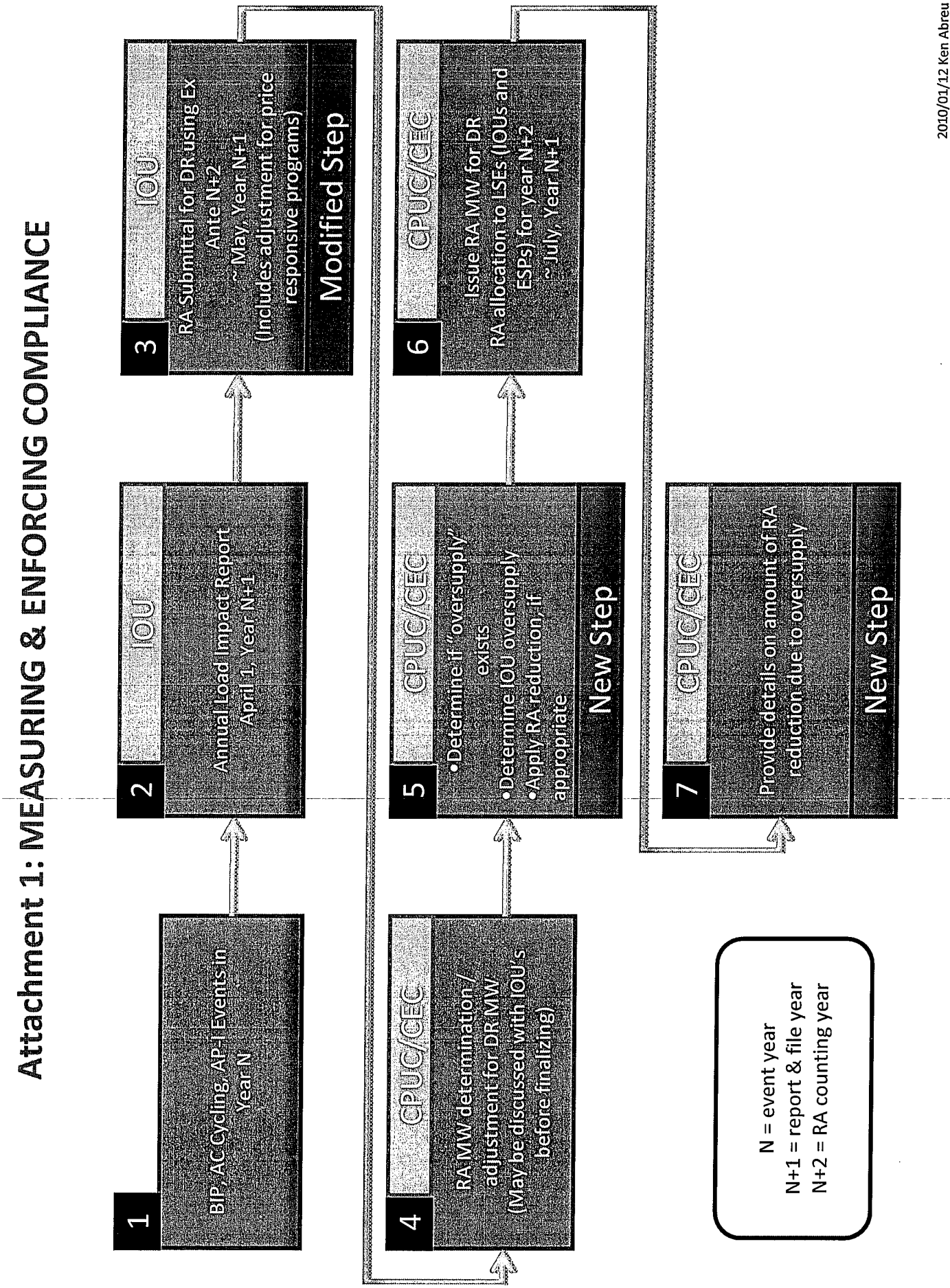
By:_____
Lynda L. Ziegler

Title: Senior Vice President, Customer Service

Date: Feb 8, 2010

ATTACHMENT 1

MEASURING & ENFORCING COMPLIANCE



(END OF APPENDIX A)