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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company (U39E) for Approval of Demand Response Programs, Pilots and Budgets for 2012-2014.

Application 11-03-001
(Filed March 1, 2011)

And Related Matters.

Application 11-03-002
Application 11-03-003

ASSIGNED COMMISSIONER'S RULING AUTHORIZING UTILITIES TO CONTINUE DEMAND RESPONSE PROGRAMS IN 2012 PENDING A DECISION IN APPLICATION 11-03-001 ET. AL.

The purpose of this ruling is to direct Pacific Gas and Electric (PG&E), Southern California Edison (SCE) and San Diego Gas & Electric (SDG&E) to continue to operate demand response programs at current funding levels beyond December 31, 2011 pending issuance of a final Commission decision in Application (A.) 11-03-001 et. al. The utilities are directed to continue to record all expenses in the accounts where such expenses are currently recorded as authorized in prior Commission demand response decisions.

1. Background

In Decision (D.) 09-08-027, the Commission approved demand response activities and budgets for PG&E, SCE and SDG&E to conduct demand response programs through December 31, 2011. In March of 2011, the utilities filed A.11-03-001 et. al. requesting Commission approval of demand response

programs and activities for 2012 – 2014. Because the Commission did not act on A.11-03-001 et. al. in 2011, there is a gap in demand response program authorization between December 31, 2011 and Commission approval of the utilities 2012 – 2014 demand response applications.

2. Discussion

Because state policy puts demand response at the top of the loading order with energy efficiency, it is clear that California intends to continue to fund demand response programs.¹ Discontinuing those programs after December 31, 2011 and then starting them up again after the Commission issues a final decision on A.11-03-001 et. al. would be disruptive and costly. Therefore, it is in the state's interest that PG&E, SCE and SDG&E continue to operate the programs at funding levels in D.09-08-027, as modified in subsequent decisions, pending issuance of a final commission decision in A.11-03-001 et. al. I will place this ruling on the Commission's first January 2012 agenda for ratification by the full Commission.

IT IS RULED that:

1. Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E) are authorized to continue to operate their demand response programs in 2012 at funding levels set in Decision (D.) 09-08-027, as modified by subsequent decisions, pending issuance of a final Commission decision in Application 11-03-001 et. al.

¹ California Energy Action Plan II, September 21, 2005.
http://www.energy.ca.gov/energy_action_plan/2005-09-21_EAP2_FINAL.PDF

2. PG&E, SCE, and SDG&E are directed to continue to record all expenses in the accounts where such expenses are currently recorded as authorized in prior Commission demand response decisions.

Dated December 28, 2011, at San Francisco, California.

/s/ MICHAEL R. PEEVEY

Michael R. Peevey
Assigned Commissioner