

State of California

Memorandum

**Date:** February 13, 2009

**To:** The Commission  
(Agenda Distribution List)

**From:** **Theresa Cho**  
**Chief of Staff to Commissioner Grueneich**

**Subject:** Memoranda of Understanding with the Indian Forum of Regulators and the Delhi Electricity Regulatory Commission

**Action:** Commission vote on whether to adopt a Memorandum of Understanding (MOU) between the Forum of Regulators in India (FOR) and a separate MOU with the Delhi Electricity Regulatory Commission (DERC), in the state of Delhi, India, and the Public Utilities Commission, the Lawrence Berkeley National Laboratory (LBNL), and the California Energy Commission (CEC) to facilitate collaboration and information exchange on policies and programs in demand side management, integrated resource planning and electricity regulation.

**Discussion:** The Commission has been asked to participate in two separate MOUs: one with the FOR and the second with DERC. The MOUs establish a framework for future collaboration on energy efficiency and other demand side management programs. The CEC and LBNL are also parties to the MOU.

The DERC is the state regulatory commission for the National Capital Territory of Delhi, which contain the Indian capital of New Delhi. New Delhi, which has a population of 11 million, is the 8<sup>th</sup> most populous metropolitan area in the world. The FOR is a national organization of the chairpersons of the state electricity commissions in India that provides recommendations to the Central Electricity Regulatory Commission (CERC) on development of a common and

coordinated approach to implementation of national laws and policies. The FOR also provides support and guidance on demand-side management and implementation of DSM programs to the state regulatory commissions. DSM programs are critical in India where there is a chronic problem of under-supply and an average transmission and distribution loss rate of 40 percent.

These MOUs are modeled on the 2005 Memorandum Of Understanding between the Commission, the CEC and Jiangsu Province, China and the 2007 Memorandum of Understanding with the Maharashtra Electricity Regulatory Commission (MERC). The DERC MOU is identical to the MERC MOU, and the scope of potential subjects for cooperation include DSM programs, integrated resource planning, and market structure. The scope of the FOR MOU includes only DSM issues but is otherwise identical to the other two MOUs. These MOUs do not commit any party to specific actions; instead, it establishes a framework for collaboration and provides that any specific programs will be entered into between the relevant parties pursuant to a separate implementing agreement. These programs may include information exchange, joint seminars and workshops, visits of experts and researchers, and collaborative research projects. The scopes of the MOUs are broadly written in order to accommodate the diverse expertise of the California parties. The Commission will not be expected to engage in collaborative programs that are outside our areas of expertise, for example, research projects on new technologies. The Commission will decide on a case by case basis whether and to what extent to participate in a project pursuant to these MOUs.

**Recommendation:** To adopt the Memoranda of Understanding with the Forum of Regulators and the Delhi Electricity Regulatory Commission.

[Attachment 1 - Forum of Regulators MOU](#)  
[Attachment 2 - Delhi Electricity Regulatory Commission MOU](#)