

**Working Group Meeting - August 26, 2002**

**Past CPUC Principles Regarding  
Real Time Pricing Programs**

The Commission addressed Real Time Pricing (RTP) issues in August 2001(D.01-08-021) and adopted a set of principles for future RTP proposals. Some of those principles are listed here as relevant discussion points for Demand Response program design.

- Administratively simple
  - Price Transparency
  - Easy to Use/Understand
  
- Achieves real (not phantom) peak load reductions
  - Measurement protocols taken into account
  
- Avoids major rate shock to customers
  - Customer protection
  - Customer reluctance
  
- Equitable Cost Allocation
  - Avoiding cross-subsidies between classes
  - Impacts to those not participating