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# OPENING COMMENTS OF THE CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL, LEAPFROG POWER, INC., AND OHMCONNECT, INC. ON PROPOSED DECISION ON TRACK 2 ISSUES

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## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Reforms and Refinements, and Establish Forward Resource Adequacy Procurement Obligations. Rulemaking 23-10-011 (Filed October 12, 2023)

# OPENING COMMENTS OF THE CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL, LEAPFROG POWER, INC., AND OHMCONNECT, INC. ON PROPOSED DECISION ON TRACK 2 ISSUES

#### I. INTRODUCTION

The California Efficiency + Demand Management Council (the "Council"), Leapfrog Power, Inc. ("Leap"), and OhmConnect, Inc. ("OhmConnect") (collectively, the "DR Parties") submit these Opening Comments on the Proposed Decision on Track 2 Issues ("Proposed Decision" or "PD"), mailed in Rulemaking ("R.") 23-10-011 (Resource Adequacy ("RA")) on October 29, 2024. These Opening Comments are timely filed and served pursuant to Rule 14.3 of the Commission's Rules of Practice and Procedure and the instructions accompanying the Proposed Decision.

#### II. BACKGROUND

The Council is a statewide trade association of non-utility businesses that provide energy efficiency, demand response, and data analytics services and products in California.<sup>1</sup> Our member companies employ many thousands of Californians throughout the state. They include energy efficiency ("EE"), demand response ("DR"), and distributed energy resources ("DER") service providers, implementation and evaluation experts, energy service companies, engineering and architecture firms, contractors, financing experts, workforce training entities, and energy efficient product manufacturers. The Council's mission is to support appropriate EE, DR, and DER policies, programs, and technologies to create sustainable jobs, long-term economic growth, stable and reasonably priced energy infrastructures, and environmental improvement.

<sup>&</sup>lt;sup>1</sup> Additional information about the Council, including the organization's current membership, Board of Directors, antitrust guidelines and code of ethics for its members, can be found at <a href="http://www.cedmc.org">http://www.cedmc.org</a>. The views expressed by the Council are not necessarily those of its individual members.

Leap is a demand response provider ("DR provider") founded in 2017 and headquartered in California. The company provides DR services to residential, commercial, industrial, and agricultural customers throughout the state of California. Through its technology platform, Leap enables DER providers in California to provide grid flexibility, delivering revenue for their customers and integrating additional demand-side resources into the California electricity system. Leap is a registered DR provider, as well as a registered Scheduling Coordinator, with the California Independent System Operator Corporation ("CAISO").

OhmConnect is a DR provider founded in 2013 and headquartered in Oakland, California. The company provides DR services to residential retail electric customers in California pursuant to Electric Rules 24 (Pacific Gas and Electric Company ("PG&E") and Southern California Edison Company ("SCE")) and 32 (San Diego Gas & Electric Company ("SDG&E")). OhmConnect's no cost software service notifies households of impending DR events and rewards them for their energy reductions during those events. OhmConnect is registered to participate as a DR provider in the wholesale electricity market operated by the CAISO and contracts to provide resource adequacy with load serving entities.

#### III. SUMMARY OF THE COUNCIL'S POSITION

The DR Load Impact Protocols ("LIPs") were originally adopted in 2008 when only the investor-owned utilities ("IOUs") had DR programs. At that time, the LIPs were generally intended for both long-term planning and the short-term Resource Adequacy ("RA") regime. However, with the entry of third-party DR providers into California, DR bifurcation, and the resulting proliferation of bilateral DR RA contracts, the LIPs' broad scope is less necessary, especially for DR providers. The DR Parties thank the Commission for its consideration of the recommendations of the LIP Simplification Working Group and commend it for approving a vast majority of the recommendations which, as the PD highlights, were broadly supported. As discussed further below, for those recommendations that were not approved by the PD, the DR Parties respectfully request that the PD be revised to ensure the door remains open for parties and the Energy Division to submit more developed proposals in the future.

## IV. THE DR PARTIES SUPPORT KEEPING THE DOOR OPEN TO FUTURE PROPOSALS ON UNRESOLVED ISSUES

The PD declines to authorize the creation of working groups to further develop modifications to Protocols 1, 3, 7, and 21 due to staffing and resource constraints.<sup>2</sup> For modifications to Protocols 1 and 3, the PD encourages any party, the Demand Response Measurement and Evaluation Committee ("DRMEC"), or Energy Division to submit proposals for consideration in a future phase of the RA proceeding.<sup>3</sup> The PD also finds that there is an insufficient record to adopt most of the proposed modifications to Protocols 7 and 21 but does not provide the same invitation as for Protocols 1 and 3 for future submission of proposed modifications to these protocols.<sup>4</sup>

The DR Parties are sensitive to the Commission's resource constraints and do not dispute the PD's determination to decline to authorize additional working groups. The DR Parties appreciate the door remaining open for future Protocol 1 and 3 proposals but respectfully request that the door also remain open for future Protocol 7 and 21 proposals.

#### V. CONCLUSION

The DR Parties thank the Commission for adopting most of the LIP Simplification Working Group recommendations and appreciate the opportunity to submit opening comments on the PD. As discussed above, the PD should be modified to invite future proposals to modify Protocols 7 and 21, in addition to the PD's invitation to submit proposals to modify Protocols 1 and 3. Those needed modifications are included in Appendix A (Proposed Modifications to Findings of Fact, Conclusion of Law, and Ordering Paragraph) attached and incorporated by reference hereto.

<sup>&</sup>lt;sup>2</sup> Proposed Decision, at p. 61.

<sup>&</sup>lt;sup>3</sup> *Id*.

<sup>&</sup>lt;sup>4</sup> *<u>Id</u>*.

Dated: November 18, 2024

Respectfully submitted,

### /s/ JOSEPH DESMOND

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#### APPENDIX A

### THE CALIFORNIA EFFICIENCY + DEMAND MANAGEMENT COUNCIL, LEAPFROG POWER, INC., AND OHMCONNECT, INC. PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDERING PARAGRAPHS FOR THE PROPOSED DECISION ON TRACK 2 ISSUES

The California Efficiency + Demand Management Council, Leapfrog Power, Inc., and OhmConnect, Inc. propose the following modifications to the Findings of Fact, Conclusions of Law, and Ordering Paragraphs in the Proposed Decision on Track 2 Issues, mailed in R.23-10-011 on October 29, 2024 ("Proposed Decision").

Please note the following:

- A page citation to the Proposed Decision is provided in brackets for each Finding of Fact, Conclusion of Law, or Ordering Paragraphs for which a modification is proposed.
- <u>Added language</u> is indicated by **bold type**; <u>removed language</u> is indicated by **bold strike-through**.
- A new or added Finding of Fact, Conclusion of Law, or Ordering Paragraph is labeled as "NEW" in **bold underscored** capital letters.

#### **PROPOSED CONCLUSIONS OF LAW:**

[NEW] Proposals for any LIP Working Group Report recommendations not adopted should be submitted in a future phase of this proceeding or in a future Resource Adequacy proceeding.

#### PROPOSED ORDERING PARAGRAPHS:

[NEW] Proposals for any LIP Working Group Report recommendations not adopted may be submitted in a future phase of this proceeding or in a future Resource Adequacy proceeding.