

ELECTRIC RULE NO. 24
DIRECT PARTICIPATION DEMAND RESPONSE

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A. APPLICABILITY

1. Definitions as in Rule 1: [to be added]

- a. DEMAND RESPONSE (DR): The load reduction or increase by retail customers in response to a signal or pricing mechanism.
- b. EVENT BASED DEMAND RESPONSE: The load reduction or increase by retail customers in response to a day-ahead or day-of event signal.
- c. DEMAND RESPONSE PROVIDER (DRP): An entity providing demand response service(s) to aggregate retail customers to bid loads on their behalf into the CAISO’s wholesale market using DR products (such as Proxy Demand Resource (PDR) and the Reliability Demand Response Product (RDRP). A DRP can also be a retail customer bidding its own load into CAISO wholesale market using DR products.

Any of the following entities may elect to become a Demand Response Provider (DRP): Investor Owned Utility (IOU) such as PG&E/SCE/SDG&E/SCE/SDG&E and non-IOU entities such as an Energy Service Provider (ESP) (subject to Rule 22), a Community Choice Aggregation (CCA) (subject to Rule 23), a third-party aggregator, or a retail customer (bidding on behalf of itself).

- d. DEMAND RESPONSE (DR) SERVICE: Unless otherwise stated, all references to demand response (DR) service shall refer to the demand response activities associated with a DRP’s direct participation in the CAISO wholesale DR products where a retail customer enrolled in a DR service reduces its electric demand in accordance with the market awards and dispatch instructions issued by the CAISO. The CAISO’s wholesale market DR products include Proxy Demand Resource (PDR) and the Reliability Demand Response Product (RDRP).
- e. PROXY DEMAND RESOURCE (PDR): PDR is a load or an aggregation of loads of retail customers capable of reducing their electric demand in response to the CAISO’s dispatch instructions. The load reductions are measurable and verifiable by the CAISO.
- f. RELIABILITY DEMAND RESPONSE PRODUCT (RDRP): RDRP is a CAISO wholesale reliability-based DR product that enables compatibility with, and integration of, existing retail emergency-triggered DR programs into the California ISO market and operations, including newly configured DR resources that have a reliability trigger and desire to be dispatched only under particular system conditions.

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2. Entities and Services Subject to Rule 24

Subject to the California Independent System Operator’s (CAISO’s) and the California Public Utilities Commission (CPUC) rules, PG&E/SCE/SDG&E’s Bundled Service customers may elect to participate in DR service through PG&E/SCE/SDG&E, PG&E/SCE/SDG&E-affiliated DRP, a non-IOU DRP, or on their own behalf.

Unless otherwise stated, this Rule describes the terms and conditions that apply to the following entities providing DR service(s) in direct participation in the CAISO’s wholesale market DR products (such as the PDR and the RDRP) as defined in Section A.1.c in PG&E/SCE/SDG&E’s service territory:

- a. PG&E/SCE/SDG&E acting on behalf of its customers as a Utility Distribution Company (UDC), a Load Serving Entity (LSE) for Bundled Service customers, a Demand Response Provider (DRP), Meter Data Management Agent (MDMA), and a Meter Service Provider (MSP).

In cases where a customer elects to enroll in a PG&E/SCE/SDG&E’s demand response program approved by the CPUC, PG&E/SCE/SDG&E will act as the Demand Response Provider (DRP) for that customer and be subject to this Rule. This customer could be PG&E/SCE/SDG&E’s Bundled Service, Direct Access (DA), or Community Choice Aggregation (CCA) customers.

- b. PG&E/SCE/SDG&E-affiliated Demand Response Provider (DRP) and non-IOU DRPs enrolling PG&E/SCE/SDG&E Bundled Service customers as defined in Rule 1, Definitions.

PG&E/SCE/SDG&E-affiliated and non-IOU DRPs enrolling Bundled Service customers defined in Rule 1, Definitions, must register with the CPUC and execute the applicable agreements with the CAISO and a DRP Service Agreement with PG&E/SCE/SDG&E prior to customer enrollment.

- c. PG&E/SCE/SDG&E’s Bundled Service customers as defined in Rule 1 acting as their own Demand Response Provider (DRP).

Under the CAISO’s rules, a customer is not allowed to simultaneously enroll load associated with the same service account number with more than one DRP. A customer already enrolled in a DRP’s DR service who chooses to enroll in another DRP’s DR service must un-enroll from the current DRP’s DR service. The DRP that is losing the customer must un-enroll the customer’s load from the DRP’s PDR or RDRP registration at CAISO. It is both the new and existing DRPs’ responsibility to ensure the un-enrollment in a timely fashion.

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A customer who participates in a PG&E/SCE/SDG&E event-based demand response program and chooses to enroll in any DRP DR service where PG&E/SCE/SDG&E is not the DRP, must un-enroll from any and all of PG&E/SCE/SDG&E’s event-based demand response programs subject to any contractual or program tariff obligations. PG&E/SCE/SDG&E will notify the customer who will be switched to an otherwise applicable rate schedule (OAS) when the un-enrollment from the PG&E/SCE/SDG&E demand response program becomes effective.

3. Entities Not Subject to Rule 24

Rule 24 is not applicable to the following entities providing DR service in direct participation in one or more of the California Independent System Operator’s (CAISO’s) wholesale market products (such as Proxy Demand Resource (PDR) and the Reliability Demand Response Product (RDRP)) in PG&E/SCE/SDG&E’s service territory:

- a. Non-IOU DRPs enrolling Direct Access (DA) or Community Choice Aggregation (CCA) customers,
- b. DA or CCA customers acting as their own DRP,
- c. The Energy Service Providers (ESPs) and CCAs acting as a Load Serving Entity (LSE) for DA or CCA service customers,
- d. Third-party MDMAs and MSPs providing metering services to DA or CCA customers.

B. GENERAL TERMS

1. Definitions

The descriptive headings of the various sections of this Rule have been inserted for convenience of reference only and shall in no way define, modify, or restrict any of the terms and provisions thereof.

2. General Obligations of PG&E/SCE/SDG&E

a. Non-Discrimination and Competitive Neutrality

(1) Neutral Discharge of Responsibilities

PG&E/SCE/SDG&E, acting in any capacity as listed in Section A.2.a, shall discharge its responsibilities under this tariff in a neutral manner as it relates to

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unaffiliated providers of all services that are subject to a customer’s election to participate in direct participation DR service administered by the CAISO.

Unless otherwise authorized by the CPUC, the Federal Energy Regulatory Commission (FERC), or the affiliate transactions rules, PG&E/SCE/SDG&E shall not provide or represent that it will provide to itself, its affiliates or customers of itself or its affiliates any preferential treatment with regard to the provision of PG&E/SCE/SDG&E services than other, unaffiliated, service providers would receive, including, but not limited to, terms and conditions, information, pricing or timing.

(2) Non-Discriminatory Response to Requests for PG&E/SCE/SDG&E Services

PG&E/SCE/SDG&E acting in any capacity, shall process requests for similar PG&E/SCE/SDG&E services in the same manner and within the same period of time for itself its affiliates, customers of itself and its affiliates and for all unaffiliated market participants and their respective customers.

(3) Competitive Neutrality

PG&E/SCE/SDG&E employees or contractors shall not use competitive information received from unaffiliated DRPs in the discharge of PG&E/SCE/SDG&E’s roles and responsibilities in the Rule to advance or promote PG&E/SCE/SDG&E services to customers or potential customers of the unaffiliated DRP so as to disrupt, disturb or interfere with the business relationship between the customer and the unaffiliated DRP or to advantage PG&E/SCE/SDG&E’s services. PG&E/SCE/SDG&E will be subject to CPUC sanction and monetary penalty for violation of these requirements.

b. Timeliness and Due Diligence

Consistent with state law and CPUC decisions, PG&E/SCE/SDG&E acting in any capacity shall exercise due diligence in meeting its obligations and deadlines under this tariff so as to facilitate a customer’s election to participate in direct participation DR service in CAISO’s wholesale markets as quickly as possible.

c. Customer Enrollment in DRP Programs

PG&E/SCE/SDG&E, acting as the UDC, shall provide any requested information it is obligated to provide, in a timely fashion to an inquiring DRP or other authorized third party, to facilitate a customer’s enrollment in a DRP program.

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d. Review of the CAISO wholesale market DR Product Registrations

PG&E/SCE/SDG&E, acting as the UDC, shall review all registrations of DR resources submitted by a DRP (including, but not limited to, PDR and RDRP products) at the CAISO solely to ensure accuracy of the customer information presented. PG&E/SCE/SDG&E will conduct such review in accordance with the timelines and requirements set forth in the CAISO’s Business Practice Manuals (BPMs). PG&E/SCE/SDG&E shall notify the CAISO and the DRP if the customer information presented in the DR Product registration is inaccurate and specify the inaccuracy. To the greatest extent possible, PG&E/SCE/SDG&E and the DRP shall coordinate and cooperate to provide an accurate registration. However, PG&E/SCE/SDG&E may propose rejection of a PDR or a portion of a PDR if the information contained in the registration is inaccurate, the customer is not eligible to participate in the DR service being reviewed due to a contractual commitment the customer has made to a PG&E/SCE/SDG&E demand response service, or the DRP has not signed a Direct Participation Service Agreement with PG&E/SCE/SDG&E.

e. Provision of Customer Data by PG&E/SCE/SDG&E

In response to a Customer Information Service Request (CISR), PG&E/SCE/SDG&E shall provide customer data to a DRP or customer in accordance with Section C. This customer data shall include, but not be limited to, twelve (12) months of historical usage data if available, the meter number, the service account number, the location in the CAISO grid as required by the CAISO including the associated sub-LAP and Pnode(s), identification of the customer’s MDMA and MSP, identification of the customer’s LSE, whether the customer is currently enrolled in any PG&E/SCE/SDG&E retail DR program and the name of any such DR program, and the earliest date(s) on which the customer’s commitment to PG&E/SCE/SDG&E DR program(s) can be terminated by the customer without penalty. The DRP or customer can also request the provision of continuous meter data for the purpose of scheduling and settling the DR resource with the CAISO.

f. Resolution of Disputes Regarding DR Resource Registration Rejections

To the extent the non-IOU DRP disputes the basis for a recommended rejection of a PDR registration by PG&E/SCE/SDG&E acting as the LSE or the UDC, the non-IOU DRP may use the CPUC’s Expedited Complaint Procedure as described in Section I.1 to resolve the dispute.

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3. General Obligations of PG&E/SCE/SDG&E Acting as the Meter Data Management Agent (MDMA)

The MDMA is the entity responsible for providing accurate and timely meter data to the DRP in accordance with the applicable timelines and requirements set forth in the CAISO’s tariff and applicable Business Practice Manuals (BPMs), in order to permit the accurate measurement of performance of the DR resources for purposes of submitting accurate bids to and settlements with the CAISO. The MDMA is liable for payment (or reimbursement to the DR resource’s Scheduling Coordinator) of any charges or penalties due to its non-compliance with such applicable CAISO rules.

a. Accurate Meter Data

The MDMA shall ensure that the information that it transmits to the DRP is accurate and meets the requirements for meter data quality set forth in the CAISO tariff and BPMs. The MDMA and the DRP will agree to alternative means of calculating or estimating usage data acceptable to the CAISO in the event standard meter data validation processes do not allow for timely submission of data to the CAISO.

b. Timeliness of Data Transfer

The MDMA must transfer the required meter data to the DRP within a reasonable period of time (24 hours) so that the DRP can examine the event performance as soon as practical. The MDMA shall also comply with the timelines set forth in the CAISO’s BPMs for submission of revenue quality meter data.

c. Granularity

The meter data provided to the DRP for a DR resource must meet the minimum data interval requirements for the services that the DR resource provided to the CAISO.

d. Non-Discrimination

PG&E/SCE/SDG&E shall provide MDMA services on a non-discriminatory basis to all customers and DRPs that request them, including to PG&E/SCE/SDG&E, acting as a DRP. If any customer or DRP, including PG&E/SCE/SDG&E acting as a DRP, requests specific MDMA services beyond what the MDMA would provide for PG&E/SCE/SDG&E billing purposes, the DRP will pay for those services at the CPUC-approved rate.

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4. General Obligations of PG&E/SCE/SDG&E Acting as the Meter Service Provider (MSP)

The MSP is the entity responsible for providing accurate meters in accordance with the CAISO’s tariff and applicable BPMs for use by the MDMA. The MSP is liable for payment (or reimbursement to the DR resource’s Scheduling Coordinator) of any charges or penalties due to its non-compliance with such applicable CAISO rules.

a. Accuracy of Meter Equipment

The MSP shall ensure that the meter equipment is accurate within acceptable limits as specified in PG&E/SCE/SDG&E’s applicable rules, including testing as necessary and required, and complies with the applicable requirements set forth in the CAISO’s tariff and applicable BPMs.

b. Intervals

The MSP shall ensure that the meter device at the customer’s location meets the minimum data interval requirements for the services that the DR resource provided to CAISO.

c. Meter Installations

The MSP shall ensure that customers wishing to participate in CAISO’s DR services have the appropriate metering devices, and shall respond to requests by customers for appropriate metering equipment on a timely basis, in accordance with this rule’s Section E – Metering Services. In no event shall the MSP install telemetry equipment at the customer’s location unless the customer, or its DRP, has specifically requested the equipment and has agreed to pay for the device.

d. Non-Discrimination

PG&E/SCE/SDG&E shall provide MSP services on a non-discriminatory basis to all customers and their DRPs that request them, including to PG&E/SCE/SDG&E acting as a DRP. If any customer or DRP, including PG&E/SCE/SDG&E acting as a DRP, request specific MSP services, the customer or DRP will pay for those services at the CPUC-approved rate.

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e. KYZ Pulse Installations

Upon the request of the customer or the DRP, the utility shall install KYZ pulse counting devices or other telemetry solution so as to permit the customer and its DRP with access to near-real-time meter data information in the event the utility is not able to provide access to customer meter data information on an interval necessary to facilitate CAISO DR product transactions or on a frequency to permit settlements to occur. These pulse readings may satisfy CAISO revenue quality meter data requirements so long as the KYZ pulse device is accurate within the standards established in PG&E/SCE/SDG&E’s Rule 17 and any other applicable rules governing meter accuracy. The customer or its DRP will be responsible for the cost of the installation.

5. General Obligations of DRPs Enrolling Bundled Service Customers

This Section is applicable to all DRPs enrolling Bundled Service customers, including PG&E/SCE/SDG&E acting as the DRP unless otherwise specified. Requirements for PG&E/SCE/SDG&E acting as the DRP for direct access customers and Community Choice Aggregation (CCA) are specified in Section C.

a. Timeliness and Due Diligence

DRPs shall exercise due diligence in meeting their obligations and deadlines under this tariff so as to facilitate customer enrollment in DR service as quickly as possible. To the extent ordered by the CPUC, DRPs shall make all payments resulting from CPUC-authorized charges owed to PG&E/SCE/SDG&E for services specified under this tariff in a timely manner subject to applicable payment dispute provisions.

b. CPUC requirements for DRPs enrolling Bundled Service customers

The CPUC has established a series of requirements for DRPs enrolling Bundled Service customers. These are:

- (1) Registering with the Commission for non-IOU DRPs;
- (2) Signing the DRP Agreement with the CAISO to provide DR services.
- (3) Registering the DR resource(s) with the CAISO;
- (4) Obtaining or becoming a certified scheduling coordinator;

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(5) Sending a pre-approved formal notice to each customer enrolling in the DR services.

c. Arrangements Between DRPs and Their Customers

DRPs shall be solely responsible for having appropriate contractual or other arrangements with their customers necessary to implement DR service consistent with all applicable laws, CAISO requirements, CPUC requirements, if any, and this tariff.

d. Scheduling Coordinator (SC)

In accordance with the CAISO's tariff, a DRP must become or contract with a scheduling coordinator prior to registering customers' loads into a CAISO DR product for purposes of scheduling and settling with the CAISO. Only one DRP shall be associated with a service account for the purpose of participating in a CAISO DR product.

e. DRP Obligations for Customer Enrollment

When a non-IOU DRP is notified by PG&E/SCE/SDG&E via PG&E/SCE/SDG&E's Customer Information Service Request (CISR) process that a customer is already enrolled in a PG&E/SCE/SDG&E DR program, it is the notified DRP's obligation to ensure that the customer has un-enrolled from PG&E/SCE/SDG&E's DR program before enrolling the customer in the notified DRP's DR service.

Similarly, when PG&E/SCE/SDG&E is acting as a DRP, PG&E/SCE/SDG&E is obligated to ensure that the customer has un-enrolled from another DRP's DR service before enrolling the customer in PG&E/SCE/SDG&E's DR service.

A DRP should not create any unlawful barriers to prevent a customer from leaving its DR programs or service. Such behavior may result in the CPUC's termination of the DRP's registration at the Commission or other regulatory actions against the DRP.

f. Registration of DR Resources at the CAISO

DRPs shall be solely responsible for registering DR resources at the CAISO with the customers to whom they are providing DR services.

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g. Notification of Customer Enrollment in DR Service

The CAISO, through its registration process for DR services, will notify PG&E/SCE/SDG&E in its role as UDC of an enrollment of a PG&E/SCE/SDG&E customer. In addition to the CAISO's requirements, PG&E/SCE/SDG&E shall respond in accordance with Section B.2.d. DRPs shall not be responsible for providing separate notification to PG&E/SCE/SDG&E of an enrollment of a customer in DR service.

h. Utilizing the MDMA

DRPs shall utilize the MDMA chosen by the customer (or the customer's LSE) for gaining access to Revenue Quality Meter Data (RQMD). DRPs shall be solely responsible for notifying the MDMA of the customer's registration and approval in a CAISO DR Product and any subsequent updates. The DRP shall be solely responsible for notifying the customer's MDMA of the effective date of the DRP's CAISO DR Product registration. In the case where PG&E/SCE/SDG&E is the MDMA, PG&E/SCE/SDG&E's review of the DRP's CAISO DR resource registration is considered to satisfy the notice to the MDMA under this Section.

i. Notification of Event

A non-IOU DRP shall be solely responsible for notifying its customer's LSE and the applicable MDMA of any accepted CAISO market award or dispatch of the customer's DR capability. The non-IOU DRP shall notify the LSE and MDMA no later than two (2) days after a CAISO market award or dispatch. The DRP shall also indicate the type of market event, the CAISO market award or dispatch, and the time of the CAISO energy market award or dispatch.

6. Transfer of Cost Obligations Between DRPs and Customers

Nothing in this tariff is intended to prevent DRPs and customers from agreeing to reallocate between them any costs for DR service that are designated in this tariff to be paid by either of them.

7. UDC or LSE Is Not Liable for non-IOU DRP DR Services

To the extent the customer takes service from a DRP, the LSE or PG&E/SCE/SDG&E acting as either the UDC or the LSE has no obligations to the customer with respect to the services provided by the DRP.

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8. **DRP is Not Liable for UDC’s or LSE’s Services**

To the extent the customer takes service from a LSE or PG&E/SCE/SDG&E acting as a UDC or LSE, a DRP has no obligations to the customer with respect to the services provided by the LSE or PG&E/SCE/SDG&E. The customer must look to the LSE or PG&E/SCE/SDG&E, as applicable, to carry out the responsibilities associated with those services.

9. **Split Loads Not Allowed**

Customers requesting DR service may not partition the electric loads of a service account among different DRPs. The entire reduction of a service account’s electric demand for a DR program must be registered to only one DRP. Customer service accounts are not precluded from enrolling and participating in multiple demand response programs with a single DRP, but are prohibited from simultaneously enrolling and participating in the event-based demand response programs of more than one DRP (see also Section A, Applicability). During an overlapping event in two or more DR programs for a single DRP, the customer’s load reductions may not count more than once for payment or other counting purposes.

10. **Interval Meter**

An “interval meter” is defined as a meter capable of recording the minimum data required. Minimum data requirements are specified by the CAISO and include, but are not limited to: (a) interval data as required for the CAISO settlement process; or (b) interval data required by the CAISO to document customer participation in DR services, including any communication systems needed to allow the DRP access to meter-reading usage data.

11. **Telemetry Meter**

A “Telemetry Meter” (telemeter) is defined as a meter capable of recording, storing, and transferring the minimum data required in accordance with the CAISO’s telemetry technical requirements (current technical requirements are available on the CAISO’s website at www.caiso.com). A telemeter, if required, will be installed at the request of the DRP prior to participation in DR services, at the DRP’s or customer’s expense.

12. **Formal Notification for Residential and Small Commercial Customers**

DRPs intending to enroll residential and small commercial customers in DR services at the CAISO are required to meet additional CPUC requirements before submitting such customers for registration at the CAISO. Such DRPs must obtain approval from the

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CPUC’s Energy Division for a standard form letter or electronic communication to be submitted to each customer explaining the DRP’s terms and conditions of participating in the DR service. The DRP must transmit such standard letter or electronic communication to the customer within 5 business days of the customer’s agreement to participate in the DR service. The DRP shall then provide such customer 5 business days to opt-out of such participation through written response or voice or electronic communication.

13. Master Metered Customers

Master metered customers who provide sub-metered tenant billings may only participate in DR service as a single account.

14. Service Fees and Other Charges

PG&E/SCE/SDG&E acting as the LSE, UDC, MDMA, or MSP may incur costs in order to facilitate DRPs’ participation in CAISO’s DR market products in PG&E/SCE/SDG&E’s service territory. Any fees to reimburse PG&E/SCE/SDG&E for these costs are described in PG&E/SCE/SDG&E rate Schedule E-DRP.

C. ACCESS TO CUSTOMER DATA*

* **[Final provisions to be determined based on forthcoming Commission decision on customer privacy standards and protections in Smart Grid OIR, R. 08-12-009.]**

1. Access to Bundled Service Customer Usage Data – Release of Information to DRP

PG&E/SCE/SDG&E acting as the LSE will provide confidential customer-specific information and usage data to parties specified by the customer, subject to the following provisions:

a. The inquiring party must have customer authorization using PG&E/SCE/SDG&E Form 79-1095, Authorization to Receive Customer Information or Act Upon a Customer’s Behalf to release such information to the inquiring party only (commonly referred to as the Customer Information Service Request or “CISR”). At the customer’s request, this authorization may also indicate whether the customer information may be released to other parties as specified by the customer. The recipient agrees to abide by PU Code 8380. This information includes:

- (1) Standard confidential end-user information including the customer’s PG&E/SCE/SDG&E service account number, the sub-Load Aggregation Point (sub-LAP) and Pricing node (Pnode) location of the service account, the identity and contact information of the customer’s LSE, MDMA and MSP,

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PG&E/SCE/SDG&E DR program(s) in which the customer is enrolled, if any, including whether the customer is enrolled in a PG&E/SCE/SDG&E retail DR program with a third-party aggregator and if so, the identity and contact information for the aggregator, and the earliest date(s) on which the customer's commitment to the utility DR program(s) can be terminated by the customer without penalty.

- (2) Basic meter information including the meter number, the type of meter and the interval capability of the meter.
- (3) A maximum of the most recent twelve (12) months of customer usage data or the amount of data recorded for that specific service account, in a format approved by the CPUC.
- (4) Ongoing interval usage data required by the DRP for billing and settlement at a minimum of 15-minute interval data within 24 hours for commercial and industrial customers, or as mutually agreed by the UDC and DRP, or as frequently and at the interval ordered by the CPUC.

b. Customer information specified in Sections C.1.a.(1) through (3) will be released to the customer or its authorized agent up to two (2) times per year per service account at no cost to the requesting party. Thereafter, the UDC will have the right to assess a processing charge if approved by the CPUC. Customer data specified in Section C.1.a.(4) will be released to the customer or its authorized agent on an ongoing basis at charges authorized by the CPUC, as outlined in Section E. Metering Services.

2. Access to Direct Access or CCA Customer Data if PG&E/SCE/SDG&E is the DRP.

For each direct access or CCA customer that PG&E/SCE/SDG&E has enrolled in its DR service, PG&E/SCE/SDG&E shall fulfill the following requirements:

a. Transmission of Operational Data to ESP or CCA: PG&E/SCE/SDG&E shall transmit the required operational data to the ESP or CCA, as applicable, by no later than five calendar days after the Trading Day in which a direct participation program bid cleared the CAISO market. The required operational data are as follows:

- (1) The specific settlement interval in which the direct participation program bid cleared a CAISO market; and

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- (2) The megawatt amount of the demand response performance associated with that customer for the settlement interval (i.e., a customer-specific baseline calculation of PDR performance) and summed for each hour for that customer.
 - (3) PG&E/SCE/SDG&E will contract with the customer’s MDMA in order to receive the necessary meter data (as described in Section E) for the purposes of managing the direct participation program, including forecasting, bidding, dispatch, and settlement.
3. MDMA Release of Information if PG&E/SCE/SDG&E is the MDMA
- a. Competitive Neutrality in Performance of Obligations

PG&E/SCE/SDG&E acting as the MDMA shall provide non-discriminatory access to meter data to all DRPs. In particular, PG&E/SCE/SDG&E acting as the DRP shall not have any greater access to meter data for the purpose of fulfilling its DRP obligation than does a third-party DRP, ESP or CCA.
 - b. PG&E/SCE/SDG&E as MDMA for Direct Access or CCA Customers
 - (1) If PG&E/SCE/SDG&E is the MDMA for a direct access or CCA customer selecting PG&E/SCE/SDG&E as its DRP, PG&E/SCE/SDG&E as the DRP will access that customer’s meter data (as described in Section E) for purposes of managing the direct participation program, including forecasting, bidding, dispatch, and settlement.
 - (2) If PG&E/SCE/SDG&E is the MDMA for a direct access or CCA customer selecting either a third-party DRP, ESP or CCA as its DRP, PG&E/SCE/SDG&E as the MDMA will provide that customer’s meter data (as described in Section E) to such third-party DRP, ESP or CCA, as applicable, so that the DRP can manage its direct participation program, including forecasting, bidding, dispatch, and settlement.
 - c. PG&E/SCE/SDG&E as MDMA for Bundled Service Customers
 - (1) If PG&E/SCE/SDG&E is the MDMA for a Bundled Service customer selecting PG&E/SCE/SDG&E as its DRP, PG&E/SCE/SDG&E as the DRP will access that customer’s meter data (as described in Section E) for purposes of managing the DR services, including forecasting, bidding, dispatch, and settlement.

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(2) If PG&E/SCE/SDG&E is the MDMA for a Bundled Service customer selecting a third-party DRP or ESP as its DRP, PG&E/SCE/SDG&E will provide that customer's meter data (as described in Section E) to such third-party DRP or ESP, as applicable, so that the DRP can manage its DR services including forecasting, bidding, dispatch, and settlement.

- 4. Customer Inquiries Concerning Billing-Related Issues
 - a. Customer inquiries concerning PG&E/SCE/SDG&E's charges or services should be directed to PG&E/SCE/SDG&E.
 - b. Customer inquiries concerning the DRP's charges or services should be directed to the DRP.
 - c. Customer inquiries concerning the LSE's charges or services should be directed to the LSE.

- 5. Customer Inquiries Related to Emergency Situations and Outages
 - a. PG&E/SCE/SDG&E acting as the UDC will be responsible for responding to all inquiries related to distribution service, emergency system conditions, outages, and safety situations. Customers contacting the DRP with such inquiries should be referred directly to PG&E/SCE/SDG&E.
 - b. It may be necessary for PG&E/SCE/SDG&E acting as the UDC to shed or curtail customer load at the request of the CAISO, or as otherwise provided by CPUC tariffs. PG&E/SCE/SDG&E shall provide notice to the DRP of such curtailments as soon as practical. Nothing in this rule shall change the criteria for load-shedding established by the CAISO or the CPUC.
 - c. PG&E/SCE/SDG&E as the DRP shall continue to be responsible for implementing CPUC-approved load curtailment and demand response programs.
 - d. The DRP will be responsible for notifying its Scheduling Coordinator of any notice regarding customer curtailments received from PG&E/SCE/SDG&E under Section C.5b, if the DRP determines that such curtailments will affect its bids submitted to the CAISO.

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D. DRP DR SERVICE ESTABLISHMENT

A DRP enrolling Bundled Service customers must satisfy the following requirements, as applicable, before the DRP can provide DR services in PG&E/SCE/SDG&E’s service territory.

1. CAISO Requirements

All DRPs enrolling PG&E/SCE/SDG&E’s Bundled Service customers must:

- a. Execute the required service agreements with the CAISO for registering resources.
- b. Meet all CAISO’s requirements for the DRP and maintain a valid DRP registration at the CAISO.

2. PG&E/SCE/SDG&E Requirements

Non-IOU DRPs and PG&E/SCE/SDG&E-affiliated DRPs enrolling PG&E/SCE/SDG&E’s Bundled Service customers must:

- a. Execute a Demand Response Provider Service Agreement (DRP Service Agreement – Form No 79-XXXX) with PG&E/SCE/SDG&E.
- b. Satisfy PG&E/SCE/SDG&E’s credit requirement as specified in Section G.

3 CPUC Registration Requirements:

- a. Non-IOU DRPs enrolling Bundled Service customers, as defined in Rule 1, must register with the CPUC and maintain a valid DRP registration at the CPUC.
- b. Non-IOU DRPs enrolling PG&E/SCE/SDG&E’s residential and small commercial Bundled Service customers shall complete the long CPUC registration form and provide the CPUC a security deposit or financial guarantee bond in the amount of \$25,000 as specified in the registration form.
- c. Non-IOU DRPs enrolling PG&E/SCE/SDG&E’s medium and large commercial Bundled Service customers shall complete the short CPUC registration form.
- d. The CPUC will post the list of registered DRPs on its website. The CPUC will enforce all rules for the DRP registration and may suspend or revoke a DRP registration if the CPUC determines that the DRP violated Rule 24 or terms and conditions outlined in the CPUC registration form.

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- e. The CPUC will also suspend or revoke a DRP registration if a civil or business court finds that the DRP has engaged in any of the following acts:
 - (1) Making material misrepresentations in the course of soliciting customers, entering into service agreements with those customers, or administering those service agreements.
 - (2) Dishonesty, fraud, or deceit with the intent to substantially benefit the DRP or its employees, agents, or representatives, or to disadvantage retail electricity customers. For example, creating unlawful barriers to prevent customers from un-enrolling from the DRP’s DR service.
 - (3) The intentional misrepresentation of a material fact by an applicant in obtaining a registration [Sec. 394 applies only to ESPs] as a DRP.
- f. Non-IOU DRPs shall keep the CPUC registration information up to date and inform the CPUC of any court cases filed against them and the court decisions on a timely basis.
- g. Non-IOU DRPs shall renew their CPUC registration on a biennial basis.

4. Customer Enrollment

Prior to enrolling a customer in DR service, a DRP must obtain the customer’s written consent for the enrollment in DR service and ensure that the customer does not simultaneously enroll in another DRP’s DR service or in PG&E/SCE/SDG&E’s demand response programs. See Section B for rules on enrolling customers in DR service and Section F for rules on discontinuation of DR service.

5. Financial Settlement

To the extent the CPUC has ordered the DRP and PG&E/SCE/SDG&E to enter into financial settlements relative to participation in CAISO’s wholesale DR products, the DRP must satisfy PG&E/SCE/SDG&E’s credit requirements as specified in Section G, Credit Requirements.

6. EDI Requirements

To the extent the DRP elects to use electronic data interchange (EDI) to communicate with PG&E/SCE/SDG&E regarding direct participation DR services or provide MDMA services, the DRP must satisfy applicable CPUC Electronic Data Exchange requirements, including:

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- a. DRP must complete all necessary electronic interfaces for the DRP and PG&E/SCE/SDG&E to communicate, and if the DRP is providing MDMA services, to satisfy meter reading communications including communicating to and from MDMA Servers for sharing of meter reading and usage data.
- b. The DRP must have the capability to exchange data with PG&E/SCE/SDG&E via the Internet. Alternative arrangements may be allowed if mutual agreement is made between PG&E/SCE/SDG&E and the DRP.
- c. The DRP must have the capability to perform Electronic Data Interchange (EDI) transactions, and enter into appropriate agreements related thereto.

E. METERING SERVICES

Meter Services are comprised of three primary functions: Meter Ownership, Meter Services (installation, maintenance, and testing), and MDMA services. A DRP shall utilize the same MSP and MDMA as the LSE, and must work with the LSE's MDMA and MSP to ensure that the appropriate interval metering required for its DR program is installed, and to obtain customer meter data. However, to the extent a telemetry solution (e.g., a KYZ pulse device) can be used that has the consent of the CAISO, the DRP may install such a telemetry solution if it obtains the authorizations necessary from the customer, LSE, MDMA, and MSP. The data from the telemetry solution can be used by the DRP in measuring customer performance and for meeting telemetry requirements of the CAISO. The DRP will be responsible for the installation cost of the telemetry solution.

PG&E/SCE/SDG&E shall perform all MSP and MDMA services for Bundled Service and Community Choice Aggregation Service customers participating in Demand Response services and for Direct Access Service customers, if PG&E/SCE/SDG&E is acting as the MDMA at the election of the customer, inclusive of installation of a telemetry solution at the request of the DRP with the permission of the customer. PG&E/SCE/SDG&E, as the MSP, shall ensure all of its meters and associated metering services are in conformance with its metering standards, Commission-approved rules, and CAISO tariff requirements and BPMs governing such services.

1. Meter Conformity

At a minimum, all meters and meter services must conform to the standards set forth in the Direct Access Standards for Metering and Meter Data (DASMMD) as approved by the CPUC. If a customer taking DA service under PG&E/SCE/SDG&E's Direct Access tariff elects, or is required to return to UDC Bundled Service, such customer may continue to use the same meter for participating in DR service provided it conforms to

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the DASMMMD, and is compatible with current PG&E/SCE/SDG&E meter-reading systems.

DRPs for customers who had previously purchased or leased an interval meter acceptable to PG&E/SCE/SDG&E as a condition of receiving direct access service, may utilize that interval meter for billing purposes for DR services, with approval of the customer’s MSP and MDMA. Such customers shall continue to be responsible for the obligations of a meter owner under PG&E/SCE/SDG&E’s Electric Rule 22 Section G.

If a customer has a non-conforming meter, or elects to have the meter replaced by PG&E/SCE/SDG&E and have PG&E/SCE/SDG&E serve as the MSP, PG&E/SCE/SDG&E reserves the right to reasonably extend its normal installation period due to meter and installation personnel availability. Under these circumstances, PG&E/SCE/SDG&E as the MSP shall apprise the customer and the DRP of the specific reasons for the delay, the anticipated date and time for installation, and any applicable charges, subject to CPUC approval.

2. Meter Changes

If a meter change is required (i.e. the existing meter is not an appropriate interval meter), the customer and DRP have choices for how to proceed:

- a. The customer may be scheduled to receive an interval meter as part of the Advanced Metering Infrastructure (AMI) deployment. In this instance, the customer and DRP can elect to begin DR services after the AMI meter installation date. A DRP requirement for the meter to have a smaller interval than that customer’s class would normally require will incur an additional charge for the DRP, subject to CPUC approval.
- b. If the customer’s AMI meter is not an appropriate interval meter or the DRP and customer would like an appropriate AMI interval meter installed prior to the scheduled installation date, enrollment will occur as follows:
 - (1) If the customer is on Direct Access service, and requires an interval meter or telemeter, the customer may elect to have the necessary metering equipment installed by the ESP’s MSP at the DRP’s expense.
 - (2) If the customer is on Bundled Service or Community Choice Aggregation Service and requires an interval meter or telemeter, PG&E/SCE/SDG&E, in its role as the MSP, shall install the required metering equipment at the DRP’s expense. PG&E/SCE/SDG&E shall endeavor to complete the meter change request within fifteen (15) days in the absence of a meter installation backlog or

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other circumstances beyond PG&E/SCE/SDG&E's control such as, but not limited to, delays in the installation of a communication line (if applicable) to the meter. PG&E/SCE/SDG&E shall provide notice of any current meter service backlog or the next available installation date. The cost for the installation of a telemeter shall be paid by or the DRP. Such metering services may be subject to CPUC-approved fees in accordance with this Rule 24. However, if the DRP is willing to pay a fee to expedite the installation of the meter, PG&E/SCE/SDG&E will endeavor to accommodate the request. The fee shall be consistent with fees adopted by the CPUC.

- c. If requested by the customer or the DRP, with the permission of the customer, PG&E/SCE/SDG&E will make a KYZ pulse connection to its meter so as to provide near-real-time access to meter data to the DRP and the customer. The installation will be made within a reasonable period of time. The charge for the installation will be reasonable and consistent with CPUC-approved fees for similar services, and shall be paid by the DRP. The installation shall not interfere with the normal operation of the meter.

3. MDMA Services

PG&E/SCE/SDG&E shall perform all MDMA services required for DR service for Bundled Service and Community Choice Aggregation service customers, and for Direct Access service customers at the election of the direct access customer, in accordance with its CPUC-approved tariffs and CAISO tariff requirements and BPMs governing such services. If the Direct Access service customer uses a third-party MDMA, the customer will be responsible for all costs associated with providing PG&E/SCE/SDG&E with acceptable interval data, transferred into PG&E/SCE/SDG&E's meter data management server on a daily basis. MDMA obligations include but are not limited to the following:

- a. Meter data for DRP customers shall be read, validated, edited, and transferred to the MDMA server pursuant to applicable standards, including applicable CPUC and CAISO tariff and BPM requirements for settlement quality meter data. The data shall be made available to the DRP at the earliest possible time so as to allow for settlement with the CAISO. If it is not possible to provide Validated data (as specified in DASMMMD), the DRP shall have access to the raw data and may perform its own validation process to the data before submitting the data as estimated data to the CAISO.
- b. Both the LSE and DRP shall have access to the MDMA server.
- c. The MDMA shall provide the DRPs (or their designated agents) with reasonable and timely access to meter data as required to allow the proper performance of

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billing, settlement, scheduling, forecasting and other functions. Such access shall be provided at a minimum of 15-minute interval data within 24 hours, or more frequently if ordered by the CPUC or required by the CAISO.

4. Charges for Metering Services

The metering services for supporting direct participation may be more extensive than normal metering services. PG&E/SCE/SDG&E as the MDMA may charge the DRP for the metering services only to the extent such charges are authorized by the CPUC and that the metering services provided are in excess of those the customer already pays for in its charges for utility distribution service.

5. Telemetry

If a telemeter is required to participate in a DRP's program, the telemeter services must conform to the CAISO's telemetry technical requirements. The DRP is solely responsible for providing a telemetry solution subject to CAISO requirements at the expense of the DRP.

F. DISCONTINUATION OF SERVICE BY DRP

1. Service Changes

A PG&E/SCE/SDG&E Bundled Service customer may have been participating in a DRP's DR service, which is discontinued due to the following circumstances:

- a. The CPUC terminates or revokes the non-IOU DRP's registration at the Commission;
- b. The CPUC cancels PG&E/SCE/SDG&E's DR service(s) either by denying ratepayer funding of such service(s) or other findings in a Commission decision;
- c. The CPUC issues an order that otherwise prohibits PG&E/SCE/SDG&E from contracting with a non-IOU DRP;
- d. The non-IOU DRP or PG&E/SCE/SDG&E has materially failed to meet its obligations under the terms and conditions of the DRP Service Agreement or Rule 24 so as to constitute an event of default and PG&E/SCE/SDG&E or the DRP exercises a contractual right to terminate the agreement;
- e. The DRP (PG&E/SCE/SDG&E or non-IOU) is no longer authorized by the CAISO to provide DR services; or

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- f. The DRP (PG&E/SCE/SDG&E or non-IOU) has decided to discontinue providing DR service pursuant to the terms and conditions of the service agreement between the DRP and the customer..
2. Notices of discontinuation of DR service by PG&E/SCE/SDG&E or the DRP, as applicable, will be provided as follows:
- a. If the service is discontinued pursuant to any of the reasons listed in Section F.1, the DRP (PG&E/SCE/SDG&E or non-IOU) must notify each affected customer, the CAISO, and the CPUC.
 - b. If the DR service is discontinued pursuant to Section F.1.b or F.1.d (as it relates to a material failure of DRP), PG&E/SCE/SDG&E shall be obligated to notify the DRP and applicable LSEs, UDC, MDMA, each affected customer, the CPUC and the CAISO.
 - c. If service is discontinued pursuant to Section F.1.a, F.1.c. (as it relates to a material failure of PG&E/SCE/SDG&E), F.1.d. or F.1.e, the DRP shall be obligated to notify the applicable LSEs, UDC, MDMA, each affected customer, and the CAISO.
 - d. In addition, if service is discontinued pursuant to Section F.1.f, the DRP shall modify the relevant PDR registration in CAISO’s system accordingly.
3. Action in the Event of Discontinuation of Service by a DRP
- a. The DRP (whether PG&E/SCE/SDG&E or non-IOU) must un-enroll the affected customer(s) from the PDR registration at the CAISO;
 - b. As of the effective date of the discontinuation of DR service by a DRP pursuant to this Section F, the Bundled Service customer will no longer be participating in DR services with the discontinued DRP. The customer shall thereafter be eligible and have the right at any time to enroll in another DRP’s service pursuant to this Rule 24.
 - c. In the case where the customer is disconnected from PG&E/SCE/SDG&E’s DR service, the customer will return to the otherwise applicable tariff unless the customer elects to enroll in either another available PG&E/SCE/SDG&E DR service or another non-IOU DRP’s DR service.

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G. CREDIT REQUIREMENTS BY PG&E/SCE/SDG&E

(Note: The rules in this section are subject to change pending a CPUC decision on financial settlements or other applicable fees for non-IOU DRPs enrolling PG&E/SCE/SDG&E's Bundled Service customers.)

1. PG&E/SCE/SDG&E may require the DRP enrolling Bundled Service customers to establish its creditworthiness through evaluations, deposits, or other security in the manner described in Section G.2, to the extent the CPUC approves the ability for PG&E/SCE/SDG&E to levy charges for services rendered as a result of DR activities or to the extent the CPUC requires a financial settlement between DRPs and LSEs for PDR performance when dispatched by CAISO. That is, the creditworthiness only applies to charges that are billed by PG&E/SCE/SDG&E directly to the DRP.
2. The DRP may establish its creditworthiness through any one of the following.
 - a. Credit Evaluation

A DRP with a demonstrable current credit rating of Baa2 or higher from Moody's or BBB or higher from Standard and Poor's, or Fitch is deemed to be creditworthy unless the UDC determines that a material change in the DRP's creditworthiness has occurred. The UDC requires the DRP to complete a credit application including financial information reasonably necessary to establish credit. The creditworthiness evaluation may be conducted by an outside credit analysis agency, determined by the UDC, with final credit approval granted by the UDC. This evaluation will be completed within ten (10) business days. Credit reports will remain strictly confidential between the credit analysis agency and the UDC. A credit application processing fee, as approved by the CPUC, may be charged to offset the cost of determining the DRP's creditworthiness.

b. Security Deposits

The DRP may submit and maintain a cost-based security deposit in lieu of submitting to or being qualified under a creditworthiness evaluation. The amount of the security deposit required to establish credit will be twice the estimated maximum monthly revenues from the CAISO for participating in one month of Demand Response Activities, where such estimate is based on the last twelve (12) months of historical activity. The initial value of the security deposit will be estimated by the DRP to cover its expected customer base and frequency of Demand Response Activities and will be adjusted as necessary from time to time to meet the security requirements based on changes in the DRP's customer base, changes in market price, and frequency of DR activities. Security deposits may be in the form of (1)

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cash deposits, with interest earned at the 3-month Non-Financial commercial paper rate, (2) letters of credit, defined as irrevocable and renewable issued by a major financial institution rated A/A2 by S&P/Moody's, respectively, (3) surety bonds, defined as renewable and issued by a major insurance company rated A/A2/A by S&P/Moody's/A.M. Best, respectively, or (4) guarantees, with guarantors having a credit rating of Baa2 or higher from Moody's or BBB or higher from Standard and Poor's, or Fitch unless the UDC determines that a material change in the guarantor's creditworthiness has occurred, or, in other cases, through the credit evaluation process described above. Security deposits must be posted with the PG&E/SCE/SDG&E prior to the DRP's participation in Demand Response Activity.

c. Security Deposit Payment Timetable

DRPs are obligated to post security deposits with the UDC prior to the DRP's participation in DR activities. Such a deposit shall not be required until three (3) days after the DRP receives approval from those customers that will be participating in DR activities through the DRP.

d. Interest on Cash Deposit

The UDC will pay interest on cash deposits calculated on a daily basis, and compounded at the end of each calendar month, from the date fully paid to the date of refund by check or credit to the DRP's account. The interest rate applicable in each calendar month shall be calculated based upon the three- (3) month, non-Financial commercial paper rate; except that when a refund is made within the first fifteen (15) days of a calendar month, the interest rate applicable in the previous month shall be applied for the elapsed portion of the month in which the refund is made.

e. Ongoing Maintenance of Credit

To ensure continued validity of established unsecured credit, the DRP shall promptly notify the UDC of any material change in its credit rating or financial condition. The DRP shall also furnish evidence of an acceptable credit rating or financial condition, as set forth above, to the UDC upon request. In the event the UDC determines that the DRP's, or the DRP's guarantor's, creditworthiness has materially changed, as set forth above, and the DRP does not rectify or provide a security deposit commensurate with the change in creditworthiness, then the UDC shall notify the CAISO that the DRP has defaulted on its credit requirements and is no longer eligible to participate as a DRP under PG&E/SCE/SDG&E's tariffs.

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f. Re-establishment of Credit

A DRP whose eligibility as a DRP has been terminated, revoked or suspended under this section may reestablish its credit worthiness by the provision of a security deposit, or by any other manner described in this Section G following a six (6) month period from the date of the termination, revocation or suspension.

3. Additional Documents

The DRP shall execute and deliver all documents and instruments (including, without limitation, security agreements and the UDC financing statements) reasonably required from time to time to implement the provisions set forth above and to perfect any security interest granted to the UDC.

H. FINANCIAL SETTLEMENTS

(Note: The rules in this section are subject to change pending a CPUC decision on financial settlements or other applicable fees for non-IOU DRPs enrolling PG&E/SCE/SDG&E's Bundled Service customers.)

PG&E/SCE/SDG&E, acting as the LSE, may require the DRP to provide payment for the CPUC-approved financial charges incurred as a result of Demand Response participation in the CAISO markets, if any. Changes to the CAISO markets and market rules and CPUC-approved financial charges will result in updates to this Section H.

I. COMPLAINT AND DISPUTE RESOLUTION PROCESSES

1. Disputes between PG&E/SCE/SDG&E and non-IOU DRPs

To the extent 1) the non-IOU DRP disputes the basis for a recommended rejection of a PDR registration by PG&E/SCE/SDG&E acting as a LSE or UDC, or 2) PG&E/SCE/SDG&E or a non-IOU DRP disputes the compliance with or alleges a violation of Rule 24, the parties subject to the dispute shall use the CPUC's Expedited Complaint Procedure described in Rule 4.5, Rules of Practice and Procedure, handled by the Administrative Law Judge (ALJ) Division, to resolve the dispute before filing a formal complaint at the CPUC.

2. Complaints and Disputes between a Customer and a DRP subject to Rule 24

a. Disputes between customers and PG&E/SCE/SDG&E

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A customer who is enrolled in a PG&E/SCE/SDG&E demand response program, for which PG&E/SCE/SDG&E is acting as the DRP, may choose one of the following CPUC dispute processes to resolve a complaint or dispute related to PG&E/SCE/SDG&E's DR service:

- (1) Informal complaint
 - (2) Formal complaint
- b. Disputes between Bundled Service customers and non-IOU DRPs

A customer who is enrolled in a non-IOU DRP's DR service may file a complaint or action at the appropriate business court or agency. Such a customer may also file an informal complaint with the CPUC's Consumer Affairs Branch (CAB), which the CAB will keep on file to assist the CPUC in determining whether a DRP's registration should be suspended or revoked.

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