Decision **PROPOSED DECISION OF ALJ COOKE** **(Mailed 3/23/2006)**

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

| | |
|---|---|
| Application of Pacific Gas and Electric Company for Authority to Implement Default CPP Rate Options For Large Customers. | Application 05-01-016 (Filed January 20, 2005) |
| Application of San Diego Gas & Electric Company (U902-E) for Adoption of a 2005 Default Critical Peak Pricing Structure for Commercial and Industrial Customers with Peak Demands Exceeding 300 kW. | Application 05-01-017 (Filed January 20, 2005) |
| Southern California Edison Company's (U338-E) Application for Approval of Rate Design Proposals for Large Customers. | Application 05-01-018 (Filed January 20, 2005) |

(See Appendix A for a list of appearances.)

# DECISION ADOPTING DEFAULT CRITICAL PEAK PRICING FOR 2007

## 1. Summary

This decision declines to adopt the proposed settlements presented by the parties but instead identifies our preferred approach to critical peak pricing tariffs that allows for implementation of the settlement tariffs as voluntary rates, effective in Summer 2006, with conversion of all eligible customers to the critical peak pricing settlement tariffs, effective January 1, 2007. The preferred approach provides for bill protection for the first 12 months a customer is on the critical peak pricing tariff, at which point the customer can chose to convert to a

standard time of use (TOU) rate. The preferred approach requires the utilities to provide all eligible customers with a bill analysis at the end of the 2006 critical peak period that reflects the customer's actual usage during Summer 2006 under the adopted critical peak pricing rates (as compared to the otherwise applicable TOU rate), and the bill impacts if the customer were to reduce its critical peak period usage by 5, 10, and 20%. The Settling Parties have 20 days from the date of the proposed decision to notify the Commission whether they accept the modified terms. In the event that the Settling Parties do not accept the preferred terms, we will close the applications without adopting critical peak pricing rates, and direct the utilities to incorporate default critical peak pricing tariffs for all eligible customers 200 kilowatts (kW) and above into their next comprehensive rate design proceeding.

## 2. Procedural History

On April 21, 2005, the Commission issued Decision (D.) 05-04-053. Ordering Paragraph 2 directed the utilities to "file new critical peak pricing proposals including testimony, in these dockets on August 1, 2005, consistent with the principles adopted today." The key ordering paragraphs of that decision are as follows:

> 3. In its August 1, 2005 filing, each utility shall designate the specific system conditions that will trigger a critical peak pricing event call, consistent with the system conditions used in its rate design and resource adequacy requirements.
>
> 4. In each August 1, 2005 filing, the number of events shall be determined based on the forecasts and system conditions used to allocate revenue to the critical peaks.
>
> 5. In their August 1, 2005 filing, the utilities shall calculate rates for the non-critical peak hours based on an adopted revenue

requirement for all hours that reflects costs in a year with no critical peak events and separately establish the rate for the critical peak period to reflect the utility's anticipated marginal cost to procure power during critical peak periods.

8. Upon completion of these rate design proceedings for each utility, bundled customers shall be placed on a critical peak pricing tariff as a default, with the ability to convert without cost the standard TOU rates adopted for each utility.

On August 1, 2005, Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE) filed new proposals and associated testimony to implement default critical peak pricing tariffs for customers with demand in excess of 200 kW in compliance with D.05-04-053. On August 24, 2005, the Administrative Law Judge (ALJ) held a prehearing conference. Various supplemental exhibits were served prior to non-utility opening testimony on October 6, 2005. On October 19, 2005, parties served rebuttal testimony.

On September 12, 2005, pursuant to Rule 51.1(b), notice was provided to all parties that an initial settlement conference would take place on September 22, 2005. Follow-up settlement discussions were held amongst most of the active parties in subsequent weeks through a series of conference calls. On October 20, 2005, the parties to the settlement discussions reached agreements in principle on the terms of the settlements. After receiving notice of the agreements, ALJ Cooke suspended the hearings scheduled for the week of October 31, 2005.

On November 14, 2005, a motion to accept the settlement by the Building Owners and Managers Association (BOMA) of California, California Manufacturers and Technology Association (CMTA), City of San Diego, Energy Producers and Users Coalition (EPUC), Indicated Commercial Parties (ICP), Industrial Environmental Association, J.C. Penney Company, Inc. (Penney), SDG&E, Silicon Valley Leadership Group, and Wal-Mart Stores, Inc. (Wal-Mart) was filed. On November 14, 2005, a separate motion to accept the settlement by the Agricultural Energy Consumers Association, BOMA of San Francisco and of California, California Farm Bureau Federation, California Large Energy Consumers Association, California League of Food Processors, CMTA, California Retailers Association, EPUC, ICP, Penney, Kinder Morgan Energy Partners, L.P. (Kinder), Lowe's Companies, Inc., PG&E, San Francisco Bay Area Rapid Transit District (BART), SCE, Wal-Mart, and Western Power Trading Forum was filed. Comments on the settlements were filed by The Utility Reform Network (TURN) and PG&E. Replies were filed by SCE, SDG&E, PG&E, and jointly by Penney, Kinder, and Wal-Mart.[1]

PG&E filed a petition to modify Ordering Paragraph 8 of D.05-04-053 on November 14, 2005. SDG&E filed a response on November 30, 2005, and PG&E filed a reply on December 7, 2005.

One day of evidentiary hearings was held on the settlements on November 17, 2005. All exhibits were received into evidence at that time. By stipulation of the parties, late-served exhibits were also received into evidence.

## 3. Outstanding Procedural Matters

We affirm all rulings made by the ALJ up to this point in the proceeding. To the extent that any motions remain outstanding, all such motions are denied.

---

[1] The motion for acceptance of the late filed reply comments by Penney, Kinder and Wal-Mart is granted.

## 4. Settlement Agreements

Two settlements were filed, one addressing both PG&E and SCE, the other addressing only SDG&E. Each settlement will be addressed in turn. Many features of the initial proposals are elements of the settlements, so we do not separately describe the initial proposals of the utilities.

### 4.1. PG&E and SCE

The proposed settlement would establish a voluntary critical peak pricing tariff structure, rather than a default rate as anticipated in D.05-04-053. Bundled, firm service customers served on interval meters with peak demands equal to or greater than 200 kW would be eligible to select service under the voluntary critical peak pricing rate. Bundled customers who are participating in, or who elect to participate in, certain other demand response programs would not be eligible to enroll on the critical peak pricing rates as long as that participation continues. For PG&E, customers participating in the Demand Bidding Program (E-DBP), the Base Interruptible Program (E-BIP), the Business Energy Coalition program (E-BEC), the Non-Firm Program, and the California Power Authority Demand Reserves Partnership program would not be eligible for the critical peak pricing rates. For SCE, customers participating in Super Off-Peak Rates (SOP), Departing Load, Demand Bidding Program (DBP), Optional Binding Mandatory Curtailment (OBMC), I-6, Base Interruptible Program (BIP), Scheduled Load Reduction Program (SLRP), California Demand Reserves Program, and Real-Time Pricing (RTP) would not be eligible for the critical peak pricing rates. Direct access customers, and customers (such as BART) that receive electric power from third parties, will not be eligible for the critical peak pricing rates. Net metered customers, standby customers, customers on the Agricultural

Internal Combustion Engine Conversion Incentive Rate (Ag-ICE), and customers without communication links are not eligible for the critical peak pricing rates.

The PG&E rate would become effective June 1, 2006, if approved before January 31, 2006 and would replace PG&E's existing voluntary critical peak pricing tariff special condition in current schedules. For PG&E, the rates applicable during critical peak pricing events would be based on PG&E's rate proposals for voluntary critical peak pricing presented in its August 1, 2005 testimony in this case (Exhibit 1000), and as revised in Attachment 2 to its October 19, 2005 rebuttal testimony (Exhibit 1004). For PG&E, the critical peak pricing event rate would be a rate rider of 75 cents per kWh for all Light and Power rate schedules and 37.5 cents per kWh for the AG 4 C and F, and AG 5 C and F rate schedules that would be added to the customer's normal TOU rate. The rate rider will be applied to the generation component of participating customer bills. Proposed tariffs are set forth in Exhibit 1019. The critical peak pricing tariff rates applicable during non- critical peak pricing event hours are subject to combined on-peak demand and energy charge reductions stated as a rate rider to the customer's normal TOU rate for the summer period from May 1 to October 31. PG&E will provide bill protection for new customers who select the settlement rate through the conclusion of the first complete summer of participation. The rationale behind bill protection is to allow customers additional exposure to the critical peak pricing tariff without risk, while they learn whether or not the tariff works for their operations.

The SCE rate would become effective the first Sunday in June 2007 and would replace the special condition in SCE's existing schedules TOU-GS-2, TOU-8, TOU-PA, and TOU-PA-5. SCE's existing critical peak pricing rates for large customers would be closed and customers on them would be converted to the new tariffs. SCE's methodology is generally similar to PG&E's, and the details are found in Exhibit 1005. Implementing tariffs were submitted as Exhibit 1026. SCE does not provide customer bill protection.

Neither utility will provide participation credits to participating customers or reflect hedging premiums for non-participating customers. Both utility rate designs are designed to be revenue neutral by customer class.

The maximum number of critical peak pricing events in the respective summer seasons for each utility is 15. PG&E's summer season runs from May 1 through October 31, while SCE's summer season runs from the first Sunday in June to the first Sunday in October. In their respective summer seasons, PG&E and SCE expect, but are not obligated, to call at least 12 events in a given summer season but they will not call an event on more than three consecutive weekdays within one work week. Critical peak pricing events will last four hours, from 2:00 p.m. to 6:00 p.m.

PG&E may call a critical peak pricing event depending on the day-ahead maximum temperature forecast for its service area, high demand, high day-ahead prices, or California Independent System Operator alerts. However, PG&E will retain discretion not to call an event even if one or more of these criteria are met. SCE may call a an event on a day-ahead basis if day-ahead forecast system demand is within 9% of SCE's forecast annual system peak demand, and forecasted generation heat rates indicate that power supplies are limited. PG&E and SCE will attempt to notify all critical peak pricing customers of the event by 3:00 p.m., the day before the event, using two methods: (1) a telephone call, page, fax, or e-mail depending on the choice of the customer; and (2) a dedicated website informational display that will be updated in real time with the critical peak pricing status.

PG&E's cost for its existing program is $243,000 annually for administrative costs, and $150,000 annually for measurement costs. These costs include the costs to prepare bill analyses for customers based on their actual usage. To implement the rates set forth in the settlement, PG&E estimates incremental costs at $1,648,480, $388,586, and $370,167 in the first through third years of operation, respectively. If measurement and evaluation is handled on a statewide basis, then the annual cost should be reduced by $150,000. Thus, the total cost of implementing a critical peak pricing tariff for PG&E, assuming a statewide evaluation, is $1,991,480, $631,587, and $613,167 in years one through three, respectively. SCE's estimates its first year (2007) implementation cost at $1,816,800, although this estimate was developed for a default rate rather than a voluntary opt-in rate. In Application (A.) 05-06-006 et al., the parties reached a settlement on the proper level of funding for 2006-2008 demand response programs. Table 2 of the settlement exhibit in A.05-06-016 et al. filed on December 2, 2005, identifies the agreed upon funding level for SCE's existing critical peak pricing program at $53,000 annually.

The settlement proposes that PG&E be authorized to flow the authorized revenue requirement approved for its critical peak pricing program, authorized either in this application or A.05-06-006 et al., through its Utility Generation Balancing Account (UGBA), for recovery from its bundled customers only. To the extent that critical peak pricing participation produces lower total billed revenue than would have been billed under the participants' standard tariffs, any such revenue reductions (together with any fuel and purchased power cost savings that result from reduced usage during critical peak pricing events) would be reflected in PG&E's Energy Resource Recovery Account (ERRA) and UGBA through the normal operations of these accounts.

The settlement recommends that all billing and customer communication system infrastructure modifications, administrative, and customer education expenses for SCE be recorded in SCE's Advanced Metering and Demand Response Memorandum Account (AMDRMA) and then transferred upon approval into SCE's ERRA for recovery as prescribed by D.05-01-056. SCE proposes though that the costs be recovered from bundled customers only. To the extent that critical peak pricing participation produces lower total billed revenue than would have been billed under the participants' standard tariffs, any such revenue reductions (together with any fuel and purchased power cost savings that result from reduced usage during critical peak pricing events) would be reflected in SCE's ERRA through the normal operations of that account.

### 4.2. SDG&E

Unlike the SCE/PG&E settlement, the proposed SDG&E settlement contains a default critical peak pricing tariff applicable to all commercial and industrial customers with loads greater than or equal to 200 kW. This eligibility includes about 1,800 meters. As part of the settlement, SDG&E will make good faith efforts to establish two-way, confirmable contact with each eligible customer before enrolling the customer on the default rate. During its customer contact, SDG&E will provide, to the extent possible, bill impact information as well as information on demand response programs for which the customer is eligible. In the event that SDG&E is unable to establish contact with the customer, the settlement provides that SDG&E shall not place that customer on the default critical peak pricing tariff. The burden is on SDG&E to demonstrate that contact occurred in the event of dispute.

Customers enrolled on the critical peak pricing tariff will receive bill protection for the first 12 months of service but are required to remain on the tariff for a full 12 months. Under SDG&E's settlement, customers will also have the option of reserving capacity, and paying a capacity fee; the portion of the customer's demand for which capacity is reserved will not be subject to critical peak pricing tariffs. The maximum number of critical peak pricing events shall not exceed 15, while the minimum number shall not fall below four.

Customers enrolled on SDG&E's existing Schedule EECC-CPP (voluntary critical peak pricing) prior to a Commission decision in this proceeding will remain under that program until their contracts expire. Upon contract expiration, those customers will default to the critical peak pricing tariff or may opt out. After the Commission renders a decision approving the Settlement Agreement, Schedule EECC-CPP will be closed to new customers eligible for the default critical peak pricing tariff, but Schedule EECC-CPP-E will remain available.

SDG&E's cost for its existing critical peak pricing program is $253,897 for operations and maintenance costs, $42,422 for capital, and $82,158 for measurement costs in 2006. (Exhibit 1022.) These costs do not include the costs to prepare bill analyses for customers based on their actual usage. Exhibit 1009 identified that SDG&E expected the cost to implement a default critical peak pricing tariff to be a total of $1,256,000. The settlement does not address program costs, thus it is unclear whether the total identified in Exhibit 1009 is incremental to the existing program or inclusive of those costs.

For ratemaking purposes, any critical peak pricing revenue over- or under-collections are proposed to flow through the SDG&E ERRA, administrative costs will be recovered through the AMDRMA, and the resource adequacy requirements value of the program will be allocated in accord with the final decision regarding resource adequacy in Commission proceeding Rulemaking 04-04-003.

## 5. Evaluation of the Settlement Agreement

Because the proposed settlement agreement is not an uncontested "all-party" settlement, we evaluate it under the standards set forth in Rule 51.1(e) of the Commission's Rules of Practice and Procedure. Rule 51.1(e) requires that the "settlement is reasonable in light of the whole record, consistent with law, and in the public interest."

### 5.1. Reasonableness in Light of the Whole Record

The Settling Parties in both settlements state that the settlements are reasonable in light of the whole of the record. In the PG&E/SCE settlement, the parties state that the outcome is reasonable because it constitutes compromises among the utilities and the various commercial, industrial, and agricultural customers that would be affected by the tariffs. The parties state that "the cost estimates presented for a PG&E opt-out CPP program versus the cost estimates included in the CPP settlement for PG&E's opt-in CPP [critical peak pricing] program indicate that the latter is significantly more cost effective." (PG&E/SCE Motion, p. 4.)

In the SDG&E settlement, parties state that because all testimony has been served, parties are well aware of each others positions, and that the settlement is "the best possible implementation of D.05-04-053 in that it addresses the concerns of the customers subject to the Tariff, substantially complies with the directive in D.05-04-053, and maintains the Commission's positive momentum in achieving demand response objectives." (SDG&E Motion, p. 4.)

TURN is the only party to oppose the settlements. TURN argues that it is not reasonable to approve the settlements because it is unlikely that customers who contribute disproportionately to peak demand will remain on the rates proposed in the settlements, the settlement rate designs may increase on-peak use on non-critical peak pricing days, the settlements unfairly shift costs onto bundled customers, and adopting the settlements may not promote installation of energy efficiency and load shifting measures. TURN did not present testimony in this proceeding to provide an analysis of how the settlements result in the outcomes it predicts. TURN does point us to its testimony in A.05-06-006 et al. and its conclusion that, "given the evidence of the relative dearth of participation in voluntary programs, TURN suggests that it would be more cost-effective to institute a default CPP tariff in combination with technical assistance/technical incentive payments to assist customers with achieving demand response, rather that to continue with both voluntary CPP and other voluntary programs." (TURN Comments, pp. 7-8.) TURN also reminds us of the forecasted load reductions by PG&E in this phase of the proceeding of 21-35 megawatts (MW) under the settlement rates, versus approximately 50 MW under a default rate, and that SCE and SDG&E did not offer projections of load reduction under the settlement rates. TURN discusses how "structural winners," those customers who received reduced bills without reducing their usage, are the only customers likely to opt-in to a voluntary rate, or stay on a default rate that has no penalty from opting out, and are unlikely to result in much, if any, load reduction. TURN discusses how SDG&E's rate design results in non-critical peak pricing day rates that are below SDG&E's marginal cost of energy, which would promote increased usage on those days.

SDG&E responds to TURN's argument by pointing out that because the rates are designed to be revenue neutral by customer class, any slight deviation from the estimated marginal cost of energy is minor (less than 5%) and could be adjusted for in subsequent rate design proceedings. SCE also responds to the argument by TURN that lower rates during non-critical peak pricing periods would result in higher usage. SCE replies that "TURN's arguments regarding load impacts are contradictory. On the one hand, TURN devotes an entire section of its comments to espousing its belief that the proposed CPP rates will not promote significant demand response, despite customers generally facing CPP pricing $0.50-$0.75/ [kilowatt-hour] kWh above non-CPP on peak prices. Yet TURN argues in the same section that the corresponding minor offset in all remaining on-peak hour prices could lead to significant increases in on-peak consumption. It is inconsistent for TURN to suggest that no load reduction will result from significantly higher prices, but load increases will occur as a result of relatively minor price decreases." (SCE Reply, p. 4.) PG&E also takes exception to TURN's comments that only structural winners will enroll on the settlement critical peak pricing rates. PG&E refers to Exhibit 1018, "which shows that customers who faced increased total charges on CPP absent CPP usage reductions still signed up for PG&E's current voluntary CPP tariff. Moreover, those customers as well as structural winners for the PG&E CPP tariff, have already succeeded in reducing their electric usage during CPP hours." (PG&E Reply, p. 6.)

### 5.2. Consistent with the Law

The parties to the PG&E/SCE settlement state that the settlement "is consistent with all applicable statutes and prior Commission decisions. In particular, although D.05-04-053 directed the Utilities to file opt-out critical peak pricing showings, it did not preclude presentation and consideration of other critical peak pricing approaches." (PG&E/SCE Motion, p. 4.) The parties to the SDG&E settlement identify Ordering Paragraphs 3, 4, 5, and 8 as the key ordering paragraphs from D.05-04-053 and then state how the settlement meets each criteria.

TURN argues that the PG&E/SCE settlement is not consistent with the law and Commission policy because the "voluntary nature" of the settlement's critical peak pricing rate conflicts with the explicit order of D.05-04-053 to implement default tariffs. TURN acknowledges that SDG&E's settlement rate is called a default tariff; however, TURN points out that "the terms of the settlement do everything possible to ensure that any customer who may be disadvantaged by the tariff will opt-out with no cost and as little administrative burden as possible." (TURN Comments, p. 6.)

### 5.3. In the Public Interest

The parties state that the SDG&E settlement is in the public interest because "it strikes a balance between moving forward with the Commission's demand response objectives while providing Customers with a gradual introduction to new pricing structures. The Settlement Agreement also provides for SDG&E to educate Customers on all of the demand response programs available, thus furthering the important public interest goal of cultivating demand response programs" and ensuring that no customer unwittingly fails to choose to remain of the default tariff. (SDG&E Motion, p. 6.) The parties state that the PG&E/SCE settlement "is a reasonable compromise of the respective Settling Parties' interests and litigation positions" and that the Commission should therefore find the settlement in the public interest.

### 5.4. Discussion

For the reasons stated above, the settling parties urged the Commission to expeditiously grant the motions approving the settlements. TURN opposes adopting on the settlements.

Evaluating these settlements is difficult. The Settling Parties in each one represent all the parties who participated actively in the proceeding through preparation of testimony prior to the settlements being filed. The parties have negotiated in good faith to recommend a critical peak pricing structure that they believe complies with the intent of D.05-04-053, but incorporates the realities of large customer capital and investment patterns, and resistance to change.

TURN, the only opponent to the settlements, conducted cross-examination on the settlements, but did not present its own affirmative testimony. Some of the points raised by TURN in its comments on the motions to adopt the settlements relate to its broader concerns and appear to be related to its understanding of the Commission's policy direction with respect to demand response programs generally, and applicability of critical peak pricing rates for small customers specifically. Neither of those issues are part of this proceeding, which is designed to implement the guidance found in D.05-04-053.

However, we share several of the concerns raised by TURN in its comments about the limited amount of demand response expected from the proposed rates and the relative value of a voluntary or default critical peak pricing tariff. We agree with TURN that a default tariff, coupled with education, technical assistance, and technical incentives, will result in the most demand response from those large customers whose load profiles cause them to place a disproportionate amount demand on peak, where demand reduction is most valued and needed. The Settling Parties likewise stressed the importance of education and assistance to customers before implementation of a new rate. For these reasons, we decline to adopt the proposed settlements as presented.

Instead, we offer our preferred implementation approach which uses 2006 and 2007 as transition years for all three utilities from a voluntary program, to a default critical peak pricing rate. The Settling Parties in each settlement have 20 days from the date of the proposed decision to notify the Commission whether they accept the modified terms described below.[2] In the event that the Settling Parties do not accept the preferred terms, we will close these applications without adopting critical peak pricing rates, and instead direct the utilities to incorporate default critical peak pricing tariffs for large customers into their next comprehensive rate design proceeding.

Our preferred approach is as follows. During 2006, the utilities may, but are not required to, implement the settlement rates and allow customers to voluntarily enroll under the terms and conditions described in the draft tariffs. (Exhibit 1019 for PG&E, Exhibit 1026 for SCE, and attached to the settlement for SDG&E.) For SCE, bill protection should be adopted consistent with the terms and conditions established for PG&E. Because each utility currently offers a voluntary critical peak pricing rate, each utility may modify its existing voluntary rates, terms, and conditions to conform to those in Exhibit 1019 for PG&E, Exhibit 1026 for SCE, and attached to the settlement agreement for

---

[2] This notice can occur in comments on the proposed decision.

SDG&E, except as further described herein. Given the timing of this decision and how quickly the summer months are approaching, each utility is granted the flexibility to decide whether to modify its existing program for this summer or not. If a utility decides to offer the settlement rates for Summer 2006, it shall file an Advice Letter to implement those changes, consistent with this decision.

We accept the limitations on customer eligibility set forth in both settlements with two exceptions. To the extent that customers enroll in a utility Demand Bidding Program, they will be returned to the critical peak pricing tariff if they do not submit a bid for more than one summer season. This requirement will limit gaming by customers seeking to remain on a TOU rate. It is also unclear why customers who take service under net metering tariffs should be excluded from eligibility for the critical peak pricing rate. The utilities did not identify particular conflicts between the two rates. In fact, these customers are metered on a time differentiated basis, it appears to make the most sense for customers that have installed onsite generation that produces at peak times to receive a rate that values peak production higher than at all other times. Therefore, net metered customers should also be considered eligible customers.

During 2006, the utilities, consistent with the plans described in A.05-06-006 et al. and as further directed herein, will engage in extensive educational contacts with eligible customers to inform them that effective January 1, 2007, that customer's rate will convert from their standard TOU rate to the default critical peak pricing tariff set forth in the draft tariffs, with the option to switch back to a TOU rate at the end of the 12-month bill protection period if so desired. In addition, no later than the effective date, the utilities must provide a bill analysis to each eligible customer that shows what the customer paid under its other applicable tariff for the relevant period (summer for PG&E and SCE and year for SDG&E), and what that customer would have paid had it been taking service on the critical peak pricing rates. The bill analysis should also provide information about what the customer's bill would be under the critical peak pricing rate if it reduced its critical peak usage by 5%, 10%, and 20%. The bill analysis should also include information about representative years (i.e., minimum number of calls, average year number of calls, maximum year number of calls, based on forecasts). The utilities should work with the Commission's Energy Division and California Energy Commission (CEC) staff to identify the specific requirements for the bill analysis.

According to the information supplied by SCE and PG&E in Exhibit 1027, their existing annual budgets include sufficient funding to accomplish this education effort, but SDG&E would require a budget augmentation to accomplish this objective.

In a proposed decision issued February 14, 2006, the assigned ALJ proposes to adopt a settlement related to the utility 2006-2008 demand response program plans in A.05-06-006 et al. That decision includes significant budgets for technical assistance and incentives ($28 million for PG&E, $20 million for SCE and $23 million for SDG&E). Based on the record in that proceeding, both SCE and SDG&E included funding for technical assistance and incentives to implement their default critical peak pricing tariff in the settlement. (See generally, A.05-06-006 et al.: RT 66:21-67:26.) According to the record of A.05-06-006 et al., PG&E's budget for critical peak pricing in A.05-01-016 et al., included its required funding for technical assistance and incentives for the default critical peak pricing tariff. (See generally, A.05-06-006 et al.: RT 65:11-27.) Therefore, no incremental funding for technical assistance and incentives should be required. As part of its comments on the proposed decision, each utility should provide an updated budget estimate for 2006-2008 to implement the terms of this decision.

Because we adopt 12-month bill protection, an affirmative written commitment to the critical peak pricing tariff, like that incorporated into the SDG&E settlement, is not required for any customer prior to the effective date of the conversion to the default rate. During the bill protection period, all eligible customers must remain on the critical peak pricing tariffs, receiving billing information under both the critical peak pricing rates and the TOU rate. By implementing the rate in this manner, we are able to lower costs to implement the critical peak pricing rate because the utilities will not have to process rate changes, either into or out of a critical peak pricing rate, during the 12-month bill protection period.

Under this preferred approach, both 2006 and 2007 will be used to educate customers and allow them to make investments and changes in plant or work processes to allow them to more effectively reduce their demand during critical peak time periods. D.06-03-024 was recently adopted and it authorizes a budget for technical assistance and incentives which will support customer transitions from TOU rates to critical peak pricing rates.

By October 31, 2007, each utility shall present a new bill analysis to the customer that includes the bill comparison between the critical peak pricing rate and the TOU rate, and under the same reduced usage levels described above, that also shows a comparison of the customer's usage during the critical peak events called in the prior year, to the customer's usage during critical peak periods the previous year. At the same time, each eligible customer must be provided with the opportunity to convert to whatever standard TOU rate is in place at the end of the 12-month bill protection period. Without written confirmation of the customer's desire to convert to a TOU rate, the utility should retain that customer on the critical peak pricing tariff. New customers should be enrolled on the critical peak pricing tariffs, and should be eligible for a 12-month bill protection period before choosing whether to convert to a TOU rate.

On balance, we believe that adopting the settlement rates under the alternative schedule and preferred approach described above satisfies public policy objectives more effectively than do the settlements. Several of the modifications that we make, such as a later effective date and expansion of 12-month billing protection upon conversion to all eligible customers, specifically address the concerns identified by customer participants early in the case about needing lead time to prepare for a change in the tariff. Because of these changes, we can also remove the requirement of written customer authorization to enroll on the critical peak pricing tariff. By educating customers about how their peak electricity consumption impacts their bills more directly, we expect to see increased responsiveness on the part of customers to critical peak calls. Adopting critical peak pricing as the default rate for all eligible customers, after a reasonable transition period, allows us to move towards our goal of improving price responsiveness of all customers.

## 6. Petition to Modify

On November 14, 2005, PG&E filed a petition to modify D.05-04-053, Ordering Paragraph 8, in the event that the settlement is adopted and PG&E is authorized to implement voluntary critical peak pricing tariffs. Because we retain critical peak pricing as a default tariff, we make no change to D.05-04-053, and deny PG&E's petition as moot.

## 7. Comments on Proposed Decision

The proposed decision of ALJ Michelle Cooke in this matter was mailed to the parties in accordance with Section 311(d) of the Public Utilities Code and Rule 77.1 of the Commission's Rules of Practice and Procedure. Comments were filed by _________. Notification of acceptance of the modified terms can occur in comments on the proposed decision.

## 8. Assignment of Proceeding

Michael R. Peevey is the Assigned Commissioner and Michelle Cooke is the assigned ALJ in these proceedings.

## Findings of Fact

1. Two motions to accept settlements to resolve critical peak pricing rate design issues were filed.
2. TURN opposes both settlements.
3. Increased education, technical assistance, and incentives support the ability of customers to respond to critical peak prices by reducing demand during critical peak periods.
4. A defined period of bill protection supports customer understanding of upcoming rate changes through education on the bill.
5. A two-year transition to default critical peak pricing supports the ability of customers to implement capital improvements and work process changes that enhance their ability to reduce demand during critical peak periods.
6. Implementation costs are reduced by eliminating the ability to convert to TOU rates during the bill protection period.
7. The settlements do not contain bill protection provisions for all utilities.
8. The PG&E/SCE settlement retains TOU rates as the default rates for large customers.

9. The SDG&E settlement requires a labor intensive customer approval process for the customer to remain on the critical peak pricing rate.

10. Because this decision does not adopt the settlements, PG&E's Petition to Modify D.05-04-053 is moot.

## Conclusions of Law

1. We should not adopt critical peak pricing tariffs that discourage customers from participating, contain labor intensive customer enrollment requirements, or limit the information provided to customers about their options.

2. We should implement critical peak pricing tariffs in a manner that educates customers about the opportunity to reduce their bills and demand during critical peak periods.

3. PG&E, SCE, and SDG&E should work with the Commission's Energy Division and the CEC staff to identify the specific requirements for an effective bill analysis.

4. The November 14, 2005 Motions to Accept Settlements should be denied.

5. PG&E's Petition to Modify D.05-04-053 should be denied.

# O R D E R

**IT IS ORDERED** that:

1. The November 14, 2005 Motions to Accept Settlements are denied.

2. Effective January 1, 2007, all eligible customers, new and existing, over 200 kilowatts in size shall be placed on a critical peak pricing tariff as their default rate.

3. Pacific Gas and Electric Company (PG&E) may, at its option, replace its existing voluntary special condition schedules that implement its critical peak pricing tariff with the rates set forth in Exhibit 1019, effective June 1, 2006, by filing an Advice Letter consistent with this decision.

4. PG&E shall replace its existing voluntary special condition schedules with the rates, terms and conditions as set forth in Exhibit 1019, effective January 1, 2007, by filing an Advice Letter consistent with this decision.

5. Southern California Edison Company (SCE) shall incorporate bill protection as proposed by PG&E, in its critical peak pricing tariff language.

6. SCE may, at its option, replace its existing voluntary special condition schedules that implement its critical peak pricing tariff with the rates set forth in Exhibit 1026, effective June 1, 2006 by filing an Advice Letter consistent with this decision.

7. SCE shall replace its existing voluntary special condition schedules with the rates, terms and conditions as set forth in Exhibit 1026, effective January 1, 2007, by filing an Advice Letter consistent with this decision.

8. San Diego Gas & Electric Company (SDG&E) shall eliminate the requirement for a written Notice of Transfer from its critical peak pricing tariff language.

9. SDG&E may, at its option, replace its existing voluntary critical peak pricing schedules with the rates set forth in its settlement, effective June 1, 2006 by filing an Advice Letter consistent with this decision.

10. SDG&E shall replace its existing voluntary critical peak pricing schedules with the rates, terms and conditions as set forth in its settlement, effective January 1, 2007 by filing an Advice Letter consistent with this decision.

11. PG&E, SCE, and SDG&E shall engage in extensive educational contacts with eligible customers to support the transition to a critical peak pricing tariff, including the provision of a minimum of two bill analyses as described herein.

12. The utilities shall work with the Commission's Energy Division and the California Energy Commission staff to identify the specific requirements for an effective bill analysis.

13. PG&E's Petition to Modify D. 05-04-053 is denied.

14. Application (A.) 05-01-006, A.05-01-007 and A.05-01-018 are closed.

This order is effective today.

Dated _____________________________, at San Francisco, California.

# APPENDIX A
## List of Appearances

************ **APPEARANCES** ************

Evelyn Kahl
Attorney At Law
ALCANTAR & KAHL, LLP
120 MONTGOMERY STREET, SUITE 2200
SAN FRANCISCO CA 94104
(415) 421-4143
ek@a-klaw.com
For: Energy Producers and Users Coalition

Edward G. Poole
Attorney At Law
ANDERSON & POOLE
601 CALIFORNIA STREET, SUITE 1300
SAN FRANCISCO CA 94108-2818
(415) 956-6413
epoole@adplaw.com
For: CIPA/COPE

John R. Redding
ARCTURUS ENERGY CONSULTING
44810 ROSEWOOD TERRACE
MENDOCINO CA 95460
(707) 937-0878
johnrredding@earthlink.net
For: Silicon Valley Leadership Group

Lon W. House
Energy Advisor
ASSOCIATION OF CALIFORNIA WATER AGENCIES
4901 FLYING C ROAD
CAMERON PARK CA 95682-9615
(530) 676-8956
lwhouse@innercite.com

Chris King
C/O Emeter Corp.
CALIFORNIA CONSUMER EMPOWERMENT ALLIANCE
ONE TWIN DOLPHIN DRIVE
REDWOOD CITY CA 94065
(650) 631-7230
chris@emeter.com

Karen Norene Mills
Attorney At Law
CALIFORNIA FARM BUREAU FEDERATION
2300 RIVER PLAZA DRIVE
SACRAMENTO CA 95833
(916) 561-5655
kmills@cfbf.com

Roger Ritcher
CALIFORNIA HOSPITAL ASSOCIATION
1215 K STREET STE 800
SACRAMENTO CA 95814
(916) 552-7570
rrichter@calhealth.org
For: CALIFORNIA HOSPITAL ASSOCIATION

Rob Neenan
CALIFORNIA LEAGUE OF FOOD PROCESSORS
980 NINTH STREET, SUITE 230
SACRAMENTO CA 95814
(916) 444-9260
rob@clfp.com

Anthony Moddesette
CALIFORNIA SOCIETY FOR HEALTHCARE ENGINE
4800 2ND AVE, STE 1500
SACRAMENTO CA 95817
(916) 734-2472
anthony.moddesette@ucdmc.ucdavis.edu
For: CALIFORNIA SOCIETY FOR HEALTHCARE ENGINEERING

Edward W. O'Neill, Attorney At Law
DAVIS WRIGHT TREMAINE LLP
ONE EMBARCADERO CENTER, SUITE 600
SAN FRANCISCO CA 94111-3834
(415) 276-6582
edwardoneill@dwt.com

Robert B. Gex, Attorney At Law,
DAVIS WRIGHT TREMAINE LLP
ONE EMBARCADERO CENTER, SUITE 600
SAN FRANCISCO CA 94111-3611
(415) 276-6500
robertgex@dwt.com
For: San Francisco Bay Area Rapid Transit

Norman J. Furuta, Attorney At Law
DEPARTMENT OF THE NAVY
2001 JUNIPERO SERRA BLVD., SUITE 600
DALY CITY CA 94014-3890
(650) 746-7312
norman.furuta@navy.mil

Daniel W. Douglass
Attorney At Law
DOUGLASS & LIDDELL
21700 OXNARD STREET, SUITE 1030
WOODLAND HILLS CA 91367
(818) 593-3939
douglass@energyattorney.com
For: WESTERN POWER TRADING FORUM

Gregory Klatt
Attorney At Law
DOUGLASS & LIDDELL
411 E. HUNTINGTON DR., STE. 107-356
ARCADIA CA 91007
(626) 294-9421
klatt@energyattorney.com
For: Wal-Mart and JC Penney

Bill F. Roberts
ECONOMIC SCIENCES CORPORATION
1516 LEROY AVENUE
BERKELEY CA 94708
(510) 841-6869
bill@econsci.com
For: BOMA California and BOMA San Francisco

Lynn Haug
ELLISON, SCHNEIDER & HARRIS, LLP
2015 H STREET
SACRAMENTO CA 95814
(916) 447-2166
lmh@eslawfirm.com
For: East Bay Municipal Utility District (EBMUD); CA Dept. General Services (DGS)

Renee H. Guild
Ceo
GLOBAL ENERGY MARKETS
2481 PORTERFIELD COURT
MOUNTAIN VIEW CA 94040
(650) 279-7692
renee@gem-corp.com

Brian T. Cragg
Attorney At Law
GOODIN MACBRIDE SQUERI RITCHIE & DAY LLP
505 SANSOME STREET, SUITE 900
SAN FRANCISCO CA 94111
(415) 392-7900
bcragg@gmssr.com
For: INDEPENDENT ENERGY PRODUCERS

James D. Squeri
Attorney At Law
GOODIN MACBRIDE SQUERI RITCHIE & DAY LLP
505 SANSOME STREET, SUITE 900
SAN FRANCISCO CA 94111
(415) 392-7900
jsqueri@gmssr.com
For: California Retailers Association

Daniel L. Rial
KINDER MORGAN ENERGY PARTNERS
ONE ALLEN CENTER
500 DALLAS STREET, SUITE 1110
HOUSTON TX 77002
(714) 560-6597
RialD@kindermorgan.com

William H. Booth
Attorney At Law
LAW OFFICES OF WILLIAM H. BOOTH
1500 NEWELL AVENUE, 5TH FLOOR
WALNUT CREEK CA 94556
(925) 296-2460
wbooth@booth-law.com
For: CLECA

Randall W. Keen
Attorney At Law
MANATT PHELPS & PHILLIPS, LLP
11355 WEST OLYMPIC BLVD.
LOS ANGELES CA 90064
(310) 312-4361
pucservice@manatt.com
For: Lowe's Companies, Inc./County of Los Angeles

David L. Huard
Attorney At Law
MANATT, PHELPS & PHILLIPS, LLP
11355 WEST OLYMPIC BOULEVARD
LOS ANGELES CA 90064
(310) 312-4247
dhuard@manatt.com
For: City of Chula Vista/Catholic Healthcare West

Peter W. Hanschen
MORRISON & FOERSTER, LLP
101 YGNACIO VALLEY ROAD, SUITE 450
WALNUT CREEK CA 94596-8130
(925) 295-3450
phanschen@mofo.com
For: Agricultural Energy Consumers Association

Shirley Woo
ANDREW L. NIVEN, PETER OUBORG
Attorney At Law
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 7442
SAN FRANCISCO CA 94120
(415) 973-2248
saw0@pge.com

Michael S. Hindus
Attorney At Law
PILLSBURY WINTHROP LLP
50 FREMONT STREET
SAN FRANCISCO CA 94105
(415) 993-1000
mhindus@pillsburywinthrop.com
For: LAUSD

Karen P. Paull
Legal Division
RM. 4300
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-2630
kpp@cpuc.ca.gov
For: ORA

James Ross
RCS, INC.
500 CHESTERFIELD CENTER, SUITE 320
CHESTERFIELD MO 63017
(636) 530-9544
jimross@r-c-s-inc.com
For: Energy Producers and Users Coaliton

Kelly M. Morton
Attorney At Law
SAN DIEGO GAS & ELECTRIC
101 ASH STREET
SAN DIEGO CA 92123
(619) 699-1500
kmorton@sempra.com
For: San Diego Gas & Electric

Lisa Browy
SAN DIEGO GAS & ELECTRIC COMPANY
8330 CENTURY PARK COURT, CP32D
SAN DIEGO CA 92101
(858) 654-1566
lbrowy@semprautilities.com

Bruce A. Reed
Attorney At Law
SOUTHERN CALIFORNIA EDISON COMPANY
2244 WALNUT GROVE AVENUE
ROSEMEAD CA 91770
(626) 302-4183
bruce.reed@sce.com

Kris G. Vyas
SOUTHERN CALIFORNIA EDISON COMPANY
2244 WALNUT GROVE AVENUE
ROSEMEAD CA 91770
(626) 302-6613
vyaskg@sce.com
For: Southern California Edison Company (Replacing Bruce Reed who should be Information Only)

Keith Mccrea
Attorney At Law
SUTHERLAND, ASBILL & BRENNAN
1275 PENNSYLVANIA AVENUE, NW
WASHINGTON DC 20004-2415
(202) 383-0705
keith.mccrea@sablaw.com
For: California Manufacturers & Technology Association

Marcel Hawiger
Attorney At Law
THE UTILITY REFORM NETWORK
711 VAN NESS AVENUE, SUITE 350
SAN FRANCISCO CA 94102
(415) 929-8876
marcel@turn.org

********** **STATE EMPLOYEE** ***********

Christopher J. Blunt
Division of Ratepayer Advocates
RM. 4209
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-1779
cjb@cpuc.ca.gov

David Hungerford
CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET, MS-22
SACRAMENTO CA 95814
(916) 654-4906
dhungerf@energy.state.ca.us

John Sugar
CALIFORNIA ENERGY COMMISSION
ENERGY EFFICIENCY & DEMAND ANAL DIVISIO
1516 9TH STREET, MS 42
SACRAMENTO CA 95814
(916) 654-4563
jsugar@energy.state.ca.us

Mike Jaske
CALIFORNIA ENERGY COMMISSION
1516 NINTH STREET, MS-22
SACRAMENTO CA 95814
(916) 654-4777
mjaske@energy.state.ca.us

Mike Messenger
CALIFORNIA ENERGY COMMISSION
1516 9TH STREET, MS-28
SACRAMENTO CA 95814
(916) 654-4774
mmesseng@energy.state.ca.us

Los Angeles Docket Office
CALIFORNIA PUBLIC UTILITIES COMMISSION
320 W. 4TH STREET, SUITE 500
LOS ANGELES CA 90013
LAdocket@cpuc.ca.gov

Michelle Cooke
Administrative Law Judge Division
RM. 5108
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-2637
mlc@cpuc.ca.gov

Mike Langley
Energy Services Program
DEPARTMENT OF GENERAL SERVICES
1102 Q STREET, STE 5100
SACRAMENTO CA 95814
mike.langley@dgs.ca.gov
For: DEPARTMENT OF GENERAL SERVICES

Karen A. Degannes
Energy Division
AREA 4-A
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-2575
kdg@cpuc.ca.gov

Julie A. Fitch
Executive Division
RM. 5203
505 VAN NESS AVE
San Francisco CA 94102
(415) 355-5552
jf2@cpuc.ca.gov

Bruce Kaneshiro
Energy Division
AREA 4-A
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-1187
bsk@cpuc.ca.gov

Dorris Lam
Energy Division
AREA 4-A
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-5284
dnl@cpuc.ca.gov

Scarlett Liang-Uejio
Division of Ratepayer Advocates
RM. 4209
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-2043
scl@cpuc.ca.gov

James Loewen
Energy Division
320 WEST 4TH STREET SUITE 500
Los Angeles CA 90013
(213) 620-6341
loe@cpuc.ca.gov

Burton Mattson
Administrative Law Judge Division
RM. 5104
505 VAN NESS AVE
San Francisco CA 94102
(415) 703-2504
bwm@cpuc.ca.gov

Jonathan J. Reiger
Legal Division
RM. 5035
505 VAN NESS AVE
San Francisco CA 94102
(415) 355-5596
jzr@cpuc.ca.gov

********* **INFORMATION ONLY** **********

Tanya A. Gulesserian
ADAMS BROADWELL JOSEPH & GARDOZO
601 GATEWAY BLVD. STE 1000
SOUTH SAN FRANCISCO CA 94080
(650) 589-1660
tgulesserian@adamsbroadwell.com
For: Coalition of California Utility Employee

Dan Geis
AGRICULTURAL ENERGY CONSUMERS ASSO.
925 L STREET, SUITE 800
SACRAMENTO CA 95814
(916) 447-6206
dgeis@dolphingroup.org

Karen Terranova
ALCANTAR & KAHL, LLP
120 MONTGOMERY STREET, STE 2200
SAN FRANCISCO CA 94104
(415) 421-4143
filings@a-klaw.com

Nora Sheriff
Attorney At Law
ALCANTAR & KAHL, LLP
120 MONTGOMERY STREET, SUITE 2200
SAN FRANCISCO CA 94104
(415) 421-4143
nes@a-klaw.com
For: EPUC

Mark S. Shirilau
President And Ceo
ALOHA SYSTEMS, INC.
14801 COMET STREET
IRVINE CA 92604-2464
(949) 851-2221
marks@alohasys.com
For: ALOHA SYSTEMS, INC.

John Sterling
Competitive Analyst
APS ENERGY SERVICES
400 E VAN BUREN ST., SUITE 750
PHOENIX AZ 85004
(602) 744-5083
John.sterling@apses.com

Barbara R. Barkovich
BARKOVICH & YAP, INC.
44810 ROSEWOOD TERRACE
MENDOCINO CA 95460
(707) 937-6203
brbarkovich@earthlink.net

Reed V. Schmidt
BARTLE WELLS ASSOCIATES
1889 ALCATRAZ AVENUE
BERKELEY CA 94703-2714
(510) 653-3399 111
rschmidt@bartlewells.com

Scott Blaising
Attorney At Law
BRAUN & BLAISING, P.C.
915 L STREET, STE. 1420
SACRAMENTO CA 95814
(916) 682-9702
blaising@braunlegal.com

Michael D. Briggs
Attorney At Law
PO BOX 1758
LAJOLLA CA 92038-1758
(858) 232-8591
mbriggs@san.rr.com
For: CompareRates.com,Inc. dba PredictPower

John Robinson
CALIFORNIA ATTRACTION AND PARKS ASSN.
1011 10TH STREET, SUITE 150
SACRAMENTO CA 95814
(916) 448-4148
JOHN.ROBINSON@CAPALINK.ORG

CALIFORNIA ENERGY MARKETS
517-B POTRERO AVENUE
SAN FRANCISCO CA 94110
(415) 552-1764
cem@newsdata.com

Grant A. Rosenblum
Attorney At Law
CALIFORNIA INDEPENDENT SYSTEM OPERATOR
151 BLUE RAVINE ROAD
FOLSOM CA 95630
(916) 608-7138
grosenblum@caiso.com

CALIFORNIA ISO
LEGAL & REGULATORY DEPARTMENT
151 BLUE RAVINE ROAD
FOLSOM CA 95630
e-recipient@caiso.com

Frederick M. Ortlieb
Office Of City Attorney
CITY OF SAN DIEGO
1200 THIRD AVENUE, 11TH FLOOR
SAN DIEGO CA 92101
(619) 236-6318
fortlieb@sandiego.gov

Thomas Blair
CITY OF SAN DIEGO
9601 RIDGEHAVEN COURT, STE. 120/MS1101B
SAN DIEGO CA 92123
(858) 492-6001
tblair@sandiego.com

Janet Benish
COSTCO WHOLESALE CORPORATION
999 LAKE DRIVE
ISSAQUAH WA 98028
(425) 313-6328
jbenish@costco.com

Christopher Hilen
Attorney At Law
DAVIS WRIGHT TREMAINE, LLP
ONE EMBARCADERO CENTER, SUITE 600
SAN FRANCISCO CA 94111
(415) 276-6500
chrishilen@dwt.com

Donald C. Liddell P. C.
DOUGLASS & LIDDELL
2928 2ND AVENUE
SAN DIEGO CA 92103
(619) 993-9096
liddell@energyattorney.com

David Beyer
EAST BAY MUNICIPAL UTILITY DISTRICT
375 11TH STREET
OAKLAND CA 94607
(510) 287-1144
dbeyer@ebmud.com

Andy Brown
ELLISON, SCHNEIDER & HARRIS
2015 H STREET
SACRAMENTO CA 95814
(916) 447-2166
abb@eslawfirm.com

Carloyn Kehrein
ENERGY MANAGEMENT SERVICES
1505 DUNLAP COURT
DIXON CA 95620-4208
(707) 678-9506
cmkehrein@ems-ca.com

Kevin J. Simonsen
ENERGY MANAGEMENT SERVICES
646 EAST THIRD AVENUE
DURANGO CO 81301
(970) 259-1748
kjsimonsen@ems-ca.com

Eric Yussman
Regulatory Analyst
FELLON-MCCORD & ASSOCIATES
9960 CORPORATE CAMPUS DRIVE
LOUISVILLE KY 40223
(502) 214-6331
eyussman@knowledgeinenergy.com

Ralph Dennis
Director, Regulatory Affairs
FELLON-MCCORD & ASSOCIATES
9960 CORPORATE CAMPUS DRIVE, SUITE 2000
LOUISVILLE KY 40223
(502) 214-6378
ralph.dennis@constellation.com

Daniel C. Engel
Senior Consultant
FREEMAN, SULLIVAN & CO.
100 SPEAR STREET 17/F
SAN FRANCISCO CA 94105
(415) 777-0707
dcengel@fscgroup.com

Clyde S. Murley
INDEPENDENT CONSULTANT
600 SAN CARLOS AVENUE
ALBANY CA 94706
(510) 528-8953
clyde.murley@comcast.net
For: University of CA / California State University / Community College League of CA

Steven Kelly
INDEPENDENT ENERGY PRODUCERS ASSN
1215 K STREET, SUITE 900
SACRAMENTO CA 95814
(916) 448-9499
steven@iepa.com

Jackson W. Mueller, Jr.
JACKSON W. MUELLER, JR., LLC
PO BOX 6009
IRVINE CA 92616-9009
(949) 679-2494
jwmueller@attglobal.net
For: PW Eagle et al.

Jeff Nahigian
JBS ENERGY, INC.
311 D STREET
WEST SACRAMENTO CA 95605
(916) 372-0534
jeff@jbsenergy.com

Joel M. Hvidsten
KINDER MORGAN ENERGY PARTNERS
1100 TOWN & COUNTY ROAD, SUITE 700
ORANGE CA 92868
(714) 560-4904
hvidstenj@kindermorgan.com

Ellie A. Doyle
Vice President & General Counsel
LANDIS+GYR INC.
2800 DUNCAN ROAD
LAFAYETTE IN 47904
(765) 429-1240
ellie.doyle@us.landisgyr.com

Nicole Hopper
LAWRENCE BERKELEY NATIONAL LABORATORY
ONE CYCLOTRON RD, MS 90-4000
BERKELEY CA 94720
(510) 495-2370
nchopper@lbl.gov

Karen A. Lindh
LINDH & ASSOCIATES
7909 WALERGA ROAD, NO. 112, PMB 119
ANTELOPE CA 95843
(916) 729-1562
karen@klindh.com
For: CMTA

Andrew S. Cheung
Assistant General Counsel
LOS ANGELES UNIFIED SCHOOL DISTRICT
333 S. BEAUDRY AVE., 20TH FLOOR
LOS ANGELES CA 90017
(213) 241-7610
andrew.cheung@lausd.net
For: Los Angeles Unified School District

John W. Leslie
Attorney At Law
LUCE, FORWARD, HAMILTON & SCRIPPS, LLP
11988 EL CAMINO REAL, SUITE 200
SAN DIEGO CA 92130
(858) 720-6352
jleslie@luce.com
For: Luce, Forward, Hamilton & Scripps LLP

Richard Mccann
M. CUBED
2655 PORTAGE BAY, SUITE 3
DAVIS CA 95616
(530) 757-6363
rmccann@umich.edu

Dale Murdock
Sr. Vice President - Operations And Tech
MACH ENERGY
1801 N. CALIFORNIA BLVD., STE. 103
WALNUT CREEK CA 94596
(925) 708-3119
dmurdock@machenergy.com
For: MACH ENERGY

Jan Marie Ennenga
Executive Director
MANUFACTURES COUNCIL OF THE CENTRAL VALL
PO BOX 1564
MODESTO CA 95353
(209) 523-0886
jan@mccv.org

David Marcus
PO BOX 1287
BERKELEY CA 94701
(510) 528-0728
dmarcus2@sbcglobal.net
For: Coalition of California Utility Employee

Christopher J. Mayer
MODESTO IRRIGATION DISTRICT
PO BOX 4060
MODESTO CA 95352-4060
(209) 526-7430
chrism@mid.org

MRW & ASSOCIATES, INC.
1999 HARRISON STREET, SUITE 1440
OAKLAND CA 94612
(510) 834-1999
mrw@mrwassoc.com

Frank Diaz
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 770000 MAIL CODE B9A
SAN FRANCISCO CA 94177
(415) 973-1713
fdd3@pge.com

James Turnure
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 770000, MAIL CODE B9A
SAN FRANCISCO CA 94105-1814
(415) 973-4948
jtt8@pge.com

Josephine Wu
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 770000, MAIL CODE B9A
SAN FRANCISCO CA 94177
(415) 973-3414
jwwd@pge.com

June Ruckman
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 770000, MAIL CODE B8R
SAN FRANCISCO CA 94177
(415) 972-5266
JCR4@pge.com

Karen Moglia
PACIFIC GAS AND ELECTRIC COMPANY
77 BEALE STREET, B9A
SAN FRANCISCO CA 94105
(415) 973-2623
klm3@pge.com
For: PACIFIC GAS AND ELECTRIC COMPANY

Law Department File Room
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 7442
SAN FRANCISCO CA 94120-7442
cpuccases@pge.com

Luke Tougas
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 770000, MC B9A
SAN FRANCISCO CA 94177
(415) 973-3610
LATc@pge.com

Michael Campbell
PACIFIC GAS AND ELECTRIC COMPANY
PO BOX 770000, MC B9A
SAN FRANCISCO CA 94177
(415) 973-8343
MNCe@pge.com

Catherine A. Watkins, Attorney at Law
PILLSBURY WINTHROP LLP
50 FREMONT STREET
SAN FRANCISCO CA 94105-2228
(415) 983-1000
cwatkins@pillsburywinthrop.com
For: LAUSD

Connie Wolfe
PILLSBURY WINTHROP SHAW PITTMAN, LLP
101 W. BROADWAY, STE. 1800
SAN DIEGO CA 92101
(619) 544-3139
connie.wolfe@pillsburylaw.com

Laura Rooke
Sr. Project Manager
PORTLAND GENERAL ELECTRIC
121 SW SALMON ST.,
PORTLAND OR 97204
(503) 464-7017
laura.rooke@pgn.com
For: PORTLAND GENERAL ELECTRIC

Christopher Bing
Regulatory Case Manager
SAN DIEGO GAS & ELECTRIC COMPANY
8330 CENTURY PARK COURT
SAN DIEGO CA 92123
(858) 654-1717
cbing@Semprautilities.com

Vicki L. Thompson
Attorney At Law
SAN DIEGO GAS & ELECTRIC COMPANY
101 ASH STREET
SAN DIEGO CA 92101
(619) 699-5130
vthompson@sempra.com

Connee B. Lloyd
Senior Energy Analyst
SAN FRANCISCO BAY AREA RAPID TRANSIT
300 LAKESIDE DRIVE, 16/F
OAKLAND CA 94612
(510) 464-6186
clloyd@bart.gov

Connee B. Loyd
Senior Energy Analyst
SAN FRANCISCO BAY AREA RAPID TRANSIT
PO BOX 12688 MSQ 3
OAKLAND CA 94604-2688
clloyd@bart.gov

Marco Gomez
Office Of General Counsel
SAN FRANCISCO BY AREA RAPID TRANSIT DIST
300 LAKESIDE DRIVE, 23RD FLOOR
OAKLAND CA 94607
(510) 464-6058
mgomez1@bart.gov

Alex Ramos
Energy Engineer
SIEMEMS BUILDING TECHNOLOGIES, INC.
25821 INDUSTRIAL BLVD., STE. 300
HAYWARD CA 94545
(510) 723-7791
alex.ramos@siemens.com
For: SIEMENS BUILDING TECHNOLOGIES INC.

Bruce Foster
Vice President
SOUTHERN CALIFORNIA EDISON COMPANY
601 VAN NESS AVENUE, STE. 2040
SAN FRANCISCO CA 94102
(415) 775-1856
bruce.foster@sce.com

Case Administration
Law Department
SOUTHERN CALIFORNIA EDISON COMPANY
2244 WALNUT GROVE AVENUE, ROOM 370
ROSEMEAD CA 91770
(626) 302-4875
case.admin@sce.com

Jennifer Hasbrouck
Attorney At Law
SOUTHERN CALIFORNIA EDISON COMPANY
2244 WALNUT GROVE AVENUE, ROOM 345
ROSEMEAD CA 91770
(626) 302-1040
jennifer.hasbrouck@sce.com

Michael Rochman
SPURR
1430 WILLOW PASS ROAD, SUITE 240
CONCORD CA 94520
(925) 743-1292
Service@spurr.org

Patricia Thompson
SUMMIT BLUE CONSULTING
1766 LACASSIE AVE. STE 103
WALNUT CREEK CA 94596
(925) 935-0270
pthompson@summitblue.com

Roger Pelote
THE WILLIAMS COMPANY, INC.
12736 CALIFA STREET
VALLEY VILLAGE CA 91607
(818) 761-5954
roger.pelote@williams.com

Scott J. Anders
Research/Administrative Center
UNIVERSITY OF SAN DIEGO - LAW
5998 ALCALA PARK
SAN DIEGO CA 92110
(619) 260-4589
scottanders@sandiego.edu

Charles R. Toca
Natural Gas Department
UTILITY SAVINGS & REFUND, LLC
1100 QUAIL, SUITE 217
NEWPORT BEACH CA 92660
(714) 655-7320
ctoca@utility-savings.com

Angela S. Beehler
WALT-MART STORES, INC.
SAM WALTON DEVELOPMENT COMPLEX
2001 SE 10TH STREET
BENTONVILLE AR 72716
(479) 204-0437
angie.beehler@wal-mart.com

Boyd Wilson
Senior Energy Consultant
3821 CROWELL ROAD, 234
TURLOCK CA 95382
(209) 669-1328

**(END OF APPENDIX A)**