

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



August 23, 2010

Advice Letter 2185-E

Rasha Prince, Director
Regulatory Affairs
San Diego Gas and Electric
8330 Century Park Court, CP32C
San Diego, CA 92123-1548

**Subject: Revisions to Demand Response Program Tariffs
in Compliance with D.10-06-034**

Dear Ms. Prince:

Advice Letter 2185-E is effective August 18, 2010.

Sincerely,

A handwritten signature in blue ink that reads "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division



Clay Faber - Director
Regulatory Affairs
8330 Century Park Court
San Diego, CA 92123-1548

Tel: 858-654-3563
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CFaber@semprautilities.com

July 19, 2010

ADVICE LETTER 2185-E
(U 902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: Revisions to Demand Response Program Tariffs in Compliance with D.10-06-034

San Diego Gas & Electric Company (SDG&E) hereby submits for approval the following revisions to its electric tariffs as shown in Attachment A.

PURPOSE

Pursuant to California Public Utilities Commission (Commission) Decision (D.) 10-06-034 approved on June 24, 2010, SDG&E is filing this advice letter to adopt its settlement agreement on Phase 3 issues pertaining to Emergency Triggered Demand Response Programs. As a result, this filing revises SDG&E's Electric Schedule Base Interruptible Program (BIP).

BACKGROUND

On August 24, 2009, the Commission issued Decision (D.) 09-08-027, adopting the three-year Demand Response Program portfolios and budgets for Pacific Gas and Electric, Southern California Edison Company and SDG&E. Among other things, D.09-08-027 adopted caps on customer enrollment for emergency-triggered programs for the three utilities, pending a decision in Phase 3 of Rulemaking (R.) 07-01-041. The enrollment caps were fixed at the then-existing megawatt (MW) levels as of the date of issuance of D.09-08-02.

In compliance with Ordering Paragraph 11 of D.09-08-027, SDG&E filed Advice Letter 2110-E, dated September 23, 2009 to, among other things, establish the enrollment cap of 7.112 MW for its Base Interruptible Program (BIP), reflecting the level of enrolled MW as of August 24, 2009.

Phase 3 of R.07-01-041 was reactivated by the Commission in July, 2009 in order to hold workshops addressing the role of the utilities' emergency-triggered programs. Following the workshops in August and October, 2009, Administrative Law Judge Sullivan issued a ruling granting a request by the parties to R.07-01-041 to remove a third workshop from the calendar to allow time for settlement discussions.

Subsequent to a series of settlement discussions, on February 22, 2010, the parties filed a joint motion seeking Commission approval of a settlement agreement addressing the emergency-triggered programs that were at issue in Phase 3 of R.07-01-041. Consequently, the

Commission issued D.10-06-034 adopting a settlement agreement pertaining to Phase 3 issues for Reliability-Based Emergency Triggered Demand Response Programs.

EFFECTIVE DATE

SDG&E believes that this filing is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to GO 96-B. This filing is pursuant to D.10-06-034 and therefore SDG&E requests the tariff sheets filed herein be effective on August 18, 2010, 30 days from the date filed

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and received by August 9, 2010 which is 20 days of the date of this Advice Letter. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of both Honesto Gatchalian (jni@cpuc.ca.gov) and Maria Salinas (mas@cpuc.ca.gov) of the Energy Division. A copy of the protest should also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Court, Room 32C
San Diego, CA 92123-1548
Facsimile No. (858) 654-1788
E-Mail: mcaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including parties in R.07-01-041, by either providing them a copy electronically or by mailing them a copy hereof, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by facsimile at (858) 654-1788 or by e-mail at SDG&ETariffs@semprautilities.com.

CLAY FABER
Director – Regulatory Affairs

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Aurora Carrillo

Phone #: (858) 654-1542

E-mail: acarrillo@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2185-E

Subject of AL: Revisions to Demand Response Program Tariffs in Compliance with D.10-06-034

Keywords (choose from CPUC listing): Demand Response, Compliance

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.10-06-034

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation:

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: August 18, 2010

No. of tariff sheets: 3

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: BIP and TOC

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

mas@cpuc.ca.gov and jnj@cpuc.ca.gov

San Diego Gas & Electric

Attention: Megan Caulson

8330 Century Park Ct, Room 32C

San Diego, CA 92123

mcaulson@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

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S. Cauchois
J. Greig
R. Pocta
W. Scott

Energy Division

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S. Gallagher
H. Gatchalian
D. Lafrenz
M. Salinas

CA. Energy Commission

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American Energy Institute

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APS Energy Services

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BP Energy Company

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Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

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Modesto Irrigation District

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P. Hanschen

MRW & Associates

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Andy Black

Pacific Gas & Electric Co.

J. Clark
M. Huffman
S. Lawrie
E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

R. W. Beck, Inc.

C. Elder

School Project for Utility Rate
Reduction

M. Rochman
Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Sutherland Asbill & Brennan LLP

K. McCrea

Southern California Edison Co.

M. Alexander
K. Cini
K. Gansecki
H. Romero

TransCanada

R. Hunter
D. White

TURN

M. Florio
M. Hawiger

UCAN

M. Shames

U.S. Dept. of the Navy

K. Davoodi
N. Furuta
L. DeLaacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing

Communities Association

S. Dey

White & Case LLP

L. Cottle

Interested Parties in:

R.07-01-041

ATTACHMENT
ADVICE LETTER 2185-E

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
Revised 21944-E	SCHEDULE BIP, BASE INTERRUPTIBLE PROGRAM, Sheet 1	Revised 21349-E
Revised 21945-E	SCHEDULE BIP, BASE INTERRUPTIBLE PROGRAM, Sheet 2	Revised 20914-E
Revised 21946-E	TABLE OF CONTENTS, Sheet 1	Revised 21942-E
Revised 21947-E	TABLE OF CONTENTS, Sheet 5	Revised 21897-E



SCHEDULE BIP

Sheet 1

BASE INTERRUPTIBLE PROGRAM

APPLICABILITY

The Base Interruptible Program (BIP) offers a monthly capacity payment to non-residential customers who can commit to curtail at least 15% of Monthly Average Peak Demand, with a minimum load drop of 100 kW and who request service on this schedule.

In accordance with CPUC Decision (D.) 10-06-034, adopting the "Reliability-Based Demand Response Settlement Agreement" in Rulemaking R.07-02-041, BIP enrollment is capped at 20 MW.

TERRITORY

Within the entire territory served by the Utility.

RATES

Option A: Committed Load Incentive:	\$7/kW/Mo
Excess Energy Usage Charge:	\$4.50/kWh
Option B: Committed Load Incentive:	\$3/kW/Mo
Excess Energy Usage Charge:	\$1.88/kWh

SPECIAL CONDITIONS

1. Definitions: The Definitions of terms used in this schedule are found either herein or in Rule 1, Definitions.
2. Qualifying Customer: Applicable to all non-residential time-of-use metered customers who can commit to curtail at least 15% of Monthly Average Peak Demand, with a minimum load reduction of 100 kW and who request service on this schedule and comply with Special Condition 3. This tariff is available to bundled, Direct Access, and Community Choice Aggregation (CCA) customers. Qualifying customers are required to complete a Base Interruptible Program Contract with SDG&E in order to participate in this Schedule BIP.
 - a. Third-Party Marketers: Customers can participate in this Schedule BIP directly with SDG&E or via a Third-Party Marketer. Customer participation in this Schedule BIP via a Third-Party Marketer shall be subject to the terms and conditions of this Schedule BIP and Rule No. 29, Third-Party Marketers for BIP.
3. Program Operation:
 - a. Interruptible Period: Shall be the period of time during which the Utility has informed the customer to interrupt load by use of a communications process utilizing equipment as described in Special Condition 14. The Utility will coordinate with the customer the manner of communications and provision of the interruption notice to the customer. Customer is responsible for assuring that any communications process is not interfered with in any manner. Customer is responsible to respond to the communications in a manner consistent with this tariff. If the Utility initiates communications indicating that an interruption period is occurring and other customers have received the communications then the customer shall be deemed to have received the communications if the Utility can verify that it initiated the communications to the customer.

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SCHEDULE BIP

BASE INTERRUPTIBLE PROGRAM

SPECIAL CONDITIONS (Continued)

3. Program Operation (Continued)

- b. Interruptible Period Termination. An interruptible period will terminate upon notification that the Stage 2 or other emergency has ended.
- c. Committed Load: Is the difference between the customer's or aggregator's group recorded Monthly Average Peak Demand less the customer's selected Firm Service Level, as shown in the Customer's Base Interruptible Program Contract (Form 142-05207).
- d. Excess Energy Usage: Is the amount of energy used by the customer or aggregator's group during any 15 minute interval of an Interruptible Period that is in excess of the customer's or aggregator's group selected Firm Service Level.
- e. Monthly Average Peak Demand: Solely for the purpose of this tariff, Monthly Average Peak Demand is the average hourly demand recorded between the hours of 11:00 a.m. and 6:00 p.m. Monday through Friday, excluding holidays, or when BIP events were called during a calendar month. The Monthly Average Peak Demand is recalculated on a monthly basis, using historical demand.
- f. Firm Service Level: Customer's or aggregator's group maximum expected level of demand, as specified by the customer in the Base Interruptible Program Contract (Form 142-05207), during any 15 minute interval of an Interruptible Period.
- g. Additional Group Aggregation Requirements: To calculate the aggregate Monthly Average Peak Demand, the Utility will sum the Monthly Average Peak Demand for each participating meter. The Monthly Average Peak Demand is recalculated on a monthly basis, using historical demand.

4. Program Triggers: A BIP Event can occur by one or more of the following:

- a. After the California Independent System Operator (CAISO) has (i) forecasted a Stage 1 Emergency and publicly issued a Warning notice; (ii) has taken all necessary steps to prevent the further degradation of its operating reserves; and (iii) notified SDG&E that a Stage 1 Emergency is imminent; or
- b. After the CAISO has declared a Stage 2 Emergency.
- c. CAISO calls for Interruptible Load. The Utility may call for an Interruptible Period provided the Interruptible Period commences within 30 minutes (Option A) or 3 hours (Option B) after the Utility initiates communications to the customer.
- d. Extreme temperature conditions impacting system demand.
- e. SDG&E discretionary events for test purposes, program evaluation or system contingencies. SDG&E expects that actual events would normally, under most circumstances, eliminate the need for a test. It is expected that there will be at least one program event per year.

Special One-Time Opt-Out Window: Beginning fifteen (15) days after the date of Commission approval of Advice Letter 2040-E, modifying the Program Trigger provisions above, and for a period of 30 days thereafter, customers receiving service under this Schedule may upon written notice to SDG&E exercise one of the following options:

- (1) Terminate service under Schedule BIP and return to the otherwise applicable tariff (OAT). Requests to terminate service under this Schedule and to return to the OAT will be effective on the next regularly scheduled meter read date after a timely receipt of request, or
- (2) Increase or decrease the FSL. Increases or decreases in the FSL will be effective at the beginning of the next calendar month after timely receipt of the signed Amendment to Base Interruptible Program Contract (Form 142-05207).

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The following sheets contain all the effective rates and rules affecting rates, service and information relating thereto, in effect on the date indicated herein.

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