



**RULE 41**

DEMAND RESPONSE MULTIPLE PROGRAM PARTICIPATION

This Rule shall apply to all Utility demand response programs, rates designated to solicit demand response measures, and other Utility contracts designed to implement and administer programs to solicit demand response measures.

This rule will be an attachment to all Utility demand response program tariffs, rates designed to solicit demand response measures, and other Utility contracts designed to implement and administer programs to solicit demand response measures. The rule will also stand alone as a reference guide to govern customer participation in multiple Utility demand response tariffs, rates, and contract-based programs.

A. **GENERAL**

1. Eligibility and Application for Multiple Program Participation

- a. Customers and third-party contractors are required to comply with this rule when they participate in more than one Utility demand response tariff, rate, or contract during the same time periods.
- b. Participation in Utility demand response program, tariff rate or contract shall at all times be governed by the applicable provisions, terms and conditions of such program, tariff, rate or contract.
- c. Regardless of the provisions of this rule, customers and third-party contractors are precluded from receiving compensation from multiple programs for the same demand response reduction.
  - (i) Tests of these provisions must be reasonably satisfactory to the Utility allowing the Utility to test load control and meters and to audit meter data;
  - (ii) an acknowledgement to the Utility by the customer party thereto that (A) the Utility shall not be liable under any circumstances for the failure by their Aggregator, or by any other party, to adhere to Rule 41, and (B) in accordance with Rule 41, such customer may be liable for penalties or loss of incentives for failure to comply.

2. Requirements for Multiple Program Participation

Commission Decision 09-08-027 concluded that it is reasonable and consistent with the Commission's policy of encouraging cost effective demand response activities to allow customers to participate concurrently in two demand response activities and programs, as long as duplicative payments for a single instance of load drop can be avoided. This Rule implements multiple program participation by allowing customers to participate concurrently in one program that provides an energy payment and one that provides a capacity payment.

- Customers may participate in two programs, one providing capacity payments and one providing energy payments.

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2. Requirements for Multiple Program Participation (Continued)

- Customers may not participate in two programs that are both either day-ahead or day-of notification programs; a participant may only participate in one day-ahead and one day-of program.
- In the case of simultaneous or overlapping demand response program events, a single customer enrolled in two programs will receive payment only under the capacity program, not for the simultaneous event for the energy program, with the load reduction amount being credited to the capacity program.

This requirement is consistent with the principle of a capacity program, under which participating customers are compensated for their capability and availability to reduce load. In addition, the customer's settlement baseline for both programs will be calculated based on prior similar non-event-days in which no programs are dispatched in which the customer participates.

This Rule will also apply regardless of whether the customer is enrolled in a utility-administered program or one administered by a third-party contractor. Combinations of programs, with critical peak pricing programs, are generally compatible with programs offering capacity payments.

This Rule is subject to revision from time to time by the Commission or as may be proposed by the Utility as demand response programs develop and experience with new programs, program interactions and multiple program participation results are evaluated.

3. Programs, Rates, and Contracts

Capacity Program – a Demand Response Program that pays incentives to participants who reserve power reduction capacity with the availability and capability to meet requested load reductions during an emergency or abnormally high demands for power.

Energy Program – a Demand Response Program that pays incentives to participants who reduce energy consumption upon notification from the Utility.

Day-Ahead Program – a Demand Response Program that provides notification of a program event activation to participants the day prior to the event occurrence.

Day-Of Program – a Demand Response Program that provides notification of a program event activation to participants on the day the event is to occur

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3. Programs, Rates, and Contracts (Continued)

Name	Category	Day-Ahead or Day-Of	Incentive Type: Energy and/or Capacity	Incompatible with others that are or pay	Exceptions [2]
Critical Peak Pricing - Default	Rate	Day-Ahead	Energy	Day-Ahead Energy Incentives	CBP-Day-Of [1]; OBMC; SLRP; Summer Saver
Critical Peak Pricing - Emergency	Rate	Day-Of	Energy	Day-Of Energy Incentives	OBMC; SLRP; Summer Saver
Base Interruptible Program	Program	Day-Of	Capacity	Capacity Incentives	OBMC; SLRP; Summer Saver
Capacity Bidding Program (Day-Ahead)	Program	Day-Ahead	Energy and Capacity	Day-Ahead Energy or Capacity Incentives	OBMC; SLRP; Summer Saver
Capacity Bidding Program (Day-Of)	Program	Day-Of	Energy and Capacity	Day-Of Energy or Capacity Incentives	CPP-D; OBMC; SLRP; Summer Saver
Peak Generation	Program	Day-Of	Energy	Day-Of Energy Incentives	OBMC; SLRP; Summer Saver
Summer Saver	3 <sup>rd</sup> Party Contract	Day-Of	Neither	None	None
OBMC	Program	Day-Of	Neither	None	None
SLRP	Program	Day-Of	Energy	None	All Others
PLS	Pilot	Day-Of	Energy	None	None
Aggregator Managed Program	3 <sup>rd</sup> Party Contract	Day-Of	Energy and Capacity	Energy or Capacity Incentives	CPP-D

[1] Accounts on CPP-D are compatible with the CBP Day-Of

[2] All programs are compatible with OBMC, SLRP, and Summer Saver

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**SDG&E DEMAND RESPONSE PROGRAM COMPATIBILITY TABLE**

	CPP-D	CPP-E	CBP (Day-Ahead)	CBP (Day-Of)	Base Interruptible (BIP)	PEAK GEN	AGGREGATOR MANAGED PROGRAM
CPP-D	NA	NO	NO	YES	YES	NO	YES
CPP-E	NO	NA	YES	NO	NO	NO	NO
CBP (Day-Ahead)	NO	YES	NA	NA	NO	NO	NO
CBP (Day-Of)	YES	NO	NA	NA	NO	NO	NO
Base Interruptible (BIP)	YES	NO	NO	NO	NA	NO	NO
PEAK GEN	NO	NO	NO	NO	NO	NA	NO
PLS	NA	NA	NA	NA	NA	NA	NA
AGGREGATOR MANAGED PROGRAM	YES	NO	NO	NO	NO	NO	NA

KEYS	INCENTIVE TYPE
	ENERGY INCENTIVE ONLY
	BOTH ENERGY + CAPACITY INCENTIVE
	CAPACITY INCENTIVE ONLY
COMPATIBLE WITH ALL PROGRAMS	Summer AC Saver
	OBMC
	SLRP

COMPATIBILITY		
ENERGY INCENTIVE	CAPACITY INCENTIVE	YES
CAPACITY INCENTIVE	ENERGY + CAPACITY INCENTIVE	NO
ENERGY + CAPACITY INCENTIVE	ENERGY INCENTIVE	LIMITED

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4. Program Descriptions

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. – **Schedule BIP**

Critical Peak Pricing Default (CPP-D) is a commodity tariff that provides customers with an opportunity to manage their electric costs by either reducing **energy** load during high cost pricing periods or shifting load from high cost pricing periods to lower cost pricing periods. – **Schedule EECC-CPP-D**

The Critical Peak Pricing-Emergency (CPP-E) schedule is an optional commodity tariff that offers customers the opportunity to respond to local Utility emergency situations and to manage their electric costs by either reducing **energy** load during high cost pricing periods or shifting load from high cost pricing periods to lower cost pricing periods. – **Schedule EECC-CPP-E**

The Peak Generation Program provides utility customers with **energy** incentives to reduce the severity of rotating outages by using their Backup Emergency Generator when a Firm Load Curtailment Event or Transmission Emergency is called. – **Schedule RBRP**

The Participating Load Pilot (“Pilot”) is a voluntary demand response pilot that offers customers the ability to earn **capacity** incentive payments in exchange for reducing energy consumption when requested by the Utility.- **Schedule PLP**

The Capacity Bidding Program (“Program”) is a voluntary demand response program that offers customers various product options by which participants can earn **capacity and energy** incentive payments in exchange for reducing energy consumption when requested by the Utility. – **Schedule CBP**

The Optional Binding Mandatory Curtailment Program (OBMC) provides exemption from rotating outages for certain eligible customers who can reduce electric load on their entire electric circuit by as much as 15% for each and every CAISO notice for “firm load curtailment”. It is a critical program that should not be constrained by any other programs and pays neither capacity nor energy incentives. – **Schedule OBMC**

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Issued by  
**Lee Schavrien**  
Senior Vice President  
Regulatory Affairs

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Resolution No. \_\_\_\_\_

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4. Program Descriptions (Continued)

The Scheduled Load Reduction Program (SLRP) offers bill credits to business that commit to reducing their power by a set amount on pre-determined days from June 1 through September 30 regardless of whether there is an electricity shortage. – **Schedule SLRP**

Summer Saver reduces regional electricity demand by cycling customers central A/C unit “on and off” for a few hours during critical hot summer days.

Permanent Load Shifting (PLS) offers incentives to customers who shift energy (kW) usage from peak periods to non-peak on weekdays (M-F, excluding holidays) from May 1 through October 31. A basic requirement for participating PLS customers is that they be served on SDG&E’s Schedule AL-TOU, thereby foreclosing their participation in PLS.

Aggregator Managed Program (AMP) – Aggregators or third parties who have agreed with SDG&E to supply demand reduction as required per contract in return for both Capacity and Energy Incentives.

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