

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

Application of Pacific Gas and Electric Company for Approval of 2013 – 2014 Statewide Marketing, Education, and Outreach Program and Budget (U39M)	Application 12-08-007 (filed August 3, 2012)
And Related Matters	Application 12-08-008 Application 12-08-009 Application 12-08-010 (Filed August 3, 2012)

**COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION**

The California Independent System Operator Corporation (CAISO) hereby files comments in response to the Ruling of Assigned Commissioner Soliciting Comments on Wintertime Marketing (Ruling) regarding whether the Commission should direct Southern California Gas Company (SoCalGas) to provide funding for wintertime marketing, education, and engagement activities to help reduce the risk of natural gas and electricity curtailments in the Los Angeles basin in the upcoming 2016-2017 winter season, due to the ongoing effects of the 2015 natural gas leak at SoCalGas' Aliso Canyon storage facility.

I. Introduction

At the outset, the CAISO notes and appreciates the support from both the Commission and SoCalGas for an effective 2016 Flex Alert campaign. The CAISO called Flex Alerts on three separate occasions during the summer 2016 season – June 20, July 27, and July 28. The CAISO estimates that these Flex Alert events resulted in load reductions of 260, 490, and 540 megawatts, respectively. The success of the Flex Alert program was largely based on effective coordination between the CAISO and SoCalGas to change advertisements during Flex Alert events from educating consumers to asking them to actively conserve. SoCalGas staff members were responsive before, during, and after the CAISO's issuing of a Flex Alert. The CAISO believes that the use of Flex Alerts and the close coordination with SoCalGas were instrumental

in avoiding electric reliability issues resulting from the moratorium on withdrawals from the Aliso Canyon facility.

II. Discussion

The CAISO provides brief comments regarding questions three and four in the Ruling. For clarity, the relevant questions are reproduced below.

3. Should paid FlexAlert messaging in Southern California be funded during the winter season? The Flex Alert has been branded and understood by consumers as a summer electricity conservation program to help protect the grid during high temperature days. Although we have experienced Flex Alerts to non-heat related events, however it is a rare event.

The CAISO does not believe that additional Flex Alert funding is necessary for winter 2016 activities. The CAISO currently has the capability to call Flex Alerts for non-heat related events if needed, and it can utilize “earned media” via press releases and interviews to support the alerts. This “earned media” is likely sufficient for winter needs. The CAISO continues to caution that any gas conservation program similar to Flex Alert should be sufficiently differentiated from Flex Alert to ensure there is no customer confusion between electric and gas savings programs.

4. Is there a need for additional funding for marketing, education, and engagement and/or FlexAlert messaging for the remainder of 2017, following the winter season? If so, what should this entail?

Conservation measures have been one of numerous mitigating strategies to prevent electric reliability issues due to unavailability of the Aliso Canyon gas storage facility. If Aliso Canyon remains offline or severely limited in 2017, the CAISO supports ongoing funding for the Flex Alert campaign to continue to mitigate issues impacting reliability.

III. Conclusion

The CAISO appreciates the opportunity to submit comments in this proceeding.

Respectfully submitted,

By: /s/ Jordan Pinjuv

Roger Collanton

General Counsel

Anthony Ivancovich

Deputy General Counsel

Anna McKenna

Assistant General Counsel

Jordan Pinjuv

Counsel

California Independent System

Operator Corporation

250 Outcropping Way

Folsom, CA 95630

Tel: (916) 351-4429

Fax: (916) 608-7222

jpinjuv@caiso.com

Attorneys for the California Independent System
Operator Corporation

Dated: October 14, 2016