



California Independent  
System Operator Corporation

January 15, 2008

**VIA HAND DELIVERY**

The Honorable Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: California Independent System Operator Corporation  
Docket No. ER06-615-003; ER06-615-018**

Dear Secretary Bose:

The California Independent System Operator Corporation ("CAISO") hereby submits an original and five copies of a report, entitled "SECOND ANNUAL REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR EVALUATING DEMAND RESPONSE IN THE CAISO; Reporting Period: Calendar Year 2008" (hereinafter, "Second Annual Report"), pursuant to the Commission's June 25, 2007 Order on Compliance (California Independent System Operator Corp. 119 FERC ¶ 61,313 (2007) "June 25, 2007 Order on Compliance Filings" (hereinafter "June 25 Order"). At Paragraph 226 of the June 25 Order, the Commission directed the CAISO to file annual reports evaluating demand response within the CAISO.

The CAISO is requesting confidential treatment of the Second Annual Report, which is included as Attachment A to this filing, pursuant to Section 388.112 of the Commission's Regulations. Confidential treatment of this Second Annual Report is appropriate because the report contains commercially-sensitive data regarding the participation of one entity in the CAISO's markets. Consistent with Section 388.112, the CAISO is submitting an original and five copies of the redacted version of the Second Annual Report along with the full version of the Second Annual Report, which is sealed and marked as confidential.

**COMMUNICATIONS**


Correspondence regarding this filing should be directed to:

<p>Baldassaro "Bill" Di Capo Counsel California Independent System Operator Corporation</p> <p>151 Blue Ravine Road Folsom, CA 95630 <a href="mailto:bdicapo@caiso.com">bdicapo@caiso.com</a> Tel: (916) 608-7157 Fax: (916) 608-7222</p>	<p>John Goodin Lead, Demand Response Market &amp; Product Development Dept. California Independent System Operator Corporation</p> <p>151 Blue Ravine Road Folsom, CA 95630 <a href="mailto:jgoodin@caiso.com">jgoodin@caiso.com</a> Tel: (916) 608-7154 Fax: (916) 608-7222</p>
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## CONTENTS OF FILING

The following documents are included in this filing:

- (1) This Transmittal Letter;
- (2) Attachment A Report, entitled "SECOND ANNUAL REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR EVALUATING DEMAND RESPONSE IN THE CAISO; Reporting Period: Calendar Year 2008

	<p>Respectfully submitted,</p> <p> <span style="border: 1px solid black; border-radius: 50%; padding: 2px;">MJZ</span></p> <p>Baldassaro "Bill" Di Capo Counsel for the California Independent System Operator Corporation</p>
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## **ATTACHMENT 1**

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**ATTACHMENT 1**

*REDACTED VERSION-Privileged Material Redacted Pursuant to 18 C.F.R. § 388.112*

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

California Independent System                    )  
Operator Corporation                                )     Docket Nos. ER06-615-018

**SECOND ANNUAL REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM  
OPERATOR EVALUATING DEMAND RESPONSE PARTICIPATION IN THE  
CAISO**

Reporting Period: Calendar Year 2008

Date: January 15, 2009

Baldassaro ("Bill") Di Capo  
Counsel for the California  
Independent System Operator  
Corporation

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## **ATTACHMENT 1**

*REDACTED VERSION-Privileged Material Redacted Pursuant to 18 C.F.R. § 388.112*

### **Introduction**

#### **How the Obligation to Report Annually Arises**

The California Independent System Operator Corporation (“CAISO”) submits this “SECOND ANNUAL REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR EVALUATING DEMAND RESPONSE IN THE CAISO; Re: Calendar Year 2008” (hereinafter, “Second Annual Report”), pursuant to the Commission’s June 25, 2007 Order on Compliance (*California Independent System Operator Corp.* 119 FERC ¶ 61,313 (2007) “June 25, 2007 Order on Compliance Filings” (hereinafter “June 25, 2007 Order”). The CAISO’s reporting on the subject began last year, when the CAISO submitted its First Annual Report on January 25, 2008.<sup>1</sup>

The requirement that the CAISO submit annual reporting on demand response requirement arises from the Commission’s June 25, 2007 Order, which directs as follows:

226. Finally, we direct the CAISO to file annual reports evaluating its demand response programs, including the amount of demand response it has elicited. The CAISO should file the first report January 15, 2008. At a minimum, the CAISO’s report must include: (a) information on customer enrollment for each demand response program in terms of the number of customers and total potential in load reduction in MWs; and (b) information on total load reductions achieved per program per event during the prior year, including the CAISO’s system load at time of curtailments, total MWs reduced, total payments for reductions and effects of the demand response programs on wholesale prices.[*FN See, e.g. ISO New England, Inc., 102 FERC [Paragraph] 61,202 (2003)*]

(June 25, 2007 Order at Paragraph 226.)

#### **The Mechanism for Direct Participation of Demand Response in CAISO Markets; CAISO Participating Load Agreement**

There has been no change in the mechanism allowing for direct participation into CAISO’s markets for the purpose of offering load as a non generation supply-side resource. That participation vehicle has continued to be the CAISO’s Participating Load Agreement. As the CAISO noted in its First Annual Report, the Participating Load Agreement has been the vehicle for direct participation since the year 2000.

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<sup>1</sup> “First Annual Report of The California Independent System Operator Evaluating Demand Response in The CAISO; Re: Calendar Year 2008” (hereinafter, the “First Annual Report” (Accession Number: 20080116-3035 (public version; released); and Accession Number: 20080201-0141 (Privileged, not released). While the Commission set an annual filing date for January 15 each year, the Commission granted the CAISO an extension of time to file the First Annual Report.

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In the First Annual Report, the CAISO noted that it was actively engaged in activities to promote the development of demand resources through a collaborative process with California's energy agencies, the California Public Utilities Commission ("CPUC") and the California Energy Commission ("CEC"), and other stakeholders interested in developing demand response at the state level and coordinating and integrating the resources with the CAISO's wholesale markets under MRTU. The CAISO has expended considerable effort over calendar year 2008 to develop expanded functionalities for demand response; it is expected that a roll out of these new functionalities will commence in calendar year 2009. Information on CAISO activities and developments in demand response can be found on the CAISO's Web site at <http://www.caiso.com/1893/1893e350393b0.html>.

The June 25, 2007 Order includes an instruction to include analysis of the impact of demand response market dispatches on wholesale market prices. In the First Annual Report, the CAISO noted that the then-current state of demand resource participation and market penetration, and the nature of the Participating Load resources (which are large pumping resources) was such the CAISO could not practically provide meaningful analysis on wholesale market price effects. This continues to be the situation for the 2008 time period covered in this report. As demand resource product development increases, the CAISO will strive to include such analysis in future reports.

### **Executive Summary and Request for Confidential Treatment**

For 2008, the Participating Load Agreement has continued to be the vehicle that allows demand response resources to participate in CAISO's wholesale markets in a manner akin to a supply-side generator. While "Participating Load" has sometimes been referred to as a "program," it is more properly characterized as a "mechanism"—one that enables demand response resources to interface with the CAISO as dispatchable resources. The Participating Load Agreement creates the relationship between the resource provider and the CAISO and provides that the relationship is governed by the CAISO Tariff.<sup>2</sup>

In 2008, the number of participants and resources has remained unchanged from the description in the First Annual Report (which applied to calendar year 2007). As of the date of this report, Participating Load consists of three (3) active participants, representing nine (9) resources.

- This report follows the approach that the CAISO followed in the First Annual Report, of not including "affirmative demand" (i.e. consumption) (which would pertain to data for certain Pumped Hydro Storage Facilities). The reasoning for

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<sup>2</sup> Further detail and background information on the CAISO's Participating Load Program can be found the First Annual Report.

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SECOND ANNUAL REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR  
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this approach, which the CAISO explained in the First Annual Report, is that these facilities operate differently than classic demand response resources: The omitted resources either affirmatively schedule or increase load, when dispatched, rather curtailing load, which is what traditionally recognized demand response resources do.<sup>3</sup> The CAISO believes that this report's focus on classic demand response resources results in more meaningful content, because the reported information can be more meaningfully compared against other regions and organized markets, which was a primary purpose for imposing the reporting obligation.

- When the Pumped Hydro Storage Facilities are culled out, this Second Annual Report covers the demand response participation of one participant [the California Department of Water Resources State Water Project ("CDWR SWP")] and resources. The resources represent      MWs of aggregated load.

Because the information in this Second Annual Report covers only one participant, the CAISO is submitting the report as a confidential filing, accompanied with a request for confidential treatment. The CAISO is submitting the report in two formats, (1) a Confidential Version and (2) a Redacted Version/Public Version (in which the confidential information has been redacted).

On average, over the January 1 to October 21 period covered in this report the CAISO system needed approximately 899 MWs of Non-spinning Reserve capacity per hour to operate. The Participating Load participants that are the subject of this report contributed, on average,      MWs of Non-spinning Reserve, either through accepted bids or self provision. This      MWs represents nearly     % of the CAISO's hourly Non-spinning Reserve need for 2008.

- In 2008, CDWR's Participating Load resources cleared (bid and/or self provided) an hourly maximum of      MW and a minimum of      MW of Non-spinning Reserve capacity to the CAISO. On average,      MW per hour was bid or self-provided to the CAISO.

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<sup>3</sup> In response to the First Annual Report, the CDWR SWP filed comments on the First Annual Report requesting that the Commission: (1) require inclusion of long-term demand response investment, including but not limited to pump storage operations, in the CAISO Demand Response Report, and (2) direct the CAISO to institute FERC ratemaking for all non-market costs in order to reflect the cost differentials resulting from geographic and temporal factors on the grid, consistent with the spirit of FERC's directives to adopt LMP.

The CAISO filed an answer to those comments, stating that CDWR SWP's requests went beyond the scope of the Commission's directives to make a report to FERC as set forth in Paragraph 226 of the June 25th Order. The CAISO asserted that the import of what CDWR-SWP sought through comment was a reconsideration of Paragraph 226 of the order, and a remaking of that portion of the order as to the contents of the report. (Answer Of The California Independent System Operator Corporation To Comments Of The California Department Of Water Resources State Water Project on CAISO First Annual Report Evaluating Demand Response Participation In The CASIO, at p. 2.)

## Summary the CAISO's Participating Load Program for the 2008 Time Period

### Participating Load as Demand Response

Three Participating Load resources were active in during the period 2008.<sup>4</sup> As reported in the First Annual Report, certain Participating Load resources have been aggregated over time, and have been placed under a single Participating Load Resource Identification (aka "Resource ID"). This is the case with eleven of the original Participating Load resources (water-related pumping) that are now aggregated under [REDACTED] Resource IDs.

The current active Participating Load resource can be broken down as follows:

Participant: California Department of Water Resources State Water Project ("CDWR SWP")

No of Resource IDs: Total of [REDACTED]

These [REDACTED] Resource IDs represent an aggregation of [REDACTED] (possibly more) pumps; they have been aggregated into three separate Participating Load "facilities," for scheduling and settlement purposes<sup>5</sup>

### Reporting Period for this Report; Time Constraints of the Data Set; Source of the Data Set

The reporting within this Second Annual Report reflects the same time constraints as the First Annual Report with respect to the time frames for which the data can be captured and conveyed. In order to produce and present relevant data consistent with the June 25 2007 Order, the CAISO must largely cull out, correlate, and set out information compiled from a larger pool of underlying data in the CAISO's settlement system.

Our information gathering is constrained by the structure of the CAISO's settlement system. The system performs settlements more than thirty (30) days in arrears of the dispatch of the resource. Under the CAISO's settlement process, preliminary

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<sup>4</sup> These [REDACTED] Participating Load resources are unique, non-pumped hydro storage facilities.

<sup>5</sup> The [REDACTED] were originally identified in CDWR SWP's Participating Load Agreement, Schedule 1. The CAISO believes that some of the eleven pumps may, in fact, be aggregations of subsets of smaller pumps, which are grouped under one Resource ID. However, for purposes of this Report, the CAISO believes that verification of this additional level of detail is not relevant.



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SECOND ANNUAL REPORT OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR  
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settlement statements are published thirty-eight (38) business days following the actual trade date, followed by final settlement statements, which are published fifty-one (51) business days after the actual trade date. As a result of the time-lag in reconciliation and settlement, the data set available for the CAISO to use for this report mirrors the time lag, and the data for the end of the calendar year cannot be gathered and compiled before the report due date of January 15.

Because of the time constraint, this Second Annual Report covers a time period (the "Reporting Period") from January 1, 2008 through October 21, 2007. The data relayed in this report has been taken from the following sources:

- final settlement data for the period January 1, 2007 through October 2, 2008, and
- preliminary settlement data for the remaining period, October 3, 2008 through October 21, 2008.

The January 1, 2008 to October 21, 2008 Reporting Period comprises:

- eighty-one percent (81%) of the 2008 calendar year period,
- 7,056 hours out of 8,760 total hours in the calendar year, or
- 294 out of 365 calendar days.

For future reporting purposes, the CAISO respectfully submits that future annual reports could convey better information if the filing deadline were shifted, so that the reporting period could capture an entire twelve (12) month, 365 day calendar year. The file date would be best adjusted to a period more than 50 days after the calendar-year end, because the supporting data settlement data is not available until 50 days after December 31<sup>st</sup>.

In addition, the CAISO Department of Market Monitoring (DMM) produces an annual report on the performance of the markets administered by the CAISO. This DMM annual report covers the period of January 1<sup>st</sup> through December 31<sup>st</sup> of the year that is the subject of the report, and is published in a late-March to April time frame. Information in the DMM annual report pertaining to subjects such as system resource adequacy, ancillary services quantities and market performance, and other subjects, would be useful to CAISO personnel in producing this annual report on demand response participation within the CAISO markets.

For these reasons, the CAISO anticipates that it will present the Commission with a request to adjust the annual report filing deadline date from January 15 (the deadline set forth in the June 25 Order) to May 30th.

**Non-spin Capacity Awards and Payment from Participating Load Resources:**

In the CAISO's wholesale markets, market participants can chose to bid Ancillary Services (such as Non-Spinning Reserves), or to self-provide them. Market Participants that choose to bid Ancillary Services receive the Market Clearing Price. Accordingly, the CAISO makes payment to them for the A/S capacity type that was offered and accepted. On the other hand, those Market Participants that fulfill their A/S obligation by self-providing A/S effectively receive an offset of their A/S obligation. The offset reduces or eliminates the quantity of A/S capacity that they must procure from the market.

On average, for the Reporting Period, the CAISO system needed approximately 899 MWs of Non-spinning Reserve capacity per hour to operate. This procurement average of 899 MWs per hour is based upon the total CAISO system requirement for non-spinning reserve capacity divided by the total number of hours for the reporting period of Jan 1, 2008 to Oct 21, 2008, which equates to 7,056 hours.

The Participating Load participants covered in this report contributed, on average, █ MWs of this product, either through accepted bids or through self-provision. This quantity of Participating Load participant contribution represented nearly █% of the CAISO's hourly Non-spinning Reserve need during the Reporting Period.

However, the range of Non-spinning Reserve capacity offered (or self provided) exhibited some variations during certain, limited hours in 2008. In this regard, CDWR's Participating Load resources cleared (bid and/or self provided) an hourly maximum of █ MW and a minimum of █ MW of Non-spinning Reserve capacity on certain occasions. On average, however, █ MW per hour was bid or self-provided to the CAISO.

**TABLE 1 Non-spinning Reserve Capacity Awards and Payment**

<b>Total Non-spin Capacity Bid (MW)</b>	<b>Total Non-spin Capacity Awarded (MW)</b>	<b>Total Non-spin Capacity Payments (\$)</b>	<b>Total Non-spin Capacity Self-provided (MW)</b>
█*	█*	\$█*	█

\* These values represent cumulative totals based on █ separate Participating Load Resources.

**No-Pay for Unavailable Non-spin Capacity from Participating Load Resources:**

No-Pay is a settlement mechanism to encourage resources, both generators and Participating Loads, to keep awarded Ancillary Services available for CAISO dispatch (i.e., by following dispatch instructions and by avoiding uninstructed deviations). When triggered, the No-Pay mechanism results in the rescission of payment for the provision of Spinning Reserve and/or Non-spinning Reserve when, subsequent to: i) the A/S Award for such Ancillary Services and ii) the CAISO payment for the services, the Ancillary Service becomes either Undispatchable Capacity, Unavailable Capacity, Undelivered Capacity, or, in certain circumstances, unsynchronized capacity. In 2008, only a small percentage of the total Non-spinning capacity awarded to Participating Load resources (approximately █%) was rescinded through the No-Pay settlement mechanism.

<b>Total Non-spin Capacity Awarded and Self-provided (MW)</b>	<b>Total Non-spin Capacity Unavailable Subject to the No Pay Provision (MW)</b>	<b>Total Non-spin Capacity Payment Rescinded Subject to the No-Pay Provision (\$)</b>
█	█	\$█

**Real-time Energy and Payment from Participating Load Resources:**

To meet its real-time reliability needs, the CAISO dispatches real-time energy from the Participating Load resources when it is economic to do so, based on the submitted bids that the Scheduling Coordinator has submitted to the CAISO for the Participating Load resource. A Participating Load Resource can bid to curtail energy and to consume energy, in a fashion similar the way a generator can bid both incremental and decremental energy, by increasing or decreasing the generators energy output. Per CAISO real-time dispatch instructions, a Participating Load Resource is either paid for the amount of energy that the resource is instructed to curtail or pays for the amount of energy that the resource is instructed to consume. (This is analogous to the CAISO paying a generator to increase output (“INC”) and, correspondingly, the generator paying the CAISO to decrease output (“DEC”) relative to the resource’s scheduled energy amount.) Any deviations associated with the CAISO’s real-time dispatches, i.e. under-deliveries or over-deliveries, will be settled with the Participating Load resource as uninstructed energy. The *Total Energy Settlement* values shown in Table 3 and Table 4 below are the net settlement of the CAISO’s instructed and uninstructed energy for dispatches to decrease consumption and for dispatches to increase consumption, respectively.

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**TABLE 3- Decrease Energy Dispatches- Real-time Energy & Settlement Summary**

Total Real-time Energy Offered (MW)	Total No. of Dispatches (Events)*	Total Real-time Instructed Energy (MW)	Total Real-time Energy Delivered (MW)	Total Energy Payments to PL Resources (\$)
■	■	■	■	\$ ■

*\*Where dispatches greater than 0.01 MW, in any interval, are aggregated by trade hour.*

**TABLE 4- Increase Energy Dispatches- Real-time Energy & Settlement Summary**

Total Real-time Energy Offered (MW)	Total No. of Dispatches (Events)*	Total Real-time Instructed Energy (MW)	Total Real-time Energy Delivered (MW)	Total Energy Charges to PL Resources (\$)
■	■	■	■	\$ ■

*\*Where dispatches less than -0.01 MW, in any interval, are aggregated by trade hour.*

**Real-time Energy Dispatch Detail for Participating Load Resources:**

See Appendix A to Second Annual Report for a detailed breakdown of Real-time energy dispatch, by hourly event.

**Summary of CAISO Events by Month and Hour:**

Given that the Participating Load resources reported here are associated with large pumping resources used to move water around the state of California, the Participating Load resources do not exhibit the more traditional summer-peak demand response characteristic that one expects from demand response resources.

However, the fact that the large pumping resources can participate in the wholesale markets in all months and hours of the year means such resources can be of great benefit to a system operator such as the CAISO and to wholesale electricity markets.

**CAISO Real-time Dispatches by Month:**

The data below demonstrates the broad availability of these Participating Load resources to provide real-time imbalance energy, both the ability to increase and decrease energy consumption based on CAISO system needs. Table 5 below lists the days and hours by month that Participating Load resources were called to curtail load, i.e. decrease energy and Table 6 lists the days and hours by month that PL resources were called on to consume energy, i.e. increase energy consumption. Table 7 lists the number of dispatch events by hour for the Reporting Period.

Month	Days	Hours
February	█	█
March		█
April		
May		█
June	█	█
July		█
August		█
September	█	
<b>Total:</b>	█	█

Month	Days	Hours
January	█	█
February		
March		
April		
May		
June		
July		
August		
September		
October	█	█
<b>Total:</b>	█	█

Hour Intervals																							
1	2	3	4	5	6	7	8	9	10	11	12	14	15	16	17	18	19	20	21	22	23	24	
Count of Dispatches per Interval																							
█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	

**Retail Demand Response Programs Operated by California's Investor-Owned Utilities**

In California, the vast majority of demand response is developed through retail demand response programs that are authorized by the CPUC and funded, designed and operated by the three California investor owned utilities (IOUs), which are PG&E, SCE and SDG&E. Demand Response programs and budgets are approved by the CPUC on a rolling three-year program cycle. Program year 2008 was part of the program cycle 2006-2008. In June, the IOUs filed applications to the CPUC for approval of their demand response programs and budget for the next program cycle (2009-2011); CPUC

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proceedings for approval of those programs and budgets is still ongoing as of the date of this report.

The IOU demand response programs can generally be classified as one of two types: price-responsive or reliability-based. Price-responsive programs are generally triggered Day Ahead or Day-of, based on non-emergency/price-related triggers. On the other hand, the reliability-based programs are only triggered during emergency conditions, be it a system emergency or a local transmission emergency.

As of October 2008, the aggregate number of MWs enrolled versus expected<sup>6</sup> in each demand response category (price-responsive and reliability-based), aggregated for the three large IOUs under the jurisdiction of the CPUC<sup>7</sup> are shown in Table 8 below. The IOU data on expected MWs is based upon information provided by the CPUC, Energy Division:

<b>Program Type</b>	<b>Enrolled MW<sup>8</sup></b>	<b>Expected MW<sup>9</sup></b>	<b>Service Accounts<sup>10</sup></b>
Price-Responsive	1,113	331	19,452
Reliability-based	2,069	1,917	463,159*

*\*Large number of service accounts, due to A/C cycling style programs*

Triggering Events for IOU Demand Response Programs:

In 2008, among the three IOUs, there were a total of forty-three (43) event-days from June through October.

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<sup>6</sup> Enrolled MWs represent the total MWs subscribed under each demand response program, without consideration of compliance or performance. Expected MWs represent the load reduction the IOU expect to obtain during a demand response event based on historical compliance or performance of each program.

<sup>7</sup> The three IOUs.

<sup>8</sup> Aggregated data provided by the utilities in monthly reports to the CPUC on the operation of interruptible and demand response programs, specifically:

- Report of Pacific Gas and Electric Company (U 39 M) On Interruptible Load and Demand Response Programs for October 2008, dated November 21, 2008, Table I-1
- Report of Southern California Edison Company (U338-E) on Interruptible Load Programs and Demand Response Programs, dated November 21, 2008, Attachment A, Table I-1
- Report of SDG&E (U 902 M) on Interruptible Load and Demand Response Programs for October 2008, Table I-1

<sup>9</sup> Data provided by the CPUC Energy Division via email dated January 7, 2009.

<sup>10</sup> Data provided by CPUC Energy Division, based upon enrolled customer data contained in pertinent IOU reports to the CPUC.

Event-days by Month for all Three IOUs

Table 9 reports on event-days by month based on aggregated data compiled from utility monthly reports submitted by the IOUs to the CPUC regarding the operation of their interruptible and demand response programs.<sup>11</sup>

<b>Month</b>	<b>Event-days</b>
March	1
May	2
June	2
July	9
August	10
September	5
October	6

*\*Includes event-days associated with testing certain utility demand response programs*

For any particular IOU, an event-day may have been occasioned by both a reliability-based and price-responsive triggering event. Over the Reporting Period, forty-four (44) price-responsive event-days were called and eleven (11) reliability-based event-days were called, in total, by the three IOUs. A breakdown, correlating event days by IOU is shown in the tables below.

Demand Response Events, Broken Down by IOU

Multiple events and different demand response program types can be triggered on the same day, but only one event-day is counted in these circumstances. The following event-day data was provided by the utilities to the CPUC on the operation of interruptible and demands response programs:<sup>12</sup>

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<sup>11</sup> The information from the period March 2008 through October 2008 is derived from October reports submitted by PG&E, SCE, and SDG&E to the CPUC and dated November 21, 2008. (See footnote 8, supra, for further detail regarding the reports.)

<sup>12</sup> Specifically, the information is taken from the following reports:

- Report of Pacific Gas and Electric Company (U 39 M) On Interruptible Load and Demand Response Programs for October 2008, dated November 21, 2008, Table I-4
- Report of Southern California Edison Company (U338-E) on Interruptible Load Programs and Demand Response Programs, dated November 21, 2008, Attachment A, Table I-4
- Report of SDG&E (U 902 M) on Interruptible Load and Demand Response Programs for October 2008, Table I-4

<b>IOU</b>	<b>Price-Responsive Event-days</b>	<b>Reliability-based Event-days</b>
PG&E	13	10
SCE	30	0
SDG&E	1	1

The total MWs curtailed for price-responsive and reliability-based programs over all of the event-days between March and October of 2008 was 2,899 MWh<sup>13</sup> and 361 MWh respectively.

Additional detail regarding utility demand response reporting values can be found in IOU monthly demand response reports submitted regularly to the CPUC by each utility. In preparing this Report, the CAISO reviewed and compiled underlying data from the IOU monthly demand response reports submitted to the CPUC for the calendar month of October 2008. This underlying data is not included with this Report.

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<sup>13</sup> Load reduction data was missing for one day SDG&E triggered its Capacity Bidding Program (Oct. 8) and seven days SCE triggered its DR Contracts (Sept. 3, 4, 5, 26 and Oct. 6, 13, 20).





















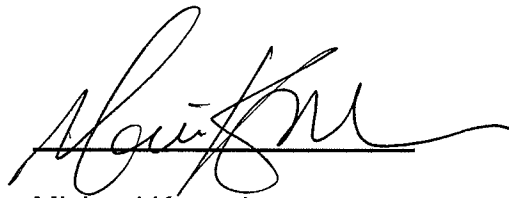




## Certificate of Service

I hereby certify that I have this day served a copy of this document upon all parties listed on the official service list compiled by the Secretary in the above-captioned proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Washington, DC on this 15<sup>th</sup> day of January, 2009.

A handwritten signature in black ink, appearing to read "Michael Kunselman", written over a horizontal line.

Michael Kunselman  
Alston & Bird LLP  
The Atlantic Building  
950 F Street, NW  
Washington, DC 20004