

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

Order Instituting Rulemaking to Advance
Demand Flexibility Through Electric Rates.

Rulemaking 22-07-005
(Filed July 14, 2022)

**OPENING COMMENTS ON ASSIGNED COMMISSIONER'S PHASE 1 SCOPING
MEMO AND RULING OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION**

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I. Introduction

The California Independent System Operator Corporation (CAISO) submits comments on the *Assigned Commissioner's Phase 1 Scoping Memo and Ruling* (Ruling).

The CAISO provides brief comments urging the Commission to coordinate data needs from this proceeding with the Commission's new *Order Instituting Rulemaking to Consider Distributed Energy Resource Program Cost-Effectiveness Issues, Data Access and Use, and Equipment Performance Standards* (R.22-11-013).

II. The Commission Should Coordinate Data Needs from This Proceeding with the Commission's New Distributed Energy Resource Customer Programs Rulemaking.

In opening comments on the draft scoping memo, the CAISO explained the importance of understanding the underlying drivers of load response for its forecasting and operational needs.¹ Load-modifying behavior and behind-the-meter (BTM) generation have significantly altered the CAISO's load shape over the past few years. The CAISO must ensure the wholesale market is positioned appropriately to maintain reliability. This means the CAISO must be aware of changes that impact load response and behind the meter generation activity. Visibility into load drivers and the activity of BTM resources will improve the CAISO's operational forecasts, real-time assessments, situational awareness, contingency planning, and uncertainty assessments.

¹ CAISO Opening Comments on Order Instituting Rulemaking, August 15, 2022, pp. 3-5.
<http://www.caiso.com/Documents/Aug15-2022-OpeningComments-on-OrderInstitutingRulemaking-R22-07-005.pdf>

Phase 1, Track 2 of the Commission's new *Order Instituting Rulemaking to Consider Distributed Energy Resource Program Cost-Effectiveness Issues, Data Access and Use, and Equipment Performance Standards* (R.22-11-013) focuses on expanding data collection and access from customer devices in order to improve customer programs, grid planning, and operations.² The Commission should apply data collection and sharing requirements, as well as the systems developed and standardized through this proceeding, across other related proceedings and customer programs.

The Commission should coordinate data needs from this proceeding with R.22-11-013 in order to evaluate customer response to new dynamic retail rates, preferably leveraging technology and automatic response to rates, including why end users may not respond to dynamic rates. As stated in post-prehearing conference comments, the CAISO maintains that better rates only come from better data.³ In coordination with R.22-11-013, the Commission should ensure it collects data necessary to evaluate customer response to dynamic rates, and is able to share that data with the CAISO and other entities for operations and planning needs.

This may require that the Commission expand its ability to collect behind-the-meter data.

² Order Instituting Rulemaking to Consider Distributed Energy Resource Program Cost-Effectiveness Issues, Data Use and Access, and Equipment Performance Standards, R.22-11-013, November 17, 2022.

³ CAISO Post-Prehearing Conference Statement, September 27, 2022, p. 1.: <http://www.caiso.com/Documents/Sept27-2022-PostPrehearingConferenceStatement-AdvanceDemandFlexibility-R22-07-005.pdf>

III. Conclusion

The CAISO appreciates the opportunity to provide comments on the Ruling and looks forward to working collaboratively with the Commission on customer program data collection and sharing in R.22-11-013.

Respectfully submitted

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