

DDEMI Proposal – End User Exports in Demand Response Performance Measurement

PG&E's Perspective
July 15, 2026





PG&E Supports Expanding the Use of Demand Response Resources to Unlock Greater Value from Distributed Energy Resource Flexibility

PG&E supports the overall direction of the Track 1 proposal, which advances a key long-term objective of integrating customer-sited Distributed Energy Resources more effectively into market operations and grid management.

Why This Matters

- Creates a scalable pathway for greater Distributed Energy Resource market participation.
- Improves the ability to dispatch flexible Behind The Meter resources when they provide the greatest system value.
- Supports future Virtual Power Plant growth.
- Establishes a market participation pathway for emerging resources such as Vehicle-to-Grid, which could provide significant flexible capacity and grid services as Electric Vehicle adoption grows.
- Builds on existing demand response market constructs rather than creating entirely new participation models.



PG&E remains concerned about double compensation

Preventing double compensation is a foundational pillar of affordability. The Draft Final Proposal does not include additional safeguards.

Critical Policy Issue

- Net Energy Metering and Net Billing Tariff customers already receive compensation for exported energy through existing retail tariff structures.
- Absent additional safeguards, the same exported energy may receive compensation through CAISO market participation, resulting in duplicate payment for the same energy value.
- Disallowing double compensation is a tenet of customer program design.

PG&E Recommendation

- Ensure prevention of double compensation of export value for Net Energy Metering and Net Billing Tariff customers while preserving the broader market participation framework envisioned by Track 1.

Thank You

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