



# CALIFORNIA ENERGY COMMISSION DEMAND SIDE GRID SUPPORT PROGRAM

## Riverside Public Utilities

### Board of Public Utilities

May 13, 2024

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## BACKGROUND

### 1. Riverside's Municipal Code (RMC):

- a. On August 25, 2009, the City Council adopted RMC Chapter 14.32 that RPU or its authorized designee is the sole entity approved to bid demand response on behalf of retail customers served by RPU under programs established by RPU.
  - b. **If a retail customer seeks to participate in a non-utility demand response program, then prior authorization must be received from RPU.2.**
2. In 2022, the California Energy Commission (CEC) created a new statewide non-utility sponsored demand response program per legislation passed via AB 205 and AB 209 to incentivize customers to reduce load during extreme emergency events.



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# BACKGROUND

## CEC Demand Side Grid Support (DSGS) Program:

- Incentives provided for load reduction during the five-year program **administered by the CEC.**

## RPU Power Partners Program:

- Existing voluntary unpaid demand reduction program **administered by the utility.**

## Commonalities amongst both programs:

- Only large general and commercial energy customers with an average monthly electrical demand of at least 150 kilowatts (kW) allowed.



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# DEMAND RESPONSE PROGRAMS

## Demand Response Programs

- Utilize for grid stability and ensure safety during critical emergencies on the grid supply and capacity
- Potential customers reduce their energy usage, which reduces their demand for energy

## Energy Emergency Events

- Activates the need for demand response programs for grid reliability
- Occurs during extreme events such as heat waves increasing demand
- Loss of generation, distribution, or transmission on supply availability

## Types of Programs

- Voluntary or paid
- Provided or administered by a utility, third-party, or state agency
- Residential (e.g., A/C thermostat adjustment)
- Commercial and industrial (e.g., only large general and commercial energy customers with an average monthly electrical demand of at least 150 kilowatts (kW) allowed.)



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## CEC DSGS PROGRAM

CEC DSGS PROGRAM

a. Supplements the RPU Power Partners Program as both address the **same goals of ensuring grid reliability and stability.**

**b. Does not override** the RPU Power Partners Program.


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CUSTOMERS

**a. Must obtain RPU authorization** to participate in the CEC DSGS Program.

**b. Directly enroll with the CEC** upon receiving RPU authorization.

c. Cannot enroll via other aggregators or providers.



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## ENERGY EMERGENCY ALERTS

CEC DSGS Program becomes active when the CAISO issues an Energy Emergency Alert (EEAs)

EEA Watch	The CAISO analysis shows all available resources are committed or forecasted to be in use and energy deficiencies are expected. Market participants are encouraged to offer supplemental energy.
EEA Level 1	The CAISO is experiencing conditions where all available generation resources are committed to meet firm load, firm transactions, and reserve commitments, and is concerned about sustaining its required contingency reserves.
EEA Level 2	The CAISO is no longer able to provide its expected energy requirements and is energy deficient.
EEA Level 3	The CAISO is unable to meet minimum contingency reserve requirements. Firm load interruptions may be initiated at this point.


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## PROGRAM PERIOD

1. The CEC DSGS Program is in its third year of the five-year program allowed under legislation.
2. Per CEC DSGS guidelines, effective **annually from May 1 – October 31, seven days a week, expected between 4:00 pm to 9:00 pm.**
  - a. 1<sup>st</sup> Edition Guidelines: Effective August 1 – October 31, 2022
  - b. 2<sup>nd</sup> Edition Guidelines: Effective July 26 – October 31, 2023
  - c. 3<sup>rd</sup> Edition Guidelines (Pending): May 1 – October 31, 2024
    - Pending CEC adoption in May 2024, effective date may be delayed as shown in prior years.



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## DELAY IN IMPLEMENTATION

1. **2022 - Protection of Customer Data**
  - a. CEC's rapid implementation of guidelines and effective date
  - b. Questions and concerns on protection of customer data
2. **2023 - Insufficient Information**
  - a. Updated guidelines adopted in the middle of the expected program period
  - b. Significant uncertainty about program changes
3. **2024 - Simultaneous Approval (CEC finalizing guidelines/RPU participation)**
  - a. CEC expected adoption date for next guideline update is May 2024 with a draft released in March 2024
  - b. RPU determined it has sufficient information to proceed



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## PROGRAM EXPECTATIONS

Participants	Incentives	Notifications	Guideline Updates
Same customers for RPU Power Partner Programs would also qualify for the CEC DSGS Program	Participating customers will submit required supporting interval meter data directly to the CEC to claim their incentives	RPU will be informed by the CEC when its participating customers have been called upon during an EEA	The CEC will annually update their guidelines based on feedback and lessons learned


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## STRATEGIC PLAN ALIGNMENT



### Strategic Priority 2 – Community Well-Being

**Goal 2.6** - Strengthen community preparedness for emergencies to ensure effective response and recovery.



### Strategic Priority 4 - Environmental Stewardship

**Goal 4.1** - Rapidly decrease Riverside's carbon footprint by acting urgently to reach a zero-carbon electric grid with the goal of reaching 100% zero-carbon electricity production by 2040 while continuing to ensure safe, reliable, and affordable energy for all residents.

### Cross-Cutting Threads

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Community Trust



Equity



Fiscal Responsibility



Innovation



Sustainability & Resiliency


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## RECOMMENDATIONS

That the Board of Public Utilities recommends that the City Council:

1. Approve participation in the California Energy Commission's Demand Side Grid Support Program; and
2. Authorize the City Manager, or designee, to execute all documents and instruments necessary to participate and take all necessary actions required or advisable to implement, administer and carry out the City of Riverside's responsibilities under the program, including but not limited to a Data Sharing Agreement, as applicable, and Customer Acknowledgement and Authorization Letters, and including the ability to make minor and non-substantive changes, as well as to execute future extensions and amendments under substantially similar terms and conditions.



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