

Proceeding: R.20-11-003 (Phase 2)

Exhibit No.: SDGE-11

Witnesses: E Bradford Mantz
Gwendolyn Morien

**PREPARED PHASE 2 REPLY TESTIMONY OF
SAN DIEGO GAS & ELECTRIC COMPANY
REGARDING DEMAND-SIDE ACTIONS TO REDUCE
PEAK AND NET PEAK DEMAND IN 2022 AND 2023**



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

September 10, 2021

TABLE OF CONTENTS

I. INTRODUCTION 1

II. THE COMMISSION SHOULD NOT AUTHORIZE THIRD PARTIES TO ADMINISTER AUTOMATED DR TECHNOLOGY INCENTIVES (WITNESS: E BRADFORD MANTZ) 1

III. THE COMMISSION SHOULD NOT REQUIRE SDG&E TO FURTHER EXPAND OR EXTEND ITS CURRENT BEHAVIORAL DEMAND RESPONSE PILOT UNTIL RESULTS OF THE CURRENT PILOT ARE AVAILABLE (WITNESS: E BRADFORD MANTZ)..... 4

IV. THE COMMISSION SHOULD NOT ADD CAPACITY/RESERVATION PAYMENTS TO THE EMERGENCY LOAD REDUCTION PROGRAM (WITNESS: E BRADFORD MANTZ) 6

V. THE COMMISSION SHOULD NOT EXPAND THE DR AUCTION MECHANISM OR AUTHORIZE BILATERAL SOLICITATIONS FOR DR (WITNESS: E BRADFORD MANTZ)..... 8

VI. DATA-SHARING PROPOSALS SHOULD NOT BE ADDRESSED IN THIS PROCEEDING (WITNESS: E BRADFORD MANTZ)..... 10

VII. EXTENDING NEM-FC IS CONTRARY TO THE PLAIN LANGUAGE OF PUBLIC UTILITIES CODE SECTION 2827.10(G) (WITNESS: GWENDOLYN MORIEN)..... 12

VIII. SDG&E’S PROPOSED ENHANCEMENTS TO ITS COMMERICAL CAPACITY BIDDING PROGRAM SHOULD BE APPROVED (WITNESS: E BRADFORD MANTZ)..... 13

IX. CONCLUSION..... 14

1 ratepayers that fund the AutoDR programs are reasonable. This presents a fairly obvious conflict
2 of interest. In addition, third-party DRPs are not subject to Commission oversight. While the
3 Commission has full authority over the IOUs to establish administrative processes, audit
4 programs, modify program elements, etc., the Commission’s authority over third-party DRPs is
5 far more limited. The clear conflict of interest that would be present if third-party DRPs were
6 permitted to administer AutoDR rebates (a proverbial ‘fox guarding the henhouse’ scenario) and
7 lack of effective Commission oversight could cause material harm to utility ratepayers and is not
8 in the public interest.

9 Moreover, Ms. Belenky provides little detail and no factual support for her claim that the
10 current Commission-approved administration process is beset by “flaws” so significant that a
11 change in program administrator is warranted. Ms. Belenky provides the following examples of
12 purported shortcomings of the existing process:²

- 13 • Confusing (or lacking) instructions regarding how to proceed with a rebate claim
14 (similarly, application have “lacked centralized information describing the
15 incentive and guiding the customer on how to apply”);
- 16 • Long wait times for the payment of the rebate;
- 17 • In “several instances” messaging regarding eligibility rules was unclear; and
- 18 • Applications have “appeared and disappeared.”

19 No further context is provided regarding these claims. While SDG&E acknowledges that
20 the roll out of its new Envision customer billing system may have caused certain temporary
21 technical glitches with AutoDR, that certainly does not warrant the complete administrative
22 overhaul that OhmConnect proposes. Nor does Ms. Belenky indicate whether these alleged

² *Id.*

1 problems exist with SDG&E's routine administration of its TI and TD programs. In some
2 instances, a reasonable justification may exist for the circumstances cited by Ms. Belenky. For
3 example, the wait time for the rebate may be tied to satisfaction of program requirements – *e.g.*,
4 in order to qualify for SDG&E's TI program incentive, medium and large commercial customers
5 must participate in inspections, engineering review, and in most cases, load shed tests.³
6 Similarly, SDG&E's TD program, which offers incentives to enroll thermostats in a DR
7 program, requires verification that the thermostat has been installed by enrollment of the
8 thermostat through the thermostat signaling portals. Although these measures prevent immediate
9 award of incentives, it is important that these processes be followed in order to prevent fraud and
10 ensure that the costs paid for such rebates are reasonable. In any event, while the program
11 administration issues detailed by Ms. Belenky should be reviewed in the proper forum, Ms.
12 Belenky fails to convincingly make the case that the issues raised must be addressed here or,
13 more broadly, justify a change to program administration by third-party DRPs.

14 Ms. Belenky asserts more broadly that the current process “leads to a lack of
15 transparency and encourages customer mistrust” since customers must work with their existing
16 IOUs to receive the rebate rather than through the DRP.⁴ No factual support is provided for this
17 assertion regarding customer perceptions. Nor does Ms. Belenky provide factual support for the
18 claim that “these issues have depressed the uptake of AutoDR incentives among residential
19 customers.”⁵ SDG&E submits that understanding the rebate process is largely a customer

³ The TI program can offer incentives to medium, large commercial or agricultural customers that have on-peak demand of 20kW or greater at the facility for which the incentives are being requested. Participation also requires onsite inspections and load shed testing. Therefore, the oversight need is great to ensure eligibility and load shed.

⁴ Phase 2 Opening Testimony of OhmConnect, pp. 9-10.

⁵ *Id.* at p. 10.

1 education issue. Customers with a clear understanding of the relationship between the DRP and
2 the IOU will have no reason to “mistrust” the process. Given the lack of a clear or compelling
3 rationale for a change in AutoDR program administration, and the obvious conflict of interest
4 that would exist if third-party DRPs took over administration of the AutoDR program,
5 OhmConnect’s proposal should be rejected.

6 **III. THE COMMISSION SHOULD NOT REQUIRE SDG&E TO FURTHER**
7 **EXPAND OR EXTEND ITS CURRENT BEHAVIORAL DEMAND RESPONSE**
8 **PILOT UNTIL RESULTS OF THE CURRENT PILOT ARE AVAILABLE**
9 **(Witness: E Bradford Mantz)**

10 Oracle proposes Commission adoption of a Behavioral Demand Response (BDR)
11 program that would target residential customers through an opt-out program to drive peak
12 reductions through the use of behavioral messaging rather than monetary incentives.⁶ The BDR
13 program would use day ahead and/or day-of communications (e.g., e-mail, phone and SMS if
14 opted into text), urging customers to take specific actions that are personalized based on their
15 actual energy consumption to reduce energy usage during specified hours. After each event,
16 customers would be informed as to how much they reduced their consumption during the event
17 as compared to their neighbors. Customers would also receive marketing messages designed to
18 motivate them to adopt automated peak reduction measures, such as programmable controllable
19 thermostats to achieve additional demand reductions. Oracle estimates a per house load drop of
20 ~.0.02 kW.⁷

21 While SDG&E sees potential value in the BDR approach proposed by Oracle, SDG&E is
22 *already* running a BDR Pilot with Oracle’s platform similar to the one proposed by Oracle for

⁶ *Opening Phase 2 Prepared Testimony of Oracle Utilities*, dated September 1, 2021 (Phase 2 Opening Testimony of Oracle), p. 2.

⁷ *Id.* at p. 7.

1 the Summer of 2021 and 2022. The purpose of SDG&E’s current BDR pilot is to test whether
2 residential customers will provide SDG&E with peak reductions through the use of behavioral
3 messaging rather than monetary incentives. Nearly half of SDG&E’s residential customers are
4 already enrolled in this pilot. To date, SDG&E has not received enough data from the pilot to
5 permit full evaluation and verification of the performance of the pilot; results will likely not be
6 available until late in 2021. Given the current status and term of SDG&E’s Oracle/BDR pilot
7 through 2022, implementation of *another* identical BDR pilot would be redundant and would
8 serve no justifiable purpose. Once it is clear what benefits are provided by the pilot, SDG&E
9 can consider whether to move forward with a new or expanded behavioral pilot for 2023 and
10 onward. In the meantime, however, SDG&E does not support implementation of a new BDR
11 pilot.

12 In addition, more broadly, SDG&E believes that ‘opt-in’ programs are generally more
13 successful than the type of ‘opt-out’ program Oracle proposes. SDG&E believes that opt-in
14 programs are the best method to procure the most value per customer. This was clearly
15 demonstrated by in the IOUs’ Peak Time Rebate Programs, as discussed in SDG&E’s Phase 2
16 Opening Testimony on demand-side issues,⁸ as well as in Oracle’s Phase 2 Opening Testimony.⁹
17 In addition, Marin Clean Energy (MCE) describes the confusion and potential harm that can
18 arise if customers are automatically enrolled in DR programs without knowledge or consent.¹⁰

⁸ *Prepared Phase 2 Direct Testimony of SDG&E Regarding Demand-Side Actions to Reduce Peak and Net Peak Demand in 2022 and 2023*, dated September 1, 2021 (Phase 2 Opening Testimony of SDG&E-Demand-Side/Mantz, McConnell), p. 20.

⁹ Phase 2 Opening Testimony of Oracle, p. 10.

¹⁰ *Marin Clean Energy Prepared Direct Testimony of Alice Havenar-Daughton in Rulemaking 20-11-003*, dated September 1, 2021 (Phase 2 Opening Testimony of MCE), pp. 3-4.

1 For these reasons, the Commission should reject Oracle’s proposal.¹¹

2 **IV. THE COMMISSION SHOULD NOT ADD CAPACITY/RESERVATION**
3 **PAYMENTS TO THE EMERGENCY LOAD REDUCTION PROGRAM (Witness:**
4 **E Bradford Mantz)**

5 Several parties propose the addition of a capacity payment (also referred to as a
6 reservation payment)¹² to the Emergency Load Reduction Program (ELRP) adopted in Phase 1
7 of this proceeding.¹³ These parties suggest that a capacity/reservation payment will encourage
8 customers and aggregators to enroll in the program. This proposal should be rejected. The
9 Commission considered arguments in favor of a capacity payment for ELRP in Phase 1 of this
10 proceeding and was not persuaded that such an incentive would serve the public interest.
11 Parties’ attempt to relitigate this issue in Phase 2 is improper.

12 In D.21-03-056, the Commission explicitly addressed the question of whether the ELRP
13 should offer capacity payments, noting that “there was strong support in the record for
14 compensation to occur after the fact based only on the amount of load reduction achieved, *with*
15 *no capacity payments.*”¹⁴ It made clear that “[o]nly incremental load reduction (ILR) is eligible

¹¹ Phase 2 Opening Testimony of Oracle, p. 7.

¹² SD&E considers the terms “capacity payment” and “reservation payment” to be synonymous in the sense that both provide a payment to the customer/aggregator to reserve or hold capacity so that it is available for an event.

¹³ See, e.g., *Opening Prepared Testimony of Voltus, Inc.*, dated September 1, 2021 (Phase 2 Opening Testimony of Voltus), p. 6; *Prepared Direct Testimony of the California Solar & Storage Association*, dated September 1, 2021 (Phase 2 Opening Testimony of CSSA), p. 8; *Opening Testimony of Jin Noh on Behalf of California Energy Storage Alliance*, dated September 1, 2021 (Phase 2 Opening Testimony of CESA), pp. 49-50; *Phase 2 – Reliability for 2022-23 – Update: Opening Prepared Testimony of Joint Demand Response Parties (CPower and Enel X North America, Inc.)*, dated September 1, 2021 (Phase 2 Opening Testimony of Joint DR Parties), pp. 3, 24; *Opening Phase 2 Prepared Testimony of Polaris Energy Services*, dated September 1, 2021 (Phase 2 Opening Testimony of Polaris), p. 7.

¹⁴ D.21-03-056, p. 25 (emphasis added).

1 for compensation under ELRP,”¹⁵ and specifically directed that the ELRP include “no Capacity-
2 like payments or enrollment incentive.”¹⁶ It found that the energy-only “pay-for-performance”
3 ELRP rate would “ensure that the compensation was substantial enough to drive participation
4 without over-compensating participants” and that a capacity/reservation payment was not
5 justified.¹⁷

6 The IOUs have only recently implemented their respective ELRPs and there is no
7 evidence in the record at this point to establish that the Commission’s determination in D.21-03-
8 056 was in error. SDG&E notes that its customers have not indicated that a capacity/reservation
9 payment is a determining factor in their participation; rather, customers have generally expressed
10 satisfaction with the currently approved ELRP Terms and Conditions.

11 Moreover, offering a capacity/reservation payment is ill-advised when a program is
12 voluntary and imposes no corresponding penalties (as is the case with the ELRP). If an ELRP
13 customer were offered a capacity/reservation payments but chose not to drop load during an
14 event (since doing so is voluntary and their decision not to drop would result in no penalty), the
15 ELRP could result in significant sums being paid out to customers for *no* load drop. This
16 outcome would impose unnecessary cost on ratepayers while doing nothing to address the State’s
17 reliability crisis. Having already fully considered and rejected the argument that a capacity or
18 reservation payment is necessary to ensure ELRP participation, the Commission should soundly
19 reject this recycled proposal in Phase 2.

¹⁵ *Id.* at p. 24 (emphasis added). The term “ILR” refers to “the load reduction achieved during an ELRP event incremental to the non-event applicable baseline and any other existing commitment.” *Id.*

¹⁶ *Id.* at p. 25.

¹⁷ *Id.*

1 **V. THE COMMISSION SHOULD NOT EXPAND THE DR AUCTION**
2 **MECHANISM OR AUTHORIZE BILATERAL SOLICITATIONS FOR DR**
3 **(Witness: E Bradford Mantz)**

4 The Joint Parties propose in their opening testimony that the DR Auction Mechanism
5 (DRAM) pilot be expanded to include an additional supplemental auction for 2022, and further
6 that the Commission expand the 2023 DRAM with additional budget.¹⁸ As support for this
7 proposal, the Joint Parties claim that “DRAM remains one of the most efficient and effective
8 way to procure significant amounts of DR capacity.”¹⁹ SDG&E strongly disagrees with this
9 assertion.

10 The Phase 2 opening testimony of the Public Advocates Office (Cal Advocates) outlines
11 several concerns regarding the DRAM and highlights its limited effectiveness as a load reduction
12 tool.²⁰ SDG&E agrees with the observations by Cal Advocates and, indeed, raised many of the
13 same issues in Phase 1 of this proceeding in response to similar requests for expansion of the
14 DRAM program.²¹ Since DRAM’s launch, significant questions have been raised regarding the
15 performance and cost-effectiveness of DRAM resources and, over time, SDG&E has observed
16 less capacity being offered by fewer bidders, with performance that has not increased. DR

¹⁸ *Opening Phase 2 Prepared Testimony of the Joint Parties (California Efficiency + Demand Management Council, ecobee Inc., Leapfrog Power, Inc., and Oracle)*, dated September 1, 2021 (Phase 2 Opening Testimony of the Joint Parties), p. 14; *see also* Phase 2 Opening Testimony of Joint DR Parties, p. 13.

¹⁹ Phase 2 Opening Testimony of the Joint Parties, p. 14.

²⁰ *Public Advocates Office Prepared Testimony*, dated September 1, 2021 (Phase 2 Opening Testimony of Cal Advocates), pp. 2-1 – 2-5.

²¹ *Prepared Rebuttal Testimony of San Diego Gas & Electric Company Regarding Demand Response Proposals*, dated January 19, 2021, (Phase 1 Reply Testimony of SDG&E), pp. 6-9; *see also* *Testimony of Catherine Yap and Paul Nelson on Behalf of the California Large Energy Consumers Coalition*, dated September 1, 2021, (Phase 2 Opening Testimony of CLECA), p. 8.

1 providers (DRPs) routinely invoice SDG&E for much less capacity than they were contracted to
2 deliver – *i.e.*, they regularly fail to deliver on those procurement contracts.²²

3 Moreover, DRAM is generally not well-suited for use in emergency circumstances. The
4 DRAM pilot was originally intended to test: a) the feasibility of procuring DR resources for
5 resource adequacy (RA) from third party DRPs through an auction mechanism; and b) the ability
6 of winning bidders to integrate their DR resources directly into the California Independent
7 System Operator (CAISO) market. DRAM was not designed for use in an emergency event:
8 there is no requirement that DRAM resources be available to respond to an emergency event and
9 no penalty if they are not. Indeed, as Cal Advocates points out, DRAM resources significantly
10 underperformed during the Summer of 2020 extreme heat events such that “when ratepayers
11 most needed these resources to perform, they were unable to provide reliable energy.”²³
12 Practically speaking, there is no reason to expect that the DRAM-related proposals offered in
13 Phase 2 would actually serve the objective of reducing peak and net peak demand in 2022 and
14 2023.²⁴ SDG&E agrees with Cal Advocates that the Commission “should not authorize further
15 DRAM procurement at this time, as it would be risky to seek additional MWs from third-party
16 DR providers with track records of underperformance.”²⁵

17 The DRAM pilot has never been implemented as a permanent program. The
18 Commission is currently engaged in a separate effort to evaluate the effectiveness of the DRAM,

²² DRPs are contracted for capacity in their DRAM contracts, and then invoice the utility for payment based on demonstrated capacity they believe they delivered at the month’s end. The invoice is supposed to be for what is actually delivered. What is invoiced is often much less than what the DRP was contracted to deliver.

²³ Phase 2 Opening Testimony of Cal Advocates, p. 2-2.

²⁴ Amended Scoping Memo, p. 4.

²⁵ *Id.*

1 whether modifications to the program are warranted, and whether it should be adopted
2 permanently. The program modifications proposed by the DR parties are better addressed as part
3 of that effort than in the instant proceeding.

4 The Joint Parties suggest further that if the Commission does not approve a supplemental
5 DRAM budget for 2022 and 2023 in this proceeding, the IOUs should be directed to issue
6 competitive solicitations for bilateral DR RA contracts.²⁶ The Joint Parties propose this as an
7 alternative method for procurement of DR that bypasses the DRAM pro-forma contract. This
8 proposal would serve no valid purpose and would allow DRAM providers to perform an end-run
9 around program requirements reflected in the pro-forma contracts. This request is unreasonable
10 and should be denied.

11 SDG&E submits that rather than being procured on a bilateral basis or through DRAM,
12 DR resources should be required to participate in all-source solicitations, open to all types of
13 resources, to compete on the basis of availability, reliability, and price. DR must be required to
14 compete against other resources in competitive solicitations to ensure that ratepayers derive the
15 greatest value from the resources procured. Requiring the IOUs to procure DR through separate
16 solicitations limited strictly to DR and not open to other resources skews the public interest
17 analysis and prevents resources from competing on a level playing field. Accordingly, the
18 proposal for required expansion of DRAM and bilateral DR contracting should be rejected.

19 **VI. DATA-SHARING PROPOSALS SHOULD NOT BE ADDRESSED IN THIS**
20 **PROCEEDING (Witness: E Bradford Mantz)**

21 MCE proposes adoption of broad data-sharing rules, suggesting that the Commission
22 “direct all IOUs to share customer participation data in all DR programs, and other pertinent data

²⁶ Phase 2 Opening Testimony of the Joint Parties, p. 18.

1 as relevant.”²⁷ Recurve Analytics, Inc. (Recurve) also seeks greater access to customer data on
2 behalf of parties who are not load-serving entities (non-LSEs), suggesting that such data-sharing
3 is necessary to “facilitate targeting and comparison group analysis to support reliability.”²⁸

4 While SDG&E does not challenge the notion that a comprehensive discussion of data-
5 sharing could be fruitful, it submits that this proceeding is not the appropriate forum for such
6 discussion. First, neither MCE nor Recurve demonstrate that the data-sharing requirements they
7 propose are within scope of this proceeding – *i.e.*, that they are capable of being implemented
8 and would produce material additional load drop within the 2022-2023 timeline that is the focus
9 of this proceeding.²⁹ In addition, even if the Commission were inclined to consider the proposals
10 offered by MCE and Recurve in the instant proceeding, the record of this proceeding is wholly
11 inadequate to support a decision modifying the Commission’s existing data-sharing rules.

12 Proposals to modify the Commission’s existing data-sharing rules raises important issues
13 related to customer privacy, cost reasonableness, administrative burden and cost recovery, to
14 name a few. For example, Recurve’s request for more data to enable targeted marketing raises
15 several questions: Is the public interest served by providing data access to third parties? What
16 type of additional customer approval would be required to provide data to third parties? What is
17 the business need for third-party access to requested data and who should pay the costs of
18 providing it? What data can third parties obtain from customers themselves through surveys or
19 other means? What marketing data can be purchased from data sharing companies? What data

²⁷ Phase 2 Opening Comments of MCE, p. 3-5.

²⁸ *Comment and Testimony of Recurve Analytics, Inc. in Response to ALJ Stevens Email Ruling of August 16, 2021 Regarding Staff Concept Proposals for Summer 2022 and 2023 Reliability Enhancements*, dated September 1, 2021, (Phase 2 Opening Comments of Recurve), p. 11.

²⁹ See Amended Scoping Memo, p. 4 (establishing the scope, in pertinent part, as demand reduction measures that will “[r]educe peak and net peak demand in 2022 and 2023”).

1 could be purchased by third parties from research companies as a normal cost of customer
2 acquisition?

3 Among the myriad issues to be considered is the foundational questions of whether broad
4 data-sharing requirements such as those proposed by MCA and Recurve, on balance, serve the
5 public interest. None of these issues have been considered and no record on them has been
6 developed in the instant proceeding (as, indeed, they are outside the scope). Accordingly, while
7 it may make sense to examine these and other issues related to data-sharing in a comprehensive
8 manner to develop an overarching set of updated data-sharing rules, this proceeding is not the
9 place to undertake that effort. Hence, the Commission should reject the data-sharing proposals
10 offered by MCE and Recurve.

11 **VII. EXTENDING NEM-FC IS CONTRARY TO THE PLAIN LANGUAGE OF**
12 **PUBLIC UTILITIES CODE SECTION 2827.10(g) (Witness: Gwendolyn Morien)**

13 FuelCell Energy proposes that the Commission extend the IOU fuel cell net energy
14 metering (“FC-NEM”) tariff.³⁰ However, the plain language of the statute makes clear that to be
15 eligible to participate in this program, a facility must commence operation on or before
16 December 31, 2021, and that this eligibility criterion cannot be modified absent a later enacted
17 statute chaptered on or before December 31, 2021:

18 **A fuel cell electrical generating facility shall not be eligible for**
19 **the tariff unless it commences operation on or before**
20 **December 31, 2021, unless a later enacted statute, that is**
21 **chaptered on or before December 31, 2021, extends this**
22 **eligibility commencement date.** The tariff shall remain in effect
23 for an eligible fuel cell electrical generating facility that
24 commences operation pursuant to the tariff on or before
25 December 31, 2021. A fuel cell customer-generator is eligible
26 for the tariff established pursuant to this section only for the

³⁰ *Opening Testimony of Paul Fukumoto on Behalf of FuelCell Energy, Inc.*, dated September 1, 2021 (Phase 2 Opening Testimony of FuelCell Energy), p. 5.

1 operating life of the eligible fuel cell electrical generating
2 facility.³¹

3 As FuelCell Energy acknowledges, no such statutory extension has been enacted.³² As
4 an alternate basis for extending the FC-NEM tariff, FuelCell Energy asserts that the Commission
5 could establish a “follow-on program” to go into effect on January 1, 2022 if the FC-NEM
6 program has not been extended by the California Legislature.³³ However, adoption of a “follow-
7 on” tariff that is identical to the existing FC-NEM tariff is an impermissible end-run around the
8 clear limitation imposed by Section 2827.10(g). Such a tactic is questionable at best and could
9 be subject to legal challenge.

10 **VIII. SDG&E’S PROPOSED ENHANCEMENTS TO ITS COMMERCIAL CAPACITY**
11 **BIDDING PROGRAM SHOULD BE APPROVED (Witness: E Bradford Mantz)**

12 In its opening testimony, SDG&E proposed to add “Elect” day of and day ahead products
13 to its Capacity Bidding Program (CBP) for commercial customers in order to increase program
14 enrollment and to help support retainment of customers already enrolled in the program.³⁴
15 SDG&E appreciates the input of the Joint Demand Response Parties who submitted testimony
16 supporting the Elect option for CBP stating: “CBP Elect will make the program much more
17 attractive and allow aggregators, like Enel X and CPower, to recruit new DR and DER customers
18 to the program to provide critical reliability services in 2022 and 2023.”³⁵ SDG&E firmly
19 believes the addition of the Elect option will encourage new customers and aggregators to enroll
20 in the program and help provide additional energy load reductions for 2022 and subsequent

³¹ Pub. Util. Code Section 2827.10(g) (emphasis added).

³² Phase 2 Opening Testimony of FuelCell Energy, p. 5.

³³ *Id.*

³⁴ Phase 2 Opening Testimony of SDG&E-Demand-Side/Mantz, McConnell, pp. 7-9.

³⁵ Phase 2 Opening Testimony of Joint DR Parties, p. 14.

1 | years. SDG&E encourages the Commission to promptly approve SDG&E's Capacity Bidding
2 | Program (CBP) Elect option as set forth in SDG&E's Phase 2, Prepared Direct Testimony
3 | Regarding Demand Side Actions.

4 | **IX. CONCLUSION**

5 | This concludes SDG&E's prepared reply testimony.

