DEMAND RESPONSE PROGRAMS ANNUAL SUMMARY

2006 Results
May 1, 2007

SDGE
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Introduction and Executive Summary

In response to the energy crisis experienced in California in 2000 and 2001, the California Public Utilities Commission (Commission) directed the state's Investor-Owned Utilities to develop and implement various Demand Response Programs (DRPs) to help alleviate potential problems on the state's electric system by encouraging customers to reduce electric loads during periods of peak demand or other system operational constraints or emergencies. SDG&E's incremental costs associated with its DRPs are tracked in the Advanced Metering and Demand Response Memorandum Account (AMDRMA), with an annual transfer of the AMDRMA balance into the Rewards and Penalties Balancing Account (RPBA) for review and recovery in rates.

On June 9, 2004, the Commission issued Decision (D).04-06-011, which approved a number of SDG&E's initial proposals to establish a portfolio of DRPs. The first program, called the Summer A/C Saver, is a direct load control program that cycles selected small commercial and residential equipment. The Summer A/C Saver program is classified as a Day-Of Reliability Program. The second program was directed at customers who have conventional load-reduction arrangements or who have existing diesel back-up systems to provide power during emergencies when utility electric service is interrupted, and therefore have a latent capability of reducing their use of power on the grid when asked. This program is called the Clean Generator Program and is also considered a Day-Of, Reliability Program.

Through a series of subsequent Decisions and Resolutions, the Commission adopted additional programs, as well as enhancements to the initial programs. Through SDG&E's various proposals, and subsequent Commission approval, SDG&E expanded its portfolio of DRPs, designed to reach a larger group of eligible customers, and to encourage greater levels of enrollment, participation and, ultimately, a higher level of load reduction during periods of tight energy supplies or system operational constraints or emergencies.

In D.06-03-024, dated March 15, 2006, the Commission adopted the uncontested Amended Settlement of 2006 through 2008 Demand Response Programs. The Amended Settlement was filed by SDG&E, Pacific Gas & Electric Company (PG&E), Southern California Edison Company (SCE) and all other interested parties participating in Application (A). 05-06-006, A. 05-06-008 and A. 05-06-017, the Applications of PG&E, SCE and SDG&E, respectively, proposing Demand Response Programs and related budgets for the 2006 through 2008 program cycle. The portfolio of programs was designed to maximize the potential demand response from customers during periods of peak demand, and to achieve the targeted load reduction goals previously established by the Commission in D. 03-06-032. SDG&E's 2006 through 2008 DRP portfolio consists of a mix of Day-Ahead and Day-Of programs, all intended to provide a variety of programs and program options from which customers can choose to maximize participation and results.

The following SDG&E programs were approved by D.06-03-024 for the 2006 through 2008 program cycle:

1. **Day-Ahead Notification Programs**

   - Voluntary Critical Peak Pricing Program (CPP-V)
   - Demand Bidding Program (DBP)
   - California Power Authority Demand Reserves Partnership Program (CPA-DRP)
   - Commercial & Industrial Peak Day 20/20 Program
   - Capacity Bidding Program (CBP)—new program approved in 2006 for 2007, containing both Day-Ahead and Day-Of Notification program components

2. **Day-Of Notification Programs**

   - Emergency Demand Bidding Program (DBP-E)
   - Base Interruptible Program (BIP)
   - Emergency Critical Peak Pricing Program (CPP-E)[1]
   - Residential Smart Thermostat Program
   - Rolling Blackout Reduction Program (RBRP)

3. **Technical Assistance and Technology Incentives Programs**

   - Technical Assistance (TA)
   - Technology Incentives (TI)

4. **Customer Education, Awareness & Outreach Programs**

   - Customer Education, Awareness and Outreach
   - Flex Your Power Now! (FYPN)
   - Emerging Markets
   - Community Partnerships
   - Circuit Savers

5. **Other Programs**

   - Statewide Pricing Pilot Program (SPP)

[1] This program is covered in SDG&E's Demand-side Management Programs Annual Summary, Program Years 1994-1997, May 2006.

- Automated Demand Response Program (ADRS)
- On-Bill Financing (OBF)

6. Additional Activities

- Cost Benefit Framework
- Annual Report
- Market Research
- IT Enhancements

In addition to the DRP portfolio authorized by D. 06-03-024, the following programs are funded, either in part or in total, through SDG&E's Cost of Service proceedings, or through SDG&E's long-term resource procurement RFP process:

1. Optional Binding Mandatory Curtailment Program(OBMC—Day-Of Reliability Program)
2. Scheduled Load Reduction Program (SLRP—Day-Of Reliability Program)
3. Rolling Blackout Reduction Program (PeakGen--Day-Of Reliability Program)
4. Summer A/C Saver Program
5. Peak Generation Program (PGP—Day-Of Reliability)

During the summer months of 2006, largely in response to record-setting electricity demands statewide and the threats of supply shortages, SDG&E proposed several emergency revisions to its Commercial & Industrial Peak Day 20/20 program, both to expand the availability of that program as a DRP resource, and to expand the scale of customer incentive payments provided for an expanded range of load reductions. Those emergency revisions were approved by the Commission in Resolution E-4011, dated August 24, 2006.

The details of SDG&E's DRP portfolio are described in the following sections, and the results of program activities during 2006 are statistically presented in the tables contained in the Appendix attached to this report. Within the Appendix, the load reduction results and financial summaries are reflected in Table 1, while Table 2 presents a summary of the various demand response program events called during 2006. The financial information presented in Table 1 reflects not only the program expenditures for 2006, but also the anticipated activity for 2007 and 2008, the remaining years in the 2006 through 2008 program cycle.

Day Ahead Notification Programs

Voluntary Critical Peak Pricing Program (CPP)

Program Description

The Voluntary Critical Peak Pricing Program (CPP-V) offers lower rates to customers on non-CPP event days year round in exchange for higher on-peak energy charges during critical peak hours on CPP program event days. Customers are provided notice of CPP program events on a day-ahead basis. CPP program events may be triggered by temperature, system load or emergency conditions, and are limited to a maximum of 12 days per year during the months of May through September, and may be called between the hours of 11:00 am and 6:00 pm on weekdays.

2006 Results

Key activities in 2006 included marketing through direct customer contact, demand response program seminars, and rate analysis support to SDG&E Account Executives. SDG&E continued to work with its customers to provide further information and education regarding the nature and benefit of this type of energy pricing, and to encourage customers to evaluate their energy consumption patterns in light of pricing that varies according to time-of-use periods.

Demand Bidding Program (DBP)

Program Description

The Demand Bidding Program (DBP) is a voluntary program whereby participating customers earn bill credits by reducing a minimum of 10% of their power consumption when requested to do so by SDG&E. Customers with a minimum demand of 20 kW are eligible to participate in the program. Participating customers submit day-ahead bids to curtail load within specific hourly event time blocks. Customers bid the amount of load that they can reduce on days that the utility requires demand reduction. SDG&E calls DBP events on days when its electric system requires load reductions, whether triggered by temperature or load conditions, or other system operational or emergency conditions. Participants are compensated only for the actual amount of load reduction they provide during program events, and they must reduce at least 10 percent of average monthly maximum demand per participating meter. Load reductions can vary from hour to hour within a single event to receive compensation. If customers bid a load reduction, but do not perform, they incur no penalty.

2006 Results

Key activities in 2006 included marketing activities, such as direct customer contact and demand response program seminars, customer enrollment, systems and customer communications tests, and ongoing program management. SDG&E revised the DBP event trigger so that the program is only called when load reduction is actually necessary, rather than simply when a pre-determined temperature or system load value is attained. SDG&E also removed group

aggregation from the program, since the program is open to customers who have a maximum demand of 20 kW and up. As described more fully below, SDG&E expanded the DBP program by adding a new, day-of, Emergency Demand Bidding Program (DBP-E), providing customers with another option from which to select.

California Demand Reserves Partnership Program (CPA-DRP)

Program Description

The California Demand Reserves Partnership Program (CPA-DRP) is voluntary program whereby participants commit to reduce their power consumption through a Demand Reserves Provider who is under contract with the California Power Authority. An individual customer may contract directly with the CPA if they have a minimum of 5 MW of demand reduction capability. Non-residential customers who have an Interval Data Recorder (IDR) meter and telecommunications are eligible to participate in CPA DRP. Customers may either be utility bundled or direct access.

2006 Results

Key activities in 2006 included marketing through direct customer contact, demand response program seminars, and a CPA DRP seminar for customers and SDG&E Account Executives. SDG&E also worked closely with the CPA, third-party aggregators, and APX, a third-party software vendor.

The CPA DRP is based on a five-year contract between the CPA and the California Department of Water Resources, and will terminate when the contract expires in May, 2007. As a result, SDG&E, PG&E and SCE, along with a number of interested parties, pursuant to the direction in D. 06-03-024, collaborated on the development of a successor program to supersede the CPA DRA in 2007. That new program, called the Capacity Bidding Program (CBP), was proposed by the utilities on June 1, 2006 as a statewide program (SDG&E's proposal was filed by Advice Letter 1799-E, and was approved by the Commission in Resolution E-4020, dated October 19, 2006). The new CBP is discussed briefly below.

Commercial/Industrial Peak Day 20/20 Program (CI-2020)

Program Description

The C&I Peak Day 20/20 program is structured to provide qualifying customers with a 20% bill credit on all on-peak charges in exchange for an average 20% reduction in consumption across all program event days within a billing cycle. SDG&E activates program events based on specified temperature and system electric load conditions, or as warranted by extreme operational or emergency conditions.

2006 Results

Key activities in 2006 included program design and enhancement, marketing activities, customer enrollment, and ongoing program management.

As a result of the heat storms that struck California during the summer of 2006, SDG&E proposed several emergency revisions to the C&I Peak Day 20/20 program for the remaining summer months of 2006, which were approved by the Commission in Resolution E-4011. The changes, which were designed both to encourage additional program enrollments and preserve existing enrollments, expanded the customer incentive structure to provide for bill credits of 10% for a 10% load reduction, scaled up to a 20% bill credit for a 20% load reduction, or greater. Additional changes included a revision to the program event-activation trigger, to provide that program events would only be called when load reductions were necessary, rather than automatically when pre-determined temperature and system load criteria were reached.

Capacity Bidding Program (CBP)

Program Description

The Capacity Bidding Program is a new voluntary program, scheduled to become effective in 2007, whereby participating customers commit to reduce their power consumption during program events. Customers may enroll in the program either directly through SDG&E, or may do so as part of an aggregated group of customers through a third-party aggregator who is under contract with SDG&E. The CBP combines various elements of existing DR programs with new design elements, and features both a Day-Ahead and a Day-Of notification component. Each component in turn features a variety of program products from which participating customers may select, each with varying lengths of load curtailment duration. Program incentive payments are based on monthly nominated load reductions, and vary in amount based on the program product selected. The CBP also incorporates non-performance penalty provisions in the event that a participating customer fails to deliver the nominated load reduction during a program event. Non-residential customers with peak demands of 20 kW or greater are eligible to participate in the CBP.

2006 Results

CBP replaces the CPA-DRP when it expires in May, 2007. SDG&E's new Capacity Bidding Program (CBP), was filed by Advice Letter 1799-E, and was approved by the Commission in Resolution E-4020, dated October 19, 2006. As directed by Resolution E-4020, SDG&E has been working closely with PG&E and SCE, as well as with APX and a number of third-party Aggregators to implement the rollout of the CBP in 2007.

Day-of Programs

Emergency Demand Bidding Program (DBP-E)

Program Description

The Emergency Demand Bidding Program (DBP-E) is a new voluntary program whereby participating customers submit day-of bids to curtail load within demand bidding event time blocks. Participating customers bid the amount of load (in megawatts) that they anticipate being able to reduce on days that SDG&E requires demand reduction. SDG&E typically will call a program event primarily during a system reliability emergency, including a CAISO warning, a CAISO Stage 1 alert, a pre-Stage 2 alert, or a local system emergency as SDG&E may determine. Participants are compensated only for the actual amount of load reduction they provide, and they must reduce at least 10 percent of average monthly maximum demand per participating meter. Load reductions can vary from hour to hour within a single event to receive compensation; however, if participating customers submit a bid but do not deliver an actual load reduction, there is no penalty.

2006 Results

Key activities in 2006 included program design, contract and tariff development, marketing activities including direct customer contact and demand response program seminars, customer enrollment, systems and customer communications tests, and ongoing program management. As a new program for 2006, these efforts were focused on incorporating the new program into the DRP portfolio, and ensuring customer awareness of the new option.

Base Interruptible Program (BIP)

Program Description

The Base Interruptible Program (BIP) provides a monthly incentive payment to customers who commit to reduce their electricity demand by 15 percent or a minimum of 100kW, whichever is greater, when requested for up to a 4-hour period per day during periods of high electric demand or other system emergency conditions. The program is designed for customers who have a firm load reduction plan in place, and can reduce load with certainty when requested. The program provides for a penalty for non-performance that is larger than the incentive payment in the event that the customer fails to meet its load curtailment commitment.

2006 Results

Key activities in 2006 included program design modifications, which included expansion of the program to permit third-party aggregators to participate, and a lowering of the non-performance penalties. Program marketing activities included direct customer contact, demand response program seminars, and ongoing program management.

Emergency Critical Peak Pricing Program (CPP-E)

Program Description

The Emergency Critical Peak Pricing Program offers lower rates to customers on non-CPP-E event days year round in exchange for higher energy charges during CPP-E event days. Non-residential customers with a minimum demand of 300 kW, and who have an IDR meter and telecommunications equipment and are served on a time-of-use electric rate are eligible to participate in the CPP-E program. The program is targeted at customers who have the ability to modify their business operations in order to curtail energy consumption with very little notice. Customers are provided 30-minutes advance notice of a program event on the day that load reduction is needed. CPP-E events can be called year round, limited to a maximum of 80 hours per year.

2006 Results

Program modifications approved by the Commission during 2006 included a waiver of the customer's maximum demand charge during non-CPP-E periods on a CPP-E event day. Key program activities in 2006 included marketing through direct customer contact, demand response program seminars, and SDG&E Account Executives.

Residential Smart Thermostat Program

Program Description

The Residential Smart Thermostat program is intended to measure an interactive approach to residential load control and demand response using Smart Thermostats and the Internet to affect air conditioning use. Smart Thermostats enable SDG&E to remotely raise the temperature set points on the thermostat when load reductions are necessary during periods of peak demand or other extreme conditions. Program participants may 'override' the re-setting of the thermostat, but will forfeit $5 per event day of their annual program incentive payment of $75 per override. Customers are permitted to have multiple smart thermostats per central air conditioning unit, if the customer has different zone settings for their home.

2006 Results

Key activities in 2006 included marketing, customer enrollment, and ongoing program management. Through these efforts, 4,011 thermostats have been installed and maintained in 3,720 customer homes.

Rolling Blackout Reduction Program (RBRP)

Program Description

The Rolling Blackout Reduction Program (RBRP) (marketed by SDG&E as the Peak Generation Program) permits SDG&E to call on customer-owned emergency backup generators (BUGs)

when firm load reductions are required by the CAISO. Customers receive an incentive payment of $0.35 per kWh of load reduction

2006 Results

Key activities in 2006 included marketing activities, including direct customer contact and demand response program seminars, customer enrollment, site surveys, installation of generation output meters, systems and customer communications tests, and ongoing program management.

Summer A/C Saver Program

Program Description

The Summer A/C Saver Program is targeted toward all residential customers, and small commercial customers with a maximum demand not exceeding 100 kW. This program utilizes direct load control during summer months to manage customer end use equipment, specifically central air conditioning units, electric water heaters and pool pump motors. Participating customers are paid a program incentive of $25/kW of estimated demand reduction per year.

SDG&E filed Advice Letter E-1639-E for approval of a contract amendment to its contract with Comverge. The amendment expanded the program to include a residential customer component in addition to the small commercial (demand less than 100kW) and irrigation customers with demand of less than 200 kW. Resolution E-3913 approved SDG&E's request.

2006 Results

Key activities in 2006 included Program design, marketing activities, customer enrollment, and ongoing program management. SDG&E worked with its third-party contractor, Comverge, Inc., to develop, market, test and implement the Summer A/C Saver program. Additionally, on August 30, 2006, in response to two Assigned Commissioner's Rulings, SDG&E filed a number of proposals to expand and augment its DRP portfolio for 2007 and 2008. Among those proposals were several enhancements to the Summer A/C Saver Program. In anticipation of these enhancements, SDG&E continued to work with Comverge, Inc. to address contract modifications that would be necessary to implement the enhancements upon Commission approval.

Technical Assistance and Technology Incentives Programs

Technical Assistance Program (TA)

Program Description

The Technical Assistance Program provides business customers with loads of 20 kW and above on-site facility evaluations ranging from simple site assessments to comprehensive engineering studies to help identify and determine demand response potential. Eligible customers may select SDG&E to perform the assessment, or they may use a qualified engineer or firm of their choosing. The results of the site assessment audit include specific recommendations, both no-cost and low-cost, and calculations of estimated kW load reduction potential. The audit will also recommend appropriate and specific demand response and energy efficiency programs in which the customer may participate. If the customer selects a qualified firm to conduct the assessment and audit, they may be eligible to receive a financial incentive toward the cost of the audit, of up to $50/kW for identified and approved demand response activities, not to exceed the actual cost of the assessment and audit.

2006 Results

Key activities in 2006 included implementation of a new TA/TI data base and reporting system. This new system allows for a quicker and more accurate process by which customer participation in the program, and the progress of audits and findings may be tracked. Streamlined procedures to help the TA audit process flow more efficiently were implemented during 2006, with the primary process flow improvement being the removal of the preliminary audit as part of the normal process, resulting in a more rapid turnaround time and cost savings on each audit. Marketing activities included direct customer contact, demand response program seminars and ongoing program management. SDG&E signed several agreements for third-party companies to provide comprehensive customer site assessments that help identify load reduction opportunities.

Technology Incentives Program (TI)

Program Description

Technology Incentives are available to pay for/off-set the costs of installing specific demand response enabling technology and/or equipment as identified in the Technical Assistance assessment and audits. The incentive payment is $250/kW of load reduction verified by SDG&E, not to exceed the actual total cost of the installed equipment. Incentives are paid on measures or equipment that can actually produce quantifiable demand reduction. The incentives are paid on a graduated scale, with the final 50% of the incentive payment contingent upon the customer enrolling in a demand response program for a minimum of one year.

2006 Results

Key activities in 2006 included implementation of the new TA/TI data base and reporting system as described above, along with the development of a TI load shed test plan. Marketing activities included direct customer contact, demand response program seminars and ongoing program management, as well as interaction with SDG&E's Account Executives, who work directly with their assigned customer accounts to identify and develop load reduction potential with their customers. By year end, SDG&E had received seven TI applications and had scheduled one load shed test.

Education, Awareness & Outreach Programs

Customer Education, Awareness & Outreach

Program Description

The Customer Education, Awareness & Outreach program has the following components designed to help customers manage their load:

A major part of SDG&E's customer awareness focus will be on a large-scale deployment of kWickview, SDG&E's online data presentment tool. KWickview allows customers to view their 15-minute interval data, that and provides customers with the message that *when* you use energy is just as important as *how much*."

The PEAK Student Energy Actions Program -- a partnership with the Energy Coalition -- is a comprehensive student learning experience intended to teach youth the value of "smart energy management." The overall goal of the PEAK program is to instill an efficiency ethic in students through standards-based lessons, hands-on activities, and real-world application in their homes, schools, and communities.

2006 Results

Key activities in 2006 included the development and implementation of a communication plan that includes mass market and targeted communications. Specifically, the tactics executed include 17 weeks of print and radio ads/traffic ids. Pre- and post-awareness studies were conducted to measure marketing and outreach effectiveness. Collateral case study development was undertaken for distribution, and one bill insert was inserted into summer bills. Various workshops were held and the web site pages were revised.

The PEAK Student Energy Actions program distributed 125,000 energy workbooks to $3^{rd} – 5^{th}$ graders in the San Diego County school district. The workbook provided energy conservation information that students could take home and implement with the families.

Approximately 3,000 customer accounts have the ability to access to kWickview. SDG&E has been providing kWickview to all customers with IDR meters installed.

Flex Your Power Now! (FYPN!)

Program Description

As part of overall customer education and awareness endeavors, SDG&E proposed to continue its support of the Flex Your Power Now! (FYPN!) campaign. FYPN! is an electricity conservation alert system designed to prevent Stage One Electrical Emergencies. The FYPN! Alert was used to notify California businesses, governments and residents when they should follow specific conservation and load-shifting measures to immediately reduce their electricity use. SDG&E has continued to develop focused awareness campaigns designed to compliment

the FYPN (the energy efficiency component) efforts to be developed in concert with statewide campaign.

2006 Results

SDG&E continued to work with SCE and PG&E as well as the CAISO and the Flex Your Power partners to implement the Flex Your Power NOW! alerts as needed in the summer of 2006. The partners included the Flex NOW! message in a variety of communications, including TV and radio ads. SDG&E successfully implemented the Flex NOW! alerts on days when directed by the CASIO per the procedures outlined by the partners. Actions included posting the Flex NOW! logo on the web site and coordinating the notification message to customers with other SDG&E demand response program notifications. The Flex NOW! message was also incorporated into media briefings and alerts as possible issued on critical days.

Emerging Markets

Program Description

To facilitate coordination among the utilities, the PIER Demand Response Resource Center (DRRC) and other related research at the national and international level, such as the Department of Energy's Demand Response Coordinating Committee (DRCC), SDG&E participates and co-sponsors demand response research if identified as relevant to the state and the state's longer term strategy to nurture a robust demand response market. These activities can include: participation in local, statewide and national research studies, technology pilots that involve the development and installation of new technological advances, and memberships that support agencies involved in demand response research and further stimulating demand response.

2006 Results

SDG&E participated in the California Energy Commission's (CEC) statewide Demand Response Emerging Technology Development project, DRBizNet. Its value is in the automation of DR processes, such as customer enrollment and event notification, program invocation and incentive payment, etc. An electronic signal sent by the utility through the Internet would automatically implement DR strategies developed by the customer to reduce load. The statewide demonstration of this technology was successfully performed on August 11, 2006. SDG&E volunteered one of its facilities and an employee's home to participate in the load reduction demonstration. SDG&E's participation provided the team with valuable feedback and insight on technical issues and improvements to be addressed prior to a larger pilot or deployment.

SDG&E also participated in the CEC's Automated Demand Response (Auto DR) pilot. Its value is in the ability to send XML messaging from a central location over the Internet to automatically control customer loads during DR events. An electronic signal sent through the Internet, in this case by the Lawrence Berkeley National laboratory (LBNL), automatically implements DR strategies at customer sites. SDG&E contracted with LBNL to pilot this technology at small commercial (<500 kW) customer sites Working through existing DR programs, such as the TA/TI program, the introduction and marketing efforts to deploy this type of technology were determined. In preparation of this technology transfer to DR programs in 2007, SDG&E held a technology workshop with vendors of Auto DR type technologies. LBNL and these vendors

discussed their technology compatibility, connectivity and the convenience of using a standard interface at the utility.

Community Outreach

Program Description

The Community Outreach program includes a load curtailment component with local cities and municipalities, and a joint partnership with local water districts. Eligible communities who enroll in the program agree to reduce load, if possible, when called upon. SDG&E will work with these participants to help predetermine possible load shedding activities and help quantify legitimate kW levels that could be relied upon during an emergency event.

2006 Results

The Community Outreach Business plan was developed and implemented in 2006. The targeted audience was hard-to-reach and underserved areas/communities: 29 cities and 2 Regional Economic Development Councils, as well as over 40 trade or business associations. Eighty-five (85) presentations were made at tradeshows, association meetings and business conferences. SDG&E also had the following distribution of materials and messages: 15,000 pieces of program collateral distributed at community events; related messaging and articles in 103 trade newsletters, covering 62 organizations; and 10 electronic communications (email blasts). SDG&E also supplied and trained 9 local cities or municipalities with Energy Orbs, a simple wireless "globe" that presents a visual cue (change in color) when energy-saving efforts are needed.

Circuit Savers

Program Description

The Circuit Saver program is designed to reduce load on specific electric distribution circuits with the highest summer electric loads during the summer months. The program prioritizes the application of demand response technologies and programs to those circuits or areas that are experiencing high equipment loading or that experience higher than normal energy usage during peak conditions.

2006 Results

In 2006, SDG&E work was competed to identify circuits or areas that are experiencing high equipment loading or that experience higher than normal energy usage during peak conditions. An outreach campaign targeting peak circuit locations was developed and customer information packets were created for distribution at events in these areas. The customer literature included information related to residential programs such as, Single Family Rebate program, Floor to Ceiling Guide and the Summer A/C Saver program.

Other Programs

Statewide Pricing Pilot (SPP)

Program Description

The Statewide Pricing Pilot Program is a pilot program for the residential market, designed to study and measure customer reaction to proxy price signals. Customers participating in the pilot program were placed on one of two different rates that allowed prices to rise during periods of peak electricity demand, and fall during periods of low demand. The pilot program was initially set to expire on December 31, 2004, but was extended by the Commission through 2006.

2006 Results

Enrolled customers continued their participation in the SPP program during 2006, as program activities concluded. Decommissioning of all tracking and related equipment took place in 2006, and all customers were notified that the tariff related to SPP would be terminated at the end of 2006. Customers were also notified that they would be returned to their otherwise applicable tariff beginning in January, 2007. By year end, the SPP program was decommissioned, and customers successfully returned to their otherwise applicable residential rate schedule.

Automated Demand Response Program (ADRS)

Program Description

The Automated Demand Response Program (ADRS) is a program for residential customers who are participating in the Statewide Pricing Pilot. ADRS provided these customers with a GoodWatts system developed by Invensys, which enables web-based control of the customer's thermostat. The program was scheduled to be decommissioned by the end of 2006.

2006 Results

In conjunction with the decommissioning of the SPP, customers enrolled in the ADRS program were notified of the termination of the program during 2006. All customers were notified that the ADRS pilot program would be concluded by year-end 2006.

On-Bill Financing

Program Description

The On-Bill Financing Program (OBF) helps qualified commercial customers pay for demand response business improvements through their SDG&E bill. OBF works in conjunction with the SDG&E rebate and incentive programs to provide a zero-percent financing option for customers eligible to participate in such rebate and incentive programs. Eligible customers must receive a rebate or incentive through an SDG&E demand response program and have an active SDG&E

account for the past two years for the same business. The account must be in good standing with no deposit on record and no disconnect notices in the last twelve months. Business customers with loads under 100 kW and/or an average monthly natural gas usage of 4166 therms are eligible to participate. Local government customers (school districts, city and county agencies, water districts, etc.) may also participate regardless of size. The loan term for the financing is determined by the repayment period of equipment selected through the applicable SDG&E rebate or incentive program and is calculated based on estimated annual energy savings, not to exceed the maximum loan term of five years. The project cost, per meter, per customer (after reduced rebates or incentives are applied) must be a minimum of $5,000, with a maximum of $50,000.

2006 Results

The OBF Program was launched in 2006, and acquired 17 approved applications by year end. Marketing and communication activities have included the development of the OBF Fact Sheet, training of internal staff to promote the program, a small business campaign that inserted an ad in 30 small business trade association newsletters, and extensive contractor training. To date, OBF has committed nearly $100,000, which translates to nearly 1,000,000 kWh in incremental energy savings.

Clean Generator Program

Program Description

The Clean Generator program is a third-party program managed under contract between SDG&E and Celerity, Inc. The key element of this program is that Celerity will convert existing diesel-fired units to clean-burning units by installing emission control equipment on these units, and installing software and communications equipment that allow SDG&E to dispatch all or some of these resources with short notice. Celerity will also maintain the converted units, so when the customer does utilize them, they are running cleaner and more efficiently than the unconverted diesel units did. The end result is that when these customers are asked to reduce their use of power, they do so, reducing demand on the grid, yet they can now continue to operate their business using less polluting equipment.

2006 Results

The Celerity contract was approved by Commission Resolution E-3926 in April 2005. Celerity was purchased by EnerNOC in May, 2006 (SDG&E filed Advice Letter 1849-E on December 5, 2006, seeking Commission approval of a revision to the contract to reflect EnerNOC as the new party replacing Celerity). EnerNOC has been working with customers to determine their qualifications for participation in the program and sign qualified customers in 2006. In December, 2006, the Commission approved Advice Letter 1849-E to assign the Celerity contract to EnerNOC, and extend the customer enrollment and site activation period from December 31, 2006 to May 31, 2007.

Non-Residential Program: Interruptible/Curtailable: Individual Load Curtailiment (ILC)

Program Description

This program's strategy is to achieve load reduction by notifying customers participating on tariff schedule AL-TOU-CP (formerly Schedule A-V1, closed on October 2, 2002). This rate was designed for commercial/industrial customers to reduce system electric load during critical peak periods.

2006 Results

In 2006, customers were notified and requested to curtail electric load during a total of 10 program events. At the beginning of 2006, SDG&E had 31 participating customers on the Schedule AL-TOU-CP rate, representing 15.3 MW of potential load reduction. Schedule AL-TOU-CP was closed on October 2, 2002, and was terminated at the end of 2006. Remaining participants were moved to their otherwise applicable rate schedule as of January 1, 2007.

SDG&E Customer Relationship Management (CRM) System

Program Description

SDG&E's new Customer Relationship Management (CRM) System was included as a component of the Demand Response Programs portfolio enhancements proposed in A. 05-06-017 and authorized by D. 06-03-024. SDG&E proposed the CRM in order to automate a number of separate, manual processes tailored to the specific needs of each Demand Response program, including such issues as program traits, customer enrollments and event performance. The controls enabled by the CRM will facilitate targeting customer accounts for program participation, as well as a variety of customer communications associated with marketing and operating various Demand Response programs. The CRM will be used by SDG&E to administer and manage the Demand Response Programs portfolio, and will ultimately replace four primary legacy systems currently in place. The combination of these four silo systems into one comprehensive system will allow SDG&E to leverage the marketing functionality, data presentment and increased productivity that are associated with the use of a CRM system.

2006 Results

There were five phases of the CRM project identified in 2006. To date, two phases have been completed, which included the development of a Request for Proposals (RFP), selection of an implementer, and gathering of the functional requirements. Currently, the project is in the design phase, which includes design and construction of the new system. The new CRM system is scheduled to launch in the third quarter of 2007.

Cost Of Service-Funded Programs

Optional Binding Mandatory Curtailment Program (OBMC)

Program Description

The Optional Binding Mandatory Curtailment Program (OBMC) exempts enrolled customers' circuits from rotating outages in return for a commitment to reduce circuit load by 15% from the previous year baseline, and by at least 10% from the 10-day baseline. Customers incur a penalty of $6 per kWh for failure to achieve committed load curtailment.

2006 Results

Feedback from customers has indicated that the potential for significant monetary penalties for failure to meet committed curtailment pledges $6.00 per kWh during each hour of the rotating outage) has an impact on participating in the program. SDG&E ended the year with no customers enrolled on the program.

Scheduled Load Reduction Program (SLRP)

Program Description

The SLRP is a state legislated program that provides for an incentive of $0.10 per kWh to customers who commit to scheduled load reductions in four-hour blocks on selected weekdays during the period of June 1 - September 30.

2006 Results

There were no major accomplishments in 2006. At year-end the SLRP program had no participating customers.

Appendix

Demand Response Programs
Table 1
2006 Program Results (Through December)

	Program Subscription Statistics		Financial Statistics ($000)											Budget	
			Budget					Expenditures							
	MWs	Service Accounts	Administration	Capital	M&E	Incentives	Total	Administration	Capital	M&E	Incentives	Total	2007	2008
Day Ahead Notification Programs														
Demand Bidding Program	11.1	68	$ 371.0	$ 62.6	$ 82.2	$ 160.0	$ 675.8	$ 223.2	$ -	$ 0.0	$ 1.3	$ 224.5	$ 733.9	$ 733.5
California Demand Reserves Partnership	18.5	26	$ 135.9	$ -	$ 63.1	$ -	$ 199.0	$ 42.2	$ -	$ -	$ -	$ 42.2	$ -	$ -
Capacity Bidding Program			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,419.2	$ 1,570.9
Commercial/Industrial Peak Day 20/20 Program	35.3	724	$ 370.1	$ 74.3	$ 82.2	$ 200.0	$ 726.6	$ 233.1	$ -	$ 49.1	$ 47.8	$ 330.0	$ 782.2	$ 700.0
Voluntary Critical Peak Pricing Program	15.4	140	$ 179.8	$ 25.5	$ 82.2	$ -	$ 287.5	$ 151.5	$ 7.7	$ 4.7	$ -	$ 163.9	$ 462.6	$ 400.3
Subtotal	**80.3**	**958**	**$ 1,056.8**	**$ 162.4**	**$ 309.6**	**$ 360.0**	**$ 1,888.9**	**$ 650.0**	**$ 7.7**	**$ 53.9**	**$ 49.1**	**$ 760.7**	**$ 3,397.9**	**$ 3,404.7**
Reliability Day-of Programs														
Base Interruptible Program	0.1	1	$ 159.5	$ 15.0	$ 50.6	$ 145.0	$ 370.1	$ 56.9	$ -	$ -	$ 4.6	$ 61.5	$ 871.7	$ 506.9
Residential Thermostat Program	1.5	4,037	$ 303.6	$ -	$ 127.6	$ 292.5	$ 723.7	$ 557.8	$ -	$ -	$ (0.1)	$ 557.8	$ 797.4	$ -
Critical Peak Pricing--Emergency Program	5.1	10	$ 33.4	$ -	$ 50.6	$ -	$ 84.0	$ 31.7	$ -	$ -	$ -	$ 31.7	$ 252.2	$ 122.5
In-Home Display			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 430.8	$ -
Emergency Demand Bidding Program			$ 85.9	$ -	$ 50.7	$ 150.0	$ 286.6	$ 0.2	$ -	$ -	$ -	$ 0.2	$ -	$ -
Subtotal	**6.7**	**4,048**	**$ 582.3**	**$ 15.0**	**$ 279.5**	**$ 587.5**	**$ 1,464.3**	**$ 646.6**	**$ -**	**$ -**	**$ 4.6**	**$ 651.2**	**$ 2,352.2**	**$ 629.4**
Technology and Incentives Programs														
Technology Incentives Program			$ 451.4	$ -	$ 44.3	$ 1,427.5	$ 1,923.2	$ 130.3	$ -	$ -	$ -	$ 130.3	$ 5,788.5	$ 2,262.1
Technical Assistance Program			$ 1,567.0	$ -	$ 37.9	$ 750.0	$ 2,354.9	$ 388.5	$ -	$ -	$ 128.6	$ 517.2	$ 1,967.0	$ 1,983.7
Automated Demand Response			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,925.5	$ 2,676.1
Permanent Load Shifting			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,000.0	$ -
Subtotal	**10.3**	**94**	**$ 2,018.4**	**$ -**	**$ 82.2**	**$ 2,177.5**	**$ 4,278.1**	**$ 518.8**	**$ -**	**$ -**	**$ 128.6**	**$ 647.4**	**$13,681.0**	**$ 6,921.9**
Education, Awareness & Outreach Programs														
Flex Your Power Now!			$ 597.1	$ -	$ 82.2	$ -	$ 679.3	$ 2.2	$ -	$ 29.3	$ -	$ 31.5	$ 680.1	$ 680.9
Customer Education, Awareness & Outreach			$ 1,889.6	$ 121.1	$ 164.3	$ -	$ 2,175.0	$ 1,691.4	$ -	$ 27.1	$ -	$ 1,718.5	$ 2,562.9	$ 2,424.7
Emerging Markets			$ 211.5	$ 8.5	$ -	$ -	$ 220.0	$ 173.8	$ -	$ -	$ -	$ 173.8	$ 1,047.0	$ 651.8
kWickview			$ 275.0	$ -	$ -	$ -	$ 275.0	$ 263.1	$ -	$ -	$ -	$ 263.1	$ -	$ -
Peak Student			$ 300.0	$ -	$ -	$ -	$ 300.0	$ 54.0	$ -	$ -	$ -	$ 54.0	$ -	$ -
Community Outreach			$ 180.7	$ -	$ 44.3	$ -	$ 225.0	$ 144.0	$ -	$ 0.8	$ -	$ 144.8	$ 245.0	$ 260.0
Circuit Savers			$ 150.7	$ -	$ 44.3	$ -	$ 195.0	$ 90.3	$ -	$ -	$ -	$ 90.3	$ 229.9	$ 250.0
Subtotal	**0**	**-**	**$ 3,604.7**	**$ 129.6**	**$ 335.1**	**$ -**	**$ 4,069.3**	**$ 2,418.7**	**$ -**	**$ 57.2**	**$ -**	**$ 2,475.9**	**$ 4,764.8**	**$ 4,267.4**
Other Programs														
Statewide Pricing Pilot	0.0	145	$ 93.6	$ -	$ -	$ -	$ 93.6	$ 234.2	$ -	$ -	$ -	$ 234.2	$ 1.2	$ -
ADRS	0	9	$ 68.3	$ -	$ -	$ -	$ 68.3	$ -	$ -	$ -	$ -	$ -	$ -	$ -
On-Bill Financing			$ 139.9	$ -	$ -	$ -	$ 139.9	$ -	$ -	$ -	$ -	$ -	$ 139.9	$ 139.9
Competitive Bid			$ 149.4	$ -	$ -	$ -	$ 149.4	$ -	$ -	$ -	$ -	$ -	$ 152.7	$ 155.9
Cost Benefit Framework			$ -	$ -	$ 82.2	$ -	$ 82.2	$ -	$ -	$ -	$ -	$ -	$ 83.0	$ 83.8
Annual Report			$ -	$ -	$ 27.8	$ -	$ 27.8	$ -	$ -	$ -	$ -	$ -	$ 28.2	$ 28.5
Market Research			$ 141.4	$ -	$ 163.8	$ -	$ 305.3	$ -	$ -	$ -	$ -	$ -	$ 233.6	$ 237.2
IT			$ 136.7	$ 2,075.3	$ -	$ -	$ 2,212.0	$ 115.5	$ -	$ -	$ -	$ 115.5	$ -	$ -
General Administrative			$ -	$ -	$ -	$ -	$ -	$ 27.5	$ -	$ 78.4	$ -	$ 105.9	$ -	$ -
Subtotal	**0.0**	**154**	**$ 729.3**	**$ 2,075.3**	**$ 273.8**	**$ -**	**$ 3,078.5**	**$ 377.1**	**$ -**	**$ 78.4**	**$ -**	**$ 455.5**	**$ 638.5**	**$ 645.3**
ILROPMA														
Summer A/C Saver Program (Comverge)	28.9	14,707	$ -	$ -	$ -	$ -	$ -	$ 1,806.7	$ -	$ 102.3	$ 701.6	$ 2,610.5	$ 4,000.0	$ -
Clean Generator Program (Celerity)			$ 100.0	$ -	$ -	$ -	$ 100.0	$ 37.4	$ -	$ -	$ -	$ 37.4	$ -	$ -
Subtotal	**28.9**	**14,707**	**$ 100.0**	**$ -**	**$ -**	**$ -**	**$ 100.0**	**$ 1,844.1**	**$ -**	**$ 102.3**	**$ 701.6**	**$ 2,648.0**	**$ 4,000.0**	**$ -**
Programs In General Rate Case														
Peak Generation	63.3	70	$ 109.1	$ -	$ -	$ -	$ 109.1	$ 64.4	$ -	$ -	$ -	$ 64.4	$ -	$ -
Optional Binding Mandatory Curtailment Program	0.0	-	$ -	$ -	$ -	$ -	$ -	$ 0.9	$ -	$ -	$ -	$ 0.9	$ -	$ -
Scheduled Load Reduction Program	0.0	-	$ -	$ -	$ -	$ -	$ -	$ 0.9	$ -	$ -	$ -	$ 0.9	$ -	$ -
AL-TOU-CP	0.0	-	$ -	$ -	$ -	$ -	$ -	$ 15.8	$ -	$ -	$ 200.3	$ 216.1	$ -	$ -
BIP								$ 0.3	$ -	$ -	$ -	$ 0.3	$ -	$ -
Subtotal	**63.3**	**70**	**$ 109.1**	**$ -**	**$ -**	**$ -**	**$ 109.1**	**$ 82.2**	**$ -**	**$ -**	**$ 200.3**	**$ 282.5**	**$ -**	**$ -**
Total	**189.5**	**20,031**	**$ 8,200.7**	**$ 2,382.3**	**$ 1,280.2**	**$ 3,125.0**	**$ 14,988.2**	**$ 6,537.5**	**$ 7.7**	**$ 291.7**	**$ 1,084.2**	**$ 7,921.1**	**$28,834.4**	**$ 15,868.7**

Notes:
Res Smart Therm includes $235K of Prior Period payments
CEAO, kWickview and Peak Student are combined on the report filed monthly with the CPUC.

Table 2
San Diego Gas and Electric
Interruptible, Curtailment and Demand Response Programs
2006 Event Summary
(Operations)

Event No.	Date	Interruptible & Curtailment Programs ISO Request (MW)	Program Activated	Program Trigger	Actual Load Reduction (MW)	Event Duration (hr:min)	Program Tolled Hours (Annual)	Program Tolled Events (Annual)	Comments
n/a	January-06	None	--		--	--	--	--	
n/a	February-06	None	--		--	--	--	--	
n/a	March-06	None	--		--	--	--	--	
n/a	April-06	None	--		--	--	--	--	
n/a	May-06	None	--		--	--	--	--	
1	6/27/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	7.97	7:00			Preliminary numbers, not all data available as of 7-01-06
2	6/28/2006		Summer AC Saver	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	9.00	3:00			Preliminary
3	6/28/2006		Smart Thermostat	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.10	2:00			Preliminary
4	6/29/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	8.24	7:00			Preliminary numbers, not all data available as of 7-01-06
5	6/29/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	11.70	7:00			Event data will be unavailable until after 7-31-06
6	6/30/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	8.74	7:00			Prelimanry numbers, not all data available as of 7-01-06

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7	6/30/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	13.18	7:00			Event data will be unavailable until after 7-31-06
8	7/12/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	9.90	7:00			Preliminary
9	7/12/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	9.36	7:00			Preliminary
10	7/13/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	8.92	7:00			Preliminary
11	7/13/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	8.36	7:00			Preliminary
12	7/13/2006		Smart Thermostat	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.12	4:00			Preliminary

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13	7/13/2006		Summer AC Saver	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	10.60	3:00			Preliminary
14	7/13/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.47	2:02			Preliminary
15	7/14/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.20	3:58			Preliminary
16	7/14/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	8.22	7:00			Preliminary
17	7/14/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	10.01	7:00			Preliminary
18	7/14/2006		CPA-DRP	CAISO Discretion	9.90	3:00			Preliminary
19	7/14/2006		Summer AC Saver	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	11.80	3:00			Preliminary

Table 2
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Interruptible, Curtailment and Demand Response Programs
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Event No.	Date	Interruptible & Curtailment Programs ISO Request (MW)	Program Activated	Program Trigger	Actual Load Reduction (MW)	Event Duration (hr:min)	Program Tolled Hours (Annual)	Program Tolled Events (Annual)	Comments
20	7/14/2006		Smart Thermostat	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	0.93	4:00			Preliminary
21	7/17/2006		CPA-DRP	CAISO Discretion	11.30	4:00			Preliminary
22	7/17/2006		Smart Thermostat	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.14	3:00			Preliminary
23	7/17/2006		Summer AC Saver	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	11.80	3:00			Preliminary
24	7/18/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	8.49	7:00			Preliminary
25	7/18/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	9.10	7:00			Event data will be unavailable until after 8-19-06
26	7/18/2006		CPA-DRP	CAISO Discretion	3.70	2:00			Preliminary
27	7/18/2006		DBP	CAISO Alert or Local System Needs	0.91	4:00			Preliminary
28	7/19/2006		CPA-DRP	CAISO Discretion	4.30	2:00			Preliminary

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San Diego Gas and Electric
Interruptible, Curtailment and Demand Response Programs
2006 Event Summary
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Event No.	Date	Interruptible & Curtailment Programs ISO Request (MW)	Program Activated	Program Trigger	Actual Load Reduction (MW)	Event Duration (hr:min)	Program Tolled Hours (Annual)	Program Tolled Events (Annual)	Comments
29	7/21/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	6.80	7:00			Event data will be unavailable until after 8-22-06
30	7/21/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	8.78	7:00			Preliminary
31	7/21/2006		CPA-DRP	CAISO Discretion	8.10	2:00			Preliminary
32	7/21/2006		DBP	CAISO Alert or Local System Needs	0.89	4:00			Preliminary
33	7/21/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	2.47	6:00			Preliminary
34	7/21/2006		Smart Thermostat	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.00	3:00			Preliminary
35	7/21/2006		Summer AC Saver	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	12.10	3:00			Preliminary
36	7/22/2006		CPP-E	Local Transmission or Distribution Emergency or imminent Stage 3 Alert	2.37	3:15			Preliminary

Table 2
San Diego Gas and Electric
Interruptible, Curtailment and Demand Response Programs
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Event No.	Date	Interruptible & Curtailment Programs ISO Request (MW)	Program Activated	Program Trigger	Actual Load Reduction (MW)	Event Duration (hr:min)	Program Tolled Hours (Annual)	Program Tolled Events (Annual)	Comments
37	7/22/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.06	6:00			Preliminary
38	7/24/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	2.44	6:00			Preliminary
39	7/24/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	12.09	7:00			Event data will be unavailable until after 8-25-06
40	7/24/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	8.59	7:00			Preliminary
41	7/24/2006		BIP	CAISO Stage 2 Alert or CAISO Discretion	0.14	2:00			Preliminary
42	7/24/2006		Summer AC Saver	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	12.10	3:00			Preliminary

Table 2
San Diego Gas and Electric
Interruptible, Curtailment and Demand Response Programs
2006 Event Summary
(Operations)

Event No.	Date	Interruptible & Curtailment Programs ISO Request (MW)	Program Activated	Program Trigger	Actual Load Reduction (MW)	Event Duration (hr:min)	Program Tolled Hours (Annual)	Program Tolled Events (Annual)	Comments
43	7/24/2006		Smart Thermostat	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	0.97	3:00			Preliminary
44	7/24/2006		CPP-E	Local Transmission or Distribution Emergency or imminent Stage 3 Alert	3.64	4:00			Preliminary
45	7/24/2006		CPA-DRP	CAISO Discretion	11.30	3:00			Preliminary
46	7/25/2006		DBP	CAISO Alert or Local System Needs	0.53	4:00			Preliminary
47	7/25/2006		CPA-DRP	CAISO Discretion	11.45	2:00			Preliminary
48	7/25/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	14.90	7:00			Event data will be unavailable until after 8-26-06
49	7/26/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	2.47	4:43			Preliminary
50	7/27/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	3.37	6:00			Preliminary

Table 2
San Diego Gas and Electric
Interruptible, Curtailment and Demand Response Programs
2006 Event Summary
(Operations)

Event No.	Date	Interruptible & Curtailment Programs ISO Request (MW)	Program Activated	Program Trigger	Actual Load Reduction (MW)	Event Duration (hr:min)	Program Tolled Hours (Annual)	Program Tolled Events (Annual)	Comments
51	7/28/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	3.13	4:55			Preliminary
n/a	August-06	None	--		--	--	--	--	
52	9/5/2006		CPA-DRP	CAISO Discretion	1.94	3:00			Preliminary
53	9/5/2006		Summer AC Saver	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	13.70	3:00			Preliminary
53	9/5/2006		Smart Thermostat	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	0.90	3:00			Preliminary
54	9/5/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.91	6:00			Preliminary
55	9/6/2006		C & I 20/20	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	5.78	7:00			Preliminary

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2006 Event Summary
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Event No.	Date	Interruptible & Curtailment Programs ISO Request (MW)	Program Activated	Program Trigger	Actual Load Reduction (MW)	Event Duration (hr:min)	Program Tolled Hours (Annual)	Program Tolled Events (Annual)	Comments
56	9/6/2006		CPP	Day ahead forecast 84° at MCAS and actual system load reaches or exceeds 3,620 MW	11.04	7:00			Preliminary
57	9/6/2006		DBP	CAISO Alert or Local System Needs	1.65	4:00			Preliminary
58	9/6/2006		CPA-DRP	CAISO Discretion	0.70	3:00			Preliminary
59	9/6/2006		Summer AC Saver	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	13.60	3:00			Preliminary
60	9/6/2006		Smart Thermostat	CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	1.02	2:00			Preliminary
61	9/6/2006		AL-TOU-CP	actual system load exceeds 3,996 MW for 15 minutes or CAISO Stage 2 Alert, Local Transmission or Distribution Emergency	3.99	5:17			Preliminary
n/a	October-06	None	--		--	--	--	--	
n/a	November-06	None	--		--	--	--	--	
n/a	December-06	None	--		--	--	--	--	

Note: MW Reduction amounts were adjusted in September for data that was received after the prior reports were filed.