**Phase 3 Integrated Resource Planning Reliability RFO – Demand Response**

**Program Description Form**

*Instructions:*

1. *Submit one Project Description Form (Form) for each project being submitted for SDG&E’s consideration.*
2. *Use green font for information the Respondent deems to be confidential.*
3. *Limit and focus the discussions so that this form does not exceed 30 pages (10 size font).*
4. ***Company Information***

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| Company Name Submitting Offer(s) |  |
| Company Legal Name as party to  potential contract(s) (if different) |  |
| Project Name |  |
| Company Street Address |  |
| Company City |  |
| Company State |  |
| Company Zip Code |  |
| How did the company hear of the Demand Response Resources RFO?   * SDG&E Website * Email from SDG&E * Colleague * Other (please elaborate) |  |

1. ***Company Representative***

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| --- | --- | --- |
|  | Primary Contact | Secondary Contact |
| Name |  |  |
| Title |  |  |
| Office Phone |  |  |
| Cell Phone |  |  |
| Email Address |  |  |

1. ***Project Summary***

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| Expected Project Start Date |  |
| Expected Project End Date |  |
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1. ***Participation Criteria***

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| Criteria | If Project meets Criteria enter “Yes” and provide a brief sentence supporting your eligibility. In addition, beginning with Section G in this Form, Respondents can explain their responses in more details. | If Project does not meet Criteria enter “No” and provide a brief sentence with your explanation. In addition, beginning with Section G in this Form, Respondents can explain their responses in more details. |
| 1. Customers to be enrolled in the DR programs and/or who will provide proposed DR resource (s) must be located within SDG&E’s service territory. |  |  |
| 1. SDG&E prefers start dates by June 1, 2027, but may consider later start dates. |  |  |
| 1. Respondents pursuing a Demand Response resource must demonstrate how their project it will meet the requirements of the current RA counting rules. |  |  |
| 1. The Demand Response resource must be demonstrably incremental to the baseline resource assumptions identified for the analysis that led to the adoption of the procurement authorization in D.21-06-035. |  |  |
| 1. The Respondent must state any affiliate relationship with Sempra Energy, if one exists. |  |  |
| 1. The Demand Response resource must meet all applicable CAISO wholesale product tariff requirements. |  |  |
| 1. ***Resource Criteria***  |  |  |  | | --- | --- | --- | | Criteria | If Project meets Criteria enter “Yes” and provide a brief sentence supporting your eligibility. In addition, beginning with Section G in this Form, Respondents can explain their responses in more details. | If Project does not meet Criteria enter “No” and provide a brief sentence with your explanation. In addition, beginning with Section G in this Form, Respondents can explain their responses in more details. | | | |
| 1. Minimum resource capacity must be 10 MW in aggregate. [[1]](#footnote-1) |  |  |
| 1. Respondents to the RFO must indicate if the offer being submitted must be a supply side resource. |  |  |
| 1. Permanent load shifting based on technology or behavior change will not be considered. |  |  |
| 1. Bids that are supported by resources that are already being subsidized under another CPUC-regulated program or rate schedule shall not be considered. |  |  |
| 1. Load reduction of the resource must be consistent with the CPUC requirements regarding the use of back-up generation for DR. Fossil-fuel emergency back-up generation resources will not qualify as a Demand Response Resource in this RFO based on the Commission’s policy statement that fossil-fuel emergency back-up generation resources should not be allowed as part of a demand response program for RA purposes, subject to rules adopted in future RA proceedings .[[2]](#footnote-2) |  |  |
| 1. Resources must be dispatchable, either by CAISO or SDG&E. |  |  |

1. ***Proposed Facility Location (if applicable)***

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| Project Name |  |
| Site Name *(if different from above)* |  |
| Project Street Address |  |
| Project City, State |  |
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| 1. ***Incremental Demand Response Resources***   Please describe how your Demand Response Resources proposal is incremental (load drop) and supporting documentation for the program enrollment forecast and whether customers are weather sensitive  A method to measure a Demand Response resource incremental is to perform an analysis to identify the differences of the load impact estimates, program enrollments must be new enrollments or new enrollments between the Demand Response resource versus SDG&E’s current DR program portfolio and, if applicable, SDG&E’s proposed future DR program portfolio. | |

1. ***Demand side load modifying resources or a supply side resources***

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| Please indicate and describe if your proposal is a demand side load modifying resources or supply side resources. Offers for supply side resources should explain how the product can bid into the CAISO markets. If proposing a load modifying resources, provide a detailed explanation as to why your proposal cannot be treated as a supply side resources. |

1. ***Demand Response Resource offer***

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| Please describe the Demand Response Resource design your company is proposing. |

1. ***Detail any limitations of the Demand Response Resource offer***

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| Please describe any limitations of your product offering. For example: the minimum or maximum number of hours per year the product is available. |

1. ***Target Market***

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| Describe the target market for participation in the Demand Response product by customer class and whether the customers will be bundled SDG&E customers, Direct Access customers or both. |

1. ***Safety***

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| 1. Please confirm by checking the box either by ‘yes’ or ‘no’ whether you intend to operate and maintain the program or project that is the subject of your offer in accordance with accepted electrical practices, applicable law and industry standards including those that are related to safety (note: the terms “accepted electrical practices”, “applicable law” and “industry standards” are defined in the pro forma agreement. For product types without a pro forma agreement or for agreements in which these definitions are not included, please see below definitions).   ☐Yes  ☐No  “Accepted Electrical Practices” means those practices, methods, applicable codes and acts engaged in or approved by a significant portion of the electric power industry during the relevant time period, or any of the practices, methods and acts which, in exercise of reasonable judgment in light of the facts known at the time a decision is made, could have been expected to accomplish a desired result at reasonable cost consistent with good business practices, reliability, safety and expedition. Accepted Electrical Practices are not intended to be limited to the optimum practices, methods or acts to the exclusion of other, but rather to those practices, methods and act generally accepted or approved by a significant portion of the electric power industry in the relevant region, during the relevant time period, as described in the immediately preceding sentence.  “Applicable Laws” means all applicable statutes, laws, court decisions, ordinances, rules, order, writ, subpoena or regulations of any Governmental Authority, or the rules or regulations of any exchange or control grid operator.  “Industry Standards” has the meaning set forth below:  When notified of a dispatch by SDG&E (or the CAISO), Seller shall operate the Project in accordance with Accepted Electrical Practices, Applicable Laws, Permit Requirements and applicable California utility industry standards, any applicable fire standards and codes, including without limitation the standards established by the California Electricity Generation Facilities Standards Committee, pursuant to Public Utilities Code Section 761.3, and enforced by the CPUC, and CAISO-mandated standards, as set forth in Section 5 of the Tariff (collectively, “Industry Standards”). In addition, Seller shall at all times maintain and operate the Project in a safe manner as required by Accepted Electrical Practices, Industry Standards, statutes, regulations or other Applicable Law. |

1. ***Measured Load Reduction***

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| 1. Please describe how the Demand Response Resources proposed be measured for ex-post and ex-ante estimates to ensure the load reduction amount committed is achieved. Day matching and regression analysis methodologies are examples of methodologies to measure the load reduction amount.   Day-matching: Day-matching, DR impacts are estimated as the difference between a reference value, intended to represent what load would have been had a customer not changed their behavior in response to the DR program or tariff incentive, and actual load on an event day.  Regression analysis: Regression analysis is a method for estimating the impact of DR resources. Regression methods rely on statistical analysis to develop a mathematical model summarizing the relationship between a variable of interest, known as the dependent variable, and other variables, known as independent or explanatory variables, that influence the dependent variable. When used to determine DR impacts, the dependent variable is typically either energy use or the change in energy use, and the independent variables can include a range of influencing factors such as weather, participant characteristics and, most importantly, variables representing the influence of the DR resource.  SDG&E weather scenarios are available upon request. |
| 1. How will your Demand Response Resource product be established to exclude free ridership? “Free ridership” refers to load reduction that would have occurred even without the benefit of the proposed Demand Response Resources. For example, a customer who signs up for air conditioner program never uses their air conditioner during any weather conditions but would get paid for participating in the program. |

1. ***Financials***

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| Please complete and submit the Credit Application form: |

1. ***Diverse Business Enterprise Subcontracting Commitment and Reporting Requirements (DBE)***

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| Please complete and submit the DBE form:  Please indicate whether the Respondent has or will utilize DBE services during the development and/or construction of the project.  To assist in SDG&E’s data collection efforts in compliance with PU Code Section 910(a)(8), for the current calendar year please provide the number of new employees that have been hired, and the number of women, minority, and/or disabled veterans that have been trained or hired by the persons or corporations owning or operating this facility (please distinguish between owner and operator in the response). |

1. ***Corporate Profile and Experience***

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| 1. Please submit an organizational chart and resumes of key personnel as related to the proposed Demand Response Resources. |
| 1. Is your company licensed to do business in California: If yes, what are your applicable business license numbers? |
| 1. Please list and describe other projects of a similar demand response resources and technology within the past 5 years. Please included but not limited to the number of MWs of demand response load reduction for each project. |
| 1. What is the largest area for growth within your company and the industry from your company’s perspective? |

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| Identify parts, sections, and elements of the offer (including information in this and all other forms) which Respondent considers to be Confidential and Proprietary in accordance with RFO Section Confidentiality. |

1. ***Confidential Information***
2. ***Schedule***

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| Please provide overall Schedule (Milestones) of the proposed Demand Response Resource  Insert dates for all applicable milestones below: | | |
| *No.* | *Date* | *Milestone* |
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|  |  | If applicable, add additional milestones. |

1. ***Additional Information***

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| Provide any additional relevant information necessary for SDG&E to evaluate the merits of the proposal. |

1. Note that SDG&E will consider the administrative burden/feasibility of negotiating a high volume of agreements when selecting its shortlist. [↑](#footnote-ref-1)
2. See D.11-10-003. [↑](#footnote-ref-2)