

Application of San Diego Gas & Electric  
Company (U-902-M) for Approval of  
Demand Response Programs and Budgets  
for the Years 2012 through 2014.

Application 11-03-002

CHAPTER V  
REBUTTAL TESTIMONY  
OF LESLIE WILLOUGHBY/KATHRYN SMITH

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

July 11, 2011

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**CHAPTER V**  
**REBUTTAL TESTIMONY OF**  
**LESLIE WILLOUGHBY\KATHRYN SMITTH**

**I. INTRODUCTION**

In accordance with the May 13<sup>th</sup> 2011 Joint Assigned Commissioner and Administrative Law Judge’s Ruling and Scoping Memo I respectfully submit rebuttal testimony. My rebuttal testimony responds to the Demand Response Aggregator testimony regarding revising the baseline methodology. The Demand Response Aggregators filed their opening testimony in this proceeding on June 15<sup>th</sup> 2011. The rebuttal testimony will address the Demand Response Aggregator proposal for a “no cap” baseline.

**A. SDG&E’s proposed cap of 40% is reasonable and should be adopted. The Demand Response Aggregator proposal of no cap should be rejected.**

SDG&E provided an analysis of the performance of the Capacity Bidding Program (CBP) baseline its May 27<sup>th</sup> direct testimony. Table KS-12 presented baseline load impacts as a percentage of 2010 M&E results. Recent analysis of the 2010 weather in SDG&E’s service territory has revealed that the 2010 weather was very cool – it was in fact the coolest summer in over 30 years. The unusually cool weather may help explain why the current CBP baseline which is individual with a 20% cap had such difficulties with accuracy. SDG&E’s proposed cap of 40% aggregated matches closely to the 2010 M&E results for the CBP program. In Appendix A, Baseline Figures and Graphs of the Demand Response Aggregators testimony show results for various event days with the baseline un-adjusted, at 20%, and “no cap” respectively – however the Demand Response Aggregators did not provide comparisons of their proposal to the 2010 M&E CBP results, so there is no sense of how accurate the “no cap” baseline is.

1           While SDG&E does recognize that the CBP baseline should be modified to improve  
2 accuracy it does not recommend removing the cap completely. The aggregate 40% cap provides  
3 for a significant adjustment if needed and its performance was close to the M&E results for the  
4 2010 CBP program year.

5           This concludes my rebuttal testimony.