Distributed Energy Resource Services and Pricing
Caltech Resnick Institute Grid 2020 Seminar

Larry Oliva, Director of Tariff Programs & Services
Southern California Edison Company
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Keys to Distributed Resource Integration

Get the Pricing Right
Resolve the Institutional Barriers
Get the Pricing Right – Retail Rate Example

- Rate increases and rate designs incent customer behavior and investment in distributed resources
- Rate subsidies thwart economically efficient solutions

Current Residential Rate Subsidies stand at ~ $1B per year and growing.
($600M+ due to tiers, $340M+ from CARE, $35M from NEM)
Distributed Resource Market Framework

Retail Transaction Only
- Rate or customer incentives
- Resource planning

Wholesale Market
- Customer incentives
- Resource forecasts
- Resource availability
- Resource control
- Enhanced metering
- Scheduling/bidding
- Settlements/payments
- Contracts/agreements
- CAISO/WECC rules