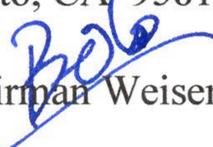


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May 4, 2011

Chairman Robert Weisenmiller  
California Energy Commission  
1516 Ninth Street, M. S. 51  
Sacramento, CA 95814-5512

Dear Chairman  Weisenmiller:

I write to support the recent \$1.7MM proposal made to the CEC from Lawrence Livermore National Laboratory entitled "Planning for Generation, Storage, and Demand Response to Accommodate Intermittent Generation." The work proposed will analyze and compare non-generation options on the WECC and California grids, such as automated demand response (AutoDR), concentrated storage, and distributed storage.

As you know, we are interested in exploring new ways to increase efficiency savings and renewable loading onto the grid. We also must meet state requirements regarding storage, efficiency, loading order, and emissions while serving our customers and shareholders. If funded, LLNL's proposal could greatly improve our ability to understand potential savings through AutoDR and storage in both economic and technical terms. This work would feed directly into our efforts to comply with AB2514 in helping us formulate our five-year plans for storage. This sort of information and analysis should also help improve and accelerate the implementation of these two non-generation options and provide us insight needed to avoid perverse effects while maintaining cheap, reliable power supply. We also believe that this study would be highly complementary to the goals and research program proposed under the Partnership for the 21<sup>st</sup> Century Initiative.

We look forward to seeing this project succeed under the PIER program and the CEC's management. Please let us know any additional ways we may be able to support the proposal as it proceeds through the review and approval process and beyond. Until then, thank you for your consideration.

Yours Sincerely,

