

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric Company for Approval of 2013-2014 Statewide Marketing, Education and Outreach Program and Budget (U39M).
And Related Matters.

A.12-08-007
(Filed August 2, 2012)

A.12-08-008
A.12-08-009
A.12-08-010

**AMENDED RESPONSE OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M)
TO MARCH 1, 2017 ADMINISTRATIVE LAW JUDGE'S RULING CHANGING
PROCEDURAL DEADLINES, SEEKING COMMENTS,
AND SEEKING BUDGET INFORMATION**

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July 26, 2017

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**AMENDED RESPONSE OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 M)
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I. INTRODUCTION

On April 3, 2017, pursuant to the Administrative Law Judge’s Ruling Changing Procedural Deadlines, Seeking Comments, and Seeking Budget Information (dated March 1, 2017) San Diego Gas & Electric Company (“SDG&E”) filed and served detailed summaries of its annual budgets for ratepayer-funded marketing, education and outreach activities for the period 2017-2019 (“April 3, 2017 Response”). SDG&E also provided supporting work papers documenting the source and associated Commission authorization of the budget information.

While preparing workpapers for its Test Year 2019 General Rate Case (“GRC”), SDG&E discovered errors in the April 3, 2017 Response, namely errors in the presentation of GRC-authorized values, which impacts the calculations in the April 3, 2017 Response, as originally submitted. As more specifically explained below, the imputed GRC-authorized values were too high. To correct these errors, SDG&E is providing an entirely new response, including the corrected pages/line items, as described below.

II. EXPLANATION OF REQUIRED CORRECTIONS

The error occurred in the calculations for the “SDG&E Marketing, Education and Outreach (ME&O) 2017 – 2019 Budgets,” including budget line items for “GRC – Communications, Research & Web” and “GRC – Residential Services.” These values are generated by calculating an imputed percentage based on the authorized increases SDG&E received in its last GRC, which approved a settlement of the proposed increases. The following is a detailed breakdown of how the error occurred for each affected line item:

- **GRC - Communications, Research & Web:** The budget figures for this section can be found on rows 17 – 50 in column K (see page A-15 of Attachment). In its last GRC, SDG&E requested \$14,287k above a base year amount of \$7,940k and settled on \$12,500k. The difference between the requested amount and base year amount equals \$6,347k (requested \$14,287k – base year of \$7,940k = \$6,347k). Thus, SDG&E received 71.8% of its requested increase (settlement of \$12,500k – base year of \$7,940k = \$4,560k, divided by the requested change of \$6,347k = 71.8%). The original response incorrectly calculated the imputed percentage as 87% by simply dividing the settlement of \$12,500k by the total requested amount of \$14,287k. This is incorrect because it calculated the percentage of the total, not the percentage of the incremental request, which overstated the total by \$993,125 (see “Impacted Line Items showing magnitude of errors” chart below). Accordingly, SDG&E should have imputed the authorized ME&O components of the workpaper by multiplying 71.8% times the incremental request.
- **GRC - Residential Services:** The budget figures for this section can be found on rows 52 – 81 in column K (see page A-16 of Attachment). In its last GRC,

SDG&E requested \$6,607k above a base year amount of \$5,576k and settled on \$6,000k. The difference between the requested amount and base year amount equals \$1,031k (requested \$6,607k – base year of \$5,576k = \$1,031k). Thus, SDG&E received 41.1% of its requested increase (settlement of \$6,000k – base year of \$5,576k = \$424k, divided by the requested change of \$1,031k = 41.1%). The original response incorrectly calculated the imputed percentage as 91% by simply dividing the settlement of \$6,000k by the total requested amount of \$6,607k. Again, this is incorrect because it calculated the percentage of the total, not the percentage of the incremental request, which overstated the total by \$354,770 (see “Impacted Line Items (showing magnitude of errors)” chart below). Accordingly, SDG&E should have imputed the authorized ME&O components of the workpaper by multiplying 41.1% times the incremental request related to ME&O activities.

Impacted Line Items (showing magnitude of errors):

		Labor	Non Labor	Total
GRC - Communications, Research & Web	Residential / Non-Residential	\$ (128,150)	\$ (864,975)	\$ (993,125)
GRC - Residential Services	Residential	\$ (114,282)	\$ (240,488)	\$ (354,770)
Change in Authorized Dollars in this Amendment compared to Original Response		\$ (242,432)	\$ (1,105,463)	\$ (1,347,895)

The following charts illustrate the errors for 2017:

Original Response

SDG&E Marketing Education & Outreach (ME&O) 2017-2019 Budgets						
SDG&E Customer Outreach Funding Sources	Customer Segment	2017			Commission Authorization	Comments
		Labor	Non Labor	Total		
GRC - Commercial & Industrial Services	Non-Residential	\$ 546,566	\$ 158,473	\$ 705,039	D.16-06-054 Section 6.8.1.2 20135	The budget breakdown is based on the work paper groups from SDG&E's 2016 General Rate Case. However, unlike ME&O budgets planned for the non-GRC programs listed below that are more specifically defined, GRC proposes total forecasts to be incurred by business organizations, and once a GRC decision is rendered, the company operates under the total authorized revenue requirement, as adopted by the CPUC for its entire cost of service activities, as presented in the GRC. SDG&E does not separately budget for marketing, education, and outreach activities, so professional judgement was used to include certain specific cost centers that do provide these services. GRC budgets do not include overhead loaders. Activities in this category include but may not be limited to mass and targeted communications, website management, customer research, social media and mobile applications for topics such as safety, seasonal efforts – summer and winter preparedness, outages, and general education about rates and rate changes; and the staff directly involved in the creation, development and implementation of these efforts.
GRC - Communications, Research & Web	Residential / Non-Residential	\$ 1,716,554	\$ 10,138,475	\$ 11,855,028		
GRC - Residential Services	Residential	\$ 1,012,448	\$ 2,410,827	\$ 3,423,275		
GRC - Customer Programs & Projects	Residential / Non-Residential	\$ -	\$ 135,711	\$ 135,711		
GRC - Other Office	Residential / Non-Residential	\$ 128,117	\$ 9,159	\$ 137,276		
GRC - NGV Program	Residential / Non-Residential	\$ 5,209	\$ 876	\$ 6,085		
General Rate Case - Totals	Residential / Non-Residential	\$ 3,408,894	\$ 12,853,520	\$ 16,262,414		

Amended Response (showing corrected figures in red)

SDG&E Marketing Education & Outreach (ME&O) 2017-2019 Budgets						
SDG&E Customer Outreach Funding Sources	Customer Segment	2017			Commission Authorization	Comments
		Labor	Non Labor	Total		
GRC - Commercial & Industrial Services	Non-Residential	\$ 546,566	\$ 158,473	\$ 705,039	D.16-06-054 Section 6.8.1.2 20135	The budget breakdown is based on the work paper groups from SDG&E's 2016 General Rate Case. However, unlike ME&O budgets planned for the non-GRC programs listed below that are more specifically defined, GRC proposes total forecasts to be incurred by business organizations, and once a GRC decision is rendered, the company operates under the total authorized revenue requirement, as adopted by the CPUC for its entire cost of service activities, as presented in the GRC. SDG&E does not separately budget for marketing, education, and outreach activities, so professional judgement was used to include certain specific cost centers that do provide these services. GRC budgets do not include overhead loaders. Activities in this category include but may not be limited to mass and targeted communications, website management, customer research, social media and mobile applications for topics such as safety, seasonal efforts – summer and winter preparedness, outages, and general education about rates and rate changes; and the staff directly involved in the creation, development and implementation of these efforts.
GRC - Communications, Research & Web	Residential / Non-Residential	\$ 1,588,403	\$ 9,273,500	\$ 10,861,903		
GRC - Residential Services	Residential	\$ 898,167	\$ 2,170,338	\$ 3,068,505		
GRC - Customer Programs & Projects	Residential / Non-Residential	\$ -	\$ 135,711	\$ 135,711		
GRC - Other Office	Residential / Non-Residential	\$ 128,117	\$ 9,159	\$ 137,276		
GRC - NGV Program	Residential / Non-Residential	\$ 5,209	\$ 876	\$ 6,085		
General Rate Case - Totals	Residential / Non-Residential	\$ 3,166,462	\$ 11,748,057	\$ 14,914,519		

The worksheets impacted by these errors include the following:

- GRC ME&O Template: lines 5-6 and 10 for 2017 and 2018 (see page A-2 of Attachment)
- GRC WP 1a: Authorized Incremental Activity columns G, H, and I have changed, which impact the Base + Incremental columns L, M, and N (see pages A-12 – A-13 of Attachment)
- GRC WP 1b: This is where the calculation errors occurred (see pages A-15 – A-16 of Attachment)

A new response reflecting the foregoing corrections is attached below (for ease of reference the Attachment is numbered A-1 through A-160). All other portions of the response remain the same as in the original. SDG&E apologizes for any inconvenience caused by these corrections.

Respectfully submitted,

By: /s/ John A. Pacheco

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July 26, 2017

DETAILED SUMMARIES OF SAN DIEGO GAS & ELECTRIC
COMPANY'S ANNUAL BUDGETS FOR RATEPAYER-FUNDED
MARKETING, EDUCATION AND OUTREACH ACTIVITIES FOR
THE PERIOD 2017-2019

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q			
1	SDG&E Marketing Education & Outreach (ME&O) 2017-2019 Budgets																			
2	SDG&E Customer Outreach Funding Sources	Customer Segment	2017				2018				2019				Total	Comments				
3			Labor	Non Labor	Total	Commission Authorization	Labor	Non Labor	Total	Commission Authorization	Labor	Non Labor	Total	Commission Authorization	2017 - 2019	Support Reference				
4	GRC - Commercial & Industrial Services	Non-Residential	\$ 546,566	\$ 158,473	\$ 705,039	D.16-06-054 Section 6.8.1.2 2013\$	\$ 546,566	\$ 158,473	\$ 705,039	D.16-06-054 Section 6.8.1.2 2013\$			\$ -	Not Expected to file TY2019 GRC Application until September 1, 2017	\$ 1,410,079		The budget breakdown is based on the work paper groups from SDG&E's 2016 General Rate Case. However, unlike ME&O budgets planned for the non-GRC programs listed below that are more specifically defined, GRC proposes total forecasts to be incurred by business organizations, and once a GRC decision is rendered, the company operates under the total authorized revenue requirement, as adopted by the CPUC for its entire cost of service activities, as presented in the GRC. SDG&E does not separately budget for marketing, education, and outreach activities, so professional judgement was used to include certain specific cost centers that do provide these services. GRC budgets do not include overhead loaders. Activities in this category include but may not be limited to mass and targeted communications, website management, customer research, social media and mobile applications for topics such as safety, seasonal efforts – summer and winter preparedness, outages, and general education about rates and rate changes; and the staff directly involved in the creation, development and implementation of these efforts.			
5	GRC - Communications, Research & Web	Residential / Non-Residential	\$ 1,588,403	\$ 9,273,500	\$ 10,861,903		\$ 1,588,403	\$ 9,273,500	\$ 10,861,903				\$ -		\$ 21,723,806					
6	GRC - Residential Services	Residential	\$ 898,167	\$ 2,170,338	\$ 3,068,505		\$ 898,167	\$ 2,170,338	\$ 3,068,505				\$ -		\$ 6,137,010					
7	GRC - Customer Programs & Projects	Residential / Non-Residential	\$ -	\$ 135,711	\$ 135,711		\$ -	\$ 135,711	\$ 135,711				\$ -		\$ 271,422					
8	GRC - Other Office	Residential / Non-Residential	\$ 128,117	\$ 9,159	\$ 137,276		\$ 128,117	\$ 9,159	\$ 137,276				\$ -		\$ 274,551					
9	GRC - NGV Program	Residential / Non-Residential	\$ 5,209	\$ 876	\$ 6,085		\$ 5,209	\$ 876	\$ 6,085				\$ -		\$ 12,170					
10	General Rate Case - Totals	Residential / Non-Residential	\$ 3,166,462	\$ 11,748,057	\$ 14,914,519		\$ 3,166,462	\$ 11,748,057	\$ 14,914,519				\$ -		\$ -			\$ -	\$ 29,829,038	
11	Energy Efficiency (EE) including EE IDSM	Residential / Non-Residential	\$ 1,000,904	\$ 2,297,600	\$ 3,298,504		Pending approval of Advice Letter 2951-E/2512-G on page 7	N/A	N/A		\$ 3,298,504	Preliminary Budgets per SDG&E's A.17-01-014 EE Rolling Portfolio Business Plan filed January 17, 2017	N/A		N/A			\$ 3,298,504	\$ 9,895,512	1) For 2017 budget reference tab name: "1-EE Support" and annotated workpapers file name: "ROW #11 SUPPORT AL 2951-E 2512-G.pdf". 2) The 2018 and 2019 are Preliminary Budgets reference the annotated workpapers file name: "ROW #11 SUPPORT A.17-01-014 EE BUSINESS PLAN.pdf".
12	Energy Savings Assistance (ESA) Program	Residential	N/A	N/A	\$ 1,200,000		D.16-11-022 OP 34	N/A	N/A		\$ 1,200,000	D.16-11-022 OP 34	N/A		N/A			\$ 1,200,000	\$ 3,600,000	Reference tab name: "2-ESA Support" and for the annotated workpapers file name: "ROW #12 SUPPORT D.16-11-022 (CARE and ESA) OP 34.pdf".
13	California Alternate Rates for Energy (CARE)	Residential	N/A	N/A	\$ 3,062,862	D.16-11-022 OP 4	N/A	N/A	\$ 3,190,051	D.16-11-022 OP 4	N/A	N/A	\$ 3,221,952	\$ 9,474,865	Reference tab name: "3-CARE Support" and annotated workpapers file name: "ROW #13 SUPPORT D.16-11-022 OP 4 and A.14-11-007 PROPOSED DECISION.pdf". Per D.16-11-022 on page 295 and OP 108, SDG&E will file a conforming AL by March 31, 2017 to request additional funds of \$221,368 (\$83,868 + \$137,500) in 2017 and \$137,500 in 2018 which are not included in the 2017-2019 Total budget of \$9,474,865. Reference the annotated workpapers file name: "ROW #13 SUPPORT D.16-11-022 page 295 and OP 108 (additional funds request).pdf".					
14	Statewide ME&O (ESA)	Residential	N/A	N/A	N/A	D.16-11-022, pg 166	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Reference the annotated workpapers file name: "ROW #14 SUPPORT D.16-11-022 page 166 (CARE and ESA).pdf".				
15	Demand Response (DR) including IDSM	Residential / Non-Residential	\$ 402,806	\$ 1,243,851	\$ 1,646,657	D.16-06-029 authorized \$885,000 for the DR portion. The remaining \$761,657 is pending approval of Advice Letter 2951-E/2512-G on page 4	\$ 247,528	\$ 605,000	\$ 852,528	Pending A.17-01-019	\$ 254,954	\$ 627,000	\$ 881,954	Pending A.17-01-019	\$ 3,381,139	1) For 2017 DR budget reference the tab name: "4-DR Support" and the annotated workpapers file name: "ROW #15 SUPPORT 2017 DR PROPOSAL & D.16-06-029 OP 26.pdf" 2) For 2017 IDSM reference tab name: "4-DR Support" and the annotated workpapers file name: "ROW #11 SUPPORT AL 2951-E 2512-G.pdf". 3) For 2018 - 2019 DR budget reference the tab name: "4-DR Support" and the annotated workpapers file name: "ROW #15 SUPPORT A.17-01-019 DR PORTFOLIO 2018-2022.pdf".				
16	Statewide ME&O (EE)	Residential / Non-Residential	N/A	N/A	\$ 2,654,111	D.16-09-020 OP 6 and 7 and AL 3025-E/2542-G on page 2	N/A	N/A	\$ 3,213,348	D.16-09-020 OP 6 and 7 and AL 3025-E/2542-G on page 2	N/A	N/A	\$ 3,213,348	\$ 9,080,807	Reference the annotated workpapers file name: "ROW #16 SUPPORT D.16-09-020 OP 6 & 7 and AL 3025-E 2542-G.pdf". The Authorized Budgets are for the periods between October 1, 2016 through September 30, 2017 per D.16-09-020 OP 7. This effort is administered by DDB Worldwide Communications Group, Inc.					

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	SDG&E Marketing Education & Outreach (ME&O) 2017-2019 Budgets																
2	SDG&E Customer Outreach Funding Sources	Customer Segment	2017				2018				2019				Total		Comments
3			Labor	Non Labor	Total	Commission Authorization	Labor	Non Labor	Total	Commission Authorization	Labor	Non Labor	Total	Commission Authorization	2017 - 2019	Support Reference	
17	Statewide ME&O - Flex Alert	Residential / Non-Residential	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Reference the annotated workpapers file name: "ROW #17 SUPPORT D.15-11-033 OP 1 CAISO FLEX ALERT TRANSFER PROPOSAL.pdf".	This effort is now administered by the CAISO (reference D.15-11-033 OP 1).
18	Statewide - Green House Gas (Electric) CA Climate Credit	Residential / Non-Residential	\$ -	\$ -	\$ 187,500	D.16-06-041 (OP 1, 2 & 4)	\$ -	\$ -	\$ 187,500	D.16-06-041 (OP 1, 2 & 4)	\$ -	\$ -	\$ 187,500	D.16-06-041 (OP 1, 2 & 4)	\$ 562,500	D.16-06-041	D.16-06-041 discontinued the statewide Climate Credit campaign and approved the continuation of IOU administrative activities (e.g. bill inserts) to provide low-cost education. SDG&E filed an updated budget for those low-cost education activities in its testimony (FINAL Janke Update Testimony) as part of Application 16-04-018, filed on November 8th, 2016.
19	Dynamic Pricing Memo Account (DPMA)	Residential / Non-Residential	\$ -	\$ -	\$ -	D.07-04-143	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A	\$ -	N/A	N/A
20	AMI (SmartMeter) Stakeholder Education	Residential / Non-Residential	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A	\$ -	N/A	N/A
21	AMI (SmartMeter) Opt-Out (Communication and Office Support)	Residential / Non-Residential	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A	\$ -	N/A	N/A
22	GTSR Marketing Implementation Plan	Residential / Non-Residential	\$ 15,120	\$ 64,400	\$ 79,520	AL 2744-E-A on page 15 and Resolution E-4734 OP 3	\$ 15,119	\$ 44,370	\$ 59,489	AL 2744-E-A on page 15 and Resolution E-4734 OP 3	N/A	N/A	N/A	N/A	\$ 139,009	Reference the tab name: "5-GTSR Support" and for the annotated workpapers file name: "ROW #22 SUPPORT AL 2744-E-A and RESOLUTION E-4734 OP 3.pdf".	The budgets are part of GTSR 2015-2018 ME&O costs approved in Resolution E-4734 OP 3.
23																	

1-EE Support

PGM_YR	PGM_CD	ProgramName	Category	SumOfMKTG_AMT
2017	3201	SW-CALS-Energy Advisor-HEES, UAT	1-Labor	12,206.66
2017	3203	SW-CALS-Plug Load and Appliances-HEER	1-Labor	62,512.49
2017	3203M	SW-CALS-Plug Load and Appliances-Market Place	1-Labor	28,485.03
2017	3203W	SW-CALS-Plug Load and Appliances-HEER - KITS	1-Labor	5,374.69
2017	3204	SW-CALS-Plug Load and Appliances-POS Rebates	1-Labor	0.00
2017	3207	SW-CALS-MFEER	1-Labor	0.00
2017	3209	SW-CALS - EUC WHRP - Advanced	1-Labor	0.00
2017	3211	Local-CALS - Middle Income Direct Install (MIDI)	1-Labor	0.00
2017	3211u	Local-CALS - Middle Income Direct Install (MIDI) (Utility)	1-Labor	0.00
2017	3212	SW-CALS - Residential HVAC-QI/QM	1-Labor	0.00
2017	3212u	SW-CALS - Residential HVAC-QI/QM (Utility)	1-Labor	0.00
2017	3213	SW-CALS - CAHP/ESMH-CA Advanced Homes	1-Labor	9,301.87
2017	3215	SW-COM-Strategic Energy Management	1-Labor	0.00
2017	3216	SW-COM-Customer Services-Benchmarking	1-Labor	0.00
2017	3217	SW-COM-Customer Services- Audits NonRes	1-Labor	0.00
2017	3220	SW-COM-Calculated Incentives-Calculated	1-Labor	0.00
2017	3222	SW-COM-Calculated Incentives-Savings by Design	1-Labor	0.00
2017	3223	SW-COM-Deemed Incentives-Commercial Rebates	1-Labor	16,743.37
2017	3224	SW-COM-Deemed Incentives-HVAC Commercial	1-Labor	0.00
2017	3224u	SW-COM-Deemed Incentives-HVAC Commercial (Utility)	1-Labor	0.00
2017	3225	SW-COM-Deemed Incentives-HVAC Core	1-Labor	0.00
2017	3226	SW-COM Direct Install	1-Labor	12,818.26
2017	3227	SW-IND-Strategic Energy Management	1-Labor	0.00
2017	3228	SW-IND-Customer Services-Benchmarking	1-Labor	0.00
2017	3229	SW-IND-Customer Services-Audits NonRes	1-Labor	0.00
2017	3230	SW-IND-Customer Services-Audits CIEEP	1-Labor	0.00
2017	3230u	SW-IND-Customer Services-Audits CIEEP (Utility)	1-Labor	0.00
2017	3231	SW-IND-Calculated Incentives-Calculated	1-Labor	0.00
2017	3233	SW-IND-Deemed Incentives	1-Labor	1,860.37
2017	3234	SW-AG-Customer Services-Benchmarking	1-Labor	0.00
2017	3235	SW-AG-Customer Services-Pump Test Services	1-Labor	0.00
2017	3235u	SW-AG-Customer Services-Pump Test Services (Utility)	1-Labor	0.00
2017	3236	SW-AG-Customer Services-Audits	1-Labor	1,860.37
2017	3237	SW-AG-Calculated Incentives-Calculated	1-Labor	0.00
2017	3239	SW-AG-Deemed Incentives	1-Labor	1,860.37
2017	3240	SW-Lighting-Lighting Market Transformation	1-Labor	0.00
2017	3241	SW-Lighting-Lighting Innovation-ETPC MD	1-Labor	0.00
2017	3245	SW-Lighting-Primary Lighting	1-Labor	21,508.54
2017	3246	SW-ET-Technology Introduction Support	1-Labor	0.00
2017	3247	SW-ET-Technology Assessment Support	1-Labor	0.00
2017	3248	SW-ET-Technology Deployment Support	1-Labor	0.00
2017	3249	SW C&S - Building Codes & Compliance Advocacy	1-Labor	0.00
2017	3250	SW C&S - Appliance Standards Advocacy	1-Labor	0.00
2017	3251	SW C&S - Compliance Enhancement	1-Labor	0.00
2017	3252	SW C&S - Reach Codes	1-Labor	0.00
2017	3253	SW C&S - Planning Coordination	1-Labor	0.00
2017	3254	SW-WE&T-Centergies	1-Labor	223,773.38
2017	3255	SW-WE&T-Connections	1-Labor	0.00
2017	3257	SW-WE&T-Strategic Planning	1-Labor	0.00
2017	3260	Local-IDSM-ME&O-Local Marketing (EE)	1-Labor	480,017.44
2017	3261	Local-IDSM-ME&O-Behavioral Programs (EE)	1-Labor	7,934.33
2017	3262	SW-FIN-On-Bill Finance	1-Labor	0.00
2017	3264	SW-FIN-New Finance Offerings	1-Labor	0.00
2017	3266	LInstP-CA Department of Corrections Partnership	1-Labor	0.00
2017	3267	LInstP-California Community College Partnership	1-Labor	554.55
2017	3268	LInstP-UC/CSU/IOU Partnership	1-Labor	2,218.18
2017	3269	LInstP-State of California /IOU	1-Labor	1,109.09
2017	3270	LInstP-University of San Diego Partnership	1-Labor	1,109.09
2017	3271	LInstP-San Diego County Water Authority Partnership	1-Labor	0.00
2017	3272	LGP- City of Chula Vista Partnership	1-Labor	27,643.51
2017	3273	LGP- City of San Diego Partnership	1-Labor	28,009.70
2017	3274	LGP- County of San Diego Partnership	1-Labor	20,445.83
2017	3275	LGP- Port of San Diego Partnership	1-Labor	21,499.47
2017	3276	LGP- SANDAG Partnership	1-Labor	6,713.33
2017	3277	LGP- SEEC Partnership	1-Labor	2,873.83
2017	3278	LGP- Emerging Cities Partnership	1-Labor	610.00
2017	3279	3P-Res-Comprehensive Manufactured-Mobile Home	1-Labor	0.00
2017	3279u	3P-Res-Comprehensive Manufactured-Mobile Home (Utility)	1-Labor	0.00
2017	3280	3P-IDEEA	1-Labor	0.00
2017	3280u	3P-IDEEA (Utility)	1-Labor	0.00
2017	3281	EM&V-Evaluation Measurement & Verification	1-Labor	0.00
2017	3282	SW-IDSM-IDSM	1-Labor	0.00
2017	3288	CRM	1-Labor	0.00
2017	3291	SW-Ind-Customer Services-Pump Test Services	1-Labor	0.00

2017 3291u	SW-Ind-Customer Services-Pump Test Services (Utility)	1-Labor	0.00	
2017 3292	SW-Com-Customer Services-Pump Test Services	1-Labor	0.00	
2017 3292u	SW-Com-Customer Services-Pump Test Services (Utility)	1-Labor	0.00	
2017 3293	SW-CALS - Residential HVAC-HVAC Core	1-Labor	0.00	
2017 3296	Small Business Lease Off-Bill	1-Labor	0.00	
2017 3296B	Small Business Lease Off-Bill (Credit Enh)	1-Labor	0.00	
2017 3297	Single-family Loan Program	1-Labor	0.00	
2017 3297B	Single-family Loan Program (Credit Enh)	1-Labor	0.00	
2017 3298	Medium/Large OBR	1-Labor	0.00	
2017 3299	Master Metered Multifamily OBR	1-Labor	0.00	
2017 3299B	Master Metered Multifamily OBR (Credit Enh)	1-Labor	0.00	
2017 3300	Small Business Lease OBR	1-Labor	0.00	
2017 3300B	Small Business Lease OBR (Credit Enh)	1-Labor	0.00	
2017 3301	Small Business Loan OBR	1-Labor	0.00	
2017 3301B	Small Business Loan OBR (Credit Enh)	1-Labor	0.00	
2017 3302	RES Upstream HVAC Incentive Program	1-Labor	0.00	
2017 3303	HVAC To Code Compliance Incentive Program	1-Labor	0.00	
2017 3307	3P-ZELDA	1-Labor	0.00	
2017 3307U	3P-ZELDA (Utility)	1-Labor	930.19	
2017 3308	Finance Pilot ME&O OBR	1-Labor	0.00	
2017 3311	3P-Energy Advantage Program (EAP)	1-Labor	0.00	
2017 3311U	3P-Energy Advantage Program (EAP) (Utility)	1-Labor	930.19	
2017 3312	OBR Information Systems Activities	1-Labor	0.00	
2017 3313	Locational Energy Efficiency	1-Labor	0.00	
2017 3317	HOPPs - Building Retro-Commissioning	1-Labor	0.00	
2017 3317u	HOPPs - Building Retro-Commissioning (Utility)	1-Labor	0.00	
2017 3318	HOPPs - Multi Family	1-Labor	0.00	
2017 3320	ESPI	1-Labor	0.00	1,000,904.16 Total Labor
2017 3201	SW-CALS-Energy Advisor-HEES, UAT	2-NonLabor	150,000.00	
2017 3203	SW-CALS-Plug Load and Appliances-HEER	2-NonLabor	10,000.00	
2017 3203M	SW-CALS-Plug Load and Appliances-Market Place	2-NonLabor	250,000.00	
2017 3203W	SW-CALS-Plug Load and Appliances-HEER - KITS	2-NonLabor	15,000.00	
2017 3204	SW-CALS-Plug Load and Appliances-POS Rebates	2-NonLabor	0.00	
2017 3207	SW-CALS-MFEER	2-NonLabor	84,000.00	
2017 3209	SW-CALS - EUC WHRP - Advanced	2-NonLabor	204,000.00	
2017 3211	Local-CALS - Middle Income Direct Install (MIDI)	2-NonLabor	49,000.00	
2017 3211u	Local-CALS - Middle Income Direct Install (MIDI) (Utility)	2-NonLabor	2,600.00	
2017 3212	SW-CALS - Residential HVAC-QI/QM	2-NonLabor	20,768.00	
2017 3212u	SW-CALS - Residential HVAC-QI/QM (Utility)	2-NonLabor	0.00	
2017 3213	SW-CALS - CAHP/ESMH-CA Advanced Homes	2-NonLabor	12,000.00	
2017 3215	SW-COM-Strategic Energy Management	2-NonLabor	14,000.00	
2017 3216	SW-COM-Customer Services-Benchmarking	2-NonLabor	2,300.00	
2017 3217	SW-COM-Customer Services- Audits NonRes	2-NonLabor	7,500.00	
2017 3220	SW-COM-Calculated Incentives-Calculated	2-NonLabor	6,000.00	
2017 3222	SW-COM-Calculated Incentives-Savings by Design	2-NonLabor	40,000.00	
2017 3223	SW-COM-Deemed Incentives-Commercial Rebates	2-NonLabor	500.00	
2017 3224	SW-COM-Deemed Incentives-HVAC Commercial	2-NonLabor	50,000.00	
2017 3224u	SW-COM-Deemed Incentives-HVAC Commercial (Utility)	2-NonLabor	0.00	
2017 3225	SW-COM-Deemed Incentives-HVAC Core	2-NonLabor	500.00	
2017 3226	SW-COM Direct Install	2-NonLabor	75,000.00	
2017 3227	SW-IND-Strategic Energy Management	2-NonLabor	14,000.00	
2017 3228	SW-IND-Customer Services-Benchmarking	2-NonLabor	500.00	
2017 3229	SW-IND-Customer Services-Audits NonRes	2-NonLabor	5,500.00	
2017 3230	SW-IND-Customer Services-Audits CIEEP	2-NonLabor	0.00	
2017 3230u	SW-IND-Customer Services-Audits CIEEP (Utility)	2-NonLabor	0.00	
2017 3231	SW-IND-Calculated Incentives-Calculated	2-NonLabor	2,000.00	
2017 3233	SW-IND-Deemed Incentives	2-NonLabor	0.00	
2017 3234	SW-AG-Customer Services-Benchmarking	2-NonLabor	500.00	
2017 3235	SW-AG-Customer Services-Pump Test Services	2-NonLabor	5,000.00	
2017 3235u	SW-AG-Customer Services-Pump Test Services (Utility)	2-NonLabor	0.00	
2017 3236	SW-AG-Customer Services-Audits	2-NonLabor	3,000.00	
2017 3237	SW-AG-Calculated Incentives-Calculated	2-NonLabor	0.00	
2017 3239	SW-AG-Deemed Incentives	2-NonLabor	200.00	
2017 3240	SW-Lighting-Lighting Market Transformation	2-NonLabor	13,500.00	
2017 3241	SW-Lighting-Lighting Innovation-ETPC MD	2-NonLabor	2,500.00	
2017 3245	SW-Lighting-Primary Lighting	2-NonLabor	328,000.00	
2017 3246	SW-ET-Technology Introduction Support	2-NonLabor	8,000.00	
2017 3247	SW-ET-Technology Assessment Support	2-NonLabor	2,400.00	
2017 3248	SW-ET-Technology Deployment Support	2-NonLabor	300.00	
2017 3249	SW C&S - Building Codes & Compliance Advocacy	2-NonLabor	0.00	
2017 3250	SW C&S - Appliance Standards Advocacy	2-NonLabor	0.00	
2017 3251	SW C&S - Compliance Enhancement	2-NonLabor	0.00	
2017 3252	SW C&S - Reach Codes	2-NonLabor	0.00	
2017 3253	SW C&S - Planning Coordination	2-NonLabor	0.00	
2017 3254	SW-WE&T-Centergies	2-NonLabor	368,000.00	
2017 3255	SW-WE&T-Connections	2-NonLabor	50,000.00	
2017 3257	SW-WE&T-Strategic Planning	2-NonLabor	0.00	
2017 3260	Local-IDSM-ME&O-Local Marketing (EE)	2-NonLabor	143,500.00	

2017 3261	Local-IDSME&O-Behavioral Programs (EE)	2-NonLabor	0.00
2017 3262	SW-FIN-On-Bill Finance	2-NonLabor	10,000.00
2017 3264	SW-FIN-New Finance Offerings	2-NonLabor	0.00
2017 3266	LinstP-CA Department of Corrections Partnership	2-NonLabor	0.00
2017 3267	LinstP-California Community College Partnership	2-NonLabor	0.00
2017 3268	LinstP-UC/CSU/IOU Partnership	2-NonLabor	0.00
2017 3269	LinstP-State of California /IOU	2-NonLabor	0.00
2017 3270	LinstP-University of San Diego Partnership	2-NonLabor	0.00
2017 3271	LinstP-San Diego County Water Authority Partnership	2-NonLabor	0.00
2017 3272	LGP- City of Chula Vista Partnership	2-NonLabor	0.00
2017 3273	LGP- City of San Diego Partnership	2-NonLabor	1,000.00
2017 3274	LGP- County of San Diego Partnership	2-NonLabor	0.00
2017 3275	LGP- Port of San Diego Partnership	2-NonLabor	0.00
2017 3276	LGP- SANDAG Partnership	2-NonLabor	1,000.00
2017 3277	LGP- SEEC Partnership	2-NonLabor	0.00
2017 3278	LGP- Emerging Cities Partnership	2-NonLabor	8,000.00
2017 3279	3P-Res-Comprehensive Manufactured-Mobile Home	2-NonLabor	200,000.00
2017 3279u	3P-Res-Comprehensive Manufactured-Mobile Home (U	2-NonLabor	0.00
2017 3280	3P-IDEEA	2-NonLabor	60,000.00
2017 3280u	3P-IDEEA (Utility)	2-NonLabor	0.00
2017 3281	EM&V-Evaluation Measurement & Verification	2-NonLabor	0.00
2017 3282	SW-IDSME&O	2-NonLabor	0.00
2017 3288	CRM	2-NonLabor	0.00
2017 3291	SW-Ind-Customer Services-Pump Test Services	2-NonLabor	8,400.00
2017 3291u	SW-Ind-Customer Services-Pump Test Services (Utility)	2-NonLabor	0.00
2017 3292	SW-Com-Customer Services-Pump Test Services	2-NonLabor	8,420.00
2017 3292u	SW-Com-Customer Services-Pump Test Services (Utility)	2-NonLabor	0.00
2017 3293	SW-CALS - Residential HVAC-HVAC Core	2-NonLabor	0.00
2017 3296	Small Business Lease Off-Bill	2-NonLabor	0.00
2017 3296B	Small Business Lease Off-Bill (Credit Enh)	2-NonLabor	0.00
2017 3297	Single-family Loan Program	2-NonLabor	0.00
2017 3297B	Single-family Loan Program (Credit Enh)	2-NonLabor	0.00
2017 3298	Medium/Large OBR	2-NonLabor	0.00
2017 3299	Master Metered Multifamily OBR	2-NonLabor	0.00
2017 3299B	Master Metered Multifamily OBR (Credit Enh)	2-NonLabor	0.00
2017 3300	Small Business Lease OBR	2-NonLabor	0.00
2017 3300B	Small Business Lease OBR (Credit Enh)	2-NonLabor	0.00
2017 3301	Small Business Loan OBR	2-NonLabor	0.00
2017 3301B	Small Business Loan OBR (Credit Enh)	2-NonLabor	0.00
2017 3302	RES Upstream HVAC Incentive Program	2-NonLabor	3,930.00
2017 3303	HVAC To Code Compliance Incentive Program	2-NonLabor	20,117.00
2017 3307	3P-ZELDA	2-NonLabor	16,165.00
2017 3307U	3P-ZELDA (Utility)	2-NonLabor	0.00
2017 3308	Finance Pilot ME&O OBR	2-NonLabor	0.00
2017 3311	3P-Energy Advantage Program (EAP)	2-NonLabor	8,500.00
2017 3311U	3P-Energy Advantage Program (EAP) (Utility)	2-NonLabor	0.00
2017 3312	OBR Information Systems Activities	2-NonLabor	0.00
2017 3313	Locational Energy Efficiency	2-NonLabor	10,000.00
2017 3317	HOPPs - Building Retro-Commissioning	2-NonLabor	0.00
2017 3317u	HOPPs - Building Retro-Commissioning (Utility)	2-NonLabor	2,000.00
2017 3318	HOPPs - Multi Family	2-NonLabor	0.00
2017 3320	ESPI	2-NonLabor	0.00
2017 3321	Labor Loaders	2-NonLabor	0.00
2017 3201	SW-CALS-Energy Advisor-HEES, UAT	3-Allocated OH	0.00
2017 3203	SW-CALS-Plug Load and Appliances-HEER	3-Allocated OH	0.00
2017 3203M	SW-CALS-Plug Load and Appliances-Market Place	3-Allocated OH	0.00
2017 3203W	SW-CALS-Plug Load and Appliances-HEER - KITS	3-Allocated OH	0.00
2017 3204	SW-CALS-Plug Load and Appliances-POS Rebates	3-Allocated OH	0.00
2017 3207	SW-CALS-MFEER	3-Allocated OH	0.00
2017 3209	SW-CALS - EUC WHRP - Advanced	3-Allocated OH	0.00
2017 3211	Local-CALS - Middle Income Direct Install (MIDI)	3-Allocated OH	0.00
2017 3211u	Local-CALS - Middle Income Direct Install (MIDI) (Utility)	3-Allocated OH	0.00
2017 3212	SW-CALS - Residential HVAC-QI/QM	3-Allocated OH	0.00
2017 3212u	SW-CALS - Residential HVAC-QI/QM (Utility)	3-Allocated OH	0.00
2017 3213	SW-CALS - CAHP/ESMH-CA Advanced Homes	3-Allocated OH	0.00
2017 3215	SW-COM-Strategic Energy Management	3-Allocated OH	0.00
2017 3216	SW-COM-Customer Services-Benchmarking	3-Allocated OH	0.00
2017 3217	SW-COM-Customer Services- Audits NonRes	3-Allocated OH	0.00
2017 3220	SW-COM-Calculated Incentives-Calculated	3-Allocated OH	0.00
2017 3222	SW-COM-Calculated Incentives-Savings by Design	3-Allocated OH	0.00
2017 3223	SW-COM-Deemed Incentives-Commercial Rebates	3-Allocated OH	0.00
2017 3224	SW-COM-Deemed Incentives-HVAC Commercial	3-Allocated OH	0.00
2017 3224u	SW-COM-Deemed Incentives-HVAC Commercial (Utility)	3-Allocated OH	0.00
2017 3225	SW-COM-Deemed Incentives-HVAC Core	3-Allocated OH	0.00
2017 3226	SW-COM Direct Install	3-Allocated OH	0.00
2017 3227	SW-IND-Strategic Energy Management	3-Allocated OH	0.00
2017 3228	SW-IND-Customer Services-Benchmarking	3-Allocated OH	0.00
2017 3229	SW-IND-Customer Services-Audits NonRes	3-Allocated OH	0.00

2017 3230	SW-IND-Customer Services-Audits CIEEP	3-Allocated OH	0.00
2017 3230u	SW-IND-Customer Services-Audits CIEEP (Utility)	3-Allocated OH	0.00
2017 3231	SW-IND-Calculated Incentives-Calculated	3-Allocated OH	0.00
2017 3233	SW-IND-Deemed Incentives	3-Allocated OH	0.00
2017 3234	SW-AG-Customer Services-Benchmarking	3-Allocated OH	0.00
2017 3235	SW-AG-Customer Services-Pump Test Services	3-Allocated OH	0.00
2017 3235u	SW-AG-Customer Services-Pump Test Services (Utility)	3-Allocated OH	0.00
2017 3236	SW-AG-Customer Services-Audits	3-Allocated OH	0.00
2017 3237	SW-AG-Calculated Incentives-Calculated	3-Allocated OH	0.00
2017 3239	SW-AG-Deemed Incentives	3-Allocated OH	0.00
2017 3240	SW-Lighting-Lighting Market Transformation	3-Allocated OH	0.00
2017 3241	SW-Lighting-Lighting Innovation-ETPC MD	3-Allocated OH	0.00
2017 3245	SW-Lighting-Primary Lighting	3-Allocated OH	0.00
2017 3246	SW-ET-Technology Introduction Support	3-Allocated OH	0.00
2017 3247	SW-ET-Technology Assessment Support	3-Allocated OH	0.00
2017 3248	SW-ET-Technology Deployment Support	3-Allocated OH	0.00
2017 3249	SW C&S - Building Codes & Compliance Advocacy	3-Allocated OH	0.00
2017 3250	SW C&S - Appliance Standards Advocacy	3-Allocated OH	0.00
2017 3251	SW C&S - Compliance Enhancement	3-Allocated OH	0.00
2017 3252	SW C&S - Reach Codes	3-Allocated OH	0.00
2017 3253	SW C&S - Planning Coordination	3-Allocated OH	0.00
2017 3254	SW-WE&T-Centergies	3-Allocated OH	0.00
2017 3255	SW-WE&T-Connections	3-Allocated OH	0.00
2017 3257	SW-WE&T-Strategic Planning	3-Allocated OH	0.00
2017 3260	Local-IDSM-ME&O-Local Marketing (EE)	3-Allocated OH	0.00
2017 3261	Local-IDSM-ME&O-Behavioral Programs (EE)	3-Allocated OH	0.00
2017 3262	SW-FIN-On-Bill Finance	3-Allocated OH	0.00
2017 3264	SW-FIN-New Finance Offerings	3-Allocated OH	0.00
2017 3266	LinstP-CA Department of Corrections Partnership	3-Allocated OH	0.00
2017 3267	LinstP-California Community College Partnership	3-Allocated OH	0.00
2017 3268	LinstP-UC/CSU/IOU Partnership	3-Allocated OH	0.00
2017 3269	LinstP-State of California /IOU	3-Allocated OH	0.00
2017 3270	LinstP-University of San Diego Partnership	3-Allocated OH	0.00
2017 3271	LinstP-San Diego County Water Authority Partnership	3-Allocated OH	0.00
2017 3272	LGP- City of Chula Vista Partnership	3-Allocated OH	0.00
2017 3273	LGP- City of San Diego Partnership	3-Allocated OH	0.00
2017 3274	LGP- County of San Diego Partnership	3-Allocated OH	0.00
2017 3275	LGP- Port of San Diego Partnership	3-Allocated OH	0.00
2017 3276	LGP- SANDAG Partnership	3-Allocated OH	0.00
2017 3277	LGP- SEEC Partnership	3-Allocated OH	0.00
2017 3278	LGP- Emerging Cities Partnership	3-Allocated OH	0.00
2017 3279	3P-Res-Comprehensive Manufactured-Mobile Home	3-Allocated OH	0.00
2017 3279u	3P-Res-Comprehensive Manufactured-Mobile Home (Utility)	3-Allocated OH	0.00
2017 3280	3P-IDEEA	3-Allocated OH	0.00
2017 3280u	3P-IDEEA (Utility)	3-Allocated OH	0.00
2017 3281	EM&V-Evaluation Measurement & Verification	3-Allocated OH	0.00
2017 3282	SW-IDSM-IDSM	3-Allocated OH	0.00
2017 3288	CRM	3-Allocated OH	0.00
2017 3291	SW-Ind-Customer Services-Pump Test Services	3-Allocated OH	0.00
2017 3291u	SW-Ind-Customer Services-Pump Test Services (Utility)	3-Allocated OH	0.00
2017 3292	SW-Com-Customer Services-Pump Test Services	3-Allocated OH	0.00
2017 3292u	SW-Com-Customer Services-Pump Test Services (Utility)	3-Allocated OH	0.00
2017 3293	SW-CALS - Residential HVAC-HVAC Core	3-Allocated OH	0.00
2017 3296	Small Business Lease Off-Bill	3-Allocated OH	0.00
2017 3296B	Small Business Lease Off-Bill (Credit Enh)	3-Allocated OH	0.00
2017 3297	Single-family Loan Program	3-Allocated OH	0.00
2017 3297B	Single-family Loan Program (Credit Enh)	3-Allocated OH	0.00
2017 3298	Medium/Large OBR	3-Allocated OH	0.00
2017 3299	Master Metered Multifamily OBR	3-Allocated OH	0.00
2017 3299B	Master Metered Multifamily OBR (Credit Enh)	3-Allocated OH	0.00
2017 3300	Small Business Lease OBR	3-Allocated OH	0.00
2017 3300B	Small Business Lease OBR (Credit Enh)	3-Allocated OH	0.00
2017 3301	Small Business Loan OBR	3-Allocated OH	0.00
2017 3301B	Small Business Loan OBR (Credit Enh)	3-Allocated OH	0.00
2017 3302	RES Upstream HVAC Incentive Program	3-Allocated OH	0.00
2017 3303	HVAC To Code Compliance Incentive Program	3-Allocated OH	0.00
2017 3307	3P-ZELDA	3-Allocated OH	0.00
2017 3307U	3P-ZELDA (Utility)	3-Allocated OH	0.00
2017 3308	Finance Pilot ME&O OBR	3-Allocated OH	0.00
2017 3311	3P-Energy Advantage Program (EAP)	3-Allocated OH	0.00
2017 3311U	3P-Energy Advantage Program (EAP) (Utility)	3-Allocated OH	0.00
2017 3312	OBR Information Systems Activities	3-Allocated OH	0.00
2017 3313	Locational Energy Efficiency	3-Allocated OH	0.00
2017 3317	HOPPs - Building Retro-Commissioning	3-Allocated OH	0.00
2017 3317u	HOPPs - Building Retro-Commissioning (Utility)	3-Allocated OH	0.00
2017 3318	HOPPs - Multi Family	3-Allocated OH	0.00
2017 3320	ESPI	3-Allocated OH	0.00
			2,297,600.00 Total Non Labor

Table 2. Annualized M&O Budget Requests and Authorizations

	PG&E	SCE	SDG&E	SoCalGas
Requested Budget, 2016 - 2017	\$6,813,000	\$1,900,000	\$3,964,761	\$5,159,229
Requested Budget, Annualized	\$3,406,500	\$950,000	\$1,982,381	\$2,579,615
2012 - 2014 Authorization	\$5,516,283	\$4,039,000	\$3,570,741	\$3,544,095
2012 - 2014 Authorization, Annualized	\$1,838,761	\$1,346,333	\$1,190,247	\$1,181,365
Maximum Annual Expenditures, 2012 - 2014	\$1,788,107	\$649,020	\$739,804	\$1,310,142
Maximum Annual Expenditures, plus 10%	\$1,966,918	\$713,922	\$813,784	\$1,441,156
Authorized Annualized Budget, 2017-2020¹⁹⁶	\$1,975,000	\$950,000	\$1,200,000	\$1,450,000

CARE Outreach per D.16-11-022	2017	2018	2019
Outreach	\$3,062,862	\$3,190,051	\$3,221,952
CARE Capitation	\$180,000	\$181,800	\$183,618
CARE - Capitation Outreach	\$180,000	\$181,800	\$183,618
Analytics and Research	\$39,121	\$39,512	\$39,907
Analytics	\$5,121	\$5,172	\$5,224
Research	\$34,000	\$34,340	\$34,683
Direct Engagement	\$758,500	\$766,085	\$773,746
Outbound Calling	\$250,000	\$252,500	\$255,025
Door-to-Door	\$183,500	\$185,335	\$187,188
Events & Presentations	\$20,000	\$20,200	\$20,402
Multicultural Outreach	\$180,000	\$181,800	\$183,618
Promotional Items	\$15,000	\$15,150	\$15,302
Rural Outreach	\$50,000	\$50,500	\$51,005
Special Needs Outreach	\$40,000	\$40,400	\$40,804
Travel Expenses - Outreach	\$20,000	\$20,200	\$20,402
Direct Marketing	\$118,000	\$119,180	\$120,372
Direct Mail	\$100,000	\$101,000	\$102,010
Email - Enrollments	\$10,500	\$10,605	\$10,711
Email - Recertification's	\$7,500	\$7,575	\$7,651
Labor	\$580,458	\$586,263	\$592,125
	\$580,458	\$586,263	\$592,125
Program MEO	\$537,160	\$704,771	\$711,818
Postage Fees	\$61,800	\$62,418	\$63,042
FCA - Fulfillment Costs	\$350,000	\$515,739	\$520,896
Program support materials Design & Edits	\$20,000	\$20,200	\$20,402
Program support materials Printing	\$75,360	\$76,114	\$76,875
Misc. (FCA-CARE letters)	\$30,000	\$30,300	\$30,603
General and Targeted Awareness	\$724,089	\$665,653	\$672,308
Agency Planning & Development	\$108,368	\$109,452	\$110,546
Media Placement	\$489,465	\$428,681	\$432,459
Media Planning	\$50,000	\$50,502	\$51,514
SDG&E Bill Insert	\$26,256	\$26,519	\$26,784
Translation Fees (printed material)	\$40,000	\$40,400	\$40,804
High Poverty Outreach	\$10,000	\$10,100	\$10,201
Temporary Labor	\$75,000	\$75,750	\$76,508
Temporary Labor	\$75,000	\$75,750	\$76,508
Market Research	\$50,534	\$51,039	\$51,550
Annual Customer Satisfaction Survey	\$26,341	\$26,604	\$26,870
PEV Non-respondent Report	\$20,000	\$20,200	\$20,402
PEV Non-respondent Survey	\$0		
PRIZM Code Update	\$4,193	\$4,235	\$4,277

1.01

Pending:			
New Initiatives	\$221,368	\$137,500	\$0
Lifeline/Cover CA Leveraging	\$83,868	\$0	\$0
Usage Comparison Report (Opower)	\$137,500	\$137,500	\$0

5-DR Support

Program Code	ProgramName	ElementCategoryDescription	Element ID	ElementDescription	FTE2017	2017	FTE2018	2018	FTE2019	2019
LME0	Local Marketing Education and Outreach	1 Labor Cost	1801	Management Supervision	0.1	12,015	0.25	30,939	0.25	31,867
LME0	Local Marketing Education and Outreach	1 Labor Cost	1802	Supervisor	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1803	Energy Program Mgr/Advisor	0.2	17,933	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1804	Secretarial & Statistical Support	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1805	Project Specialist	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1806	Program Assistant	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1807	Administrative Assistant	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1808	Energy Program Rep	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1809	Engineer	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1810	Energy Programs Specialist	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1811	Energy Auditor	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1812	Inspector	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1813	Energy Info Rep	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1814	Account Executive	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1843	Senior Account Executive	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1815	Business Analyst	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1816	Market Analyst	0.2	14,346	0	-	0	-
LME0	Local Marketing Education and Outreach	1 Labor Cost	1817	Communications Rep	0	-	1.75	159,467	1.75	164,251
LME0	Local Marketing Education and Outreach	1 Labor Cost	1818	Sr. Accounting Associate	0	-	0	-	0	-
LME0	Local Marketing Education and Outreach	2 Labor Indirects	1819	Payroll Taxes		4,872		20,945		21,573
LME0	Local Marketing Education and Outreach	2 Labor Indirects	1820	Vacation & Sick Leave		8,416		36,177		37,262
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1823	Travel - Airfare		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1824	Travel - Mileage		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1825	Travel - Meals		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1826	Travel - Lodging		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1827	Travel - Parking		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1828	Conference Fees		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1829	Office Supplies		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1830	Postage		-		60,000		63,000
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1831	Equipment - Communications		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1832	Equipment - General Office		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1856	Licensing Fees		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1855	Subcontractor Materials - General		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1833	Subcontractor Labor - General		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1834	Subcontractor Labor - Rebate Processing and Inspections		-		-		-
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1835	Brochures		-		85,000		88,000
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1836	Advertisements / Media Promotions		-		200,000		205,000
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1837	Direct Implementation Literature		827,417		120,000		125,000
LME0	Local Marketing Education and Outreach	4 Direct Charges (A\P)	1838	Educational Materials		-		140,000		146,000
LME0	Local Marketing Education and Outreach	9 Incentives	1854	Incentives		-		-		-
Total						885,000		852,528		881,954

1646657

IDSM - DR

PGM_YR	PGM_CD	ProgramName	Category	SumOfMKTG_Total
2017	3286	Local-IDSM-ME&O-Local Marketing (DR)	1-Labor	345,223
2017	3286	Local-IDSM-ME&O-Local Marketing (DR)	2-NonLabor	408,500
2017	3286	Local-IDSM-ME&O-Local Marketing (DR)	3-Allocated OH	0
2017	3294	Local-IDSM-ME&O-Behavioral Programs (DR)	1-Labor	7,934
2017	3294	Local-IDSM-ME&O-Behavioral Programs (DR)	2-NonLabor	0
2017	3294	Local-IDSM-ME&O-Behavioral Programs (DR)	3-Allocated OH	0
				761,657

Section IX: Proposed Budget

SDG&E's proposed Marketing budget comprises incremental costs needed to implement the GTSR marketing plan. These costs are composed of labor and tactical implementation for both GT and ECR. Labor includes time spent for planning, coordination and community outreach. Tactical implementation includes creative design, production, translation and mailing fees, as well as research studies during implementation.

GTSR Marketing Budget					
Description	2015	2016	2017	2018	Total
GT Labor Cost	22,453.00	13,608.00	13,608.00	13,608.00	63,277.00
GT Research	40,000.00	-	-	-	40,000.00
GT Educational Video	10,000.00	2,500.00	2,500.00	2,500.00	17,500.00
GT Email Campaigns	5,000.00	10,000.00	10,000.00	5,000.00	30,000.00
GT Collateral	8,000.00	2,200.00	2,200.00	2,200.00	14,600.00
GT Direct Mail	15,000.00	25,000.00	25,000.00	10,000.00	75,000.00
GT Outreach	22,000.00	22,000.00	22,000.00	22,000.00	88,000.00
ECR Labor Cost	2,495.00	1,512.00	1,512.00	1,511.00	7,030.00
ECR Collateral	800.00	200.00	200.00	170.00	1,370.00
ECR Outreach	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
Marketing Budget	\$128,248.00	\$79,520.00	\$79,520.00	\$59,489.00	\$346,777.00

	A	B	C	D	E	G	H	I	J	L	M	N		
2	GRC ME&O Template Details (Summary on rows 2-11 and individual cost details begin on row 15)													
3	TY2016 GRC Base Forecast					Imputed TY2016 GRC Authorized incremental ME&O activities.			Total imputed TY2016 Authorized ME&O activities. (Base Forecast + Imputed Authorized Incremental)					
4			2013\$					2013\$					2013\$	
5	GRC WP Group	Labor	Non-Labor	Total		Labor	Non-Labor	Total		Labor	Non-Labor	Total		
6	100009 Commercial & Industrial Services	546,566	158,473	705,039		-	-	-		546,566	158,473	705,039		
7	100010 Communications, Research and Web	999,993	5,301,910	6,301,903		588,410	3,971,590	4,560,000		1,588,403	9,273,500	10,861,903		
8	100008 Residential Services	803,579	1,971,293	2,774,872		94,588	199,046	293,633		898,167	2,170,338	3,068,505		
9	100011 Customer Programs & Projects	-	135,711	135,711		-	-	-		-	135,711	135,711		
10	100012 Other Office	128,117	9,159	137,276		-	-	-		128,117	9,159	137,276		
11	2100-3709 Low Emissions Vehicle Program	5,209	690	5,899		-	186	186		5,209	876	6,085		
12	Total	2,483,464	7,577,236	10,060,700		682,998	4,170,821	4,853,819		3,166,462	11,748,057	14,914,519		
13														
14														

	A	B	C	D	E	G	H	I	J	L	M	N	
15	Breakdown TY2016 Base Forecast ME&O Activities by workpaper group by cost center.						Breakdown of imputed TY2016 GRC Authorized incremental ME&O activities. (Ref. GRC WP 1b)				Total imputed TY2016 Authorized ME&O activities. (Base + Imputed Incremental = GRC Authorized)		
16	TY2016 Base Forecast						Authorized incremental ME&O Activities only as described within the original scope of our response.				Total TY2016 Imputed Authorized ME&O		
17	GRC WP Group	TY2016 Base Forecast (2013\$)				TY2016 GRC Imputed Authorized ME&O				Total TY2016 Imputed Authorized ME&O			
18	100009 Commercial & Industrial Services	Labor	Non-Labor	Total		Labor	Non-Labor	Total		Labor	Non-Labor	Total	
19	2100-3444 C&I Project Coordination (Pricing Challenge Only)	229,825	22,211	252,036		-	-	-		229,825	22,211	252,036	
20	2100-3770 Customer Communications – Business	155,077	81,831	236,908		-	-	-		155,077	81,831	236,908	
21	2100-3786 Customer Experience & Engagement C&I	161,664	54,431	216,095		-	-	-		161,664	54,431	216,095	
22	100009 C&I Total	546,566	158,473	705,039		-	-	-		546,566	158,473	705,039	
23													
24													
25	100010 Communications, Research and Web	Labor	Non-Labor	Total		Labor	Non-Labor	Total		Labor	Non-Labor	Total	
26	2100-0058 Customer Communications – Residential	304,275	3,760,718	4,064,993		61,068	2,421,894	2,482,962		365,343	6,182,612	6,547,955	
27	2100-3167 eServices (Pricing Challenge expenses only)	-	200,000	200,000		193,981	100,583	294,564		193,981	300,583	494,564	
28	2100-3168 Customer Insight & Analytics	263,670	1,247,350	1,511,020		333,361	1,449,113	1,782,474		597,031	2,696,463	3,293,494	
29	2100-3307 Creative Services & Branding	304,100	91,939	396,039		-	-	-		304,100	91,939	396,039	
30	2100-4012 Advertising & Research	127,948	1,903	129,851		-	-	-		127,948	1,903	129,851	
31	100010 Communications Total	999,993	5,301,910	6,301,903		588,410	3,971,590	4,560,000		1,588,403	9,273,500	10,861,903	
32													
33													
34	100008 Residential Services	Labor	Non-Labor	Total		Labor	Non-Labor	Total		Labor	Non-Labor	Total	
35	2100 -0040 Customer Service Market Strategies (Pricing Challenge only)	90,556	938,325	1,028,881		-	-	-		90,556	938,325	1,028,881	
36	2100-3593 Marketing Residential	107,590	369,020	476,610		94,588	157,920	252,508		202,178	526,940	729,118	
37	2100-3675 Electric Transportation	212,047	199,799	411,846		-	41,125	41,125		212,047	240,924	452,971	
38	2100-3839 Residential Services Customer Experience & Engagement	166,987	136,661	303,648		-	-	-		166,987	136,661	303,648	
39	2100-4027 Residential Services Outreach & Education	226,399	327,488	553,887		-	-	-		226,399	327,488	553,887	
40	100008 Res Svcs Total	803,579	1,971,293	2,774,872		94,588	199,046	293,633		898,167	2,170,338	3,068,505	
41													
42													
43	100011 Customer Programs & Projects	Labor	Non-Labor	Total		Labor	Non-Labor	Total		Labor	Non-Labor	Total	
44	2100-3777 Energy Efficiency Marketing	-	135,711	135,711		-	-	-		-	135,711	135,711	
45	100011 Cust Prog Total	-	135,711	135,711		-	-	-		-	135,711	135,711	
46													
47													
48	100012 Other Office	Labor	Non-Labor	Total		Labor	Non-Labor	Total		Labor	Non-Labor	Total	
49	2100-0004 VP Customer Services SVCS & STAFF (Pricing Challenge Only)	128,117	9,159	137,276		-	-	-		128,117	9,159	137,276	
50	100012 Other Office Total	128,117	9,159	137,276		-	-	-		128,117	9,159	137,276	
51													
52													
53	Shared Service Cost Center 2100-3709	Labor	Non-Labor	Total		Labor	Non-Labor	Total		Labor	Non-Labor	Total	
54	2100-3709 Low Emissions Vehicle Program	5,209	690	5,899		0	186	186		5,209	876	6,085	
55	ck total	2,483,464	7,577,236	10,060,700		682,998	4,170,821	4,853,819		3,166,462	11,748,057	14,914,519	
56													

General Rate Case (GRC) Workpaper 1b Calculations:

- 100009 Commercial and Industrial Services
- 100010 Communications, Research & Web
- 100008 Residential Services
- 100011 Customer Programs & Projects
- 1000012 Other Office
- 2100-3709 Low Emission Vehicle Program

1
 2 Tables from SDG&E TY2016 GRC A.14-11-003 Exh. 101 SDG&E-14 Direct Testimony of Bradley M. Baugh.
 3 * Reference D.16-06-054 pg. 131, and SDG&E Settlement Comparison Exhibit at pg. 10
 4
 5 100009 Commercial and Industrial Services

6 **TABLE 36**

Forecast for Commercial and Industrial Services

7	CS - OPERATIONS, INFORMATION & TECHNOLOGIES			
8				
9	Shown in Thousands of 2013 Dollars			
10				
11	B. Customer Service Information	2013 Adjusted-Recorded	TY2016 Estimated	Change
12				
13	2. Commercial & Industrial Services	\$5,305	\$5,789	\$484
14				

TY 2016 Request	Settlement Authorized*	(Settlement - 2013 Adj Rec)/Requested Change
\$5,789	\$5,500	40%

15 There were no ME&O incremental activities included in the \$484K requested increase for Commercial & Industrial Services workpaper group.
 16

TABLE 38
Forecast for Communications, Research & Web

CS - OPERATIONS, INFORMATION & TECHNOLOGIES			
Shown in Thousands of 2013 Dollars			
B. Customer Service Information	2013 Adjusted-Recorded	TY2016 Estimated	Change
3. Communications, Research & Web	\$7,940	\$14,287	\$6,347

TY 2016 Request
\$14,287

Settlement Authorized*
\$12,500

(Settlement - 2013 Adj Rec)/Requested Change
71.8%

TABLE 39
Changes in Communications, Research & Web TY 2016 Estimated Expenses

Communications, Research, & Web	TY 2016 - 2013 Change (\$000)			
	Labor	Non-Labor	Total	FTEs
Customer Research Activities – surveys		\$1,842	\$1,842	
Customer Research Activities – labor	\$379		\$379	4.0
Social Media Tools		\$90	\$90	
Social Media Advisor	\$85		\$85	1.0
Mobile Application Capabilities		\$50	\$50	
My Account Content Management System	\$100		\$100	1.0
SPP Event Notifications and Goals and Alerts		\$376	\$376	
Ongoing SPP activities	\$255		\$255	3.0
New Rate Options and Programs		\$2,870	\$2,870	
Enhanced Customer Educations While on Customer Premises		\$19	\$19	
Customer Outreach Safety Checks		\$281	\$281	
Total TY 2016 Impact	\$819	\$5,528	\$6,347	9.0

Incremental Change to 2013 [A]
\$6,347

Incremental Change Imputed amount based on settlement [B] = (A x 71.8%)
\$4,560

Cost Center

\$1,842,000	\$1,323,384	2100-3168
\$379,000	\$272,292	2100-3168
\$90,000	\$64,660	2100-3167
\$85,000	\$61,068	2100-3167
\$50,000	\$35,922	2100-3167
\$100,000	\$71,845	2100-3167
\$376,000	\$270,137	2100-0058
\$255,000	\$183,205	see =====>
\$2,870,000	\$2,061,951	See below
\$19,000	\$13,651	2100-0058
\$281,000	\$201,884	2100-0058
\$6,347,000	\$4,560,000	

\$85K ea. X 3 = \$255K (1.0 FTE Sr Communications Advisor; 1.0 FTE Sr. Research Analyst, and 1.0 FTE Web Technologist)
ME&O portion for Sr. Communications Advisor (2100-0058); Sr. Research Analyst (2100-3168)
\$61,068 2100-0058 Sr. Communications Advisor
\$61,068 2100-3168 Sr. Research Analyst
\$61,068 2100-3167 Web Technologist

TABLE 43
Costs to Educate Customers on New Rate Options and Programs

Mass Media	Online	Direct Mail	Email	Bill Inserts	Research
\$2,110,000	\$280,000	\$175,000	\$25,000	\$105,000	\$175,000

\$2,695,000	\$1,936,222	2100-0058
\$175,000	\$125,729	2100-3168
\$2,870,000	\$2,061,951	

Mass Media, Online, Direct Mail, Email, Bill Inserts cctr. 2100-0058 and Research cctr. 2100-3168

ME&O Incremental Activities (highlighted).

ck Totals Lbr \$588,410 Nlbr \$3,971,590 Total \$4,560,000

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
51	100008 Residential Services															
52																
53	TABLE 33															
54	Forecast for Residential Customer Services															
55																
56																
57																
58																
59																
60																
61	TABLE 34															
62	Changes in Residential Customer Services TY 2016 Estimated Expenses															
63																
64																
65																
66																
67																
68																
69																
70																
71																
72																
73																
74																
75																
76																
77																
78																
79																
80																
81																
82																

CS - OPERATIONS, INFORMATION & TECHNOLOGIES	2013 Adjusted-Recorded	TY2016 Estimated	Change	TY 2016 Request	Settlement Authorized*	(Settlement - 2013 Adj Rec)/Requested Change
Shown in Thousands of 2013 Dollars						
B. Customer Service Information						
1. Residential Customer Services	\$5,576	\$6,607	\$1,031	\$6,607	\$6,000	41.1%

Residential Customer Services	TY 2016 - 2013 Change (\$000)				Incremental Change to 2013 [A]	Incremental Change Imputed amount based on settlement [B] = (A x 41.1%)		Lbr	Nlbr	Total						
	Labor	Non-Labor	Total	FTEs												
Adjustment for Manage Act Save		(\$438)	(\$438)		(\$438,000)	(\$180,128)										
Energy Management Tool – Product Manager	\$95	\$3	\$98	1.0	\$98,000	\$40,303										
Energy Management Tool – licensing, hosting and maintenance fees		\$582	\$582		\$582,000	\$239,348										
Energy Management Tool – batch rate comparisons		\$75	\$75		\$75,000	\$30,844										
Customer Data Analytics and Technical Studies – labor	\$230	\$7	\$237	2.5	\$237,000	\$97,467	2100-3593	\$230,000	\$94,588	\$7,000						
Customer Data Analytics and Technical Studies – tools and consulting services		\$327	\$327		\$327,000	\$134,479	2100-3593									
Plug-In Electric Vehicle Outreach & Education		\$100	\$100		\$100,000	\$41,125	2100-3675									
Rate Reform		\$50	\$50		\$50,000	\$20,563	2100-3593									
Total TY 2016 Impact	\$325	\$706	\$1,031	3.5	\$1,031,000	\$424,000										
ck Totals																
ME&O Incremental Activities (highlighted).																
<table border="0"> <tr> <td style="text-align: right;">Lbr</td> <td style="text-align: right;">Nlbr</td> <td style="text-align: right;">Total</td> </tr> <tr> <td style="text-align: right;">\$94,588</td> <td style="text-align: right;">\$199,046</td> <td style="text-align: right;">\$293,633</td> </tr> </table>											Lbr	Nlbr	Total	\$94,588	\$199,046	\$293,633
Lbr	Nlbr	Total														
\$94,588	\$199,046	\$293,633														

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	
83	100011 Customer Programs & Projects																
84	TABLE 44																
85	Forecast for Customer Programs & Projects																
86	Forecast for Customer Programs & Projects																
87	CS - OPERATIONS, INFORMATION & TECHNOLOGIES																
88	Shown in Thousands of 2013 Dollars																
89	B. Customer Service Information				2013 Adjusted- Recorded	TY2016 Estimated	Change										
90								TY 2016 Request		Settlement Authorized*						(Settlement - 2013 Adj Rec)/Reques ted Change	
91	4. Customer Programs & Projects				\$2,721	\$3,443	\$722	\$3,443		\$2,854							18%
92																	
93	There were no ME&O incremental activities included in the \$722K requested increase for Customer Programs & Projects workpaper group.																
94																	
95	100012 Other Office																
96	Forecast for Other Office																
97	Forecast for Other Office																
98	CS - OPERATIONS, INFORMATION & TECHNOLOGIES																
99	Shown in Thousands of 2013 Dollars																
100	A. Customer Service Operations				2013 Adjusted- Recorded	TY2016 Estimated	Change										
101								TY 2016 Request		Settlement Authorized*						(Settlement - 2013 Adj Rec)/Reques ted Change	
102	10. Other Office				\$871	\$871	\$0	\$871		\$871							100%
103																	
104	There were no ME&O incremental activities requested in Other Office workpaper group.																
105																	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P		
106	2100-3709 Low Emission Vehicle Program																	
107	TABLE 52																	
108	Forecast for Low Emission Vehicle Program																	
109																		
110	Shown in Thousands of 2013 Dollars Incurred Costs (100% Level)																	
111	B. CS Technologies, Policies, and Solutions Shared Services		2013 Adjusted-Recorded	TY2016 Estimated	Change													
112	2. Low Emissions Vehicle Program		\$95	\$98	\$3													
113	2100-3709																	
114																		
115																		
116	TABLE 53																	
117	Changes in the Low Emissions Vehicle Program TY 2016 Estimated Expenses																	
118	Low Emissions Vehicle Program		TY 2016 - 2013 Change (\$000)				Incremental Change to 2013 [A]	Incremental Change Imputed amount based on settlement [B] = (A x C)										
119			Labor	Non-Labor	Total	FTEs												
120	Travel Expenses			\$3	\$3													
121	Total TY 2016 Impact		\$0	\$3	\$3	0.0												
122	ME&O Incremental Activities (highlighted).																	

The SGC dollars that have been included in response to AllRoscow's e-Mail Ruling Seeking Further Information Pursuant to D.15-03-029 were based on the cost center details as provided in the TY2016 GRC. Shown below, highlighted in yellow, are the individual cost centers that have been included.

Workpaper Group Number	Workpaper Group Description	Settlement Authorization in thousands 2013\$ for the entire workpaper
TY2016 GRC Work Paper Groups D.16-06-054 Section 6.8.1.2		
100008.000	Residential Services	\$6,000 SDG&E Settlement Comparison Exhibit pg. 10, 183
ME&O (Pricing Challenge work only)	2100-0040 CUSTOMER SVCS MARKET STRATEGIES	
	2100-0630 CUSTOMER ASST MGR - DAP	
	2100-3446 MY ACCOUNT PROGRAM MGMT & MARKETING	
	2100-3452 CUSTOMER ASST MGR - CARE	
	2100-3453 CUSTOMER ASST MGR - STRATEGY & OUTREACH	
	2100-3454 CUSTOMER ASSISTANT OUTREACH MANAGER	
	2100-3455 CUSTOMER ASST MGR - PROGRAM SUPPORT	
ME&O	2100-3593 MARKETING RESIDENTIAL	
ME&O	2100-3675 ELECTRIC TRANSPORTATION	
	2100-3703 DIRECTOR RESIDENTIAL SERVICES	
	2100-3705 PRODUCT INNOVATION	
	2100-3889 RES SVCS CUSTOMER EXPERIENCE & ENGAGEMENT	
ME&O	2100-3947 MPH OUTREACH	
100009.000	Commercial & Industrial Services	\$5,500 SDG&E Settlement Comparison Exhibit page 10, 184
	2100-0044 CUSTOMER CHOICE	
	2100-0622 COMMERCIAL & INDUSTRIAL MARKET'S DIR SDGE	
	2100-0626 FEDERAL ACCOUNTS DIRECTOR	
	2100-0627 FEDERAL PROJECTS	
	2100-0634 C&I MARKET'S MANAGER	
	2100-0653 C&I TECHNOLOGY SUPPORT SUPERVISOR	
	2100-0655 FEDERAL ACCOUNTS FINANCE & ACCOUNTING	
	2100-3435 FEDERAL BUSINESS DEVELOPMENT	
	2100-3442 C&I MAJOR ACCOUNTS	
ME&O (Pricing Challenge work only)	2100-3444 C&I PROJECT COORDINATION	
	2100-3530 JEG/WHISLE/COGEN/JPP MANAGER	
	2100-3545 C&I REPRESENTATIVES	
	2100-3579 TECHNOLOGY SERVICES MANAGER	
	2100-3580 RATE SUPPORT SUPERVISOR	
	2100-3633 CS-MASS MKTS LVC for Budget Use Only	
ME&O	2100-3770 SDGE CUSTOMER COMMUNICATIONS - BUSINESS	
ME&O	2100-3786 CUSTOMER EXPERIENCE & ENGAGEMENT C&I	
	2100-3899 SM & MED BUSINESS MGR	
100010.000	Communications, Research & Web	\$12,500 SDG&E Settlement Comparison Exhibit page 10, 185
ME&O	2100-0038 SDGE CUSTOMER COMMUNICATIONS - RESIDENTIAL	
	2100-3166 CUSTOMER COMMUNICATIONS SCG	
ME&O (Pricing Challenge work only)	2100-3167 CUSTOMER COMMUNICATIONS - E-SERVICES	
ME&O	2100-3168 CUSTOMER INSIGHTS & ANALYTICS	
	2100-3307 CREATIVE SERVICES & BRANDING SDGE	
	2100-3466 DIRECTOR OF CUSTOMER COMMUNICATIONS	
	2100-3783 CUSTOMER INSIGHTS & E-SERVICES	
	2100-3784 CUSTOMER COMMUNICATIONS - TECHNOLOGIES	
	2100-3785 SCG CUSTOMER COMMUNICATIONS - BUSINESS	
ME&O	2100-4012 ADVERTISING & RESEARCH	
100011.000	Customer Programs & Projects	\$2,854 SDG&E Settlement Comparison Exhibit page 10, 186
	2100-0054 DIR CUST PROGRAMS & PROJECTS	
	2100-0065 RES REBATE PROGRAMS MANAGER	
	2100-0629 POLICY & SUPPORT	
	2100-0643 COMMERCIAL NEW CONSTRUCTION MANAGER	
	2100-0650 RESIDENTIAL & DR PROGRAM MANAGEMENT	
	2100-0651 ENERGY EFFICIENCY PROGRAM MANAGER	
	2100-3440 DEMAND RESPONSE PROGRAM MANAGER	
	2100-3441 LOW EMISSION VEHICLE MANAGER	
	2100-3448 SMALL C&I SEGMENT EE/DR MANAGER	
	2100-3449 RES NEW CONSTRUCTION MANAGER	
	2100-3450 CODES & STANDARDS MANAGER	
	2100-3451 ENERGY EFFICIENCY PARTNERSHIPS & OIB	
	2100-3556 AMO PROJECTS	
	2100-3570 MARKET PLANNING & ANALYSIS	
	2100-3574 AMI PROGRAM OFFICE DIRECTOR	
	2100-3575 AMI TECHNOLOGIES	
	2100-3576 AMI CLIENT INTERFACE	
	2100-3577 AMI STAKEHOLDER EDUCATION	
	2100-3584 CST - SORT	
	2100-3601 ENERGY EFFICIENCY NEW CONSTRUCTION	
	2100-3619 TECHNICAL SUPPORT	
	2100-3620 AMI INSTALLATIONS	
	2100-3642 SPECIAL PROJ'S PLANNING & DEVELOPMENT SD	
	2100-3707 DISTRIBUTED GENERATION PROGRAMS	
	2100-3765 PROGRAM OPERATIONS	
	2100-3786 CUSTOMER PROGRAMS SUPPORT	
	2100-3776 ENERGY EFFICIENCY ADMINISTRATIVE COST	
ME&O	2100-3777 ENERGY EFFICIENCY MARKETING COST	
	2100-3778 ENERGY EFFICIENCY DIRECT IMPLEMENT COST	
	2100-3841 TECHNOLOGY STRATEGY	

General Rate Case (GRC) Workpaper 2b: GRC Authorization Supporting Documentation

Please see attached pdf "GRC Workpaper 2b - D1606054 TY2016 GRC SDG&E Customer Services.pdf" file for this workpaper.

Page Index for pdf Document pdf#	Page Label	Description of Information
1	-131-	Excerpt from Section 6.8.1.4.2 of D.16-06-054 adopting SDG&E Customer Services Settlement of \$85.448 million
2,3	A-5, A-6	Excerpt of Customer Services Settlement Agreement breaking out the scope of the Customer Services Settlement
4	183	Comparison Exhibit Page 183 for workpaper 100008 (Residential Services) detailing the original request \$6,606k and settlement amount \$6,000k
5	184	Comparison Exhibit Page 184 for workpaper 100009 (C&I Services) detailing the original request \$5,789k and settlement amount \$5,500k
6	185	Comparison Exhibit Page 185 for workpaper 100010 (Communications, Research & Web) detailing the original request \$14,287k and settlement amount \$12,500k
7	186	Comparison Exhibit Page 186 for workpaper 100011 (Customer Programs & Projects) detailing the original request \$3,444k and settlement amount \$2,854k



SAN DIEGO GAS & ELECTRIC COMPANY'S
SUPPORTING WORK PAPERS THAT DOCUMENT THE SOURCE
AND ASSOCIATED COMMISSION AUTHORIZATION OF THE
BUDGET INFORMATION

Row # 11

yr. 2018 &

yr. 2019

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric
Company (U 902-M) to adopt Energy
Efficiency Rolling Portfolio Business Plan
Pursuant to Decision 16-08-019.

Application 17-01-014
(Filed January 17, 2017)

**APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902-M) TO
ADOPT ENERGY EFFICIENCY ROLLING PORTFOLIO BUSINESS PLAN**

E. Gregory Barnes
Attorney for
SAN DIEGO GAS & ELECTRIC COMPANY

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January 17, 2017

Figure B.1 Sector Level Cost-Effectiveness

	Residential	Total public	Commercial	Industrial	Agriculture	Portfolio with C&S	Portfolio without C&S
TRC	0.9	1.0	1.4	0.6	0.4	1.20	1.02
PAC	1.0	1.1	1.7	0.9	0.5	2.18	1.19

Figure B.2 Budget by Sector and Cost Category

Sector Cost Category	Admin	Marketing	Direc't Implementation	Incentives	TOTAL
Residential	\$5,047,313	\$1,880,309	\$11,606,301	\$29,974,036	\$48,507,957
Public	\$1,445,893	\$217,217	\$9,597,575	\$4,277,477	\$15,538,161
Commercial	\$3,840,501	\$469,467	\$10,736,295	\$21,893,802	\$36,940,065
Industrial	\$473,024	\$54,166	\$2,011,418	\$980,838	\$3,519,446
Agricultural	\$124,158	\$14,872	\$420,263	\$257,426	\$816,720
ET Program	\$91,009	\$10,700	\$1,268,366	\$0	\$1,370,074
WE&T	\$717,862	\$641,773	\$3,537,364	\$0	\$4,897,001
Financing	\$191,640	\$10,000	\$3,629,534	\$0	\$3,831,176
C&S	\$124,853	\$0	\$910,857	\$0	\$1,035,710
Portfolio	\$12,056,253	\$3,298,504	\$43,717,973	\$57,383,581	\$116,456,311

Admin includes \$4.7 million EM&V funds, which are not considered when calculating the 10% admin cap.

SDG&E focused on developing a cost-effective portfolio for the near-term. SDG&E believes there exist significant uncertainties in the future including DEER and avoided cost updates, technological and associated potential changes, goal updates, legislative and regulatory policy changes, and statewide and third-party program management. These uncertainties make forecasting beyond the near-term extremely difficult. This initial analysis should be considered a departure point for portfolio design in 2019 and beyond.

Figure B.2 presents budgets by sector and cost category.

Significant uncertainty exists around the long-term allocation of budget, making long-term budgeting of limited value. For instance, statewide consensus of roles and responsibilities for statewide programs, has yet to be concluded. Thus, it is not possible to accurately forecast large portions of the portfolio. Additionally, it is currently unclear how moving to 60% third-party implementation will impact programmatic budgets. SDG&E believes labor costs will remain relatively constant despite the shift to additional third-party implementation, due to the significant labor intensity of running solicitations, although efficiencies maybe achieved if more savings are delivered.

Row # 11



A  Sempra Energy utility®

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September 1, 2016

ADVICE LETTER 2951-E/2512-G
(San Diego Gas & Electric Company - U902-M)

Public Utilities Commission of the State of California

SUBJECT: SAN DIEGO GAS AND ELECTRIC COMPANY'S 2017 ANNUAL ENERGY EFFICIENCY PROGRAM AND PORTFOLIO BUDGET REQUEST

San Diego Gas & Electric (SDG&E) hereby submits for approval by the California Public Utilities Commission (Commission) its 2017 Energy Efficiency (EE) Program Portfolio. This EE Program Portfolio, along with all necessary supporting documentation, is incorporated herein as Appendices A through C.

PURPOSE

The purpose of this filing is to request approval of SDG&E's 2017 program budget and program changes as required by Decision (D.)15-10-028 Ordering Paragraph 4, which states:

Each energy efficiency program administrator must file a Tier 2 advice letter containing a budget for the next calendar year's energy efficiency portfolio by the first business day in September. The Tier 2 advice letter shall contain a portfolio cost effectiveness statement and application summary tables with forecast budgets and savings by sector and program/intervention filed in paper, with an electronic query output available in an online tool. Additionally, the Tier 2 advice letter shall provide a report on portfolio changes, annual spending, and fund shifting.

BACKGROUND

In D.14-10-046, issued on October 16, 2014, the Commission approved SDG&E's 2015 Energy Efficiency (EE) and Demand Response Program (DRP) portfolio filing filed on March 26, 2014, subject to modifications in the Decision. D.14-10-046 addresses: (1) the determination of 2015 as the third year of the 2013-2015 program cycle; (2) the development of a base funding approach for EE programs at 2015 levels until 2025, unless superseded by a Commission decision; (3) the budgets authorized to achieve the energy savings goals and the cost-effectiveness finding that is required; (4) the programs authorized to produce these savings; and (5) the evaluation, measurement, and verification (EM&V) procedures used to ensure projected savings actually occur. Note that the EE portfolio budget does not include funding for Statewide Marketing, Education and Outreach (ME&O). The ME&O budget is addressed in a separate proceeding, A.12.08-007 et al.

D.15-01-023 made several corrections to technical errors identified with D.14-10-046 which included correcting the EM&V budgets. The EM&V budgets were adjusted to be 4 percent of the total portfolio budget.

D.15-10-028 approved the utility-specific annual savings goals for 2016 through 2024. In addition, it adopted the Rolling Portfolio Cycle Schedule that provides for timely and regular updates to savings estimates, information about the effectiveness of program deployment, and information about market conditions. D.15-10-028 describes this process:

Under the rolling portfolio cycle model the information available from current evaluations will be available to infuse at key points in the process. Impact evaluation results will inform DEER and ex ante updates, process and market studies will be available to inform program applications and updates to implementation plans. However, actionable information to improve programs can be leveraged at any time. For example, if an evaluation reveals a particularly ineffective implementation mode (e.g., one resulting in high free-ridership) there is nothing to preclude the implementer making an adaptive change (e.g., improving customer outreach) and updating savings claims. Likewise, if a market opportunity is revealed mid-stream of implementation, it is not the Commission's intent to stifle action. In fact that is exactly what EM&V results and the rolling portfolio process should enable.¹

D.15-10-028 briefly describes the expected information to be provided in this advice letter:

1. Portfolio Cost Effectiveness statement; only cost calculator outputs will be filed in paper; the detailed cost-effectiveness calculator data will be submitted electronically in an online tool and be referenced in the advice letter; and
2. Application summary tables with forecast budgets and savings by sector and program/intervention; filed in paper, with an electronic query output available in an online tool.

On August 19, 2016, Commission Staff provided general guidance regarding this advice letter and accompanying 2017 budget request templates.²

As required by D.15-10-028 and the guidance provided by Commission Staff, this filing contains all of the requested details, including the following: (1) portfolio savings that meet or exceed EE adopted goals; (2) cost effectiveness results³: Total Resource Cost (TRC) and Program Administrator Cost (PAC) tests that exceed a 1.0 threshold for 2017; (3) application of reductions and/or increases in program or sector budgets; (4) all files contained in Appendices A, B, and C of the 2017 funding proposals that reflect budgets, savings targets and programmatic changes.

¹ D.15-10-028, p.86.

² The general guidance and budget templates are available at <http://eestats.cpuc.ca.gov/StandardTables/GuidanceDocument.aspx>.

The guidance document requires the following:

- Total portfolio budgets should match authorizations approved in D.14-10-046 and be reconciled across PAs (e.g., PG&E and MCE/BayREN, and SCE/SCG and SoCalREN budgets);
- The use of DEER2016 for 2017 planning;
- The avoided cost calculator will use the 2011 version of the avoided cost calculator. The new version of the cost effectiveness tool that would incorporate the avoided cost values adopted by D.16-06-007 will be implemented for the upcoming 2018 EE Business Plan applications;
- Highlighting of any updates to budgets, fund shifting that triggered limits, and new or discontinued programs in the Advice Letter; and
- Identification and description of final 2015 and 2016 expenditures to date and any carryover or encumbered funds that PAs are utilizing consistent with D.15-10-028 should be identified and described.
- Inclusion of the CEDARS Tool confirmation document in the hard copy of the advice letter. This certificate confirms that the program administrator has uploaded all the required documents for this filing to CEDARS.

The following appendices meet the requirements of D.15-10-028:

- Appendix A: 2017 Budget Proposal Summary Tables
- Appendix B: Budget and Savings Tables
- Appendix C: Savings Allocation and Funding Sources

The appendices and associated program implementation plans can be found at <https://cedars.sound-data.com/>

Portfolio Program Budgets

Table 1 provides the approved 2015 rolling portfolio budget as approved in D.15-01-023:

Table 1: Approved EE and DRP Program Budgets (\$000)

Category	Electric Demand Response Funds	Electric Energy Efficiency Funds	Natural Gas Public Purpose Funds	Total Energy Efficiency Funds
Programs Funds	\$ 4,640	\$ 100,619	\$ 11,179	\$ 111,798
EM&V	N/A	\$ 4,192	\$ 466	\$ 4,658
Total	\$ 4,640	\$ 104,811	\$ 11,645	\$ 116,456

A. 2017 Demand Response Program Budgets

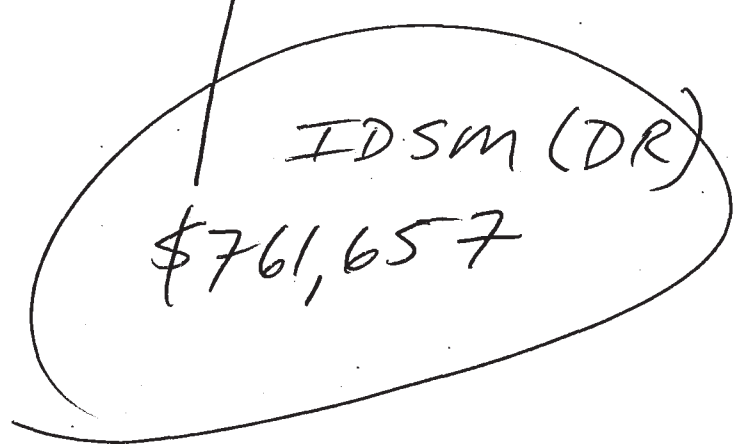
The following are the specific programs and budgets associated with the 2017 Demand Response Program (DRP) IDSM approved budget.

Table 2: SDG&E 2017 DRP Program Budgets

ProgramCode	ProgramName	Admin Budget	Marketing Budget	Direct Implementation Budget	Total Budget
3283	SW-COM-Customer Services- Audits NonRes (TA)	\$127,018	\$21,302	\$1,509,785	\$1,658,104
3284	SW-IND-Customer Services- Audits NonRes (TA)	\$28,461	\$12,221	\$206,715	\$247,397
3285	SW-AG-Customer Services- Audits (TA)	\$23,452	\$7,651	\$183,698	\$214,801
3286	Local-IDSM-ME&O-Local Marketing (DR)	\$113,839	\$753,723	\$43,153	\$910,715
3294	Local-IDSM-ME&O-Behavioral Programs (DR)	\$224,103	\$7,934	\$1,376,945	\$1,608,983
Total DRP IDSM Budget		\$516,872	\$802,831	\$3,320,296	\$4,639,999

B. 2017 Energy Efficiency Program Budgets

D.14-10-046 Figure 7 contains a list of authorized SDG&E EE budgets by program sector, also known as the "fund shifting categories." The SDG&E programs are as follows:



 IDSM (DR)

 \$761,657

Table 3: SDG&E 2017 EE Program Budgets by Program Area

Program Area	Proposed Budgets
Residential	\$ 16,616,327
Commercial	\$ 23,999,203
Industrial	\$ 2,698,980
Agricultural	\$ 736,634
Lighting	\$ 13,788,017
Codes & Standards	\$ 1,035,710
Financing**	\$ 3,831,176
Subtotal Statewide Resource Programs	\$ 62,706,047
Third Party Programs	\$ 24,259,379
State & Local Government Partnerships	\$ 8,807,702
Subtotal Non-Utility Programs	\$ 33,067,082
Emerging Technologies	\$ 1,370,074
Workforce, Education & Training	\$ 4,897,001
Integrated Demand Side Management	\$ 4,915,533
Other	\$ 4,842,263
Subtotal Non-resource Programs	\$ 16,024,870
Total All Programs	\$ 111,797,998
EM&V	\$ 4,658,311
Total EE Portfolio	\$ 116,456,309

Note: The "Other Program" Category includes (1) SDG&E's EE database system (CRM); (2) Locational EE Program; (3) HOPPs programs.

SDG&E notes that the implementation funding related to the Financial Pilots originally approved in D.13-09-044 that has not been expensed due to implementation delays is considered "committed" and will be carried over into 2017. This is consistent with D.15-06-008 discussion:

"Given the number of interdependencies impacting the launch of the programs and subsequent collection of participant data, we conclude that the 24-month term of each finance pilot should align with the enrollment of the first loan in each finance pilot launch. That is, each finance pilot will have an independent 24-month schedule initiated by the enrollment of the first loan in that particular finance pilot. Funding will follow accordingly."⁴

and D.15-06-008 OP 2:

⁴ D.15-06-008, p. 11.

2. Southern California Edison Company, Pacific Gas and Electric Company, Southern California Gas Company, and San Diego Gas & Electric Company (collectively IOUs) energy efficiency finance pilots shall each operate for a minimum of 24 months, beginning at the point that each pilot program enrolls its first loan, and shall provide for support of loans made under each pilot for the duration of loan terms even if/when a pilot ends.

SDG&E notes that its On-Bill Financing (OBF) loan funds of \$26,003,565 are not included in the EE portfolio total budget.⁵ Only other "program" costs such as program administration associated with the OBF program and defaulted loan payments will be tracked in SDG&E's EE portfolio.

C. Revenue Requirements

SDG&E provided its estimated gas and electric EE revenue requirements as reflected in Appendix A Table 2.1a-b Rates Revenue.

The "2017 Proposed Percentage Change In Electric Average Rates" (Column N) compares the total electric class average rates from 1/1/2016 to class average rates from 8/1/2016 (with an updated EE revenue requirement), and therefore includes GRC P1 changes. The actual change associated with only the EE update is 0.29% for residential average rates and 0.33% for system average rates.

The "2017 Proposed Percentage Change In Gas Revenue and Rates" (Column N) compares the PPP Gas Surcharge rates from 2016 to 2017 (with an updated EE revenue requirement).

The final Gas and electric EE revenue requirements will be incorporated in the annual electric and natural gas Public Purpose Programs Rates advice letters which will be filed subsequent to this advice letter.

SDG&E Portfolio Energy Savings Goals and Cost Effectiveness

SDG&E provides, in the following updated tables, its energy savings goals/targets, portfolio cost-effectiveness and budget caps and targets.

Table 4: 2017 EE Portfolio Energy Savings Goals & Targets

	CPUC Goals			Portfolio Target		
	GWH	MW	MMTHERMS	GWH	MW	MMTHERMS
Core EE IOU Portfolio	185.0	26.0	2.7	232.9	39.4	2.7
Codes & Standards	119.0	25.0	0.6	152.5	29.1	1.8
Total Energy Efficiency Portfolio	304.0	51.0	3.3	385.4	68.5	4.5

Table 5: 2017 EE Portfolio Cost Effectiveness

	TRC	PAC
With Codes & Standards	1.54	2.91
Without Codes & Standards	1.16	1.45

⁵ See D.12-11-015, Table 13 notes, p. 104.

SDG&E's TRC and PAC results reflect the following inputs:

1. Excludes Emerging Technology, OBF revolving loan pool, credit enhancements;
2. Includes Market Effects (ME) based on D. 12-11-015, which adopted 5% spillover for resource programs;
3. Includes estimated Energy Savings Performance Incentive payments of \$4.5 million; and
4. Includes Indirect labor loaders adopted in SDG&E's 2016 GRC D.16-06-054.

SDG&E Portfolio Budget Caps/Targets

Table 6 provides a summary of SDG&E's compliance with the caps and targets required by D.09-09-047.

Table 6: 2017 EE Portfolio Budget and Budget Caps/Targets

	2017 Budgets					
	Admin	ME&O	Direct Implementation	Incentives	EM&V	Total EE Budget
2017	\$ 7,397,943	\$ 3,298,504	\$ 43,717,973	\$ 57,383,580	\$ 4,658,311	\$ 116,456,311
	GRC Admin Loaders	GRC ME&O Loaders	GRC DI Loaders	Total (EE + GRC)	OBF Loan Pool	Total Funds
	\$ 2,966,371	\$ 90,857	\$ 1,072,832	\$ 120,586,372	\$ 26,003,565	\$ 146,589,937
	%Admin	%MEO	%DI	%Incentives	EM&V %	
2017	7.1%	2.3%	30.6%	56.9%	4.0%	
Caps/Targets	10.0%	6.0%	20.0%	60.0%	4.0%	
Notes:						
(1) Total Budget for percentage basis calculation includes authorized EE budget, OBF Loan Pool and GRC loaders associated with EE FTEs.						
(2) FTE loaders were adopted in SDG&E 2016 GRC D.16-06-054						
(3) D.09-09-047 allows for administrative exemptions for selected programs (D.09-09-047 pp.50-51).						
(4) ICP, Workman's Comp and PLPD Loaders follows labor, therefore are associated with the Admin, ME&O and DI Labor						
(5) Administrative budget does not include EM&V.						
(6) EM&V is 4% of authorized EE Budget.						
(7) Total EE budget does not include Statewide ME&O.						

The following assumptions are used for determining budget targets and caps:

1. Compliance with D.09-09-047 OP13:

For Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company in 2010 to 2012, the following caps and targets are adopted:

- a. Administrative costs for utility energy efficiency programs (excluding third party and/or local government partnership budgets) are limited to 10% of total energy efficiency budgets. Administrative costs shall be closely identified by and consistent across utilities. Administrative costs shall not be shifted into any other costs category. Utilities shall not reduce the non-utility portions of local government partnership and third party implementer administrative costs, as compared to levels contained in budgets approved herein, unless those levels exceeded 10% in the July 2009 utility supplemental applications in this proceeding;
- b. Marketing, Education and Outreach costs for energy efficiency are set at 6% of total adopted energy efficiency budgets, subject to the fund-shifting rules in Section II, Rule 11 of the Energy Efficiency Policy Manual;⁶
- c. Non-resource costs (excluding non-resource direct implementation costs) are set at 20% of the total adopted energy efficiency budgets; and
- d. The utilities shall not unduly reduce Strategic Planning non-administrative costs as compared to resource program direct implementation non-incentive costs. The base for calculating the targets and caps includes the GRC loaders in order to correctly calculate the percentages.

Specifically, SDG&E program administration costs will not be included in the reporting of the administration cap calculation as directed in D.09-09-047 for the following: EM&V, SW ME&O, Emerging Technologies, WE&T, Lighting Market Transformation, local & statewide IDSM, On-Bill Financing.⁷ In addition, third party and local government administration costs are not included in utility administration.

2. SDG&E's EE authorized budget already includes costs for facilities, payroll taxes, vacation, and sick leave, and is categorized consistent with December 28, 2008 Assigned Commissioner and Administrative Law Judge's Ruling Modifying Schedule and Requiring Additional Information for 2009-2011 Supplemental Filings Attachment 5-A and as modified by D. 11-04-005 OP 2.
3. General Rate Case (GRC) loaders associated with the EE program labor are included as directed by D.12-11-015 OP 39. On January 11, 2012, Energy Division conveyed ALJ Fitch's direction that the GRC costs are to be included in calculating portfolio budget administration cap. SDG&E's most recent GRC decision is D.16-06-054.
4. EM&V is 4 percent of EE authorized program budget
5. In order to be comparable to PG&E and SCE, SDG&E includes its OBF loan funds as part of the total EE budget for the purposes of determining budget caps and targets (at D.12-11-015 OP 21).

⁶ The ME&O target does not include Statewide ME&O budget.

⁷ D.09-09-047, pages 50-51.

6. SDG&E will continue to report the status of its budget caps and targets based on actual expenditures in its quarterly reports submitted through the Commission's Energy Efficiency Statistics website (EEStats) or its new online tool.⁸

2017 PROGRAM CHANGES

SDG&E optimized its EE portfolio to meet its 2017 EE goals and improve the cost effectiveness of its portfolio. These changes generally include:

1. program funding changes to optimize the cost effectiveness of the portfolio and meet savings goals;
2. updated measure savings assumptions based on DEER2016;
3. removal of measures due to low cost effectiveness, changes in Codes & Standards, or lack of demand;
4. updated incentive levels to address changes, e.g., measure savings, measure costs, etc.;
5. consolidation of programs, introduction of new programs, and closing of underperforming programs; and
6. the approved and proposed HOPPs programs.

SDG&E intends to submit the 2017 associated program implementation plans and addenda to CEDARS once this advice letter is approved. Table 7 provides a brief discussion of non-budget program changes that SDG&E proposes for 2017 that impact program implementation.

Table 7: EE and DR Program Changes

Program Code	Program Name	Brief Discussion of Changes
Energy Efficiency Programs		
3203	SW-CALS-Plug Load and Appliance-HEER	This PCT (Smart thermostat) measure will be added in anticipation of the approval of AL 2941-E and the associated PIP.
3203-04	SW-CALS-Plug Load and Appliance-HEER/POS	The heat pump water heater workpaper will be updated to accurately reflect the market - update Efficiency Factor from 2.0 to 3.25 or more; and kWh savings.
3208	SW-CALS - EUC WHRP - Basic	This subprogram has been consolidated under SW-CALS-EUC WHRP - Advanced.
3210	SW-CALS - EUC WHRP - Multifamily	All EUC WHRP effort is consolidated under the SW-CALS-EUC WHRP - Advanced for 2017

⁸ EEStats can be found at <http://eestats.cpuc.ca.gov/>.

Program Code	Program Name	Brief Discussion of Changes
3213	SW-CALS - CAHP/ ESMH-CA Advanced Homes	This program is currently being redesigned. Proposed changes include new minimum efficiency requirements, inclusion of solar, lighting and appliances measures. The next step in the process will be to discuss with the CEC potential modelling changes to the software. In addition, SDG&E was approved to close its Energy Star Manufactured Homes Program on August 18 (AL 2932-E).
3215	SW-COM-Continuous Energy Improvement	CEI is being transitioned to Strategic Energy Management (SEM). All IOUs are currently working on program design for new program. Program will be filed as SEM for 2017.
3218	SW-COM-Customer Services- Audits Healthcare Energy Efficiency Program (HEEP)	Program will be closing at 12/31/2016 with final payments being issued out to 3/31/2017. HEEP will be consolidated into SW-COM-Customer Services- Audits NonRes (SDGE3217).
3219	SW-COM-Customer Services- Audits Lodging Energy Efficiency Program (LEEP)	Program will be closing at 12/31/2016 with final payments being issued out to 3/31/2017. LEEP will be consolidated into SW-COM-Customer Services- Audits NonRes (SDGE3217).
3217	SW-COM-Customer Services- Audits NonRes	SW-COM-Customer Services- Audits NonRes Program underwent a redesign to consolidate the various program offerings into one comprehensive program to eliminate overlap, increase efficiency and reduce audit costs for our customers. SDG&E will consolidate HEEP (SDGE3218) and LEEP (SDGE3219).
3221	SW-COM-Calculated Incentives- RCx	This program is now superseded by the new HOPPs-Building Retro-commissioning Program (SDGE3317).
3223	SW-Deemed Incentives Commercial Rebates	The incentive levels were recently updated to reflect changes in the market price for certain measures. SDG&E filed a fundshift request for this program in AL2947-E on August 19, 2016. Once the funding is exhausted, SDG&E will suspend the program until the end of 2016.
3224	SW-COM-Deemed Incentives- HVAC Commercial	The following measures will be removed from the program for all HVAC equipment for 2017 due to low cost effectiveness or changes in Codes and Standards: Advanced Digital Economizer Controls-FDD, Economizer Decommission, Economizer Functional Test, Renovate Economizer Linkage and Other Components, Replace Economizer Damper Motor, Increase duct insulation in older vintages (1978-1992), PTAC/PTHP Controller EMS-DI, Thermostat-Adjust-Incentive, Thermostat-Replace-Incentive

Program Code	Program Name	Brief Discussion of Changes
3226	SW-COM-Direct Install	Rebates will be reduced so they do not exceed the latest incremental measure cost. Some measures will be retired if there is low volume or they are not cost-effective.
3227	SW-IND-Continuous Energy Improvement	Continuous Energy Improvement is being transitioned into Strategic Energy Management (SEM). All IOUs are currently working on program design for new program. This program will be filed as SEM for 2017.
3233	SW-IND-Deemed Incentives	The incentive levels were recently updated to reflect changes in the market price for certain measures.
3239	SW-AG-Deemed Incentives	The incentive levels were recently updated to reflect changes in the market price for certain measures.
3242	SW-Lighting-Lighting Innovation-ETPC Pilots	This program was consolidated into SW-Lighting-Lighting Innovation-ETPC MD (SDGE3241)
3243	SW-Lighting-Lighting Innovation-ETPC Advanced LED	This program was consolidated into SW-Lighting-Lighting Innovation-ETPC MD (SDGE3241)
3241	SW-Lighting-Lighting Innovation-ETPC MD	This program consolidates the other Lighting Innovation-ETPC Programs (SDGE3242 and SDGE3243)
3308	Finance Pilot ME&O OBR	Reduced 2017 Finance Pilot budgets by \$3,222,657 as a result of revised Credit Enhancement projections that was developed with CAEATFA. The plan is to defer most of this budget to 2018.
3309	Sustainable Labs Program (SLP)	This program will close on 12/31/2016 with final payments being issued no later than 3/31/2017. This program is consolidated into the SW-IND-Customer Services-Audits NonRes (SDGE3229).
3229	SW-IND-Customer Services-Audits NonRes	This program consolidates Sustainable Labs Program (SDGE3309).
3310	Multifamily Heat Pump Program	The contract for this program has been extended for 6 months with an anticipated end date of 3/31/2017.
3313	Locational Energy Efficiency	Program as currently designed will end by 12/31/2016. A 2017 placeholder budget is included for a successor program. No new program design is in place at this time.
3317	HOPPs - Building Retro-Commissioning	The HOPPS Retro-Commissioning Program (SDGE3317), was approved in AL 2864-E-A, effective July 27, 2016.
3318	HOPPs - Multi Family	SDG&E filed its HOPPs Multi-family HOPP Program (SDGE3318) supplemental AL 2865-E-C on August 19, 2016 and is pending approval.
	Emerging Technologies-WEN	D16-01-010 approved SDG&E's WEN AMI pilot

Program Code	Program Name	Brief Discussion of Changes
	AMI Pilot	not to exceed budget of \$250,000 to be tracked through the Emerging Technologies program.
IDSMS Demand Response Programs		
3295	SW-CALS-Energy Advisor-HEES (DR)	This program, which was unfunded in 2015 & 2016, is being closed on 12/31/2016. The implementation of the program continues but is funded solely with EE funds. Funds for this program have been reallocated to other IDSM DR programs.
3305	Local IDSM Small Commercial Behavior Pilot DRP	This pilot was planned for 2016; however, given the rate changes impacting small commercial customers, SDG&E decided not implement the pilot in 2016 and there are no plans to implement this program type in 2017. Thus, funds for this program have been reallocated to other IDSM DR programs.

EFFECTIVE DATE

SDG&E believes this filing is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to GO 96-B and D.15-10-028 OP4. SDG&E respectfully requests that this filing become effective on January 1, 2017, which is more than 30 days from the date filed.

In the event that this advice letter is not approved in time for January 1, 2017 implementation, D.15-10-028 OP5 provides for program continuation until such time as the advice letter is approved.

5. If a calendar year ends before Commission disposition of a Program Administrator's advice letter with the budget for the next calendar year, then the prior year's budget shall remain in place until disposition of the pending advice letter. Electric corporations and gas corporations shall continue to recover costs, and to make transfers community choice aggregators and regional energy networks, based on the prior year's authorized budget.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than September 21, 2016 which is 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via e-mail to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Court, Room 31CF
San Diego, CA 92123-1548
E-mail: mcaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in A.12-07-002 and R.13-11-005, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed. Address changes should be directed to the emails or facsimile numbers above.

CLAY FABER
Director – California & Federal Regulatory

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Christina Sondrini

Phone #: (858) 636-5736

E-mail: csondrini@semprautilities.com

EXPLANATION OF UTILITY TYPE

(Date Filed/ Received Stamp by CPUC)

ELC = Electric GAS = Gas
 PLC = Pipeline HEAT = Heat WATER = Water

Advice Letter (AL) #: 2951-E/2512-G

Subject of AL: San Diego Gas And Electric Company's 2017 Annual Energy Efficiency Program And Portfolio Budget Request

Keywords (choose from CPUC listing): Energy Efficiency, Compliance

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:
D.15-10-028

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

Summarize differences between the AL and the prior withdrawn or rejected AL:
N/A

Does AL request confidential treatment? If so, provide explanation: N/A

Resolution Required? Yes No Tier Designation: 1 2 3

Requested effective date 1/1/17 No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division Attention: Tariff Unit 505 Van Ness Ave., San Francisco, CA 94102 EDTariffUnit@cpuc.ca.gov	San Diego Gas & Electric Attention: Megan Caulson 8330 Century Park Ct, CP31F San Diego, CA 92123 mcaulson@semprautilities.com
--	--

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

DRA

R. Pocta

Energy Division

M. Ghadessi

M. Salinas

Tariff Unit

CA. Energy Commission

F. DeLeon

R. Tavares

Alcantar & Kahl LLP

K. Cameron

American Energy Institute

C. King

APS Energy Services

J. Schenk

BP Energy Company

J. Zaiontz

Barkovich & Yap, Inc.

B. Barkovich

Bartle Wells Associates

R. Schmidt

Braun & Blaising, P.C.

S. Blaising

California Energy Markets

S. O'Donnell

C. Sweet

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

Children's Hospital & Health Center

T. Jacoby

City of Poway

R. Willcox

City of San Diego

F. Ortlieb

B. Henry

L. Azar

D. Weil

Commerce Energy Group

V. Gan

CP Kelco

A. Friedl

Davis Wright Tremaine, LLP

E. O'Neill

J. Pau

Dept. of General Services

H. Nanjo

M. Clark

Douglass & Liddell

D. Douglass

D. Liddell

G. Klatt

Duke Energy North America

M. Gillette

Dynegy, Inc.

J. Paul

Ellison Schneider & Harris LLP

E. Janssen

Energy Policy Initiatives Center (USD)

S. Anders

Energy Price Solutions

A. Scott

Energy Strategies, Inc.

K. Campbell

M. Scanlan

Goodin, MacBride, Squeri, Ritchie & Day

B. Cragg

J. Heather Patrick

J. Squeri

Goodrich Aerostructures Group

M. Harrington

Hanna and Morton LLP

N. Pedersen

Itsa-North America

L. Belew

J.B.S. Energy

J. Nahigian

Luce, Forward, Hamilton & Scripps LLP

J. Leslie

Manatt, Phelps & Phillips LLP

D. Huard

R. Keen

Matthew V. Brady & Associates

M. Brady

Modesto Irrigation District

C. Mayer

Morrison & Foerster LLP

P. Hanschen

MRW & Associates

D. Richardson

Pacific Gas & Electric Co.

J. Clark

M. Huffman

S. Lawrie

E. Lucha

Pacific Utility Audit, Inc.

E. Kelly

San Diego Regional Energy Office

S. Freedman

J. Porter

School Project for Utility Rate Reduction

M. Rochman

Shute, Mihaly & Weinberger LLP

O. Armi

Solar Turbines

F. Chiang

Sutherland Asbill & Brennan LLP

K. McCrea

Southern California Edison Co.

M. Alexander

K. Cini

K. Gansecki

H. Romero

TransCanada

R. Hunter

D. White

TURN

M. Hawiger

UCAN

D. Kelly

U.S. Dept. of the Navy

K. Davoodi

N. Furuta

L. DeLacruz

Utility Specialists, Southwest, Inc.

D. Koser

Western Manufactured Housing
Communities Association

S. Dey

White & Case LLP

L. Cottle

Interested Parties In:

A.12-07-002

R.13-11-005

CEDARS FILING SUBMISSION RECEIPT

The SDGE portfolio filing has been submitted and is now under review. A summary of the filing is provided below.

PA: San Diego Gas & Electric (SDGE)

Filing Year: 2017

Submitted: 17:26:55 on 31 Aug 2016

By: kurt kaufman

Advice Letter Number: 2951-E/2512-G

* Portfolio Filing Summary *

- TRC: 1.5379
- PAC: 2.9076
- TRC (no admin): 2.209
- PAC (no admin): 6.8314
- RIM: 0.9589
- Budget: \$131,977,340.81

* Programs Included in the Filing *

- SDGE3201: SW-CALS-Energy Advisor-HEES, UAT
- SDGE3203: SW-CALS-Plug Load and Appliances-HEER
- SDGE3204: SW-CALS-Plug Load and Appliances-POS Rebates
- SDGE3207: SW-CALS-MFEER
- SDGE3209: SW-CALS-EUC WHRP - Advanced
- SDGE3211: Local-CALS-Middle Income Direct Install (MIDI)
- SDGE3212: SW-CALS-Residential HVAC-QI/QM
- SDGE3213: SW-CALS - CAHP/ESMH-CA Advanced Homes
- SDGE3215: SW-COM-Strategic Energy Management
- SDGE3216: SW-COM-Customer Services-Benchmarking
- SDGE3217: SW-COM-Customer Services- Audits NonRes
- SDGE3220: SW-COM-Calculated Incentives-Calculated
- SDGE3222: SW-COM-Calculated Incentives-Savings by Design
- SDGE3223: SW-COM-Deemed Incentives-Commercial Rebates
- SDGE3224: SW-COM-Deemed Incentives-HVAC Commercial
- SDGE3225: SW-COM-Deemed Incentives-HVAC Core

- SDGE3226: SW-COM Direct Install
- SDGE3227: SW-IND-Strategic Energy Management
- SDGE3228: SW-IND-Customer Services-Benchmarking
- SDGE3229: SW-IND-Customer Services-Audits NonRes
- SDGE3230: SW-IND-Customer Services-Audits CIEEP
- SDGE3231: SW-IND-Calculated Incentives-Calculated
- SDGE3233: SW-IND-Deemed Incentives
- SDGE3234: SW-AG-Customer Services-Benchmarking
- SDGE3235: SW-AG-Customer Services-Pump Test Services
- SDGE3236: SW-AG-Customer Services-Audits
- SDGE3237: SW-AG-Calculated Incentives-Calculated
- SDGE3239: SW-AG-Deemed Incentives
- SDGE3240: SW-Lighting-Lighting Market Transformation
- SDGE3241: SW-Lighting-Lighting Innovation-ETPC MD
- SDGE3245: SW-Lighting-Primary Lighting
- SDGE3246: SW-ET-Technology Introduction Support
- SDGE3247: SW-ET-Technology Assessment Support
- SDGE3248: SW-ET-Technology Deployment Support
- SDGE3249: SW C&S; - Building Codes & Compliance Advocacy
- SDGE3250: SW C&S; - Appliance Standards Advocacy
- SDGE3251: SW C&S; - Compliance Enhancement
- SDGE3252: SW C&S; - Reach Codes
- SDGE3253: SW C&S; - Planning Coordination
- SDGE3254: SW-WE&T-Centergies;
- SDGE3255: SW-WE&T-Connections;
- SDGE3257: SW-WE&T-Strategic; Planning
- SDGE3260: Local-IDSM-ME&O-Local; Marketing (EE)
- SDGE3261: Local-IDSM-ME&O-Behavioral; Programs (EE)
- SDGE3262: SW-FIN-On-Bill Finance
- SDGE3264: SW-FIN-New Finance Offerings
- SDGE3266: LInstP-CA Department of Corrections Partnership
- SDGE3267: LInstP-California Community College Partnership
- SDGE3268: LInstP-UC/CSU/IOU Partnership
- SDGE3269: LInstP-State of California /IOU
- SDGE3270: LInstP-University of San Diego Partnership
- SDGE3271: LInstP-San Diego County Water Authority Partnership
- SDGE3272: LGP- City of Chula Vista Partnership
- SDGE3273: LGP- City of San Diego Partnership
- SDGE3274: LGP- County of San Diego Partnership
- SDGE3275: LGP- Port of San Diego Partnership
- SDGE3276: LGP- SANDAG Partnership
- SDGE3277: LGP- SEEC Partnership

- SDGE3278: LGP- Emerging Cities Partnership
- SDGE3279: 3P-Res-Comprehensive Manufactured-Mobile Home
- SDGE3280: 3P-IDEA
- SDGE3281: EM&V-Evaluation; Measurement & Verification
- SDGE3282: SW-IDSM-IDSM
- SDGE3288: CRM
- SDGE3291: SW-Ind-Customer Services-Pump Test Services
- SDGE3292: SW-Com-Customer Services-Pump Test Services
- SDGE3293: SW-CALS - Residential HVAC-HVAC Core
- SDGE3296: SW-Small Bus Lease Off Bill
- SDGE3297: SW-SFLP
- SDGE3298: SW-Med/Large OBR
- SDGE3299: SW-MMMFP OBR
- SDGE3300: SW-Small Bus Lease OBR
- SDGE3301: SW-Small Bus Loan OBR
- SDGE3302: SW-CALS - Residential HVAC Upstream
- SDGE3303: SW-CALS - HVAC to Code Compliance
- SDGE3307: 3P - ZELDA
- SDGE3308: SW-ME&O;
- SDGE3311: 3P - Energy Advantage Program EAP
- SDGE3312: Finance IT OBR
- SDGE3313: Locational Energy Efficiency Program (LEE)
- SDGE3317: HOPPs - Building Retro-Commissioning
- SDGE3318: HOPPs - Multi Family
- SDGE3320: ESPI
- SDGE3321: Labor Loaders

Row #12

COM/CJS/jt2/lil

Date of Issuance 11/21/2016

Decision 16-11-022 November 10, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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And Related Matters.

Application 14-11-007
(Filed November 18, 2014)

Application 14-11-009
Application 14-11-010
Application 14-11-011

DECISION ON LARGE INVESTOR-OWNED UTILITIES' CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) AND ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM APPLICATIONS

with any roll-out of Toilet Efficiency Kits. This data shall be collected for all toilets in a participating household; the number of toilets assessed shall not be capped. Toilet information is to be tracked and shared with the Community Services and Development (CSD), for follow up and potential toilet replacement under the joint CSD/DWR campaign.

34. The Energy Savings Assistance Program Marketing and Outreach budgets of Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company are adopted as follows:

	PG&E	SCE	SDG&E	SoCalGas
Authorized Annualized Budget	\$1,975,000	\$950,000	\$1,200,000	\$1,450,000

35. Pacific Gas and Electric Company's shall host a Marketing and Outreach workshop, as described in this decision. At this workshop, the four large utilities (Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, Southern California Edison Company or Investor-Owned Utilities) must provide detailed presentations (to be shared with the service list prior to the workshop) of preliminary California Alternate Rates for Energy Program and Energy Savings Assistance Program Marketing and Outreach plans.

36. Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) (collectively IOUs) shall work with the Commission's Energy Division at the Marketing and Outreach (M&O) workshop to encourage and seek useful input from workshop participants. PG&E, SCE, SDG&E, and SoCalGas shall submit revised, detailed M&O plans, incorporating

Row #13

COM/CJS/jt2/lil

Date of Issuance 11/21/2016

Decision 16-11-022 November 10, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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And Related Matters.

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(Filed November 18, 2014)

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DECISION ON LARGE INVESTOR-OWNED UTILITIES' CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) AND ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM APPLICATIONS

2. The Energy Savings Assistance Program budgets of Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company are authorized and adopted as follows:

Authorized ESA Program Budgets						
	2015	2016	2017	2018	2019	2020
PG&E	\$ 161,862,111	\$ 159,628,689	\$ 152,928,421	\$ 155,920,833	\$ 159,039,250	\$ 162,220,000
SCE	\$ 72,736,630	\$ 70,146,377	\$ 62,375,617	\$ 62,540,498	\$ 63,791,300	\$ 65,067,100
SDG&E	\$ 23,772,251	\$ 25,491,565	\$ 30,649,505	\$ 31,631,921	\$ 32,264,550	\$ 32,909,800
SoCalGas	\$ 132,417,190	\$ 131,008,552	\$ 126,782,639	\$ 129,251,729	\$ 131,836,750	\$ 134,473,450
Total	\$ 390,788,182	\$ 386,275,182	\$ 372,736,182	\$ 379,344,981	\$ 386,931,850	\$ 394,670,350

3. This funding in this table also includes funding previously authorized in Decisions 14-08-030, 15-12-024 and 16-06-018. The utilities have the ability to request via an advice letter adjustments to these budgets by 5%; we give the Commission's Energy Division staff the authority to make such modifications.

4. The 2015-2018 California Alternate Rates for Energy Program budgets of Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company are authorized and adopted as follows:

2017
\$3,062,862 is included
for CARE Outreach

Utility	Authorized CARE Administrative Budgets				
	2015 (D.14-080-030)	2016 (D.15-12-024 and D	2017	2018	2 year Total
PG&E	\$ 14,942,512	\$ 15,247,192	\$ 17,208,454	\$ 17,601,453	\$34,809,906
SCE	\$ 7,125,454	\$ 7,430,134	\$ 6,424,661	\$ 6,348,277	\$12,772,938
SDG&E	\$5,483,805	\$5,636,145	\$6,911,207	\$6,870,918	\$13,782,126
SoCalGas	\$16,364,513	\$16,618,413	\$8,938,505	\$8,978,671	\$17,917,176
Total	\$43,916,284	\$44,931,884	\$39,482,827	\$39,799,319	\$79,282,146
Utility	Authorized CARE Subsidies and Benefits				
	2015 (D.14-08-030)	2016 (D.15-12-024 and D	2017	2018	2 year Total
PG&E	\$605,950,000	\$605,950,000	\$580,353,000	\$587,313,000	\$1,167,666,000
SCE	\$416,800,000	\$416,800,000	\$457,873,645	\$482,397,449	\$940,271,094
SDG&E	\$83,614,933	\$83,614,933	\$69,916,644	\$73,102,151	\$143,018,795
SoCalGas	\$131,142,177	\$131,142,177	\$131,338,535	\$132,351,979	\$263,690,514
Total	\$1,250,095,998	\$1,237,507,110	\$1,239,481,824	\$1,275,164,579	\$2,514,646,403
Utility	CARE Authorized Administrative Budgets and Subsidies				
	2015 (D.14-080-030)	2016 (D.15-12-024 and D	2017	2018	2 year Total
PG&E	\$620,892,512	\$ 621,197,192	\$597,561,454	\$604,914,453	\$1,202,475,906
SCE	\$423,925,454	\$424,230,134	\$464,298,306	\$488,745,726	\$953,044,032
SDG&E	\$89,098,738	\$89,251,078	\$76,827,851	\$79,973,069	\$156,800,921
SoCalGas	\$147,506,690	\$147,760,590	\$140,277,040	\$141,330,650	\$281,607,690
Total	\$1,281,423,394	\$1,282,438,994	\$1,278,964,651	\$1,314,963,898	\$2,593,928,549

For 2019-2020, the authorized and adopted budgets are as follows:

Utility	Authorized CARE Administrative Budgets	
	2019	2020
PG&E	\$17,777,467	\$17,955,241.85
SCE	\$6,411,760	\$6,475,877.80
SDG&E	\$6,939,628	\$7,009,023.80
SoCalGas	\$9,068,457	\$9,159,141.99
Total	\$40,197,312	\$40,599,285
Utility	Authorized CARE Subsidies and Benefits	
	2019	2020
PG&E	\$593,186,130	\$599,117,991.30
SCE	\$487,221,423	\$492,093,637.72
SDG&E	\$73,833,173	\$74,571,504.24
SoCalGas	\$133,675,499	\$135,012,253.78
Total	\$1,287,916,225	\$1,300,795,387
Utility	Authorized CARE Administrative Budgets	
	2019	2020
PG&E	\$610,963,597	\$617,073,233.15
SCE	\$493,633,184	\$498,569,515.52
SDG&E	\$80,772,800	\$81,580,528.04
SoCalGas	\$142,743,956	\$144,171,395.77
Total	\$1,328,113,537	\$1,341,394,672

2018
\$3,190,051
is included
for CARE
Outreach

2019
\$3,221,952
is included
for CARE
Outreach



PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

Proposed
Decision

FILED
8-16-16
04:51 PM

August 16, 2016

Agenda ID #15104
and
Alternate Agenda ID #15105
Ratesetting

TO PARTIES OF RECORD IN APPLICATION 14-11-007 ET AL.:

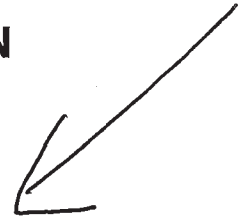
Enclosed are the proposed decision of Administrative Law Judge (ALJ) W. Anthony Colbert previously designated as the presiding officer in this proceeding and the alternate proposed decision of Commissioner Catherine J.K. Sandoval. The proposed decision and the alternate proposed decision will not appear on the Commission's agenda sooner than 30 days from the date they are mailed.

Pub. Util. Code § 311(e) requires that the alternate item be accompanied by a digest that clearly explains the substantive revisions to the proposed decision. The digest of the alternate proposed decision is attached.

This matter was categorized as ratesetting and is subject to Pub. Util. Code § 1701.3(c). Upon the request of any Commissioner, a Ratesetting Deliberative Meeting (RDM) may be held. If that occurs, the Commission will prepare and publish an agenda for the RDM 10 days beforehand. When an RDM is held, there is a related ex parte communications prohibition period. (See Rule 8.3(c)(4).)

When the Commission acts on these agenda items, it may adopt all or part of the decision as written, amend or modify them, or set them aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the proposed decision and alternate proposed decision as provided in Pub. Util. Code §§ 311(d) and 311(e) and in Article 14 of the Commission's Rules of Practice and Procedure (Rules), accessible on the Commission's website at www.cpuc.ca.gov. Pursuant to Rule 14.3, opening comments shall not exceed 15 pages.



Appendix H (cont.)
CARE Program 2017-2018 Authorized Budgets
SDG&E

CARE Budget Categories	2015 (Bridge Year D.14-08-030)	2016 (Bridge Year D.15-12-024 and D. 16-06-018)	2017	2018	Two Year Total 2017-2018
Outreach	\$ 2,300,352.00	\$ 2,300,352.00	\$ 3,062,861.58	\$ 3,190,051.22	\$ 6,252,912.80
Processing, Certification, Recertification	\$ 643,206.00	\$ 643,206.00	\$ 465,894.24	\$ 507,020.08	\$ 992,914.32
Post Enrollment Verification	\$ 403,200.00	\$ 403,200.00	\$ 341,647.05	\$ 356,501.27	\$ 698,148.32
IT Programming	\$ 1,230,082.00	\$ 1,230,082.00	\$ 1,836,568.75	\$ 1,390,271.18	\$ 3,026,837.93
Cool Centers	\$ 35,985.00	\$ 35,985.00	\$ 41,274.54	\$ 43,069.08	\$ 84,343.62
*CHANGES Pilot Program	\$ 108,000.00	\$ 260,340.00	\$ 260,340.00	\$ 260,340.00	\$ 520,680.00
Measurement & Evaluation	\$ 22,500.00	\$ 22,500.00	\$ -	\$ -	\$ -
Regulatory Compliance	\$ 165,362.00	\$ 165,362.00	\$ 236,885.04	\$ 247,184.39	\$ 484,069.43
General Administration	\$ 518,406.00	\$ 518,406.00	\$ 789,025.97	\$ 819,769.14	\$ 1,608,795.11
CPUC Energy Division	\$ 56,712.00	\$ 56,712.00	\$ 56,712.00	\$ 56,712.00	\$ 113,424.00
Subtotal Management Costs	\$ 5,483,805.00	\$ 5,636,145.00	\$ 6,911,207.16	\$ 6,870,918.34	\$ 13,782,125.51
Subsidies and Benefits	\$ 83,614,933.00	\$ 83,614,933.00	\$ 69,916,644.00	\$ 73,102,151.00	\$ 143,018,795.00
Total Program Costs & Customer Discounts	\$ 89,098,738.00	\$ 89,251,078.00	\$ 76,827,851.16	\$ 79,973,069.34	\$ 156,800,920.51

CARE Budget Categories	2015 (Bridge Year D.14-08-030)	2016 (Bridge Year D.15-12-024 and D. 16-06-018)	2017	2018	Two Year Total 2017-2018
Outreach	\$ 3,750,223.00	\$ 3,750,223.00	\$ 4,601,878.67	\$ 4,795,982.09	\$ 9,397,860.76
Processing, Certification, Recertification	\$ 4,488,248.00	\$ 4,488,248.00	\$ 1,309,631.43	\$ 1,366,571.93	\$ 2,676,203.36
Post Enrollment Verification	\$ 3,744,000.00	\$ 3,744,000.00	\$ 148,381.90	\$ 154,833.29	\$ 303,215.19
IT Programming	\$ 2,937,450.00	\$ 2,937,450.00	\$ 1,011,278.23	\$ 737,796.20	\$ 1,749,074.43
Cool Centers	\$ -	\$ -	\$ -	\$ -	\$ -
*CHANGES Pilot Program	\$ 180,000.00	\$ 433,900.00	\$ 433,900.00	\$ 433,900.00	\$ 867,800.00
Measurement & Evaluation	\$ 18,659.00	\$ 18,659.00	\$ -	\$ -	\$ -
Regulatory Compliance	\$ 242,507.00	\$ 242,507.00	\$ 456,031.01	\$ 475,859.44	\$ 931,889.45
General Administration	\$ 943,426.00	\$ 943,426.00	\$ 917,403.94	\$ 953,728.76	\$ 1,871,132.70
CPUC Energy Division	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 120,000.00
Subtotal Management Costs	\$ 16,364,513.00	\$ 16,618,413.00	\$ 8,938,505.18	\$ 8,978,670.71	\$ 17,917,175.89
Subsidies and Benefits	\$ 131,142,177.00	\$ 131,142,177.00	\$ 131,338,535.00	\$ 132,351,979.00	\$ 263,690,514.00
Total Program Costs & Customer Discounts	\$ 147,506,690.00	\$ 147,760,590.00	\$ 140,277,040.18	\$ 141,330,649.71	\$ 281,607,689.89

ROW #13
ADDITIONAL FUNDS
FOR 2017 & 2018

COM/CJS/jt2/lil

Date of Issuance 11/21/2016

Decision 16-11-022 November 10, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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And Related Matters.

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(Filed November 18, 2014)

Application 14-11-009
Application 14-11-010
Application 14-11-011

**DECISION ON LARGE INVESTOR-OWNED UTILITIES' CALIFORNIA
ALTERNATE RATES FOR ENERGY (CARE) AND ENERGY SAVINGS
ASSISTANCE (ESA) PROGRAM APPLICATIONS**

CARE.³⁴⁷ SoCalGas proposes to solicit low-income cellular service providers to pre-load a SoCalGas smartphone application onto customer phones, so that customers will have CARE information immediately at their fingertips.

SoCalGas projected the cost of these mobile upgrades is \$405,460, included in the IT Programming cost category, to be split between program years 2015 and 2016.

In PYs 2015-2017, SoCalGas proposes to expand efforts to work with Veterans Affairs Supportive Housing (VASH) programs, IRS-sponsored Volunteer Income Tax Assistance (VITA) agencies, and Tribal TANF administrators to reach and enroll shared customers.³⁴⁸ SoCalGas proposes to work with California LifeLine providers to identify ways to share information about CARE and the ESA Program. For example, SoCalGas has recently begun and will continue to expand conducting joint-outreach events with California LifeLine providers.³⁴⁹

SDG&E identifies organizations including CBOs, tribal organizations, and other public and private organizations that work in conjunction with the California LifeLine and/or the Covered California agencies. SDG&E anticipates using the services of an outside contractor to develop and implement a grassroots program to support California LifeLine leveraging efforts.³⁵⁰ SDG&E has budgeted \$80,000 in 2015, \$81,930 in 2016, and \$83,868 for 2017, in support of this initiative.³⁵¹ SDG&E has evaluated opportunities to utilize data sharing, and

³⁴⁷ SoCalGas, Application at CAR-22.

³⁴⁸ SoCalGas, Application at 10-11.

³⁴⁹ SoCalGas, Application at 56.

³⁵⁰ SDG&E, Application at AYK-13.

³⁵¹ SDG&E, Application at CARE-37.

OP 108

four large Investor-Owned Utilities) shall deliver Rate Education Reports via e-mail or direct mail, dependent upon a customer's communication preference or other justification. These mailers shall be combined with the four large Investor-Owned Utilities' Home Energy Reports (HER) as a single mailer/e-mail for those customers already participating in the HER program.

107. For 2017, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company shall have 10% of all California Alternate Rates for Energy Program customers participate in the Home Energy Report effort. For 2018, the goal is that 15% of all California Alternate Rates for Energy Program customers participate in the Home Energy Report effort. Higher usage customers are to be targeted and prioritized for participation in the program.

108. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company shall each have an authorized budget for the Rate Education Reports effort of \$137,500 each year for 2017 and 2018 to be co-funded and coordinated between the Home Energy Report effort and California Alternate Rates for Energy Program Outreach budget. Additional collections that would ordinarily be required for this funding authorization will be mitigated or rendered unnecessary through the application of unspent 2009-2015 Energy Savings Assistance Program funds, which will offset collections in this Program cycle.

109. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company shall automatically transfer a customer's California Alternate Rates for Energy Program participation when a customer stops service at one address and starts service at a new address. The Energy Savings Assistance (ESA) Program shall

Row #14

COM/CJS/jt2/lil

Date of Issuance 11/21/2016

Decision 16-11-022 November 10, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of its Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for Program Years 2015-2017.

And Related Matters.

Application 14-11-007
(Filed November 18, 2014)

Application 14-11-009
Application 14-11-010
Application 14-11-011

DECISION ON LARGE INVESTOR-OWNED UTILITIES' CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) AND ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM APPLICATIONS

workshop that discusses the results of the two upcoming evaluation, measurement, and verification studies related to statewide marketing, education and outreach. The workshop also includes the 2017 vision, goals, budget, and governance structure of the program.

As described supra, D.16-03-029 authorizes a five-year "ME&O Strategic Roadmap" and annual communications action plans for the Statewide Marketing effort. We do not find it appropriate to approve a budget for CSE through the end of 2017 in this instant proceeding. We also find that there is not a sufficient record upon which to base any ESA-specific statewide ME&O authorizations at this time.

For the reasons stated above we deny, without prejudice, CSE's requests for funding in 2017.

3.8. ESA Program Energy Education and Proposal for Phase II Study

In today's decision we established that in-home energy education is delivered to all income-eligible households, with the goal of achieving energy savings.

Specific topics covered by the ESA Program's in-home energy education module include:

- The general levels of usage associated with specific end uses and appliances;
- The impacts on usage of individual energy efficiency measures offered through the ESA Program or other programs offered to low-income customers by the utility;
- Practices that diminish the savings from individual energy efficiency measures, as well as the potential cost of such practices;
- Ways of decreasing usage through changes in practices;

Row #15

**BEFORE THE PUBLIC UTILITIES COMMISSION OF
THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Enhance the Role of
Demand Response in Meeting the State's Resource
Planning Needs and Operational Requirements.

Rulemaking 13-09-011
(Filed September 19, 2013)

**SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E)
2017 DEMAND RESPONSE PROGRAM PROPOSALS PURSUANT TO THE
ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE'S
RULING PROVIDING GUIDANCE FOR SUBMITTING DEMAND RESPONSE
PROGRAMS AND ACTIVITIES PROPOSAL FILINGS**

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February 1, 2016

Appendix A

TABLE -A-1
SAN DIEGO GAS AND ELECTRIC
SUMMARY OF UTILITY DEMAND RESPONSE PROGRAMS
AND BUDGETS FOR 2017 BY PROGRAM CATEGORIES
(Thousands of Dollars)

Line	SDG&E Demand Response Programs by Category	Footnote	Budget Authorized for 2016 (Thousands of Dollars)	Budget Requested for 2017 (Thousands of Dollars)
1	<u>Category 1 - Reliability-Based Programs</u>			
2	Base Interruptible Program (BIP)		1,588	943
3	Total		1,588	943
4	<u>Category 2 - Price Responsive Programs</u>			
5	Demand Bidding Program (DBP)	1	878	
6	Summer Saver Program (SSP)	2	-	2,534
7	Capacity Bidding Program (CBP)		4,023	2,181
8	Peak Time Rebate (PTR)	3	162	198
9	Total		4,184	4,913
10	<u>Category 3 - DR Service Provider Managed Programs</u>			
11	Total		-	-
12	<u>Category 4 - DR Enabling Programs</u>			
13	Technology Incentives (TI)		3,196	2,960
14	Small Customer Technology Deployment (SCTD)		3,155	1,430
15	DR Emerging Technology (ET)		706	723
16	Total		7,057	5,113
17	<u>Category 5 - Pilots</u>			
18	New Construction DR Pilot		375	-
19	Summer Saver PTC Pilot	1	-	78
20	Armed Forces Pilot		-	187
21	Over-generation		-	697
22	Demand Response Auction Mechanism (DRAM) 2017	4	-	1,500
23	Total		375	2,462
24	<u>Category 6 - Evaluation, Measurement, and Verification</u>			
25	Evaluation, Measurement, and Verification		1,512	1,535
26	ME Research		200	200
27	Total		1,712	1,735

BUDGET Requested FOR 2017

28	<u>Category 7 - Marketing and Outreach Activities</u>		
29	Local Marketing, Education and Outreach (LMEO)	2,225	885
30	Total	2,225	885
31	<u>Category 8 - System Support Activities</u>		
32	Regulatory Policy & Program Support	786	838
33	IT Infrastructure & System Support	813	2,307
34	Total	1,599	3,144
35	<u>Category 9 - Integrated Programs and Activities</u>		
36	Total	-	-
37	<u>Category 10 - Special Projects</u>		
38	Permanent Load Shifting (PLS)	1,000	1,613
39	Total	1,000	1,613
40	GRAND TOTAL	20,618	20,808

Footnotes:

1. DBP and NCDRP will end in 2016
2. D.04-06-011 Filing for Summer Saver
3. D.13-05-010 for Peak Time Rebate in 2012 GRC (2017 DR application only includes administration and the marketing budget, which is contained in line 29 above)
4. DRAM 2016 was funded through a fund shift from approved 2015-2016 budget, while DRAM 2017 total budget of \$1.5 million was approved in Resolution E-4754, OP 9.

ALJ/KHY/avs

Date of Issuance 6/16/2016

Decision 16-06-029 June 9, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Enhance the
Role of Demand Response in Meeting the State's
Resource Planning Needs and Operational
Requirements.

Rulemaking 13-09-011
(Filed September 19, 2013)

**DECISION ADOPTING BRIDGE FUNDING FOR
2017 DEMAND RESPONSE PROGRAMS AND ACTIVITIES**

24. Pacific Gas and Electric Company is authorized \$59.9 million in bridge funding for 2017 demand response programs as specified in this decision.

25. The proposal filed by San Diego Gas and Electric Company (SDG&E) for 2017 demand response programs and activities is adopted as modified herein:

- a. SDG&E shall continue the demand response auction mechanism pilot by holding an auction in 2017 for delivery in 2018, as described in this decision;
- b. SDG&E shall revise the tariff language for its Base Interruptible Program to clarify that a re-test is required if a customer seeks a new firm service level;
- c. SDG&E, in implementing changes for integrating its Capacity Bidding Program into the California Independent Systems Operator market in 2017, shall allow participants of the program to break a resource into sub-10 megawatt resources and allow performance to be measured across all for the capacity available by each utility in the sub-LAP;
- d. SDG&E's request to perform the Armed Forces pilot is denied. SDG&E is directed to design a pilot for the Armed Forces focusing on the use of automated demand response (ADR) technology. SDG&E is authorized a budget cap of \$250,000 to perform this pilot. No later than September 1, 2016, SDG&E shall file a Tier Three Advice Letter requesting approval of the newly designed Armed Forces ADR pilot;
- e. SDG&E shall implement its Automated Demand Response program with the following parameters: offer an incentive of \$200 per kilowatt of verified dispatchable load reduction not to exceed 75 percent of the total project costs with 60 percent of the incentives paid after installation, load shed test and enrollment in a qualified program and 40 percent paid after one year; and
- f. SDG&E's Reliability Demand Response Programs are ineligible for Automated Demand Response incentives.

D.16-06-029
OP 26

within the \$23.8m
approved is \$885K

For Local Marketing
Education & Outreach (LMEO)

R.13-09-011 ALJ/KHY/avs

26. San Diego Gas and Electric Company (SDG&E) is authorized \$23.8 million in bridge funding for 2017 demand response programs as specified in this decision. The cost recovery methodology as proposed by SDG&E is approved.

27. The proposal filed by Southern California Edison Company (SCE) for 2017 demand response programs and activities is adopted as modified herein:

- a. SCE shall continue the demand response auction mechanism pilot by holding an auction in 2017 for delivery in 2018, as described in this decision;
- b. SCE is authorized to extend its existing Aggregator Managed Portfolio program contracts through 2017;
- c. SCE's request to eliminate account aggregation in its Base Interruptible Program is denied. SCE shall provide cost data to determine whether elimination should occur in 2018. The cost data shall be included in SCE's application for 2018 Demand Response Program Budgets and Activities;
- d. SCE, in implementing changes for integrating its Capacity Bidding Program into the California Independent Systems Operator market in 2017, shall allow participants of the program to break a resource into sub-10 megawatt resources and allow performance to be measured across all for the capacity available by each utility in the sub-LAP;
- e. SCE shall implement its Automated Demand Response program with the following parameters: offer an incentive of \$200 per kilowatt of verified dispatchable load reduction not to exceed 75 percent of the total project costs with 60 percent of the incentives paid after installation, load shed test and enrollment in a qualified program and 40 percent paid after one year; and
- f. SCE's Reliability Demand Response Programs are ineligible for Automated Demand Response incentives.

ROW #15
YRS. 2018-2019

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric Company
(U-902-E) Requesting Approval and Funding for
2018-2022 Demand Response Portfolio in
compliance with Decision 16-09-056.

Application No. A.17-01-019
(Filed January 17, 2017)

**APPLICATION OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E)
REQUESTING APPROVAL AND FUNDING FOR 2018-2022 DEMAND RESPONSE
PORTFOLIO**

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January 17, 2017

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric
Company (U 902-E) Requesting Approval and
Funding for 2018-2022 Demand Response
Portfolio in compliance with Decision 16-09-
056.

Application No. 17-01_____
(Filed January 17, 2017)

CHAPTER 6

PREPARED DIRECT TESTIMONY

OF B. ELAINE MACDONALD

ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY

JANUARY 17, 2017

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**PREPARED DIRECT TESTIMONY OF
ELAINE MACDONALD
CHAPTER 6**

I. BUDGET OVERVIEW AND PURPOSE

The purpose of this chapter is to review and request approval of the 2018-2022 Demand Response (DR) program budget, cost recovery, fund-shifts and reporting. San Diego Gas & Electric Company (SDG&E) is requesting \$16,741,020 in 2018 in addition to \$633,490, for Electric Rule 32 and \$4,777,759 for the Demand Response Auction Mechanism (DRAM). Table A-1 below shows the proposed budgets for 2018 through 2022 demand response portfolio under the authorized funding categories. The programs are organized by the ten demand response funding categories adopted in Decision (D.) 12-04-045. Table A-2 below outlines the budget request for Electric Rule 32 direct market participation support outside the utility DR portfolio, and Table A-3 shows the budget for DRAM, also outside the portfolio. Therefore, SDG&E does not include costs associated with Electric Rule 32 nor its additional DRAM support herein within its budget cap.

**EMD Table A-1
SDG&E SUMMARY OF UTILITY DEMAND RESPONSE PROGRAMS
BUDGET REQUEST BY CURRENT PROGRAM CATEGORIES
(Thousands of Dollars)**

Line	SDG&E Demand Response Programs by Category	Foot-note	Budget Authorized for 2017	Budget Requested for 2018	Budget Requested for 2019	Budget Requested for 2020	Budget Requested for 2021	Budget Requested for 2022	Total Budget Requested for 2018-22
1	<u>Category 1 - Reliability Programs</u>								
2	Base Interruptible Program (BIP)		943	943	943	943	943	943	4,714
3	Total		943	943	943	943	943	943	4,714

4	<u>Category 2 - Price-Responsive Programs</u>								
5	Armed Forces Program (AF)		-	-	-	949	1,053	1,158	3,159
6	Over-generation Program		-	-	-	726	736	747	2,209
7	Summer Saver Program (SSP)	1	2,534	-	-	-	-	-	-
8	AC Saver Day-Of (AC DCL)		-	2,013	1,954	1,881	1,752	1,755	9,356
9	AC Saver Day-Ahead (AC PCT)		-	485	529	570	650	722	2,957
10	Capacity Bidding Program (CBP)		2,181	2,184	2,089	2,153	2,058	2,139	10,623
11	Peak Time Rebate (PTR)	2	198	22	-	-	-	-	22
12	Total		4,913	4,704	4,571	6,279	6,248	6,521	28,325
13	<u>Category 3 - DR Service Provider Managed Programs</u>		0	0	0	0	0	0	0
14	Total		-0	-0	-0	-0	-0	-0	-0
15	<u>Category 4 - DR Enabling Programs</u>								
16	Technology Incentives (TI)		2,960	1,442	2,950	2,959	2,968	2,978	13,297
17	Small Customer Technology Deployment (SCTD)		1,430	-	-	-	-	-	0
18	Technology Deployment (TD)		-	838	847	834	843	852	4,215
19	DR Emerging Technology (ET)		723	729	751	773	797	821	3,870
20	Total		5,113	3,009	4,548	4,567	4,608	4,650	21,383

*BUDGET Requested
2018 2019*

21	<u>Category 5 - Pilots</u>								
22	Summer Saver Pilot	1	78	-	-	-	-	-	-
23	Armed Forces Pilot		250	769	869	-	-	-	1,638
24	Over-generation Pilot		697	706	716	-	-	-	1,423
25	Total		1,025	1,475	1,586	-	-	-	3,061
26	<u>Category 6 - Evaluation, Measurement & Verification</u>								
27	Evaluation, Measurement & Verification		1,535	1,204	1,495	1,225	1,267	1,248	6,439
28	Measurement and Evaluation Research		200	-	-	-	-	-	-
29	Total		1,735	1,204	1,495	1,225	1,267	1,248	6,439
30	<u>Category 7 - Marketing and Outreach Activities</u>								
31	Local Marketing, Education and Outreach (LMEO)		885	853	882	902	923	944	4,502
32	Total		885	853	882	902	923	944	4,502
33	<u>Category 8 - System Support Activities</u>								
34	Regulatory Policy & Program Support		838	856	882	909	937	966	4,550
35	IT Infrastructure & System Support		2,307	2,083	1,914	1,583	1,808	1,443	8,831
36	Total		3,145	2,939	2,796	2,492	2,744	2,408	13,380

37	Category 9 - Integrated Programs and Activities								
38	Total		- 0	-0	-0	-0	-0	-0	-0
	Category 10 - Special Projects								
39	Permanent Load Shifting (PLS)		1,613	1,613	1,616	1,619	1,622	1,625	8,097
40	Total		1,613	1,613	1,616	1,619	1,622	1,625	8,097
41	GRAND TOTAL		\$19,371	\$16,741	\$18,438	\$18,027	\$18,356	\$18,340	\$89,902

Table Footnotes:

1. D.04-06-011 Filing for Summer Saver.
2. D.13-05-010 for Peak Time Rebate in 2012 GRC (2017 DR application only includes administration and the marketing budget, which is contained in line 29 above).

**EMD Table A-2
BUDGET REQUEST FOR ELECTRIC RULE 32
(Thousands of Dollars)**

Line	SDG&E Demand Response Programs by Category	Foot - note	Budget Authorize d for 2017	Budget Requeste d for 2018	Budget Requeste d for 2019	Budget Requeste d for 2020	Budget Requeste d for 2021	Budget Requeste d for 2022	Total Budget Requeste d for 2018-22
1	Electric Rule 32 (Including IT)		-	634	628	646	666	686	3,259

1

**EMD Table A-3
BUDGET REQUEST FOR DRAM
(Thousands of Dollars)**

Line	SDG&E Demand Response Programs by Category	Foot - note	Budget Authorize d for 2017	Budget Requeste d for 2018	Budget Requeste d for 2019	Budget Requeste d for 2020	Budget Requeste d for 2021	Budget Requeste d for 2022	Total Budget Requeste d for 2018-22
1	Demand Response Auction Mechanism (DRAM) (Including IT)		4,500	4,778	-	-	-	-	4,778

1 **II. COST RECOVERY MECHANISM**

2 Consistent with D.09-08-027, which discusses the regulatory accounting and cost
3 recovery treatment, SDG&E currently records all program costs associated with its existing
4 DR programs and its current DRP bilateral contracts, including DRAM, in its Advanced
5 Metering and Demand Response Memorandum Account (AMDRMA). All authorized DR
6 program costs related to DR Operation and Maintenance (O&M) expenses, capital related
7 costs (*i.e.*, depreciation, return and taxes), customer capacity incentive payments, and all
8 other costs, not recovered through SDG&E's General Rate Case (GRC), are recorded in
9 AMDRMA.

10 Advice Letter (AL) 2972-E (filed September 28, 2016)¹ authorized recovery of costs
11 for programs available only to bundled customers to be recorded in a subaccount in
12 AMDRMA as outlined in D.16-06-029. AL 2972-E revised the AMDRMA into two
13 subaccounts: 1) "AMDRMA – Distribution"; and 2) "AMDRMA – Generation." The costs
14 associated with programs that are available to all customers are recorded in the "AMDRMA
15 – Distribution" subaccount and any balances shall continue to be transferred to SDG&E's
16 Rewards and Penalties Balancing Account (RPBA) to be recovered from all customers
17 through electric distribution rates over 12 months, effective on January 1st of the following
18 year. Costs required to administer, specifically Marketing Education & Outreach costs, for
19 demand response programs available only to bundled customers are separately recorded in
20 the "AMDRMA – Generation" subaccount. The year-end balance in the "AMDRMA –
21 Generation" subaccount is transferred to the new Demand Response Generation Balancing

¹ Approved by letter dated November 2, 2016 from Edward Randolph, Director of the Energy Division, to be effective October 28, 2016.

1 Account (DRGBA), to be recovered from bundled customers through electric commodity
2 rates, effective January 1st of the following year. AL 2972-E established the DRGBA. DR
3 customer incentive payments (energy component) are recorded in SDG&E's Energy
4 Resource Recovery Account (ERRA).

5 SDG&E is requesting that authorized DR program costs related to DR Operation and
6 Maintenance (O&M) expenses, capital related costs (*i.e.*, depreciation, return and taxes),
7 customer capacity incentive payments, and all other costs, not recovered through SDG&E's
8 General Rate Case (GRC), be recorded in AMDRMA.

9 Electric Rule 32 costs are recorded to the Direct Participation Demand Response
10 Memorandum Account (DPDRMA) and the year-end balance transferred to the RPBA for
11 recovery from all customers through electric distribution rates, effective on January 1st of the
12 following year.

13 **III. PROGRAM BUDGET FLEXIBILITY AND FUND-SHIFTING**

14 In D.09-08-027, the Commission adopted budget fund-shifting rules to implement
15 the finding (at 211-212) that provides:

16 It is reasonable to provide the utilities with some flexibility to shift
17 funds among demand response programs, in order to provide the
18 utilities with the ability to respond effectively to unforeseen
19 developments that may occur, or to respond to changing conditions.

20 D. 09-08-027 (at 212) further stated that:

21 ... [p]roviding utilities with broad authority to shift funds among
22 programs without prior notification or approval of this Commission
23 undermines the regulatory process through which this decision was
24 developed. The program budgets adopted here become meaningless
25 if large portions can be shifted to different programs or budget
26 categories.

27

1 This decision went on to adopt fund-shifting rules that provide (*id.*):

- 2 1. The utilities may shift up to 50% of a program's funds to another
3 program within the same category. Utilities will document the
4 amount of and reason for each shift in their monthly demand response
5 reports.
6
- 7 2. The utilities must file an advice letter to eliminate a program. No
8 program can be eliminated through multiple fund shifting events or
9 for any other reason without prior authorization from the
10 Commission.
11
- 12 3. The utilities must file a Tier 2 advice letter before shifting more than
13 50% of program's funds to a different program within the same
14 budget category. If shift of more than [sic] 50% of a program's funds
15 is necessary as part of the implementation of a new program, the fund
16 shift should be included in the application for approval for the new
17 program.
18
- 19 4. The following lists contain the ten program categories for fund
20 shifting purposes, along with various programs authorized within each
21 category. Utilities shall not shift funds between these ten categories.

22 To achieve the maximum flexibility and benefit of budget fund-shifting, to help
23 maintain a vibrant and flexible DR program portfolio, and to minimize the burden and time
24 delays of more frequent Advice Letter requests to the Commission, SDG&E proposes to
25 reduce the budget categories adopted for the 2018-2022 program cycle from the current ten
26 program categories, to six categories. SDG&E believes that the six categories described
27 below would be more manageable and flexible.

28 The current ten categories are above in Table A-1 (at p. EMD-1 through EMD-4) and
29 are repeated here:

- 30 1. Reliability Programs;
- 31 2. Price Responsive Programs;
- 32 3. DR Service Provider Managed Programs;
- 33 4. DR Enabling Programs;
- 34 5. Pilots;
- 35 6. Evaluation, Measurement and Evaluation;
- 36 7. Marketing, Education and Outreach;
- 37 8. System Support Activities;

- 1 9. Integrated Programs and Activities; and
- 2 10. Special Projects.

3 Instead of the above ten budget categories, SDG&E recommends the current budget
4 areas be distributed among the following new six categories (1 through 6):

- 5 1. Collapse all programs currently outlined in Categories 1, 2 and 3 into a new
- 6 Category 1 that could be called DR Core Programs;
- 7 2. Collapse all enabling technology, pilot and integrated programs and activities
- 8 (the latter which is not used by SDG&E today), currently in Categories 4, 5
- 9 and 9, into a new Category 2 entitled Technology and Pilots;
- 10 3. Evaluation, Management, and Verification (EM&V) activities remain as a
- 11 separate group, a new Category 3 (currently it is Category 6) and remain
- 12 named EM&V;
- 13 4. Combining System Support Activities such IT Infrastructure and regulatory
- 14 policy and program support, into a new Category 4 (currently in Category 8)
- 15 entitled DR Support Activities;
- 16 5. Marketing efforts (such as LMEO), be in a new Category 5 (currently
- 17 Category 7) and remain named MEO; and
- 18 6. All special programs as a group, be put in a new Category 6 (currently this is
- 19 in Category 10) and remain named Special Projects.

20 Establishment of the ten budget categories, as set forth in D.09-08-027 (at 213-214),
21 effectively isolates a number of programs into their own category for purposes of budget
22 fund-shifting, and severely limits the flexibility that was noted as being an objective of fund-
23 shifting in the first place. For example, with respect to SDG&E's programs, the existing
24 Category 1-Emergency Programs include SDG&E's Base Interruptible Program (BIP), and
25 other legacy programs such as Optional Binding Mandatory Curtailment Program (OBMC)
26 and Scheduled Load Reduction Program (SLRP). While this would suggest the flexibility to
27 shift funds among these programs, subject to the rules adopted by D.09-08-027, the reality is
28 far more restrictive. Of these programs, only the BIP program has program budgets
29 authorized within SDG&E's DR filings, and most recently by D.16-06-029. The other
30 legacy programs are funded through SDG&E's GRC proceeding. As such, the other
31 programs have a different ratemaking authorization and recovery, making budget fund-

1 shifting impractical and arguably not authorized under the rules adopted by D.09-08-027.

2 The same circumstances generally exist within Category 2-Price Responsive Programs, with
3 those listed SDG&E programs being funded through different proceedings.

4 While SDG&E has presented a full five-year budget proposal, it recognizes the rate
5 of change in technology and market transformation and the need to be flexible to adapt to
6 opportunities and challenges. SDG&E will utilize the mid-cycle review to update program
7 status and budgets to respond to these changes.

8 **IV. QUALIFICATIONS**

9 My name is B. Elaine MacDonald. My business address is 8335 Century Park Court,
10 San Diego, California 92123. I am employed by SDG&E as Business Analysis Manager for
11 Customer Programs. My responsibilities include the financial reporting for Demand
12 Response programs for SDG&E. I have been employed by SDG&E since 2015. Over the
13 past 15 years I have held positions of increasing responsibility within Sempra Energy and its
14 affiliates as well as Southern California Edison Company.

15 I hold a Bachelor of Commerce degree with a concentration in Finance from Saint
16 Mary's University in Halifax, NS, Canada. I also earned my Masters in Business
17 Administration (Global Management) from the University of Phoenix.

18 I have not previously testified before the California Public Utilities Commission.

19 This concludes my prepared direct testimony.

Row #16

ALJ/SCR/avs



Date of Issuance 9/19/2016

Decision 16-09-020 September 15, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
for Approval of 2013-2014 Statewide Marketing,
Education and Outreach Program and Budget
(U39M).

Application 12-08-007
(Filed August 2, 2012)

And Related Matters.

Application 12-08-008
Application 12-08-009
Application 12-08-010

**DECISION APPROVING IMPLEMENTER
FOR THE 2017-2019 STATEWIDE MARKETING,
EDUCATION, AND OUTREACH PROGRAM
AND PROVIDING GUIDANCE FOR 2017 ACTIVITIES**

6. The ratepayers of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) shall continue to fund the annual budget of the statewide Marketing, Education, and Outreach program according to the existing percentage shares contributed by each utility: 46.74% for PG&E, 32.68% for SCE, 12.43% for SDG&E and 8.14% for SoCalGas.

7. After the Tier 1 Advice Letter required by Ordering Paragraph 4 is filed, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall each file Tier 1 Advice Letters specifying the dollar amounts of their respective statewide Marketing, Education, and Outreach budgets for the period October 1, 2016 through September 30, 2017, and annually thereafter for the twelve month periods ending September 30, 2018 and September 30, 2019.

8. Pacific Gas and Electric Company shall serve as the fiscal manager of the contract with the statewide Marketing, Education, and Outreach (ME&O) program implementer without exercising control over design of or modifications to the statewide ME&O program. Those approvals are the purview of the Commission and the California Energy Commission.

9. Southern California Edison Company shall include the Statewide Marketing, Education, and Outreach 2017-2019 funding authorized in this decision in the Public Purpose Programs Adjustment Mechanism to be collected through Public Purpose Programs Charge rate levels.

10. Southern California Edison Company shall submit for review and verification the recorded operation of its Statewide Marketing, Education, and Outreach Balancing Account in its annual Energy Resource Recovery Account

low #16



A Sempra Energy utility®

Clay Faber - Director
Federal & CA Regulatory
8330 Century Park Court
San Diego, CA 92123-1548

CFaber@sempraulilities.com

December 22, 2016



ADVICE LETTER 3025-E/2542-G
San Diego Gas & Electric – U 902 M)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**SUBJECT: SAN DIEGO GAS AND ELECTRIC'S STATEWIDE MARKETING,
EDUCATION, AND OUTREACH (OCTOBER 1, 2016 – SEPTEMBER 30, 2019
BUDGETS) PURSUANT TO DECISION 16-09-020**

San Diego Gas & Electric Company (SDG&E) hereby submits to the California Public Utilities Commission (Commission) for review and approval the following Advice Letter (AL) of its Statewide Marketing, Education and Outreach (SW ME&O) budgets.

BACKGROUND

Pursuant to Decision/(D.)16-09-020, the Commission adopted and ratified the results of the Request for Proposal process used to select the implementer of the 2017-2019 SW ME&O program. This filing is in compliance with Ordering Paragraph (OP) 7 of D.16-09-020, which directs each investor-owned utility (IOU) to file a Tier 1 al specifying the dollar amount of its SW ME&O budget for the period October 1, 2016 through September 20, 2017, and annually thereafter for the twelve-month periods ending September 30, 2018 and September 30, 2019, after Pacific Gas and Electric Company (PG&E) files on behalf of all the IOUs.

On October 17, 2016, in AL 3770-G/4939-E, PG&E submitted the final contract and budget to the Commission of the executed contract for the new SW ME&O implementer.

SDG&E SW ME&O Budget

As shown in Table 1, SDG&E's SW ME&O Total budget from October 1, 2016 through September 30, 2019 is \$9,080,807.09. This is consistent with the Commission's direction in D.16-09-020, OP 6 that the IOUs must continue to fund the annual SW ME&O budget program according to the following percentages: 46.74% for PG&E, 32.68% for Southern California Edison, 12.43% for SDG&E and 8.14% for SoCal Gas.

The total SW ME&O budget from October 1, 2016 through September 30, 2019 is \$73,040,877.48. Based on this total, SDGE's October – September annual budget, including administrative expenses, is shown in Table 1 below.

Table 1: SDG&E Total Budget for SW ME&O Budget per D.16-09-020

	Oct 2016 – Sept 2017	Oct 2017 – Sept 2018	Oct 2018 – Sept 2019	Total
SDG&E (12.43%)	\$2,654,111.08	\$3,213,348.07	\$3,213,347.94	\$9,080,807.09

Table 2 provides the budget components of the annual total budgets in Table 1.

SDG&E	IOU ADMIN	Confunding Share (DDB + EM&V)	Total IOU Budget	Gas (10%)	Electric (90%)
12.4325%					
Oct 2016-Sept 2017	\$ 88,163.18	\$ 2,565,947.90	\$ 2,654,111.08	\$ 265,411.11	\$ 2,388,699.97
Oct 2017-Sept 2018	\$ 88,163.18	\$ 3,125,184.90	\$ 3,213,348.07	\$ 321,334.81	\$ 2,892,013.26
Oct 2018-Sept 2019	\$ 88,163.18	\$ 3,125,184.77	\$ 3,213,347.94	\$ 321,334.79	\$ 2,892,013.15
	\$ 264,489.53	\$ 8,816,317.57	\$ 9,080,807.09	\$ 908,080.71	\$ 8,172,726.38

According to D.16-09-020, Conclusion of Law 8, the cost recovery mechanism authorized in D.13-12-038 will remain in effect for the budget program cycle.

EFFECTIVE DATE

SDG&E believes that this filing is subject to Energy Division disposition and should be classified as a Tier 1 (effective pending disposition) pursuant to GO 96-B. SDG&E respectfully requests that this filing become effective on January 1, 2017, pursuant to D.16-09-020, OP 7.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than January 11, 2017 which is 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via e-mail to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson
Regulatory Tariff Manager
E-mail: mcaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including A.12-08-009, by either providing them a copy electronically or by mailing them a copy hereof, properly stamped and addressed. Address changes should be directed to SDG&E Tariffs by e-mail at SDG&ETariffs@semprautilities.com.

CLAY FABER
Director – California & Federal Regulatory

CALIFORNIA PUBLIC UTILITIES COMMISSION

**ADVICE LETTER FILING SUMMARY
ENERGY UTILITY**

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type: <input checked="" type="checkbox"/> ELC <input checked="" type="checkbox"/> GAS <input type="checkbox"/> PLC <input type="checkbox"/> HEAT <input type="checkbox"/> WATER	Contact Person: <u>Christina Sondrini</u> Phone #: (858) <u>636-5736</u> E-mail: <u>csondrini@semprautilities.com</u>
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EXPLANATION OF UTILITY TYPE ELC = Electric GAS = Gas PLC = Pipeline HEAT = Heat WATER = Water	(Date Filed/ Received Stamp by CPUC)
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Advice Letter (AL) #: 3025-E/2542-G
Subject of AL: Statewide Marketing, Education and Outreach (October 1, 2016 – September 30, 2019)
Budgets Pursuant to Decision 16-09-020

Keywords (choose from CPUC listing): Compliance, Energy Efficiency
AL filing type: Monthly Quarterly Annual One-Time Other _____
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:
D.16-09-020

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A
Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: N/A

Resolution Required? Yes No Tier Designation: 1 2 3
Requested effective date 1/1/17 No. of tariff sheets: 0
Estimated system annual revenue effect (%): N/A
Estimated system average rate effect (%): N/A
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).
Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division Attention: Tariff Unit 505 Van Ness Ave., San Francisco, CA 94102 EDTariffUnit@cpuc.ca.gov	San Diego Gas & Electric Attention: Megan Caulson 8330 Century Park Ct, CP31F San Diego, CA 92123 mcaulson@semprautilities.com
--	--

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission
DRA
R. Pocta
Energy Division
M. Ghadessi
M. Salinas
Tariff Unit
CA. Energy Commission
F. DeLeon
R. Tavares
Alcantar & Kahl LLP
K. Cameron
American Energy Institute
C. King
APS Energy Services
J. Schenk
BP Energy Company
J. Zaiontz
Barkovich & Yap, Inc.
B. Barkovich
Bartle Wells Associates
R. Schmidt
Braun & Blaising, P.C.
S. Blaising
California Energy Markets
S. O'Donnell
C. Sweet
California Farm Bureau Federation
K. Mills
California Wind Energy
N. Rader
Children's Hospital & Health Center
T. Jacoby
City of Poway
R. Willcox
City of San Diego
F. Ortlieb
B. Henry
L. Azar
D. Weil
Commerce Energy Group
V. Gan
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A. Friedl
Davis Wright Tremaine, LLP
E. O'Neill
J. Pau
Dept. of General Services
H. Nanjo
M. Clark

Douglass & Liddell
D. Douglass
D. Liddell
G. Klatt
Duke Energy North America
M. Gillette
Dynegy, Inc.
J. Paul
Ellison Schneider & Harris LLP
E. Janssen
Energy Policy Initiatives Center (USD)
S. Anders
Energy Price Solutions
A. Scott
Energy Strategies, Inc.
K. Campbell
M. Scanlan
Goodin, MacBride, Squeri, Ritchie & Day
B. Cragg
J. Heather Patrick
J. Squeri
Goodrich Aerostructures Group
M. Harrington
Hanna and Morton LLP
N. Pedersen
Itsa-North America
L. Belew
J.B.S. Energy
J. Nahigian
Luce, Forward, Hamilton & Scripps LLP
J. Leslie
Manatt, Phelps & Phillips LLP
D. Huard
R. Keen
Matthew V. Brady & Associates
M. Brady
Modesto Irrigation District
C. Mayer
Morrison & Foerster LLP
P. Hanschen
MRW & Associates
D. Richardson
Pacific Gas & Electric Co.
J. Clark
M. Huffman
S. Lawrie
E. Lucha
Pacific Utility Audit, Inc.
E. Kelly
San Diego Regional Energy Office
S. Freedman
J. Porter
School Project for Utility Rate Reduction
M. Rochman

Shute, Mihaly & Weinberger LLP
O. Armi
Solar Turbines
F. Chiang
Sutherland Asbill & Brennan LLP
K. McCrea
Southern California Edison Co.
M. Alexander
K. Cini
K. Gansecki
H. Romero
TransCanada
R. Hunter
D. White
TURN
M. Hawiger
UCAN
D. Kelly
U.S. Dept. of the Navy
K. Davoodi
N. Furuta
L. DeLacruz
Utility Specialists, Southwest, Inc.
D. Koser
Western Manufactured Housing Communities Association
S. Dey
White & Case LLP
L. Cottle

Interested Parties In:
A.12-08-009

Row #17

ALJ/SCR/avs



Date of Issuance 11/20/2015

Decision 15-11-033 November 19, 2015

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of 2013-2014 Statewide Marketing, Education, and Outreach Program and Budget (U39M).

Application 12-08-007
(Filed August 3, 2012)

And Related Matters.

Application 12-08-008
Application 12-08-009
Application 12-08-010

DECISION ON CAISO FLEX ALERT PROGRAM TRANSFER PROPOSAL

Summary

This decision finds that the California Independent System Operator (CAISO) shall administer and fund the Flex Alert program beginning in 2016. The CAISO will not continue the paid media program that is currently funded by ratepayers of the investor-owned utilities. The CAISO will maintain the Flex Alert brand in order to ensure that the Flex Alert program is an effective tool to maintain grid reliability. The CAISO shall maintain the ability to revise, modify, expand or discontinue Flex Alert activities as necessary to ensure reliable operation of the transmission grid.

This proceeding remains open.

1. Background and Procedural History

The Flex Your Power brand, and its associated brand Flex Alert, was created during the California energy crisis of 2000 and 2001, inspired by emergency energy shortages necessitating emergency conservation by consumers. Today, the Flex Alert program continues to support the State's and the CAISO's emergency efforts for summer preparedness in the event of system emergencies or power shortages. As described by the CAISO and the investor-owned utilities (hereinafter, Utilities or IOUs):

A Flex Alert is an urgent call to Californians to immediately conserve electricity and shift demand to off-peak hours (after 6 p.m.). The Flex Alert campaign is an educational and emergency alert program that informs consumers about how and when to conserve electricity. The CAISO typically issues a Flex Alert when there is potential for an electrical emergency (due to decreased operating reserves) or a transmission emergency (due to power line limitations).¹

We addressed funding for the Flex Alert program in several recent decisions. First, in Decision (D.) 12-04-045 we authorized 2012 funding for PG&E, SCE, and SDG&E to be used for the Flex Alert emergency alert campaign.² The total statewide marketing budget for the campaign was set at no more than \$10 million. Next, in D.12-05-015 we stated "Consistent with the comments of the CAISO, we see value in continuing the emergency response

¹ The investor-owned utilities referenced in this decision are Pacific Gas & Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas and Electric Company (SDG&E). The definition is quoted from the Report on "Flex Alert Messaging Coordination and Optimization Report for Summer 2013," filed in this proceeding on May 17, 2013.

² D.12-04-045, Ordering Paragraph 19. That Decision addressed the IOUs' applications for approval of demand response programs, pilots and budgets for 2012-2014, including their proposals for demand response-related statewide marketing, education and outreach (ME&O) programs.

portion of Flex Your Power – Flex Alert – in particular for use during hot summer months, or at any other time, when energy supplies have the potential to be tight. Emergency requests for action may be and should be connected to a larger information and education campaign, but they are fundamentally different because they are typically immediate and temporary requests for short-term conservation.”³ Based on our findings and conclusions in that Decision, we requested that the utilities plan to continue the limited use of Flex Alerts for the emergency type of advertising and calls for conservation advocated by the CAISO in the proceeding, and directed that in their 2013-2014 applications for statewide ME&O, the utilities should propose a budget for Flex Alerts and explain how the Alerts will be coordinated with the overall statewide education and outreach program.⁴ The utilities made these proposals in this consolidated docket in August 2012.

We addressed the utility proposals in D.13-04-021, and established annual utility budgets for the Flex Alert program for 2013 and 2014, totaling \$10 million per year.⁵

³ D.12-05-015 at 298 and 299 as well as Findings of Fact 108 and 109, and Conclusion of Law 62.

⁴ D.12-05-015 Ordering Paragraph 117(d).

⁵ For 2013 and 2014, PG&E's authorized annual budget is \$2.5 million, SCE's authorized annual budget is \$6 million, and SDG&E's authorized annual budget is \$1.5 million.

In reaching our decision to authorize this funding for 2013 and 2014, we also considered comments by parties that reflected widespread concern regarding the funding, management, and effectiveness of the program. Based on that record, in D.13-04-021 we assigned several additional tasks to parties.

First, we directed the IOUs and the CAISO to jointly prepare a report describing how they coordinate their messaging efforts during Flex Alert events, and how they would optimize those efforts beginning in the summer of 2013. The IOUs and the CAISO filed and served this report on May 17, 2013. In D.14-12-026 we reviewed the report and found that, although the report was unclear on how Flex Alert messaging was coordinated and optimized by the utilities and the CAISO, we were satisfied that the reporting process had engendered a useful and ongoing dialog between the utilities and the CAISO.

Second, in D.13-04-021 we acknowledged that given the continued reliance upon Flex Alerts for urgent conservation and load reduction, the actual success of the program should be analyzed in order to support future decisions on whether to increase funding and expand the program. To this end, we directed SCE to take the lead in initiating and coordinating an Evaluation, Measurement and Verification (EM&V) study of Flex Alert, measuring 2013 *ex post* load impacts. SCE filed and served this report on February 28, 2014. In D.14-12-026 we reviewed the report and found it to be inconclusive because no statewide Flex Alerts were called in 2013. Nevertheless, we noted that it is still important to determine whether the program is effective enough to warrant support by the ratepayers of PG&E, SCE and SDG&E. Therefore, this issue remained within the scope of this proceeding.

Third, in D.13-04-021 we found that it is logical that the entity controlling the Flex Alert program (currently, the CAISO) also be responsible for administering and securing funding for the program, and that such funding be provided by all customers who benefit from the conservation and load reduction due to Flex Alerts, not just the ratepayers of the IOUs. For these reasons, we ordered SCE to work with PG&E, SDG&E, the CAISO, and other interested parties, to develop a proposal for the transfer of the administration and funding of the Flex Alert program to the CAISO or another entity, effective in 2015. SCE filed and served this report, the "Flex Alert Transfer Proposal" (Transfer Proposal) on April 1, 2014.

We reviewed this Transfer Proposal in D.14-12-026 and found that it offered insufficient support for any decision on our part to transfer the administration and funding of the Flex Alert program to the CAISO effective in 2015, and concluded that the funding, spending and administration of the Flex Alert program in 2015 should continue to be funded by the utilities, and that funding should remain at 2014 levels. However, we directed the assigned Administrative Law Judge (ALJ) in this proceeding to initiate discussions between the CAISO, the investor-owned utilities, and other stakeholders to explore possible post-2015 funding sources and program administrators for the Flex Alert program, in order to inform our review of whether to continue to fund the program in 2016.

Pursuant to D.14-12-026, the assigned Commissioner and the assigned ALJ issued a Scoping Memo on March 6, 2015. The Scoping Memo determined that Phase 1 of this proceeding would develop a record for a Commission decision regarding possible funding sources and program administrators for the Flex Alert program beginning in 2016. To that end, the Scoping Memo invited

parties to file and serve prehearing conference statements providing responses to the following questions:

1. Suggest a detailed outline for a report to the Commission that comprehensively “explores possible post-2015 funding sources and program administrators for the Flex Alert program;”
2. Is the existing factual record sufficient for the report outlined in response to Question 1? Why or why not? If not, what additional information is necessary for the report and subsequent Commission decision?
3. Please provide a proposed procedural schedule for development of the record, preparation of the report, and any necessary subsequent procedural steps, that will allow for a Commission decision by the end of 2015 on whether to continue ratepayer funding of the Flex Alert program in 2016.

On April 6, 2015, responsive prehearing conference statements were filed by the CAISO, PG&E, SCE and SDG&E. The assigned ALJ conducted a prehearing conference (PHC) on April 16, 2015.

At the PHC, the CAISO updated its position in this proceeding to provide its opinion that funding for paid media would not be necessary as part of the Flex Alert program beginning in 2016.⁶

An amended Scoping Memo issued on May 15, 2015. Based on the CAISO’s updated position regarding funding for paid media, the amended Scoping Memo determined that the only issues remaining for the Commission to decide in Phase 1 were the administrative aspects of continuing the program. Parties had also indicated that a workshop would be of value in refining the

⁶ Reporter’s Transcript at 62-63.

remaining information needed in order to provide support for a Commission decision on administration of the Flex Alert program in 2016. The scope and schedule of Phase 1 of this proceeding was modified as shown below:

1. The utilities shall schedule and facilitate a workshop, after notice to all parties in this proceeding, by July 1, 2015;
2. The CAISO shall file and serve a workshop report no later than 30 days following the workshop;
3. Opening Comments on the report may be filed and served 14 days following the workshop report;
4. Reply comments may be filed and served 7 days following the Opening Comments;
5. The assigned ALJ shall prepare a draft decision on Phase 1 issues by October 6, 2015.

On June 29, 2015, the CAISO and the IOUs filed a joint motion to modify the amended Scoping Memo, stating that they have made considerable progress toward a workable plan for administration and funding of the post-2015 Flex Alert program. They proposed to finalize details regarding the post-2015 Flex Alert program without conducting a workshop, and to file a comprehensive plan for the administration and funding of the Flex Alert program by July 31, 2015. The assigned ALJ issued a ruling suspending the workshop requirement. No comments were filed on the motion, and on July 31, 2015, the CAISO served its "Transfer Proposal of the Administration and Funding of the Flex Alert Program" (CAISO Transfer Proposal).⁷

⁷ The CAISO did not file the Proposal with the Commission's Docket Office on July 31, 2015. On October 28, 2015, the assigned ALJ directed the Docket Office to accept the Proposal for filing with a filing date of July 31, 2015.

2. The CAISO Transfer Proposal

The CAISO states that it has worked collaboratively with PG&E, SCE and SDG&E to develop a proposal for the transfer of the administration and funding of the Flex Alert program to CAISO effective in 2016. The CAISO is willing to administer and fund a modified Flex Alert program beginning in 2016.

However, the CAISO explains that “the transfer proposal is based on certain CAISO-proposed conditions that will allow for an orderly transfer of the Flex Alert program and an effective post-2015 program.”⁸ The CAISO’s conditions are the following:⁹

1. The Commission agrees that the CAISO administered Flex Alert Program will not have a paid media component;
2. The CAISO will be able to obtain the Flex Alert brand assets (including the Flex Alert trademark, the Flex Alert Network and the FlexAlert.org URL); and
3. The Commission agrees to transfer full operational and fiscal control of the Flex Alert program to the CAISO.

The CAISO and the Utilities agree that this proposal provides a reasonable approach to transferring control of the Flex Alert program while maintaining what they consider to be its most effective elements. We address each of the CAISO’s conditions in the following discussion.

⁸ CAISO Transfer Proposal at 1.

⁹ *Ibid.* at 2.

3. Discussion

At the outset, we express our appreciation to the CAISO for its readiness to engage with the IOUs and to shoulder the responsibility for the Flex Alert beginning in 2016. We agree with the CAISO that its proposed conditions will allow for an orderly transfer of the Flex Alert program and we accept its assertion that these conditions will result in an effective post-2015 program.

3.1. The CAISO-Administered Program Will Not Include Paid Media

As its first condition for assuming the administration and funding of the Flex Alert program in 2016, the CAISO states that it does not intend to continue the current level of funding, or any funding, for a paid media program associated with Flex Alert. Instead, “the post-2015 Flex Alert program will be primarily focused on earned media resulting from a CAISO called Flex Alert event.”¹⁰ According to the CAISO, its current unpaid media activities during Flex Alert events have been effective and will continue to provide an important tool for meeting grid needs. The Utilities have also stated their willingness to integrate Flex Alert messaging into their local marketing, education and outreach activities. This should help to maintain awareness of the program and support the CAISO’s unpaid activities.

As a result of discontinuation of the paid media program, the CAISO’s Flex Alert program “will not significantly change the CAISO’s current role in the Flex Alert process, nor will it materially increase the CAISO’s administration

¹⁰ *Id.* Earned media Flex Alert activities include issuing notifications via the CAISO website and its smart phone application, news releases, and social media.

costs.” For these reasons, at this time the CAISO does not believe the transfer would require a stakeholder process or tariff amendments to implement.¹¹

Finally, the CAISO states that in the future it may undertake additional functionalities, provided that administration of any Flex Alert functions would only be applicable to CAISO’s balancing area and would further the CAISO’s purpose of ensuring a reliable transmission grid. The CAISO states that once it becomes the administrator of the program, all future Flex Alert activities will be subject to revision, modification, expansion or discontinuation as CAISO deems appropriate.¹²

We accept this aspect of the CAISO’s proposal. In past decisions, we have approved utility budgets that committed ratepayer funds to paid media as a component of the Flex Alert program because the CAISO requested that we do so. Past evaluations of the effectiveness of paid media have been inconclusive, the CAISO’s support for this funding was unwavering, so we considered it prudent to provide the funding. Now, with this proposal, the CAISO has concluded that its current unpaid media activities during Flex Alert events have been effective.¹³ We appreciate the efforts made by the CAISO to reevaluate the paid media component of the program, and on the basis of those efforts we

¹¹ *Id.*

¹² *Id.*

¹³ The CAISO also references the April 1, 2014 “Utilities’ Transfer Proposal” and states that “document details why continued funding of paid media is no longer supported.” We disagree with this characterization of that document. In D.14-12-026 we concluded that “our own reading of the past studies suggests that the impacts of the Flex Alert program are challenging to isolate and measure, and thus the effectiveness of the program has not yet been affirmed or refuted.” (D.14-12-026 at 14.)

support their determination that the CAISO-administered program will not include paid media.

3.2. The CAISO-Administered Program Will Maintain Flex Alert Brand Continuity

In explaining its second condition for assuming the administration and funding of the Flex Alert program in 2016, the CAISO states its belief that “maintaining the Flex Alert brand is an important element to ensuring that the Flex Alert program is an effective tool to maintain grid reliability.”¹⁴ The CAISO notes that in order to continue with this brand name, it will seek to obtain the Flex Alert brand assets from the current owner of the Flex Alert trademark.

According to CAISO, SCE facilitated meetings earlier this year between CAISO and the current owner of the trademark. These meetings resulted in the following agreements:¹⁵

1. Use of the trademark/ownership: the current owner of the trademark has agreed to transfer the Flex Alert trademark to the CAISO if this transfer proposal is accepted by the Commission. These trademark assets will be transferred to the CAISO at no cost, except those incidental costs required to transfer ownership of the trademark.
2. Trademark Administration: the CAISO will assume sole ownership and responsibility for administering the trademark.
3. Website: the current owner has agreed to transfer the website URL (www.flexalert.org) to the CAISO if this transfer proposal is accepted by the Commission. This transfer will involve no cost to the CAISO, except any incidental costs required to complete the transfer. The

¹⁴ CAISO Transfer Proposal at 3.

¹⁵ *Id.*

CAISO will then be responsible for the administration of the website and would determine its role in the CAISO Flex Alert program. The CAISO specifies that future administration of the website would be subject to future revision, modification, expansion or discontinuation by the CAISO.

4. Flex Alert Network: the current owner of the Flex Alert trademark also maintains a database used to alert subscribers through e-mail blasts when a Flex Alert event is called. This database is referred to as the "Flex Alert Network." Upon approval of this transfer proposal, the Flex Alert Network will be transferred to the CAISO at no cost. Those portions of the Flex Alert Network that are considered proprietary will not be transferred. The CAISO specifies that future use of the Flex Alert Network will be subject to the discretion of the CAISO and based on the need to effectively maintain grid reliability.

We accept this aspect of the CAISO's transfer proposal. In D.14-12-026, we noted that this challenging, but logistically necessary, aspect of any effort to alter the current structure of the Flex Alert program remained unresolved. We commend SCE for facilitating the discussions necessary to address this challenge, and we express our appreciation to the current owner of the Flex Alert trademark for showing a willingness to engage with the CAISO and the utilities in order to resolve this challenge.

3.3. The CAISO-Administered Program Will Be Under Sole Operational Control of the CAISO

As its third condition for assuming the administration and funding of the Flex Alert program in 2016, the CAISO states that "under this transfer proposal, the Flex Alert program will be under sole operational and fiscal control of the

CAISO beginning in 2016.”¹⁶ As such, “the CAISO will have the authority to revise, modify, expand or discontinue Flex Alert activities as the CAISO deems necessary to make the program a useful asset in reliably operating the transmission grid. The CAISO and the Utilities agree that transfer of full operational control is appropriate based on the CAISO’s proposed responsibilities as administrator and funder of the post-2015 program.”¹⁷

We accept this aspect of the CAISO’s transfer proposal. As we stated in D.13-04-021, it is logical that the entity controlling the Flex Alert program also be responsible for administering and securing funding for the program. With the CAISO’s willingness to assume sole operational and fiscal control of the program beginning in 2016, that goal has been accomplished. This Commission need no longer directly participate in the program’s operation, and the ratepayers of the IOUs need no longer fund the program. Again, we extend our appreciation to the CAISO for assuming these responsibilities, and to PG&E, SCE and SDG&E for their collaborative efforts in pursuit of this result.

5. Waiver of Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2) of the Commission’s Rules of Practice and Procedure, the otherwise applicable 30-day period for public review and comment is waived.

¹⁶ *Ibid.* at 4.

¹⁷ *Id.*

6. Assignment of Proceeding

Carla Peterman is the assigned Commissioner and Stephen C. Roscow is the assigned ALJ in this proceeding.

Findings of Fact

1. The Flex Your Power brand, and its associated brand Flex Alert, was created during the California energy crisis of 2000 and 2001 when emergency energy shortages necessitated emergency conservation by consumers.
2. The Flex Alert program supports the State's and the CAISO's emergency efforts for summer preparedness in the event of system emergencies or power shortages.
3. Flex Alert spending, largely for paid media, totaled \$10 million per year in 2012, 2013, 2014 and 2015. This funding was provided by ratepayers of PG&E, SCE and SDG&E.
4. The CAISO is willing to administer and fund the Flex Alert program beginning in 2016, provided that it maintains the ability to revise, modify, expand or discontinue Flex Alert activities as necessary to ensure reliable operation of the transmission grid.
5. The CAISO-administered Flex Alert program will not include paid media beginning in 2016, but the CAISO will continue its earned media Flex Alert activities, such as issuing notifications via the CAISO website and its smart phone application, news releases, and social media.
6. The owner of the Flex Alert trademark, the Flex Alert Network and the FlexAlert.org URL has agreed to transfer these assets to the CAISO after the Commission approves the CAISO's transfer proposal.

7. The CAISO and the investor-owned electric utilities agree that the CAISO proposal provides a reasonable approach to transferring control of the Flex Alert program while maintaining what they consider to be its most effective elements.

Conclusions of Law

1. The CAISO should administer and fund the Flex Alert program beginning in 2016.

2. The CAISO should acquire Flex Alert-related assets such as the Flex Alert trademark, the Flex Alert Network and FlexAlert.org URL from the current owner of these assets.

3. The CAISO should have sole operational control over the Flex Alert program beginning in 2016, including the right to revise, modify, expand or discontinue Flex Alert activities as the CAISO sees fit in order to ensure reliable operation of the transmission grid.

4. Ratepayer funding of the Flex Alert program is not necessary after 2015.

5. PG&E, SCE, and SDG&E should integrate Flex Alert messaging into their local marketing, education and outreach activities to help maintain awareness of the program and support the CAISO's unpaid activities.

O R D E R

IT IS ORDERED that:

1. Pacific Gas & Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall file Advice Letters within 30 days of the effective date of this decision to reflect the removal of 2016 Flex Alert budgets from their 2016 revenue requirements.

2. Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall integrate Flex Alert messaging into

A.12-08-007 et al. ALJ/SCR/avs

their local marketing, education and outreach activities to maintain awareness of the program and help support the California Independent System Operator's unpaid activities.

3. Application (A.) 12-08-007, A.12-08-008, A.12-08-009 and A.12-08-010 remain open.

This order is effective today.

Dated November 19, 2015, at San Francisco, California.

MICHAEL PICKER

President

MICHEL PETER FLORIO

CATHERINE J.K. SANDOVAL

CARLA J. PETERMAN

LIANE M. RANDOLPH

Commissioners

Decision 16-06-041 June 23, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of San Diego Gas & Electric Company (U902E) for Approval of Public Utilities Code Section 748.5 Customer Outreach Plan for 2014 and 2015.

Application 13-08-026
(Filed August 30, 2013)

And Related Matters.

Application 13-08-027
Application 13-09-001
Application 13-09-002
Application 13-09-003

**DECISION ADDRESSING CUSTOMER EDUCATION AND OUTREACH
PLANS FOR GREENHOUSE GAS ALLOWANCE PROCEEDS RETURN**

Summary

This decision concludes that the requirement of Public Utilities Code § 748.5(b) that the California Public Utilities Commission pursue “adoption and implementation of a customer outreach plan for each electrical corporation, including, but not limited to, such measures as notices in bills and through media outlets, for purposes of obtaining maximum feasible public awareness of the crediting of greenhouse gas allowance revenues” has been met with the activities already undertaken and that additional statewide messaging related to the crediting of greenhouse gas allowance proceeds should occur as part of the statewide marketing campaign being pursued as part of Application 12-08-007 et al for Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company. These utilities should also continue to administer limited direct customer outreach. Proposed customer outreach plans

for PacifiCorp and Liberty Utilities (CalPeco Electric) LLC are approved. Applications 13-08-026, 13-08-027, 13-09-001, 13-09-002, and 13-09-003 are closed.

1. Background

In Decision (D.) 12-12-033, approved in Rulemaking (R.) 11-03-012, the Commission adopted a methodology by which the investor-owned electric utilities (utilities or electric utilities) must return proceeds generated from the sale of greenhouse gas (GHG) allowances allocated to them by the California Air Resources Board (ARB) to residential, small business, and emissions-intensive and trade-exposed customers (EITE), pursuant to the California Cap-and-Trade regulation, Public Utilities (Pub. Util.) Code Section 748.5, and other applicable statutes, regulations, and Commission decisions.

Pub. Util. Code § 748.5(b) mandates that the Commission “require the adoption and implementation of a customer outreach plan for each electrical corporation, including, but not limited to, such measures as notices in bills and through media outlets, for purposes of obtaining maximum feasible public awareness of the crediting of greenhouse gas allowance revenues.” To fulfill this mandate, in D.12-12-033, the Commission allocated approximately \$3.96 million to Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), Liberty Utilities (CalPeco Electric) LLC (Liberty) and PacifiCorp¹ for outreach and education activities in 2013. D.12-12-033 also adopted certain parameters to guide outreach and education activities, including the requirement that education and outreach

¹ Education and outreach budgets were allocated as follows: \$1.7 million to PG&E, \$1.4 million to SCE, \$750,000 to SDG&E. PacifiCorp and Liberty were authorized to allocate up to 1.5% of their expected 2013 GHG allowance revenue toward outreach and education efforts, which translates to approximate 2013 budgets of \$110,000 for PacifiCorp and \$35,000 for Liberty.

activities be competitively neutral. D.12-12-033 ordered the electric utilities to file advice letters setting forth proposed customer outreach and education activities for 2013 developed within the parameters of that decision. D.12-12-033 also directed each of the electric utilities to file applications for expanded education and outreach programs, including proposed budgets, for 2014-2015 – these applications are those proposals.

On March 15, 2013, each of the utilities filed advice letters proposing GHG customer education and outreach activities for 2013 and presenting the manner in which the non-volumetric residential GHG allowance proceeds returns, known as the California Climate Credit, would appear on customer bills. The Commission's Energy Division approved PacifiCorp and Liberty's 2013 customer education and outreach plans retroactive to May 15, 2013. However, in Resolution E-4611, adopted on October 17, 2013 (and after the applications in the instant consolidated proceedings were filed) the Commission rejected the 2013 customer education and outreach plans of PG&E, SCE, and SDG&E,² finding the plans to be out of compliance with D.12-12-033 and the parameters of the Energy Upgrade California program adopted in D.12-05-015. In particular, the Commission found that PG&E, SCE, and SDG&E's 2013 GHG customer education and outreach plans lacked competitive neutrality and failed to provide "coherent and accurate messaging about the GHG revenue return and the Cap-and-Trade program"³ in addition to failing to eliminate duplicative spending.

² Advice Letters rejected by Resolution E-4611 include PG&E Advice Letter 4203-E, SCE Advice Letter 2864-E, and SDG&E Advice Letter 2465-E.

³ Resolution E-4611 at 11.

In Resolution E-4611, the Commission determined it was appropriate to consign PG&E, SCE, and SDG&E's approved 2013 GHG customer education and outreach budgets toward initial 2014 customer education and outreach activities while the California Public Utilities Commission (Commission) considered more long-term 2014-2015 outreach and education activities in the instant proceeding. The Commission ordered PG&E, SCE, and SDG&E to assign the entirety of their approved 2013 customer education and outreach budgets (approximately \$3.85 million) to the California Center for Sustainable Energy (now the Center for Sustainable Energy, or CSE), the third-party administrator retained by the Commission to administer Energy Upgrade California, in order to develop consistent statewide messaging to coincide with the distribution of GHG allowance proceeds to residential, small business, and EITE customers.⁴

Resolution E-4611 also authorized PG&E, SCE, and SDG&E to book any utility-specific customer education and outreach costs related to the distribution of GHG allowance proceeds, such as messaging on bills, to the utilities' administrative memorandum accounts, authorized in D.12-12-033.

As of April 2014, GHG allowance proceeds were being returned to residential and small business customers and CSE had developed, coordinated, and administered education and outreach activities associated with the initial distribution of GHG allowance proceeds.

⁴ In Resolution E-4611, the Commission found that the scope of work of CSE, approved pursuant to the Energy Upgrade California program, includes messaging to customers pertaining to climate change; therefore, it is appropriate for CSE, as administrator of the Energy Upgrade California program, to develop messaging pertaining to the distribution of GHG allowance revenues.

In October 2015, in R.14-03-003, the Commission adopted D.15-10-032, which approved methodologies for natural gas utilities to use when calculating forecast and recorded GHG allowance proceeds and GHG costs associated with complying with Cap-and-Trade, and it approved an advice letter process for the utilities to use when forecasting and reconciling reasonable GHG costs and allowance proceeds. It also adopted a supplemental customer education and outreach plan to develop messaging to include in low-cost, natural gas-specific education and outreach activities targeted to customers that will receive the natural gas Climate Credit and laid out the approval process for the approval of utility outreach materials related to GHG costs and the California Climate Credit.⁵

2. Procedural History

Decision (D.) 12-12-033 directed each of the electric utilities to file applications to allow us to consider expanding education and outreach programs to maximize feasible public awareness of the crediting of greenhouse gas allowance proceeds, including proposed budgets, for 2014-2015. These applications are those proposals. An assigned Commissioner and Administrative Law Judge (ALJ) Scoping Memo was issued on November 7, 2013. At that time, the Scoping Memo established two phases: Phase 1 was to decide questions about administrative structure (i.e. whether the utilities, an independent third party, or some combination of the two should define and implement overall outreach activities); and Phase 2 was to evaluate specific outreach activities and budgets for 2014 and 2015 and explore the appropriate

⁵ Although D.16-04-013 granted limited rehearing of D.15-10-032, the education and outreach portion of that decision was not affected by the rehearing grant.

procedural mechanism to develop and evaluate GHG customer education and outreach activities in 2016-2020.

The Commission oversaw mass-market outreach and education activities timed for the first California Climate Credit in April 2014, and has continued to pursue a low level of education activities for subsequent Climate Credit distributions issues pending a decision addressing specific goals, administrative structure and budgets for future years. Significant action in A.13-08-026, *et al.*, has been delayed, however, while the Commission authorized utilities to sell Low Carbon Fuel Standard Credits in D.14-05-021, adopted GHG allowance proceeds allocation formulas and distribution methodologies for emissions-intensive and trade-exposed entities in D.14-12-037, and adopted Low Carbon Fuel Standard proceeds allocation methodologies in D.14-12-083.

In addition, while the Commission's mandate is to achieve "maximum feasible public awareness of the crediting of greenhouse gas allowance revenues,"⁶ the statute does not define what this means, nor has it defined any other ancillary goals or what budget levels might be appropriate to meet them. Therefore, on February 6, 2015, the assigned Commissioner and ALJ issued a Joint Assigned Commissioner's and Administrative Law Judge's Ruling and Scoping Memo to adjust the scope and schedule to better identify the objectives and scope of the GHG education and outreach programs with the assistance of interested parties through a workshop and comment process.

The February 6, 2015, Scoping Ruling directed Energy Division staff to conduct a workshop to address the issues. Comments were filed on

⁶ Pub. Util. Code § 748.5 (b).

March 6, 2015. Following the workshop, Southern California Edison prepared and filed a workshop summary. Pursuant to the schedule adopted by the February 6, 2015 Scoping Ruling the parties filed Opening and Reply Briefs on the Workshop Report on May 29, 2015 and June 12, 2015, respectively.

2.1. Targetbase Report

In order to guide the utilities' expanded outreach and education activities in 2014-2015, D.12-12-033 directed the electric utilities to hire a research firm with marketing expertise to propose activities for a broader outreach and education program and to advise the Commission on whether the outreach and education program should be administered by a central statewide administrator rather than individually by each utility.⁷ The utilities were directed to use the findings of research to develop their customer outreach and education plans for 2014-2015. In April 2013, the utilities retained the services of Targetbase to undertake the scope of work required in D.12-12-033. Targetbase compiled its findings into a report; the report was served on parties of R.11-03-012 on July 1, 2013 and incorporated into the record of R.11-03-012 by ruling on August 21, 2013. That ruling explicitly indicated that the "final report and all appendices will also become part of the record to the customer outreach and education plans applications to be filed on September 1, 2013 by the IOUs and will be considered in detail as a part of those applications." (R.11-03-012, August 21, 2013 ALJ Ruling at 2.)

Key findings of the Targetbase report included limited knowledge of the Cap-and-Trade program among Californians but a general favorability toward

⁷ D.12-12-033 beginning at 135; Ordering Paragraph (OP) 12 and 13.

the program, which is highly impacted by how the program is presented. In addition, Targetbase recommended that a statewide customer outreach and education program coordinated by a single, centralized, non-utility administrator should be adopted. The Targetbase report also estimated a \$20 million per year expense would achieve a 40% to 60 % awareness level. (R.11-03-012, August 21, 2013 ALJ Ruling at Appendix 1-97.)

3. Issues Before the Commission

The February 6, 2015 Scoping Memo set forth nine issues to decide. These issues focused on developing the goals of the GHG education and outreach program as it relates specifically to the climate credit, who should conduct such education and outreach, an appropriate budget and timeframe, and coordination with Energy Upgrade California. In light of the delay in addressing these applications, this decision focuses on the need for additional outreach and marketing activities by PG&E, SCE, and SDG&E specifically about the return of GHG allowances and coordination of education and outreach for the climate credit with statewide education efforts like Energy Upgrade California.

4. PG&E, SCE, and SDG&E Applications

There appears to be a consensus amongst parties that customer awareness of the climate credit and its relation to California's climate change policy is low. Parties also generally support focusing education and outreach efforts on encouraging customer action to save energy. For example, CSE contends a main goal of the climate credit marketing, education, and outreach should be increasing action by California residents to better manage their energy use. Marin Clean Energy (MCE) believes education should focus on actions that consumers can take to address climate change and not explaining the mechanics of the Climate Credit. The Center for Accessible Technology and Greenlining

Institute contend the focus of these efforts must not be on awareness alone but also on action.

The Commission has a statutory obligation to adopt customer education and outreach plans that achieve public awareness of the crediting of GHG allowance proceeds in a competitively neutral manner. The parties rightly point out that there is no statutory definition of “maximum feasible public awareness.” As such, we must balance the cost to pursue awareness of the climate credit with the cost to achieve that awareness. Any education and outreach costs will decrease the amount of GHG allowance proceeds that are returned to customers and likewise reduce proceeds available to customers to take energy saving or emission reduction actions. The Targetbase report shows that a focus on awareness of the climate credit is a very expensive proposition (\$20 million annually), which may not result in action towards energy savings in light of the small value of the climate credit to each customer.

In light of this record, it appears to make limited sense to pursue an additional mass market education and outreach effort to inform people about the crediting of greenhouse gas allowance proceeds. At this point, we believe that the focus of any education and outreach should be on moving customers to action to make energy saving changes; therefore, we will not separately establish a budget or marketing approach for PG&E, SCE, and SDG&E for the awareness of crediting of greenhouse gas allowance proceeds.

Messaging related to the climate credit has already been incorporated into the request for proposals for a statewide marketing campaign that was considered in A.12-08-007 et al. The request for proposals was issued on May 2, 2016 consistent with D.16-03-029. Therefore we dismiss the instant applications for PG&E, SCE, and SDG&E but direct the utilities to maintain their

existing memorandum accounts to track the administrative costs associated with the activities they are ordered to perform below. Because the utilities have previously transferred their approved funding to CSE, we direct CSE to file a compliance report in this proceeding demonstrating the use of the outreach funds authorized in D.12-12-033, identifying any unspent funds, and to transfer the unspent funds, if any, to the currently authorized 2016 Statewide Marketing, Education, and Outreach budgets currently authorized 2016 Statewide Marketing, Education, and Outreach budgets. To the extent that the comments and briefs in this proceeding are useful in developing the messaging campaign by the selected vendor, this record is publicly available in A.13-08-026, et al, and the Targetbase Report is available in R.11-03-012 in the August 21, 2013 ALJ Ruling at Appendix 1-97. The applications ordered in Ordering Paragraph 31 of D.12-12-033 to be filed 90 days after issuance of a final decision on outreach budgets, administrative roles and other issues are no longer necessary given consolidation of the California Climate Credit into the 2016 statewide marketing campaign.

However, we recognize that PG&E, SCE, and SDG&E should perform a minimum level of low-cost education as has occurred at the direction of the Energy Division over the last two years. Low- or no-cost outreach that is competitively neutral – for example, providing information within a customer newsletter or webpage about the Climate Credit that is derived from the “Message from the CPUC” letters sent to customers twice a year – is an appropriate way for the utilities to support greater awareness.

The utilities should continue to perform the administrative activities to support the Climate Credit that they have been performing over this time. These include activities identified in Ordering Paragraph 5 of Resolution E-4611, as

well as those implemented at Energy Division's direction, such as the delivery of the "Message from the CPUC" Climate Credit letter. In support of each Climate Credit delivery period, PG&E, SCE, and SDG&E should ensure that Climate Credit recipients are informed about the credit within their bill, and ensure that recipients are provided with reasonable access to supporting information about the Climate Credit. Specifically, PG&E, SCE, and SDG&E shall:

- 1) Continue to notify Climate Credit recipients via on-bill communications, whenever a Climate Credit is provided.
- 2) Deliver to all recipients, via e-mail or bill insert, the Climate Credit letter from the Commission.
- 3) Ensure that their call center and customer service staff members are provided sufficient accurate information to answer ratepayer questions about the administration of the credit, directing customers to the Climate Credit webpage of the statewide outreach administrator (currently, <http://energyupgradeca.org/credit>) for additional information about the credit, California's efforts to fight climate change, and actions they can take to support these efforts.
- 4) Notify Energy Division Director or his designee of any barrier or delay to the foregoing that they encounter.

The Director of Energy Division may issue a letter to the utilities if Energy Division finds that PG&E, SCE, and SDG&E should alter their outreach activities in the future. It is our intent that the utilities will continue to provide reasonable, low-cost outreach information to their customers, especially during each Climate Credit delivery period.

5. PacifiCorp and Liberty

PacifiCorp and Liberty were permitted to establish their own outreach and education programs by advice letters approved by the Commission on May 15, 2013. Since those programs are underway and are unique to their

service territories, PacifiCorp and Liberty request they be permitted to continue and that they not be required to participate in any outreach under the auspices of a third-party administrator. The PacifiCorp⁸ and Liberty proposed programs have an annual expected cost of \$110,000 and \$42,600 respectively for 2014 and 2015 activities. The proposed programs take into consideration the results of the Targetbase study in structuring their activities with a focus on action-oriented messaging. Neither company is currently required to participate in statewide marketing and outreach activities.

In comments on the Scoping Ruling, both PacifiCorp and Liberty state that they are best equipped to develop and administer customer education and outreach on the crediting of GHG allowance proceeds. Both utilities cite to their unique customer bases, which they argue differ significantly from customers in the service territories of PG&E, SDG&E, and SCE. For example, PacifiCorp and Liberty state that their customer base is predominately residential, and many of Liberty Utilities' customers are second-family homes or rentals. For these reasons, PacifiCorp and Liberty maintain that they cannot reasonably participate in large-scale marketing efforts, such as television ads. Finally, if a third-party administrator is selected, Liberty and PacifiCorp argue that the utility should remain the primary point of contact with its customers and should retain flexibility to refine and tailor the messaging developed by the third-party administrator.

⁸ PacifiCorp's application at 15, refers to "accompanying appendices, testimony, and exhibits." The assigned ALJ confirmed with PacifiCorp that no appendices, testimony, or exhibits were tendered.

SCE, SDG&E, MCE, Alliance for Retail Energy Markets (AREM), and CSE all support the inclusion of PacifiCorp and Liberty in a statewide marketing effort. Most parties cite to the need for consistency and uniformity as the primary basis for inclusion of these two utilities. ORA suggests that a hybrid approach that takes into account the size of the various utilities and the cost of various communications strategies is appropriate.

We find the argument that these two utilities present unique marketing challenges compelling and will not require their participation in the statewide marketing effort that is already underway. PacifiCorp and Liberty should pursue their proposed education and outreach activities as budgeted for 2016 through 2019, the term of the contract for the statewide marketing campaign. This spending level represents approximately 0.1% of each utility's annual authorized revenue requirement.

6. Safety Considerations

With the adoption of the *Safety Policy Statement of the California Public Utilities Commission* on July 10, 2014, the Commission has, among other things, heightened its focus on the potential safety implications of every proceeding. We have considered the potential safety implications associated with marketing and customer outreach and education of GHG allowance proceeds. ORA states that climate change itself poses significant health and safety risks, but ORA is not aware of any safety implications associated with education and outreach. PG&E states that giving the California Climate Credit as a lump sum results in a risk of increased bill volatility; however, PG&E does not state how bill volatility relates to safety.

The Commission finds that, generally, there are no significant safety concerns that arise from customer outreach and education pertaining to the distribution of GHG allowance proceeds.

7. Categorization and Need for Hearing

In Resolution ALJ 176-3322 dated September 19, 2013, the Commission preliminarily categorized these applications as ratesetting, and preliminarily determined that hearings were necessary. In the Assigned Commissioner and Administrative Law Judge's Scoping Ruling dated February 6, 2015, the Commission affirmed that these Applications were ratesetting, and determined that hearings may not be necessary. No hearings were held. However because no final determination was made to change the hearing determination, the *ex parte* rules as set forth in Rules 8.1, 8.2, 8.3, and 8.5 and §1701.3(c) continue to apply.

8. Comments on Proposed Decision

The proposed decision of ALJ Cooke in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on June 7, 2016 by SCE and SDG&E. Changes were made to clarify that the utilities may continue to book administrative costs to their existing memorandum accounts, that the applications ordered in Ordering Paragraph 31 of D.12-12-033 to be filed 90 days after issuance of a final decision on outreach budgets, administrative roles and other issues are no longer necessary given consolidation of the California Climate Credit into the 2016 statewide marketing campaign, eliminating the utility requirement to transfer funds and submit a letter regarding the transfer and instead placing the reporting and transfer obligation on CSE. No reply comments were filed.

9. Assignment of Proceeding

Carla J. Peterman is the assigned Commissioner and Michelle Cooke is the assigned ALJ in this proceeding.

Findings of Fact

1. The original purpose of these proceedings was to establish marketing, education, and outreach plans and budget to accomplish maximum feasible awareness of the return of GHG allowance proceeds to customers for 2014 and 2015.
2. Significant action in A.13-08-026, et al., has been delayed, however, while the Commission authorized utilities to sell Low Carbon Fuel Standard Credits in D.14-05-021, adopted GHG allowance proceeds allocation formulas and distribution methodologies for emissions-intensive and trade-exposed entities in D.14-12-037, and adopted Low Carbon Fuel Standard proceeds allocation methodologies in D.14-12-083.
3. A focus on awareness of the climate credit is a very expensive proposition (\$20 million annually) and does not guarantee customer action to save energy.
4. Parties support focusing education and outreach efforts on encouraging customer action to save energy.
5. PG&E, SCE, SDG&E currently notify Climate Credit recipients via on-bill communications, deliver the Climate Credit letter from the Commission via email or bill insert, ensure that call center staff members are provided information to answer ratepayer questions about the administration of the credit, directing customers to the Climate Credit webpage of the statewide outreach administrator (currently, <http://energyupgradeca.org/credit>) for additional information about the credit, California's efforts to fight climate change, and actions they can take to support these efforts.

6. Messaging related to the climate credit has already been incorporated into the request for proposals for a statewide marketing campaign that was issued on May 2, 2016 consistent with D.16-03-029.

7. It is reasonable for PG&E, SCE and SDG&E to continue to track the costs for the remaining Climate Credit administrative activities they are ordered to perform.

8. The proposed customer outreach spending level by PacifiCorp and Liberty represents approximately 0.1% of each utility's annual authorized revenue requirement.

Conclusions of Law

1. There is no statutory definition of "maximum feasible public awareness."

2. The cost to pursue awareness of the climate credit should be balanced with the cost to achieve that awareness.

3. The focus of any education and outreach should be on moving customers to action to make energy saving changes, and therefore, no separate budget or marketing approach for PG&E, SCE, and SDG&E for the awareness of crediting of greenhouse gas allowance proceeds should be adopted, but rather should be incorporated into the statewide marketing campaign.

4. The applications ordered in Ordering Paragraph 31 of D.12-12-033 to be filed 90 days after issuance of a final decision on outreach budgets, administrative roles and other issues are no longer necessary given consolidation of the California Climate Credit into the 2016 statewide marketing campaign.

5. PacifiCorp and Liberty should pursue their proposed education and outreach activities as budgeted for 2016 through 2019, the term of the contract for the statewide marketing campaign, and should not be required to participate in the statewide marketing campaign.

6. There are no significant safety concerns that arise from customer outreach and education pertaining to the distribution of GHG allowance proceeds.

O R D E R

IT IS ORDERED that:

1. Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company must twice annually notify Climate Credit recipients via on-bill communications, whenever a Climate Credit is provided, and deliver to all recipients, via e-mail or bill insert, the Climate Credit letter from the California Public Utilities Commission.

2. Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company must ensure that their call center and customer service staff members are provided sufficient accurate information to answer ratepayer questions about the administration of the climate credit, directing customers to the Climate Credit webpage of the statewide outreach administrator (currently, <http://energyupgradeca.org/credit>) for additional information about the credit, California's efforts to fight climate change, and actions they can take to support these efforts.

3. Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company must notify the Director of Energy Division or his designee of any barrier or delay to the activities described in Ordering Paragraphs 1 and 2 that they encounter within one week of the delay occurring.

4. Southern California Edison Company, Pacific Gas and Electric Company, and San Diego Gas & Electric Company may maintain their existing

memorandum accounts to track the costs associated with the activities the utilities have been directed to perform in Ordering Paragraphs 1, 2 and 3.

5. The Center for Sustainable Energy must file a compliance report in this proceeding within 45 days of the effective date of this decision demonstrating the use of the outreach funds authorized in Decision 12-12-033, identifying any unspent funds, and must transfer any unspent funds to the currently authorized 2016 Statewide Marketing, Education, and Outreach budgets.

6. The customer outreach plan described by PacifiCorp in Application 13-09-001 is approved. PacifiCorp is authorized to spend a maximum of \$110,000 annually between 2016 and 2019.

7. The customer outreach plan described by Liberty Utilities (CalPeco Electric) LLC in Application 13-09-003 is approved. Liberty Utilities (CalPeco Electric) LLC is authorized to spend a maximum of \$42,600 annually between 2016 and 2019.

8. Applications 13-08-026, 13-08-027, and 13-09-002 are dismissed without prejudice.

9. Applications 13-09-001 and 13-09-003 are closed.

This order is effective today.

Dated June 23, 2016, at San Francisco, California.

MICHAEL PICKER

President

MICHEL PETER FLORIO

CATHERINE J.K. SANDOVAL

CARLA J. PETERMAN

LIANE M. RANDOLPH

Commissioners

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of SAN DIEGO GAS & ELECTRIC
COMPANY (U 902-E) for Approval of its 2017 Electric
Procurement Revenue Requirement Forecasts and GHG-
Related Forecasts

Application 16-04-018
(Filed April 15, 2016)

**SAN DIEGO GAS & ELECTRIC COMPANY'S (U 902-E)
NOVEMBER UPDATE TO APPLICATION**

PUBLIC VERSION

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November 7, 2016

#309913

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of SAN DIEGO GAS & ELECTRIC
COMPANY (U 902-E) for Approval of its 2017 Electric
Procurement Revenue Requirement Forecasts and GHG-
Related Forecasts

Application 16-04-018
(Filed April 15, 2016)

**SAN DIEGO GAS & ELECTRIC COMPANY’S (U 902-E)
NOVEMBER UPDATE TO APPLICATION**

I. INTRODUCTION

On April 15, 2016, San Diego Gas & Electric Company (“SDG&E”) submitted its Application for Approval of its 2017 Electric Procurement Revenue Requirement Forecasts and GHG-Related Forecasts (“Application”). In November of each year, SDG&E updates certain information in the testimony supporting its forecast application using data that was not available at the time it submitted its application (“November Update”). Consistent with that practice, and per the June 14, 2016 Scoping Memo and Ruling of Assigned Commissioner, as amended,¹ SDG&E hereby submits its November Update, which consists of updated information sponsored by several SDG&E witnesses.

II. BACKGROUND

In the Application, SDG&E requested approval of its 2017 forecast of (1) the Energy Resource Recovery Account (“ERRA”) revenue requirement, which includes greenhouse gas (“GHG”) costs; (2) the Competition Transition Charge (“CTC”) revenue requirement; (3) the Local Generation (“LG”) revenue requirement; (4) the San Onofre Nuclear Generating Station

¹ The Scoping Memo was amended on September 8, 2016. All dates set forth in the Scoping Memo remained unchanged, except for the dates for ORA/Intervenor comments on the November Update, and SDG&E’s Reply comments, which were changed to November 9, 2016 and November 10, 2016, respectively.

(“SONGS”) Unit 1 Offsite Spent Fuel Storage Cost revenue requirement; and (5) the GHG allowance revenues and return allocations. SDG&E also requested approval to recover undercollected balances recorded to (1) Local Generating Balancing Account (“LGBA”) and (2) the Market Redesign and Technology Upgrade Memorandum Account (“MRTUMA”). Lastly, SDG&E requested approval for its (1) proposed 2016 Local Generation Charge (“LGC”) rates; (2) vintage Power Charge Indifference Adjustment (“PCIA”) rates; and (3) rate components for the Green Tariff Shared Renewables Program. SDG&E’s Application was supported by the testimony of six witnesses.

In November of each year, SDG&E submits its update to the testimony it submitted earlier in the year in connection with its April application. The November Update has traditionally served to update testimony regarding the Competition Transition Charge (“CTC”) Market Price Benchmark (“MPB”). This information is provided to SDG&E by the Commission’s Energy Division, which compiles and provides updated input assumptions to the investor-owned utilities (“IOU”) so that the MPB can be calculated. These assumptions typically do not become available until early November, as they include forward price curves for all of the trading days in October.

Other updates to the ERRRA testimony are warranted since approximately six months has passed since the filing of the Application, and various input assumptions have changed, including with respect to gas, electric and GHG forward price curves; the bundled load forecast; and Power Purchase Agreement contract terms and projected operations. These updates result in changes to forecasted ERRRA, CTC and LG expenses and GHG quantities and expenses.

SDG&E has also made several additional updates based on Commission decisions or other relevant information that has become available since the submission of the Application.

In accordance with Ordering Paragraph 11 of D.14-10-033, in which the Commission directed utilities to provide a fourth quarter update to its GHG forecast revenue and reconciliation request no later than November 15 of each year, SDG&E is providing its 2016 GHG Allowance Revenue and Expenses Reconciliation. This process consists of updating the 2016 recorded data to include actual revenues and estimated expenses from January through October 2016 and updated forecasted revenues and expenses from November through December 2016. Templates D-1 to D-5 of Attachment G to the Application have been updated accordingly, as SDG&E indicated it would do when it filed the Application (Application at 14). *See* Attachment G hereto.

As required by Commission decisions in A.13-08-002, annual GHG forecast applications (now incorporated into the ERRA forecast filing) include reconciliation of prior years. These prior years are unaffected by changes to the MBP, but volumetric changes to SDG&E's 2015 GHG emissions, as well as changes to current year emissions, purchases and sales, have led to modifications to 2015-2016 GHG data, as further explained in the testimony of Ana Garza-Beutz. Final verification of annual emissions takes place September of the following year. The 2015 emission volumes became final on September 1, 2016 and both the 2015 volumes and costs have thus changed since the Application was submitted.

III. SUMMARY OF UPDATES TO THE APPLICATION

In the Application, SDG&E sought approval of its total 2017 forecasted revenue requirement of \$1,298.475 million, which was comprised of several forecasts of specific items.² In this November Update, SDG&E has proposed certain changes to those forecasts, as reflected in Table 1 below:

² *See* Application at 2.

TABLE 1 – 2017 Revenue Requirement Forecasts

Forecast	April 15, 2016 Application	November Update
ERRA revenue requirement (includes 2017 forecast GHG costs)	\$1,295.038 million	\$1,357.197 million
CTC revenue requirement	\$22.662 million	\$ 23.681 million
LG revenue requirement	\$60.255 million	\$ 43.511 million
SONGS Unit 1 Offsite Spent Fuel Storage Cost revenue requirement	\$1.035 million	\$1.038 million
GHG allowance revenue return allocations	\$(0.909) million for EITE customers \$(4.446) million for small businesses \$(80.877) million for residential California Climate Credit	\$(0.760) million for EITE customers \$(2.702) million for small businesses \$(77.866) million for residential California Climate Credit
LGBA undercollection MRTUMA undercollection	\$5.449 million \$0.267 million	\$5.449 million
Total 2017 forecasted revenue requirement ²	\$1,298.475million ³	\$1,349.549 million

SDG&E also sought approval of certain forecasts used to calculate GHG allowance revenue return allocations. In this November Update, SDG&E has proposed certain changes to those forecasts, as reflected in Table 2 below:

TABLE 2 – 2017 GHG Revenue and Expense Forecasts

Forecast	April 15, 2016 Application	November Update
GHG allowance revenues	\$87,727.369 million	\$85,466.355 million
GHG allowance revenue set aside for clean energy/energy efficiency programs	\$1.316 million	\$1.282 million
GHG administration, customer outreach and outreach plan costs	\$187,500	\$187,500

³ Includes Franchise Fees and Uncollectibles.

In the Application, SDG&E also compared the 2017 revenue requirement forecasts against the amounts that were currently effective in rates at that time and concluded that there was a combined total increase of \$7.187 million. This combined total increase represented a 0.11% increase, or 0.022 cents per kilowatt hours.⁴ Based on those numbers, SDG&E projected that a typical non-CARE residential customer in the inland climate zone using 500 kilowatt hours could see a monthly summer bill increase of 0.9%, or \$0.96.

Based on this November Update, SDG&E projects a combined total increase of \$58.158 million (an increase of 0.339 cents per kilowatt-hour, or 1.65% to the current system average rate).⁵ Based on those numbers, SDG&E projects that a typical non-CARE residential customer in the inland climate zone using 500 kilowatt hours could see a monthly summer bill increase of 2.0%, or \$2.31.

IV. SUPPORTING TESTIMONY

This November Update includes the testimony of six SDG&E witnesses. Each witness has prepared a markup (attached hereto) of their original, April 15, 2016 testimony, in which updates are reflected in a redline format. Those witnesses (and summaries of the updates they performed) are as follows:

A. Mr. Benjamin A. Montoya

Mr. Montoya updates SDG&E's 2017 energy requirements forecast and supply resource forecast based on updated gas and electric forward price curves, an updated load forecast, and updated Power Purchase Agreement contract terms and projected operations. Mr. Montoya also updates SDG&E's forecast of procurement expenses based on the resulting changes to supply

⁴ Rates effective January 1, 2016, per AL 2695-E.

⁵ The current effective rates presented in this filing reflect the correction to the current effective rates per AL 2996-E.

resource generation in the forecast model given these updated inputs. Lastly, Mr. Montoya updates SDG&E's 2017 forecast of GHG costs based on an updated GHG price and the resulting changes to supply resource generation in the forecast model given these updated inputs.

B. Ms. Norma Jasso

Based on updated forecasts provided by Mr. Montoya, Ms. Jasso updates SDG&E's 2017 forecast of (1) the ERRA revenue requirement, which includes GHG costs; (2) the CTC revenue requirement; and (3) the LG revenue requirement. Ms. Jasso also provides SDG&E's 2016 GHG Allowance Revenue and Expenses Reconciliation. This process consists of updating the 2016 recorded data to include actual revenues and expenses from January through September 2016, as well as updated forecasted revenues and expenses from October through December 2016. Finally, Ms. Jasso updates the LGBA and MRTUMA undercollection recovery in light of Commission approval of A.15-06-002.

C. Mr. Christopher Swartz

Mr. Swartz updates the April 15, 2016 direct testimony of Ms. Yvonne Le Mieux and adopts it as his own.⁶ Based on the updated revenue requirements provided by Ms. Jasso, Mr. Swartz updates the rate impacts associated with the ERRA, CTC, LG, SONGS and GHG revenue requirements. Based on 2017 Energy Division input factors that recently became available, Mr. Swartz updates the CTC and PCIA rates. Mr. Swartz also updates the 2017 allowance revenue return based on updated information provided by Ms. Jasso. Mr. Swartz also updates the 2017 rate components associated with the Green Tariff ("GT") and Enhanced Community Renewables ("ECR") programs.

⁶ Ms. Le Mieux left SDG&E subsequent to the filing her direct testimony.

D. Mr. Rick Janke

Mr. Janke updates his projection for the IT-related administrative cost portion of the 2016 Education and Outreach expenses.

E. Ms. Ana Garza-Beutz

Ms. Garza-Beutz testimony updates revenues and costs for GHG compliance instruments to satisfy SDG&E's 2015-2016 compliance obligations under the cap-and-trade program. These updates are based on D.14-10-33 where utilities are given direction to report GHG information for "any years for which it is recording or reconciling costs and revenues" in addition to the forecast year.

F. Ms. Monica Vazquez Chihwaro

Ms. Vazquez Chihwaro updates the recorded GHG Direct Compliance costs expensed in the ERRA balancing account to reflect the actual GHG emissions and Weighted Average Cost of Compliance ("WAC") by compliance period, in accordance with D.14-10-033. Based on the WAC calculations provided by Ms. Garza-Beutz, Ms. Vazquez Chihwaro updated the GHG emissions expense to satisfy SDG&E's 2015-2016 compliance obligations under the cap-and-trade program.

V. CONFIDENTIALITY

Along with its Prepared Testimony, SDG&E submitted declarations attesting to the confidentiality of data presented therein. SDG&E requested that the confidential information in its Prepared Testimony be kept confidential pursuant to Public Utilities Code §§ 583, 454.5(g), Decision 06-06-066 and/or General Order 66-C, as identified in SDG&E's confidentiality matrix. This November Update contains confidential information that is identified in SDG&E's confidentiality matrix and covered by declarations, which are being submitted herewith.

SDG&E requests that the same confidential treatment requested with the original filing apply to the information marked confidential in this November Update.

VI. CONCLUSION

SDG&E respectfully requests that the Commission approve the forecasts and proposals in its Application (Application at 24-25), subject to the updates contained in this November Update.

Respectfully submitted,

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SAN DIEGO GAS & ELECTRIC COMPANY

November 7, 2016

**UPDATED ATTACHMENT G TO APPLICATION
GHG REVENUE AND RECONCILIATION FORM**

GHG Revenue and Reconciliation Application Form

Notes:

Utilities should complete the GHG Revenue and Reconciliation Application Form in accordance with the procedures described in Appendix D of the Proposed Decision mailed 9/12/14 in A.13-08-002 et al. Appendix D provides specific information on reporting methodology and confidentiality treatment of data.

Gray shading indicates confidential information. However, additional information may be confidential based on a utility's particular circumstances.

For Template D-4, each utility must provide the data in spreadsheet format, but may modify the template as appropriate to present the requested information by rate schedule.

Template D-1: Annual Allowance Revenue Receipts and Customer Returns

Line Description	2013		2014		2015		2016		2017	
	Forecast	Recorded	Forecast ¹	Recorded	Forecast ¹	Recorded	Forecast	Recorded ²	Forecast	Recorded
1 Proxy GHG Price (\$/MT)	-	N/A	-	N/A	12.09	N/A	13.13	N/A	13.23	N/A
2 Allocated Allowances (MT)	6,919,341	-	6,549,142	-	6,426,430	-	6,406,805	-	6,460,042	-
3 Revenues										
4 Prior Balance	N/A	N/A	(102,074,500)	(82,503,131)	(19,755,324)	(18,393,131)	31,586,221	31,892,368	3,775,310	-
5 Allowance Revenue	(103,302,000)	(82,453,505)	(94,570,000)	(76,756,698)	(77,695,500)	(79,929,224)	(84,121,350)	(82,588,399)	(85,466,355)	-
6 Interest	-	(49,626)	(28,773)	(47,002)	(76,463)	24,203	24,796	148,936	96,857	-
7 Franchise Fees and Uncollectibles	-	-	(1,771,359)	(1,706,341)	(1,190,048)	(1,581,513)	(1,026,495)	(659,957)	(1,013,589)	-
8 Subtotal Revenues	(103,302,000)	(82,503,131)	(198,444,632)	(161,013,172)	(98,717,335)	(99,879,665)	(53,536,828)	(51,207,052)	(82,607,777)	-
9 Expenses										
10 Outreach and Administrative Expenses (from Template D3) ³	1,227,500	-	187,500	801,369	334,835	334,989	80,036	80,969	(2,063)	-
11 Franchise Fees and Uncollectibles	-	-	-	-	-	-	-	-	-	-
12 Interest	-	-	-	(119)	-	(154)	-	(933)	-	-
13 Subtotal Expenses	1,227,500	-	187,500	801,250	334,835	334,835	80,036	80,036	(2,063)	-
14 Allowance Revenue Approved for Clean Energy or Energy Efficiency Programs ⁴	-	-	-	-	-	-	-	630,910	1,281,995	-
15 Net GHG Revenues (Line 8 + Line 13 + Line 14)	(102,074,500)	(82,503,131)	(198,257,132)	(160,211,922)	(98,382,500)	(99,544,830)	(53,456,792)	(50,496,106)	(81,327,845)	-
16 GHG Revenues to be Distributed in Future Years	-	-	51,037,250	-	-	-	-	-	-	-
17 Net GHG Revenues Available for Customers in Forecast Year (Line 15 + Line 16)	(102,074,500)	(82,503,131)	(147,219,882)	(160,211,922)	(98,382,500)	(99,544,830)	(53,456,792)	(50,496,106)	(81,327,845)	-
18 GHG Revenue Returned to Eligible Customers										
19 EITE Customer Return ^{5,6}	-	-	1,583,553	-	1,384,559	-	4,238,010	2,770,837	760,200	-
20 Small Business Volumetric Return	-	-	10,982,219	11,533,823	6,954,493	13,247,750	3,648,498	3,956,420	2,701,990	-
21 Residential Volumetric Return	-	-	45,915,031	35,582,852	31,314,308	39,050,655	-	1,772,488	-	-
22 Subtotal EITE + Volumetric Returns	-	-	58,480,803	47,116,675	39,653,361	52,298,405	7,886,508	8,499,746	3,462,190	-
23 Number of Households Eligible for the California Climate Credit	-	-	1,224,253	1,306,520	1,224,251	1,313,989	1,306,630	1,312,405	1,314,398	-
24 Per-Household Semi-Annual Climate Credit ⁷ (-0.5 x (Line 17 + 22) ÷ Line 23)	-	-	36.24	36.24	23.99	23.99	17.44	17.44	29.62	-
25 Revenue Distributed for the Climate Credit (2 x Line 23 x Line 24)	-	-	88,739,079	94,702,116	58,729,139	79,138,793	45,570,284	45,771,670	77,865,655	-
26 Revenue Balance (Line 15 + Line 22 + Line 25)	N/A	(82,503,131)	N/A	(18,393,131)	N/A	31,892,368	N/A	3,775,310	N/A	-

¹ Includes 50% of 2013 allowance revenues and expenses.

² Recorded data is equal to forecast with the exception of the prior balance, which reflects the difference between the 2015 October - December forecast that was filed in the 2015 November Update vs. the recorded data for that same time period.

³ Forecasted Outreach & Administrative Expenses are the forecasted expenses adjusted for any under/over collections in the GHGCOEMA or GHGACMA.

⁴ The 2016 recorded and 2017 forecasted columns includes the Multifamily Program set aside consistent with the March 18, 2016 Administrative Law Judge ruling in the Development of a Successor to Net Energy Metering proceeding (Rulemaking 14-07-002).

⁵ SDG&E's forecasted 2016 EITE Customer Return represents Prior Year EITE Customer Return of \$2,968,113 to be distributed in 2016, as well as the 2016 forecasted EITE Customer Return of \$1,269,897.

⁶ In accordance with the methodology approved in D. 15-01-024, the EITE Customer Return forecast for 2017 includes: a) 2016 EITE return, b) the 8-1-16 FF&U factor applied to the 2016 EITE return, and c) the 9-1-13 FF&U for EITE returns from 2013 to 2016.

⁷ Due to timing in receiving approval of D.15-03-019, the 2015 April residential CCC given was based on the authorized 2014 residential CCC of \$36.24 per household. The October

Template D-2: Annual GHG Emissions and Associated Costs

Line	Description	2013		2014		2015		2016		2017	
		Forecast	Recorded	Forecast	Recorded	Forecast	Recorded	Forecast	Recorded	Forecast	Recorded
1	Direct GHG Emissions (MTCO2e)										
2	Utility Owned Generation (UOG)										
3	Tolling Agreements										
4	Energy Imports (Specified)										
5	Energy imports (Unspecified)										
6	RPS Adjustment										
7	Qualifying Facility (QF) Contracts										
8	Contract with Financial Settlement										
8	Subtotal										
9	Indirect GHG Emissions (MTCO2e)										
10	CAISO Market Purchases										
11	Contract Purchases										
12	Subtotal										
13	Total Emissions (MTCO2e)	5,596,398	5,678,547	5,473,713	5,590,681	4,811,519	5,013,983	4,203,567	3,448,517	4,243,313	-
14	Proxy GHG Price (\$/MT)	\$ 17.35	\$ 13.57	\$ 14.44	\$12.04	\$ 12.09	13	\$ 13.13	13	\$ 13.23	-
15	GHG Costs (\$)										
16	Direct GHG Costs ¹										
17	Direct GHG Costs - Financial Settlement										
18	Indirect GHG Costs										
19	Previous Year's Forecast Reconciliation ²	N/A	N/A	\$ -	-	\$ (25,881,702)	\$ (35,475,620)	(7,345,192)	(16,295,922)	(21,964,804)	(21,964,804)
20	Total Costs (\$)	89,750,005	61,221,829	61,715,000	64,361,474	32,289,561	24,944,369	47,858,988	25,894,184	34,174,234	(21,964,804)
21	Forecast Variance³ (\$)	N/A	(28,528,177)	N/A	2,646,474	N/A	(7,345,192)	N/A	(21,964,804)	N/A	(56,139,037)

CONFIDENTIAL INFORMATION

¹Direct cost forecasts for 2013 and 2014 reflect cash accounting for regulatory purposes

²The 2013 forecasted variance was not included in 2014 forecast reconciliation. The 2015 forecasted reconciliation includes both 2013 and 2014 forecast variance amounts. In addition, due to updates to recorded 2013 and 2014 amounts, this figure has been updated.

³Also reflects adjustment for shift in regulatory accounting from cash to accrual

Template D-3: Detail of Outreach and Administrative Expenses

Line Description	2013		2014		2015		2016		2017	
	Forecast	Recorded	Forecast	Recorded	Forecast	Recorded	Forecast	Recorded ¹	Forecast	Recorded
1 Utility Outreach										
2 Customer Call Center	-	N/A	-	-	-	-	-	-	-	-
3 Other (Consultant) ^{2,5}	52,500	N/A	-	72,040	-	(19,541)	-	-	-	-
4 Subtotal Outreach	52,500	-	-	72,040	-	(19,541)	-	-	-	-
5 Utility Administrative										
6 General Program Management	-	N/A	-	-	-	18,622	-	-	-	-
7 IT/Billing System Enhancements	425,000	N/A	-	-	-	38,260	-	-	-	-
8 IT Program Management and Oversight	-	N/A	-	14,842	-	-	-	37,526	-	-
9 Marketing - SDG&E (email, bill insert) ³	-	N/A	35,000	33,699	35,000	51,342	35,000	18,474	35,000	-
10 Other ⁴	-	N/A	12,500	12,500	12,500	-	12,500	-	12,500	-
11 Subtotal Administrative	425,000	-	47,500	61,041	47,500	108,224	47,500	56,000	47,500	-
12 Utility Outreach and Administrative Expenses (Line 4 + Line 11)	477,500	N/A	47,500	133,081	47,500	88,683	47,500	56,000	47,500	-
13 Additional (Non-Utility) Statewide Outreach	750,000	N/A	140,000	750,000	140,000		140,000	-	140,000	-
14 Total Outreach and Administrative Expenses (Line 12 + Line 13)	1,227,500	-	187,500	883,081	187,500	88,683	187,500	56,000	187,500	-

¹ Includes actual expenses January through September and forecasted expenses October through December.

² 2013 forecasted expenses were revised from D.13-12-041 to shift the \$52.5k for Targetbase costs from admin to outreach pursuant to Resolution E-4611.

³ 2014 forecasted expenses were revised from D.13-12-041 to shift the \$35K for marketing from outreach to administration pursuant to Resolution E-4611.

⁴ Direct labor costs associated with: (1) Subsequent pricing and credit updates to the billing system; (2) customer eligibility review and verification process; (3) Manual set-up and maintenance required for the identified EITE customers; and (4) Monitoring of check cutting activities related to Net Energy Metering customers.

⁵ Bill inserts and emails costs of \$19,540 booked to GHGCOEMA in April/May/December 2014 were transferred to GHGACMA in October 2015.

Template D-4: Costs and Revenues by Rate Schedule

Rate Schedule (A)	Bundled Customers				Unbundled Customers			
	Forecast MWh Sales (MWh) (B)	Forecast GHG Revenue Req ¹ (\$) ¹ (C)	Rate Impact (\$/kWh) ² (D)	Forecast GHG Revenue (\$) ³ (E)	Forecast MWh Sales (MWh) (F)	Forecast GHG Revenue Req ¹ (\$) ¹ (G)	Rate Impact (\$/kWh) ² (H)	Forecast GHG Revenue (\$) (I)
DR	7,106,077	\$ 25,028,481	0.00352	\$ 73,890,006	101,924	N/A	N/A	\$ 93,956
TOU-DR	0	\$ -	0.00352	\$ 30,509	-	N/A	N/A	\$ -
DM	45,041	\$ 156,299	0.00352	\$ 934,698	1,086	N/A	N/A	\$ 1,481
DS	18,322	\$ 63,930	0.00352	\$ 325,705	-	N/A	N/A	\$ -
DT	145,046	\$ 519,222	0.00352	\$ 1,991,252	16	N/A	N/A	\$ -
DT-RV	4,067	\$ 14,559	0.00352	\$ 100,709	-	N/A	N/A	\$ -
DR-TOU	12,776	\$ 45,727	0.00352	\$ 68,808	861	N/A	N/A	\$ 178
DR-SES	5,261	\$ 8,019	0.00317	\$ 104,500	4,777	N/A	N/A	\$ 59
EV-TOU	70	\$ 187	0.00317	\$ -	-	N/A	N/A	\$ -
EV-TOU-2	36,290	\$ 123,667	0.00317	\$ 323,588	2,678	N/A	N/A	\$ 207
A	1,920,774	\$ 6,164,441	0.00319	\$ 1,986,486	14,057	N/A	N/A	\$ 21,131
TOU-A	0	\$ -	0.00319	\$ 108,515	152	N/A	N/A	\$ 229
ATC	60,190	\$ 135,625	0.00319	\$ 83,804	308	N/A	N/A	\$ 464
A-TOU	36,546	\$ 141,452	0.00319	\$ 19,098	1,563	N/A	N/A	\$ 2,349
AD	35,011	\$ 132,933	0.00339	\$ 46	-	N/A	N/A	\$ -
AL-TOU	6,659,036	\$ 22,542,284	0.00339	\$ 737,888	20,147	N/A	N/A	\$ 236,742
AY-TOU	89,561	\$ 325,124	0.00339	\$ 3,214	214	N/A	N/A	\$ 300
DGR	35,195	\$ 132,532	0.00339	\$ 397	-	N/A	N/A	\$ -
A6-TOU	49,875	\$ 163,464	0.00339	\$ 22,500	-	N/A	N/A	\$ 201,778
OL-TOU	3,613	\$ 12,518	0.00339	\$ -	-	N/A	N/A	\$ -
PA	75,059	\$ 236,085	0.00288	\$ 32,460	412	N/A	N/A	\$ 598
TOU-PA	0	\$ -	0.00288	\$ 341	-	N/A	N/A	\$ -
PA-T-1	226,741	\$ 633,263	0.00288	\$ 3,662	129	N/A	N/A	\$ 187
Streetlighting	103,651	\$ 241,022	0.00233	\$ -	-	N/A	N/A	\$ -
Total	16,668,202	\$ 56,820,834	0.00341	\$ 80,768,187	148,324	N/A	N/A	\$ 559,658

¹In accordance with Section 2.5. of the Amended Joint Investor-Owned Utility Cap-and-Trade Greenhouse Gas Revenue Allowance Return Implementation Plan approved in D.13-12-003, any disparity between the forecast of cap-and-trade costs incorporated into rates and actual cap and-trade costs incurred will be captured as part of the larger ERRA true-up process. SDG&E will true-up total ERRA balances either through its Annual Regulatory Account update filing (pursuant to D.09-04-021) or through the ERRA Trigger Mechanism (pursuant to D.07-05-008). Therefore, the GHG revenue requirement included in column C does not include a GHG cost reconciliation.

²Rate impacts are based on customer class.

Template D-5: History of Revenue, Costs, and Emissions Intensity

Line	Information	2013	2014	2015	2016 (forecast)	2017 (forecast)
1	Total GHG Costs (\$)	\$61,221,829	\$64,361,474	\$60,419,989	\$42,190,106	\$56,139,037
2	Total GHG Revenues (\$)	(\$82,453,505)	(\$76,756,698)	(\$79,929,224)	(\$82,588,399)	(\$85,466,355)
3	Emissions Intensity (MTCO/MWh) *	0.322	0.284			

* SDG&E Emissions Intensities are calculated based on renewable energy consumed and RECs associated with consumption in that year. It is not adjusted for RPS Compliance banking or modifications to RPS Adjustments in that year.

CONFIDENTIAL INFORMATION

Application No.: A.16-04-018
Exhibit No.: _____
Witness: Rick Janke

UPDATED PREPARED DIRECT TESTIMONY OF
RICK JANKE
ON BEHALF OF
SAN DIEGO GAS & ELECTRIC COMPANY

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

November 7~~APRIL 15~~, 2016



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**UPDATED PREPARED DIRECT TESTIMONY OF
RICK JANKE
ON BEHALF OF
SAN DIEGO GAS & ELECTRIC COMPANY**

I. PURPOSE

This testimony outlines SDG&E’s projected ongoing education and outreach costs related to the crediting of greenhouse gas (“GHG”) allowance revenues on customers’ bills in the year 2017, as part of the ERRA proceeding.

This testimony is based on recorded costs and projections set forth in my prior GHG testimony, submitted on August 1, 2013 and September 1, 2013, April 15, 2014, and in my prior ERRA testimony, submitted on April 15, 2015.

II. EDUCATION AND OUTREACH COSTS OVERVIEW

Beginning in 2013, Education and Outreach activity has included working with the Energy Division and outside consultants to define those activities. The Education and Outreach activity was administered by the Center for Sustainable Energy under the statewide marketing education and outreach efforts. The utilities were tasked with implementing support communications such as email, direct mail and bill inserts, and these costs were designated as administrative.

After the major media effort in 2014, communications have continued, with a focus on the use of bill inserts, direct mail and email, which have been accounted for as administrative costs per direction from the CPUC. These communications have been implemented by the utilities and feature the logo of the CPUC. No additional statewide Education and Outreach activity has taken place since that initial effort.

III. 2015 – COMPARISON OF RECORDED VS ACTUAL YEAR-END BALANCES

In accordance with Findings of Fact (“FOF”) 13 of D.14-10-033, a reconciliation of forecasted amounts with recorded amounts is presented in the direct testimony of witness Norma

1 Jasso. Specifically, Table 4 identifies the 2015 year-end recorded/forecasted account balances
2 with the 2015 year-end actual balances.

3 **IV. 2016 – RECONCILIATION OF EXPENSE ACCOUNTS**

4 Pursuant to OP11 of D.14-10-033, a 2016 fourth quarter update for revenue and expenses
5 is provided in section VI of the direct testimony of witness Norma Jasso. It includes a description
6 of the 12/31/2016 true-up for the three GHG revenue and expense accounts.

7 **V. 2017 COST PROJECTIONS**

8 For 2017, I have included in Template D-3: Detail of Outreach and Administrative
9 Expense Education and Outreach costs at the same level as in 2016 —*i.e.*, \$140,000, designated
10 for a potential statewide education/outreach effort pending direction from the CPUC and \$47,500
11 for other administrative costs such as bill inserts, emails and IT related costs. My total projection
12 is \$187,500. As in 2015 and 2016, if there is no statewide effort, SDG&E will use the funding
13 outlined here to provide additional messaging about GHG allowance revenues in the local market,
14 as directed by and coordinated with the Energy Division and other utilities.

15 In 2017 there is a potential to revise the Education and Outreach approach based on the
16 outcome of the effort proposed by Southern California Gas Company to use of direct, targeted
17 communications to educate consumers about GHG. If this effort is successful at reaching its
18 awareness goals, it could be a model for use by electric utilities. Currently this effort is on hold,
19 awaiting further direction from the Energy Division.

20 This concludes my Prepared Direct Testimony.

1 **VI. QUALIFICATIONS**

2 My name is Rick Janke. I am employed by San Diego Gas & Electric Company
3 (“SDG&E”) as the web and communications manager. My business address is 8306 Century Park
4 Court, CP-41F, San Diego, California, 92111.

5 I graduated from Colorado State University in 1980 with a Bachelor of Arts degree in
6 Journalism. I have over 35 years of experience working in communications, marketing and
7 advertising in various industries. I have worked in energy-related companies for over 27 years,
8 always in the communications area.

9 I have been employed by SDG&E as the web and communications manager since March,
10 2010. In this position, my responsibilities include overseeing customer communications, the
11 teams working on the company’s information website (www.sdge.com), and the display aspects of
12 the transactional website (myaccount.sdge.com)

13 Prior to my current role at SDG&E, I served as a Communications Manager at Sempra
14 Energy. Throughout my career, my roles have included copywriter, communications advisor,
15 advertising manager and marketing communications manager. I previously held positions at
16 Murlin/Dila (an advertising agency), Sharp HealthCare, SDG&E, Sempra Energy and Sempra
17 Energy Solutions.

Row # 22



A  Sempra Energy utility®

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August 11, 2015

ADVICE LETTER 2744-E-A
(San Diego Gas & Electric Company - U902-E)

Public Utilities Commission of the State of California

SUBJECT: SUPPLEMENTAL FILING - SUBMITTAL OF SAN DIEGO GAS AND ELECTRIC'S MARKETING IMPLEMENTATION PLAN FOR ITS GREEN TARIFF AND ENHANCED COMMUNITY RENEWABLE PROGRAM IN COMPLIANCE WITH DECISION 15-01-051

PURPOSE

This Advice Letter (AL) is being submitted to update the Marketing Implementation Plan (MIP) of San Diego Gas & Electric (SDG&E) for SDG&E's Green Tariff Shared Renewables (GTSR) Program.

D.15-01-051 (the Decision) required each Investor-Owned Utility (IOU) to include a comprehensive marketing implementation plan of its GTSR program, including estimated marketing budgets. On May 13, 2015 SDG&E filed its Marketing Implementation Advice Letter, AL 2744-E, (MIAL). In July 2015 SDG&E and Energy Division discussed decreasing SDG&E's marketing budget. SDG&E hereby submits an updated MIP to reduce SDG&E's total marketing budget filed in the MIAL by ten percent.

BACKGROUND

The Decision began the implementation of Senate Bill (SB) 43, which set a formal requirement for utilities with more than 100,000 customers in California to implement the Green Tariff Shared Renewable (GTSR) Program. SB 43 was signed into law by Governor Brown on September 28, 2013. The program includes both a Green Tariff option (referred herein as GT) and an enhanced community renewable (ECR) component.

Prior to passage of SB 43, on January 17, 2012, SDG&E filed Application 12-01-008, its "Application Of San Diego Gas & Electric Company (U 902 E) For Authority To Implement an Optional Pilot Program to Increase Customer Access to Solar Generated Electricity." SB 43 in large measure adopted the principles of SDG&E's pending application. SDG&E's application proposed two pilots; "SunRateSM" (hereinafter SunRate), which is referred to generically as the GT, and a pilot, "Share the SunSM" (hereinafter Share the Sun), which satisfied SB 43's later requirement for an ECR program.

Subsequent to SB 43's passage, on July 31, 2013, the assigned commissioner consolidated SDG&E and Pacific Gas & Electric's (PG&E) pending GTSR applications. On October 25, 2013, a Scoping Ruling was issued setting forth the schedule for the consolidated proceeding, and directing Southern California Edison (SCE) to file a GTSR application pursuant to SB 43; SCE did so in January 2014. The Scoping Ruling placed the already-existing PG&E and SDG&E applications on one procedural path and SCE's to-be filed application on a separate path.¹ The proceedings were divided into three phases to address issues with the programs. The Decision addresses the first three phases, while Phase IV remains open.²

As approved by the Decision, the overarching GTSR Program is intended to 1) expand access to "all eligible renewable energy resources to all ratepayers who are currently unable to access the benefits of onsite generation," and 2) "create a mechanism whereby institutional customers.... Commercial customers... and groups of individuals....can meet their needs with the electrical generation from eligible renewable energy resources."³ The SunRate is envisioned to be a tariff to provide customers with the ability to purchase energy which contains a higher percentage of renewable power than offered under other scheduled service. The ECR as proposed by SDG&E is envisioned to be a program by which customers may purchase renewable energy from community-based projects directly through the developers of those projects ("Developer"). Under the auspices of the Commission, both GTSR Program components are to be administered by the IOUs.

UPDATED GREEN TARIFF SHARED RENEWABLES PROGRAM MARKETING IMPLEMENTATION PLAN

SDG&E hereby submits an updated GTSR MIP for approval, attached herein. The changes in the MIP reduce the total GTSR marketing budget⁴ by ten percent. The GTSR marketing budget spans from 2015 to 2018, the proposed MIP reduces the budget each year for a total reduction from \$385,308.00 to \$346,777.00. The proposed marketing, education and outreach reductions are smaller near inception of the GTSR Program and greater in 2018. This is because a) the need for direct marketing will lessen as awareness of the program and its benefits increases year over year and b) SDG&E's target audience will shrink as SDG&E gains specificity in its segmentation based on analysis of the previous years' efforts. The updated MIP and corresponding budget reflect slight changes to the number of campaigns and materials originally planned. The original strategy outlined in the MIAL (of a multi-tactic and multi-touch approach) and the types of marketing and outreach tactics have not changed.

ANNUAL MARKETING AND BUDGET APPROVAL PROPOSAL

SDG&E proposes its Marketing budget for 2015 through 2018 as described in section IX of the Proposed Budget in the attached MIP. Per this AL SDG&E seeks approval of \$128,248.00 in 2015, \$79,520.00 in 2016, \$79,520.00 in 2017 and \$59,489.00 in 2018. SDG&E is required to file an annual marketing and budget plan to be approved via a Tier 2 advice letter.⁵ This advice letter must include a quantitative assessment of the effectiveness of the prior year's marketing

¹ See Assigned Commissioner and Administrative Law Judge's Scoping Ruling (A.12-01-008/A.12-04-020, October 25, 2013).

² D.15-01-051 at 2

³ Public Utilities Code Section 2831(f)

⁴ See, AL 2744-E at 16.

⁵ D. 15-01-051 at OP 6.

campaign. SDG&E will assess which GTSR marketing tactics and messaging was most effective in the prior year and adjust the current year's campaigns and marketing budget accordingly. In order to analyze the prior year's marketing results and to continue the marketing campaign with continuity, SDG&E proposes to submit its annual marketing and budget plan annually by the end of March.

EFFECTIVE DATE

SDG&E designates this filing as Tier 3 (requiring a Commission resolution) pursuant to Ordering Paragraph 2 of D.15-01-051. SDG&E respectfully requests such resolution be placed on the agenda at the Commission's earliest convenience. The timing of implementing the elements of the marketing plan submitted herewith depends upon Commission approval.

PROTEST

The Energy Division has clarified that there will be no protest period for this supplemental advice letter. Parties to this advice letter have had an opportunity to comment or protest to the original advice letter filing submitted on May 13, 2015. SDG&E's utility contact information is below:

Attn: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Court, CP31F
San Diego, CA 92123-1548
Facsimile No. (858) 654-1879
E-mail: MCaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in A.12-01-008, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed. Address changes should be directed to the emails or facsimile numbers above.

CLAY FABER
Director – California & Federal Regulatory

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SAN DIEGO GAS & ELECTRIC (U 902)**

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Christina Sondrini

Phone #: (858) 636-5736

E-mail: csondrini@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 2744-E-A

Subject of AL: Supplemental: Submittal of San Diego Gas & Electric's Marketing Implementation Plan for its Green Tariff and Enhanced Community Renewable Program in Compliance with Decision 15-01-051

Keywords (choose from CPUC listing): Compliance, Green Tariff

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

D.15-01-051

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL N/A

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: N/A

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: Commission Resolution

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
EDTariffUnit@cpuc.ca.gov

San Diego Gas & Electric
Attention: Megan Caulson
8330 Century Park Ct., CP31F
San Diego, CA 92123
mcaulson@semprautilities.com

¹ Discuss in AL if more space is needed.

General Order No. 96-B
ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission

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Communities Association

S. Dey

White & Case LLP

L. Cottle

Interested Parties

A.12-01-008



Green Tariff Shared Renewables Program

Initial Marketing, Education & Outreach Plan

8/11/2015

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Section I: Overview

Introduction

In accordance with Senate Bill (SB) 43, enacting the Green Tariff Shared Renewables (GTSR) Program, SDG&E will now offer both a Green Tariff Option (GT) component and an Enhanced Community Renewables (ECR) component. These programs will provide customers new options by allowing them to purchase energy with a greater share of renewables and an ECR option that allows them to purchase renewable energy from community-based projects. The plan set forth here describes initial marketing approaches for both residential and non-residential customers and refers to the two components under SDG&E's branded umbrella name:

GTSR: connected.....to the sun

The *connected..... to the sun* program is SDG&E's umbrella name for both rates described below, and its components will use a variety of outreach, education and direct marketing targeted to those with a preference for renewable rate options. The efforts described here ensure the inclusion of lower income communities.

GT: SunRate

This green rate allows participants to have their energy supplied from local solar projects. Participants may choose what percentage of their energy use they want to come from these solar projects and simply pay the rate based on the cost of providing the solar energy.

ECR: Share the Sun

This program allows customers to work directly with solar providers to participate in a community solar program.

Section II: Customer Insights

Customer Overview

Among the 3.4 million people who live and work in the San Diego and southern Orange Counties within SDG&E's service territory, SDG&E serves approximately 1.25 million residential households and approximately 80,100 non-residential customers. One of the most important steps in marketing the SunRate is to understand and identify those customers who are most likely to purchase green energy.

Residential – Potential GT Early Adopters

Within SDG&E's service territory, through past research efforts, we estimate approximately 44% of residential customers to have an above average interest in contributing to and participating in environment-friendly programs. This group can be further broken out by household income (HHI) with 24% having higher HHI and 20% having lower HHI with an increased probability of participating in SDG&E's income-qualifying assistance programs.

However, both groups, regardless of HHI, share the following energy-related attributes which make them a fitting target audience for SDG&E's SunRate program:

- Higher than average interest in engagement with SDG&E
- Very concerned about the environment and climate change
- Higher than average interest in SDG&E Energy Efficiency programs and energy audits

Non-Residential – Potential GT Early Adopters

SDG&E's non-residential customers that might have less access to solar are potential target audiences. There is also interest in renewable energy sources amongst large institutional customers such as schools, colleges, universities, local governments, businesses and the military. We estimate that approximately 19% of SDG&E's small business sector, and 24% of medium sized businesses, place a high priority on environmental concerns and reducing energy use, and have a strong interest in working closely with SDG&E.

For these rates, SDG&E will identify non-residential customers who are most likely to be interested in the SunRate option through our existing business classification which includes:

- High interest in having rate options
- High priority on environmental concerns and reducing energy use
- Strong interest in SDG&E energy efficiency and conservation programs

Planned Research

In order to ensure that SDG&E is working with the most up to date data for the best possible outcomes with GTSR, SDG&E plans to conduct some very targeted customer research to gain an even deeper understanding of customer's feelings about the SunRate in particular. The research will gather opinions on elements of the SunRate and what might influence customers to take part given today's economic climate, which will help guide messaging for specific tactical endeavors. SDG&E proposes conducting a Likelihood study to help refine our customer profile. This specific research would assist us in:

- Determining customers' price threshold for green energy
- Relating findings to existing customer segmentation
- Developing MEO messaging and tactics based on the study's recommendations

Section III: Residential & Non-Residential Customer Plan

General Information and Enrollment

SDG&E will use a combination of tools and resources to help communicate the availability of the SunRate, as well as provide enrollment guidance to potential participants. The following tools and resources will be developed and enhanced to assist customers in understanding the SunRate and how to apply.

Web Page – sdge.com

SDG&E will enhance its website to include the enrollment form for the SunRate, as well as include general information about program options. **Sdge.com** continues to be an accessible resource for customers with visual, hearing, motor and cognitive disabilities so that they can better understand, navigate, and interact with our site. We also present all information in a textual format, so that all navigation elements throughout the website can be increased in size (for easy visualization), and displayed according to the users preference. The program fact sheets will be available on the page as well.

Online Tool

Customers will be able to view the requirements for participation, select a subscription amount and determine bill impacts should they choose to participate in the program through sdge.com.

Customer Contact Center

Our Contact Center representatives, called Energy Service Specialists (ESS), will be trained on the SunRate offering and present it as a solution to customers who request information on other SDG&E programs and indicate an interest in overall electric use reduction, the environment, or specifically solar and renewable energy. General information about the program will be added to SDG&E's Online Help resource. Online Help is a resource for the call center and makes topical information on SDG&E's programs and services readily available to the Energy Service Specialists via their screens.

Multilingual Messaging & Non-Digital Marketing

Per Nielson¹ and U.S. Census Bureau² data, the languages spoken by more than 250,000 residents within SDG&E's territory consist of English and Spanish. To address these groups, SDG&E will produce non-digital marketing materials in both English and Spanish, including helpful fact sheets, bill package components and targeted direct mail.

Section IV: Goals, Strategy and Messaging**Program Participation Goals**

SDG&E's marketing and outreach efforts are tailored to contribute to the following residential and non-residential participation levels:

SunRate – Forecasted Subscriptions			
	2016	2017	2018
Residential Customers	1,050	4,111	5,205

¹ Nielsen is a global information and measurement company.

² Census Bureau information from: <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>.

Small Commercial Customers	101	295	270
Medium Commercial Customers	16	63	89
Large Commercial Customers	1	3	6

* This table is for forecasting estimates only. Participation levels are cumulative per year.

Strategy

SDG&E's overarching marketing, education and outreach strategy is to connect to customers through a diverse mix of tactics, understanding that it takes multiple touch points before a customer responds to an appealing offer. For all efforts, not just the GTSR program, it is important to understand what resonates and what motivates each customer segment, when it is most likely to be successful, and through what channels.



Following this model, the SunRate Residential and Non-Residential Marketing strategy is to reach customers with an array of marketing, communications and outreach efforts that will:

1. Connect through the right offer(s)
 - Focus on the features and benefits of the SunRate and ensure messaging portrays it as an attractive and appealing offer
 - Leverage existing marketing campaigns and bundle offers appropriately
2. Connect to the right customers
 - Utilize Residential and Non-Residential Segmentation Study results to target customers with highest propensity to participate
 - Relate Price Sensitivity Research to Segmentation Study to refine target audience selection and messaging
3. Connect at the right time
 - Build upon the customer experience and engagement with SDG&E by making the offer to customers who have already participated in environment-friendly and/or renewable programs (i.e. Electric Vehicle (EV) Rate participants, etc.)
 - Present the SunRate with other rate options and/or other environmental programs as part of bundled customer offerings
4. Connect in the right way
 - Create general awareness of and excitement for the SunRate
 - Integrate the SunRate option with various SDG&E outreach teams (i.e. departments such as Community Relations, Programs Outreach, and the Account Executives) to coordinate a multiple tactic approach that mixes

community engagement (live events and presentations) with general awareness and targeted direct marketing campaigns

Messaging Direction

Messaging will follow five main message platforms with the overarching strategy of promoting the potential benefits and features of the program. The planned messages are:

1. **Expands customers' choices for renewable energy.** Whether a customer is a renter, condo owner, or home owner who is unable to install solar, a business or governmental agency, they now have the option to purchase renewable energy in addition to that which is offered under other scheduled service.
2. **Creates new solar in San Diego.** These programs complement the existing renewable energy options available in the region. SDG&E can now purchase energy from local solar projects on a customer's behalf, and with increased demand, new solar projects are anticipated. This means customers have the potential to help grow new renewable energy in our region.
3. **Supports the environment.** Purchasing renewable energy means that less conventional energy will need to be procured by SDG&E. Additionally, new solar energy will further reduce greenhouse gas emissions. This benefits the environment and supports California's renewable energy goals.
4. **Take solar with you.** A customer's subscription will travel with them to a new address if they move within SDG&E's territory.
5. **Another rate option.** This program allows more control over a customer's home or business energy bill and is one of several rate options offered by SDG&E, such as time of use and electric vehicle rates.

Section V: General & Targeted Communications

Just as there is diversity in SDG&E's customer population, diversity also exists with respect to how our customers prefer to be reached. As such, SDG&E will connect with customers through multiple marketing methods that cover mass and targeted audiences in coordination with community outreach channels and with guidance from and collaboration with community advisory groups.

Marketing

These communication tactics will be used to 1) help build awareness of the SunRate and its benefits and features, and 2) motivate customers to visit sdge.com to learn more and complete an interest form.

1. *Bill Package:* This tactic will include bill inserts, onserts, and newsletter articles. Whether the customer receives a paper bill or pays online, the customer will be exposed to messaging about the new offer.
2. *SDGE.com:* Dedicated SunRate "hub" where customers will be able to learn more about the program and use an interactive tool/calculator that will provide

estimated bill changes. Marketing efforts will drive customers to this section on SDG&E's web site.

3. *Informational Video*: A video explaining how the SunRate works and the positive impacts for the customer and the community. The video can be used for various channels including SDG&E's web site, social media, Account Executive, Outreach educational tool.
4. *Social Media*: The use of social media channels promotes the new SunRate offer to a broad range of customers and increases overall awareness as the message is picked up and redistributed by partner and following organizations and individuals.
5. *Direct/Email*: Direct marketing campaigns will be conducted throughout the year, allowing for targeted campaigns that can be measured and tracked by response and open and click-through rates.
6. *Fact Sheets*: English and Spanish fact sheets which can be distributed at community events and workshops, or simply to download by the customer from sdge.com.
7. *Leverage Existing Campaigns*: Where appropriate, marketing will bundle SunRate with existing marketing campaigns and offers. SDG&E has processes in place to ensure that incremental costs are tracked accordingly.

In conjunction with the overall strong environmental platform of these SunRate options, SDG&E intends to use whenever possible:

- Smaller paper sizes to use less overall paper
- Environmentally friendly inks
- Recycled paper
- Simple messaging and less content (less ink)

Community Outreach

Engaging directly with customers through community outreach is critical to supporting the SunRate program goals. Outreach activities related to the SunRate will be organized utilizing two methods: (i) seasonal and general offers, and (ii) targeted customer segments. Additionally, outreach tactics will be organized into five key initiatives that include:

1. *Energy Solutions Partner Network*: An already established network of more than 250 largely grass-roots, community based partners helping SDG&E to proactively engage with its customers. Partner activities include events, presentations, trainings and workshops as well as energy-related solutions messaging utilizing traditional, online and social media channels.
2. *Employee Engagement Efforts*: A hands-on, interactive series implemented at up to 15 SDG&E campuses throughout the service area to actively engage

employees in current SDG&E offerings. In 2015, there will be three series featuring Spring, Summer and Fall/Winter solutions.

3. *Community Event Series*: A focused event series to support company goals for enrollments in the SunRate program. Efforts are focused on the following types of events: Home Show/Home Demos; Senior & Special Needs, Multicultural, and Company-Sponsored Employee Fairs. In addition, activities will include up to 20 "neighborhood blitz" campaigns with community groups in support of rate education.
4. *Community Presentation Series*: A focused presentation series to support company goals for enrollments in solutions delivered in a seasonal format. Presentation series efforts are focused on the following types of groups and/or organizations: Service Clubs (Rotary, Kiwanis and Lion's Clubs), Senior & Special Needs (Senior Centers, Disabled, and Veterans) and Multicultural/Multilingual. In addition, activities will include support of the Community Relations' Community Leader Spotlight Series and three Community Initiatives.
5. *Special Initiatives*: Support of special efforts that are part of the company's overarching 2015 plan to engage customers in solutions which may require additional, individual or tailored outreach activities.
6. *Account Executives*: Supports business customers as energy and industry experts. Account Executives are familiar with their customers and maintain an ongoing relationship. They identify suitable solutions and services for their organizations, promote programs and generally serve as ambassadors for SDG&E.
7. *Chambers, Business and Trade Association Collaboration Packages*: Similar to the Energy Solutions partner network, SDG&E has partnered with over 60 Chambers of Commerce, Economic Development organizations, Business Improvement Districts and trade associations to help proactively engage its business customers. Activities include events, presentations, trainings and workshops as well as energy-related solutions messaging utilizing traditional, online and social media channels.
8. *Local Government Partnerships*: These established government partnerships reach small businesses and many local communities. Local governments historically have helped lead their communities to support clean energy goals and reduce greenhouse gas reductions.

MEO to Vulnerable Customers

SDG&E defines vulnerable customers as hard to reach, including: low-income (CARE/ESA eligible), disabled and/or having medical needs (Medical Baseline eligible), seniors, limited English proficiency, and living in rural communities. For the SunRate,

SDG&E also includes those customers who are disproportionately burdened by multiple sources of pollution as part of the vulnerable customer segment.

As SDG&E awaits the Commission's decision on A.14-11-007, SDG&E will not directly market to this particular customer segment regarding the SunRate program. This audience, however, will be exposed to SDG&E's general awareness campaigns through the following mass market tactics:

- Social media
- News articles
- sdge.com
- Bill package
- Community Based Organizations
- Community events
- Multilingual fact sheets

Upon a final decision on A.14-11-007, SDG&E is prepared to amend our marketing and outreach plans to ensure this customer segment is educated directly about the SunRate and given specific information regarding how it interacts with the CARE discount.

Section VI: Stakeholder Outreach & Engagement

SDG&E will leverage the current relationships and partnerships with its respective cities in order to educate them about SunRate. In utilizing the Stakeholder Outreach and Engagement tactics below, SDG&E plans to accomplish key goals, including but not limited to:

1. Providing cities with a road map that demonstrates the benefits of the SunRate and how it may assist them in achieving key goals within their Climate Action Plans;
2. Ensuring that under-served communities are aware of the program and have the opportunity to incorporate clean, renewable energy into their personal mix if they so choose; and
3. Ensuring that the media has a fair and complete understanding of the program and the benefits it could provide for the region.

Stakeholder Outreach Tactics

In an effort to strategically engage key audiences, the following phased communications approaches will be considered.

1. *Briefing Kit:* Prior to engaging stakeholders during any portion of our outreach, our messaging and key benefits will be included in a Briefing Kit. This Kit, which can be left behind at all meetings, will include:
 - Fact Sheet
 - Powerpoint Presentation
 - Q&A
 - Webpage listed on SDG&E website

- News Release(s)
2. *Elected Officials Outreach*: SDG&E's Regional Public Affairs department will be engaged to brief all cities and elected officials throughout its service territory. This effort could include one-on-one briefings or full council presentations. This effort will ensure that not only are elected officials aware of the program but also understand the potential benefits it could bring with regards to Climate Action Plans.
 3. *Key Stakeholder Outreach*: SDG&E's Community Relations department will assist in providing briefings with key community partners, especially environmental and low-income advocates. By engaging these key stakeholders, SDG&E will not only help educate their constituencies, and potentially sign up customers, SDG&E will also be able to solicit feedback on the program itself and how best it can reach out to select demographics of customers.

Additional stakeholders could include:

- Chambers of commerce
 - Economic development councils and coalitions
 - Business improvement districts
 - California Apartment Association of San Diego
 - San Diego County Apartment Association
4. *Advisory Network Guidance*: SDG&E has sought guidance from a cross section of stakeholders and advocacy groups. This group will continue to provide feedback and recommendations which will aide in the communication to our customer segments.
 5. *Media*: SDG&E will leverage its media relations to educate customers about the SunRate. Press releases, news articles and media promotions will be leveraged to help spread awareness and educate customers.

Compliance with CCA Code of Conduct

Currently, a CCA does not exist in SDG&E's service territory. In the event a CCA is formed during the period of this program, SDG&E is fully prepared to comply with the Commission directive regarding adherence to the CCA Code of Conduct, which includes the agreement to not market in any areas where the CCA exists or where a CCA implementation plan has been adopted by a local authority.

In Advice Letter 2467-E, SDG&E submitted a declaration in compliance with Rule 22 of the Code of Conduct set forth in Attachment 1 of Decision (D.) 12-12-036, wherein SDG&E confirmed it does not intend to market or lobby against any CCAs.

SDG&E's marketing will focus on areas identified by its research and the customer likelihood of participation versus service provider.

Section VII: ECR (Share the Sun) Marketing

General information regarding the Share the Sun program will be included in various general awareness campaigns with SunRate, including Social Media, Outreach and Bill Package tactics. To promote the program to third party developers, SDG&E will recruit potential developers through its existing Request for Offers (RFO) process. Bidders will be notified through SDG&E's current RFO process which informs bidders of power procurement opportunities through:

- Announcement through SDG&E's dedicated Power Procurement RFO web site
- Announcement through news release and in industry/trade publications
- Email to current procurement service list

Interested parties may also be invited to a workshop or participate in a webinar. SDG&E will advise potential bidders on items they are able to submit through its existing and well-developed bidder information processes.

Share the Sun Third Party Marketing

SDG&E's branding guidelines will be applied to developers' marketing and all potential marketing materials will be subject to an internal process for review. The following guidelines describe SDG&E's internal marketing review process for contractors or developers interested in becoming a participating solar provider in SDG&E's Share the Sun program.

1. Bid Package Marketing Materials

- Bid package must include a sample of each of the following materials:
 - Brochure and/or fact sheet;
 - Direct mail;
 - Email template;
 - Program page on contractor website; and
 - Any other material (hard copy or digital) the developer plans to circulate not named above.
- Materials must be branded as those of the contractor.
- The SDG&E logo and name may be used as described in Sections 2 and 3 below.

2. Use of the SDG&E Name/Logo on Printed and Electronic Materials

The SDG&E logo and/or name may be used by participating solar providers in printed and electronic promotional materials. When using the logo, it must be accompanied with the following approved promotional and disclaimer language statements.

A. Promotional Language Statement for Printed and Electronic Material

Example of minimum size, 8 pt. font:

11

As part of SDG&E's ongoing commitment to providing sustainable energy, SDG&E® has introduced a third party community solar program, *Share the Sun*SM, that expands access to solar energy for our customers. Customers work directly with a participating solar provider to acquire rights to a portion of a local solar project and receive an SDG&E bill credit for the value of the solar power their portion generates. Program eligibility requirements apply.



The approved wording and logo may not be altered. The statement must not appear smaller than 8 pt. type using Verdana font. When space permits, the SDG&E logo and wording should be surrounded by a ruled box using a 1/2 pt. line weight. The SDG&E logo must have clear space between the outermost logo components and all surrounding elements, including text message and the ruled box as shown in the example above. All text and logo elements should appear on the same background tone as the surrounding content, in solid black against light backgrounds or reversed out as white against dark backgrounds. When using white text, font weight may need to be increased to ensure legibility. Only logo files provided by SDG&E should be used for reproduction purposes. Logo identity guidelines will also be provided to bidders as part of the RFO process

B. Disclaimer Language for Printed and Electronic Materials

Disclaimer language may not be changed and must be displayed in its entirety. Type size should be no less than 7 point. For large format promotional materials (signage, billboards, etc.) the disclaimer language should be proportionately increased. The required language shall be:

“SDG&E does not recommend, endorse, favor, guarantee or make any representations or warranties regarding the services, work, quality, financial stability or performance of any participating solar provider or its project. SDG&E is not responsible for the content of any materials, contracts or agreements created by any solar provider for use under this program, and disclaim all responsibility and liability therefore. Customers wishing to participate in this program are solely responsible for reviewing the feasibility of the participating projects, understanding the terms and conditions of any contract or agreement required to be signed by a solar provider, and verifying the qualifications, licensing, pricing, energy savings and warranties provided by their chosen solar provider.”

C. Modified Disclaimer Language

If the printed or electronic promotional materials are too small to include the complete disclaimer language, at a minimum the following language must be used:

“SDG&E does not recommend, endorse or warrant any participating solar provider or its project. Refer to participating solar provider website for program terms and conditions.”

3. *Use of the SDG&E Name/Logo on Contractor Website*

A participating Share the Sun contractor may include the program statement shown below on its website (within the context of the specific program information), provided the language includes a "Utility Disclaimer" hyperlink to the disclaimer language. The SDG&E logo may ONLY be used on a participating Share the Sun contractor web page if the logo is accompanied by the program statement and the "Utility Disclaimer" hyperlink.

A. Promotional Language Statement for Contractor Website

Example of minimum size, 8 pt. font:

As part of SDG&E's ongoing commitment to providing sustainable energy, SDG&E® has introduced a third party community solar program, *Share the SunSM*, that expands access to solar energy for our customers. Customers work directly with a participating solar provider to acquire rights to a portion of a local solar project and receive an SDG&E bill credit for the value of the solar power their portion generates.
Program eligibility requirements apply. [Utility Disclaimer](#)

B. Disclaimer language [appears when viewer clicks on hyperlink]:

"Reference herein to any specific information regarding San Diego Gas & Electric Company (SDG&E®) or any commercial products or services by trade name, trademark, manufacturer or otherwise, does not constitute or imply its endorsement, recommendation or favoring by SDG&E. SDG&E will not be held liable in connection with any of [Contractor name]'s activities. Without limiting the generality of the foregoing, SDG&E does not represent or warrant the accuracy or reliability of any of the information, content or advertisements contained on, distributed through, or linked, downloaded or accessed from this website other than the information contained on SDG&E's website. SDG&E does not recommend, endorse, favor, guarantee or make any representations or warranties regarding the services, work, quality, financial stability or performance of participating solar provider or its project. SDG&E is not responsible for the content of any materials, contracts or agreements created by any solar provider for use under this program, and disclaim all responsibility and liability therefore. Customers wishing to participate in this program are solely responsible for reviewing the feasibility of the participating projects, understanding the terms and conditions of any contract or agreement required to be signed by a solar provider, and verifying the qualifications, licensing, pricing, energy savings and warranties provided by their chosen solar provider."

4. *Review Process for Contractor Materials*

All materials produced by participating contractors must be reviewed by SDG&E prior to use. Materials should be sent to the SDG&E Program Manager for routing to

appropriate internal reviewers. Contractors must allow at least 15 business days for the review process.

Section VIII: Metrics & Evaluation

Marketing and Outreach Schedule

SDG&E intends to implement the marketing strategy through a phased approach consisting of an outreach, education, awareness period and a direct marketing approach that incorporates both bundling existing offers and direct promotion of the program.

2015 - Planning	Q1	Q2	Q3	Q4
Planning and Development	■	■	■	■
Advisory Group		■	■	■
Research			■	■
Community Engagement			■	■

2016 - Implementation	Q1	Q2	Q3	Q4
Review and Analysis		■	■	■
General Awareness	■	■	■	■
Direct Marketing		■	■	■
Advisory Group	■	■	■	■
Community Engagement	■	■	■	■

For subsequent years, SDG&E’s coordinated marketing and outreach campaign will be maintained year-round using a mix of marketing and community outreach tactics as listed in Section V.

Evaluation Metrics

SDG&E method’s to evaluate the marketing efforts will consist of tracking the following based on SDG&E’s average response rates, which typically fare a few percentages above industry standard.

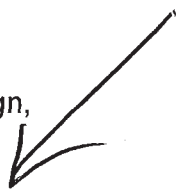
- Results of email marketing campaigns through email metrics such as “open” and “click” rates. SDG&E is targeting an “open” rate of 25% and a “click” rate of 3%.
- Online results of web page views and engagement with video. SDG&E is targeting 3,000 or more views a month.
- Actual customers reached through combined tactics. SDG&E’s target reach will be 1.3 million customers.
- Social media messaging and monitoring. SDG&E’s target will be 4 re-Tweets and/or shares per message.

- Applications received and actual enrollments by source when possible (including direct engagement, direct mail, and Customer Contact Center). SDG&E's target response rate to direct marketing will be 3%.

Monthly results will be tracked in a campaign tracker that includes results across SDG&E's various programs/solutions and channels (bill inserts, email, direct mail, social media, etc.). The tracker will help determine which channels work best and the likelihood for a customer to participate in certain programs. At the beginning of each calendar year, SDG&E will assess what GTSR tactics and messaging was most effective for the previous year and adjust the current year's campaigns and marketing budget distribution (among tactics) accordingly. SDG&E will also be able to assess if results from other program marketing campaigns can help identify additional potential audience segments to reach.

Section IX: Proposed Budget

SDG&E's proposed Marketing budget comprises incremental costs needed to implement the GTSR marketing plan. These costs are composed of labor and tactical implementation for both GT and ECR. Labor includes time spent for planning, coordination and community outreach. Tactical implementation includes creative design, production, translation and mailing fees, as well as research studies during implementation.



GTSR Marketing Budget					
<u>Description</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>Total</u>
GT Labor Cost	22,453.00	13,608.00	13,608.00	13,608.00	63,277.00
GT Research	40,000.00	-	-	-	40,000.00
GT Educational Video	10,000.00	2,500.00	2,500.00	2,500.00	17,500.00
GT Email Campaigns	5,000.00	10,000.00	10,000.00	5,000.00	30,000.00
GT Collateral	8,000.00	2,200.00	2,200.00	2,200.00	14,600.00
GT Direct Mail	15,000.00	25,000.00	25,000.00	10,000.00	75,000.00
GT Outreach	22,000.00	22,000.00	22,000.00	22,000.00	88,000.00
ECR Labor Cost	2,495.00	1,512.00	1,512.00	1,511.00	7,030.00
ECR Collateral	800.00	200.00	200.00	170.00	1,370.00
ECR Outreach	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
Marketing Budget	\$128,248.00	\$79,520.00	\$79,520.00	\$59,489.00	\$346,777.00

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

RESOLUTION E-4734
October 1, 2015

RESOLUTION

Resolution E-4734. Implementation of the Green Tariff Shared Renewables (GTSR) program pursuant to Decision (D.) 15-01-051.

PROPOSED OUTCOME:

- The Customer Side Implementation Advice Letters (CSIALs) and Joint Procurement Implementation Advice Letter (JPIAL) are approved with modifications to conform with D.15-01-051 and address protested issues. Pacific Gas & Electric (PG&E), Southern California Edison (SCE) and San Diego Gas & Electric (SDG&E) shall file supplements to the CSIALs and JPIAL in compliance with this Resolution within 20 days. The Marketing Implementation Advice Letters (MIALs) are approved as supplemented.

SAFETY CONSIDERATIONS:

- There is no impact on safety.

ESTIMATED COST:

- Marketing and administration costs will likely be in the tens of millions of dollars over the lifetime of the GTSR program, but these will be borne exclusively, on an opt-in basis, by GTSR customers and will not be shifted onto non-GTSR ratepayers.

By PG&E Advice Letter (AL) 4639-E, SCE AL 3219-E, SDG&E AL 2745-E, PG&E AL 4638-E, SCE AL 3220-E, SDG&E AL 2744-E, SCE AL 3218-E, PG&E 4637-E and SDG&E 2743-E, Filed May 13, 2015; SDG&E AL 2745-E-A, Filed July 30, 2015; SDG&E AL 2744-E-A, Filed August 11, 2015; and PG&E AL 4638-E-A and SCE AL 3220-E-A Filed August 14, 2015.

PG&E AL 4639-E, SCE AL 3219-E, SDG&E AL 2745-E/A, PG&E AL 4638-E/A, SCE AL 3220-E/A, SDG&E AL 2744-E/A, SCE AL 3218-E, PG&E AL 4637-E, SDG&E AL 2743-E/PD1


language on their marketing materials informing customers that, if they believe that the developer has been false or misleading in its communications, the customer is entitled to file a complaint with the CPUC.

15. As a compliance requirement in D.15-01-051, the IOUs are required to oversee third-party marketing materials. Therefore, the IOUs must ensure that third-party ECR marketing does not "circumvent" the CCA Code of Conduct.
16. Once an ECR project is developed (i.e., when a PPA is agreed to), then subscribers for the ECR project may come from anywhere in the territory of the IOU where the project is located.
17. The fact that an ECR subscription is portable within an IOU's territory does not mean that a transported subscription must originate within 10 miles or the same county as an ECR project.
18. D.15-01-051 creates one, and only one, method for ensuring that ECR subscription levels are maintained – the negative incentive of the Unsubscribed Energy Price.

THEREFORE IT IS ORDERED THAT:

1. The JPIAL (SCE AL 3218-E, PG&E AL 4637-E, SDG&E AL 2743-E) and the CSIALs (PG&E AL 4639-E, SCE AL 3219-E, SDG&E AL 2745-E/A) are approved as modified herein.
2. Pacific Gas & Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SG&E) shall file supplements to their Customer-Side Implementation Advice Letters (CSIALs) (PG&E AL 4639-E, SCE AL 3219-E, SDG&E AL 2745-E/A) and Joint Procurement Implementation Advice Letter (JPIAL) (SCE AL 3218-E, PG&E AL 4637-E, SDG&E AL 2743-E) within 20 days of this Resolution's adoption with modifications reflecting the judgment of this Resolution.

PG&E AL 4639-E, SCE AL 3219-E, SDG&E AL 2745-E/A, PG&E AL 4638-E/A, SCE AL 3220-E/A, SDG&E AL 2744-E/A, SCE AL 3218-E, PG&E AL 4637-E, SDG&E AL 2743-E/PD1

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3. The Marketing Implementation Advice Letters (MIALs) (PG&E AL 4638-E/A, SCE AL 3220-E/A, SDG&E AL 2744-E/A), as supplemented, are approved.
4. We order SCE and PG&E in their supplements to the CSIALs, and in their implementation of the GTSR program, to break out, for PG&E, the PCIA and, for SCE, the "Indifference Adjustment" (defined as the sum of the PCIA and Competition Transition Charge) as a separate charge on a GTSR customer's bill and to ensure that the bill describes the PCIA and the "Indifference Adjustment" in a way that is easily understandable.
5. SDG&E is ordered to ensure that a GTSR customer's bill describes the PCIA in a way that is easily understandable.
6. PG&E, SCE and SDG&E are ordered to maintain a GTSR program webpage that provides a breakdown on the face of the webpage (as opposed to doing so via hyperlink) of all the individual GTSR program charges and credits, their components, and the historical trends for each to the extent they are available dating back 10 years.
7. PG&E, SCE and SDG&E, in their supplements to the CSIALs, shall clarify that a customer taking GTSR service in the first half of a year will be assigned the previous year's PCIA vintage, and that customers retain their PCIA vintage if they relocate within the IOU's territory.
8. PG&E, SCE and SDG&E are ordered to supplement their CSIALs to specify that their customer contact representatives will be authorized to override the one year reenrollment limitation if the customer was a GTSR customer that was then defaulted onto CCA service and wishes to return to GTSR service with the IOU less than 60 days after being defaulted onto CCA service.
9. Within 20 days of the date of this Resolution, PG&E is ordered to communicate to the A.12-01-008 service list the identity of the municipal government representative(s) on its advisory group, or explain why one has not yet been identified.