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4-22-16
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**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

**MOTION OF THE JOINT UTILITIES FOR AUTHORIZATION TO EXTEND BRIDGE
FUNDING FROM JULY 1, 2016 THROUGH DECEMBER 31, 2016 FOR THE
CALIFORNIA ALTERNATE RATES FOR ENERGY AND ENERGY SAVINGS
ASSISTANCE PROGRAMS**

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Dated: April 22, 2016

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I. INTRODUCTION AND SUMMARY OF RECOMMENDATIONS

Pursuant to Rule 11.1 of the California Public Utilities Commission's ("Commission") Rules of Practice and Procedure, Pacific Gas and Electric Company ("PG&E"), on behalf of itself and San Diego Gas and Electric Company ("SDG&E"), Southern California Gas Company ("SoCalGas"), and Southern California Edison Company ("SCE") (collectively "Joint Utilities") hereby moves for an order extending the current bridge funding period authorized in Decision ("D.") 15-12-024^{1/} for the California Alternate Rates for Energy ("CARE") and Energy Savings Assistance ("ESA") Programs, in the event a final decision on the Joint Utilities' respective Applications is not adopted on or before June 23, 2016. The Joint Utilities more specifically request the following:

1/ *Interim Decision Adopting Bridge Funding From January 1, 2016 to June 30, 2016 for the Large Investor-Owned Utilities' Energy Savings Assistance and California Alternate Rates for Energy Programs*, A.14-11-007, D.15-12-024 (December 17, 2015).

1. Authorize bridge funding beginning July 1, 2016 through December 31, 2016 for the CARE and ESA Programs at the same funding level authorized for each Investor-Owned Utility (“IOU”) in D.15-12-024, Ordering Paragraph 1, and Table 1.
2. Authorize bridge funding for the Joint Utilities’ respective Cool Center Program at the same funding level authorized in D.15-12-024, Ordering Paragraph 2.
3. Order the authorized bridge funding for the ESA, CARE, and Cooling Center Programs to expire upon the issuance of a final decision on the Joint Utilities’ Applications filed on November 18, 2014 in this consolidated proceeding, consistent with the Commission’s order in D.15-12-024, Ordering Paragraph 3. The Joint Utilities further request a reasonable time period for each utility to transition its operations from bridge funding budgets to the funding levels for the low income programs adopted by a final decision.
4. Extend all remaining Ordering Paragraphs from D.15-12-024 through December 31, 2016 as appropriate, or until adoption of a final decision on the Joint IOUs’ Applications.

Concurrent with this Motion, the Joint Utilities are filing a motion requesting expedited treatment of this bridge funding request, in hopes the Commission will issue a proposed decision authorizing bridge funding by May 23, 2016, so that the decision can be placed on the agenda for adoption by the Commission at the June 23, 2016 meeting. The Commission’s prompt action on the two Motions will assure continuous and uninterrupted delivery of the low income programs. Moreover, continuation of bridge funding before or on June 23, 2016 is needed to allow the IOUs to extend program contracts, and to provide program contractors a degree of certainty regarding the continuation of the CARE and ESA Programs for the remainder of the year.

II. PROCEDURAL BACKGROUND

In D.14-08-030, the Commission approved a 12-month bridge funding from January 1, 2015 to December 31, 2015 at the Commission's authorized 2014 budget level for the Joint Utilities' respective ESA and CARE Programs budgets for the 2015 program year.^{2/} 2015 was treated as the fourth program year and continuation of the 2012-2014 program cycle. The Joint IOUs were collectively authorized to spend approximately \$390,788,183 in ratepayer funds for the ESA Program and \$1,281,317,591 in ratepayer funds for the CARE Program.^{3/}

On November 18, 2014, the Joint Utilities filed Applications seeking Commission approval for their proposed CARE and ESA programs and associated budgets for program years 2015-2017. The Commission subsequently adopted a procedural schedule that called for a final decision in November 2015,^{4/} which would permit utilities to implement program changes beginning in January 1, 2016 for the 2015-2017 program cycle.

The Commission and the parties developed a substantial record related to the Applications throughout 2015, and these efforts included hearings in June 2015, IOU responses to Administrative Law Judge's questions in June 2015, post-hearing briefing completed by August 2015, and a Low Income Oversight Board workshop and comment period in August and September 2015.

On October 19, 2015, once it appeared unlikely the Commission would adopt a timely final decision on the pending applications, the Joint Utilities filed two motions. The first motion

2/ See, D.15-12-024, *mimeo*, pp. 1-2 (December 17, 2015).

3/ *Id.*

4/ *Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge*, A. 14-11-007, et al., *mimeo*, pp. 13-14 (April 10, 2015).

requested the bridge funding period be extended through the end of 2016. The second motion requested an expedited ruling on the bridge funding request.^{5/}

On December 17, 2015, the Commission agreed it needed to prevent disruption of the low income programs, and adopted bridge funding for the CARE and ESA Programs for the period of January 1, 2016 to June 30, 2016, or until the Commission adopted a final decision on the Applications for PY 2015-2017.^{6/} Bridge funding levels were set at 50 percent of each utility's respective 2015 funding levels adopted in D.14-08-030.

On March 14, 2016, the Commission reopened the proceeding record to receive comment and consider actions in light of an emergency related to the Aliso Canyon Gas Storage Facility leak.^{7/} On April 21, 2016, the Commission adopted a decision that orders intensified ESA Program efforts targeted at low income communities impacted by the emergency.

On March 7, 2016, in denying PG&E's motion to submit a revised forecast, the Commission indicated that a decision on the Applications was not imminent, but instead, "It is anticipated that a Proposed Decision (PD) in the instant proceeding will be issued in the coming months."^{8/}

III. DISCUSSION

To date, the Joint Utilities have operated their low income programs under a bridge funding period for 2015 and the first half of 2016. The proceeding is at a procedural status where the Joint Utilities are again concerned that a final decision will not be issued on the

5/ See, D.15-12-024, *mimeo*, p. 2.

6/ D.15-12-024, *mimeo*, p. 3- 4.

7/ *Assigned Commissioner's Ruling Directing Activities in Response to Natural Gas Leak at Aliso Canyon Storage and Seeking Comments*, A.14-11-007, et al., *mimeo*, pp. 1, 12 (March 14, 2016).

8/ "Administrative Law Judge's Ruling Denying Pacific Gas and Electric Company's Motion To Submit a Revised Budget Forecast and Directing PG&E to Adjust its Funding Request in its Comments on Proposed Decision or Via Petition for Modification, A.14-11-007, et al., *mimeo*, pp. 1 (March 7, 2016).

Applications in sufficient time for the utilities to continue uninterrupted delivery of its CARE and ESA Programs. Hence, this Motion to continue bridge funding through the end of 2016 is a prudent and necessary action to guard against the potential disruption to these important services.

The failure to extend authorized program funding after June 30, 2016 – either through an issued final decision on the Applications or a decision on the bridge funding Motion – may have at least two consequences. The most severe consequence is that program services and CARE discounts could cease because of a lack of authorized funding. However, even if funding is authorized by a proposed decision issued after May 23, 2016, the delay may contribute to another unplanned, status quo bridge funding period for the remainder of 2016 continuing uncertainty among the IOU's and the CARE and ESA Program service providers as to how to structure contracts and policies to mitigate unintended program disruptions. If it is unlikely that a final decision on the Applications will be approved by the end of May, 2016, it is preferable to extend bridge funding through the end of 2016 so that services can continue to be delivered seamlessly and without interruption to low income customers. The Joint Utilities submit that a bridge funding period extension can be accommodated through a decision using the information already available to inform determination of a bridge funding extension through June 30, 2016.

The Joint Utilities strongly prefer the Commission issue a timely final decision on the Applications rather than to extend bridge funding. Aside from the importance for understanding and planning programmatic activities for a known budget level (rather than an interim funding level), the absence of a final decision precludes the implementation of proposed new measures and programmatic enhancements (such as water saving initiatives to address the California drought, and revisions to current program policies) proposed in the Applications. The Joint

Utilities cannot begin offering new measures or program enhancements to customers without Commission authorization.

Finally, continuing bridge funding through 2016 will mean the utilities will continue to operate low income programs at 2014 authorized budget levels. Accordingly, the Joint Utilities propose that the 2016 program year be considered a fifth year in the 2012-2014 program cycle, similar to the Commission's direction in authorizing bridge funding in D.14-08-030,^{9/} until the Commission renders a final decision on the applications.

IV. CONCLUSION

A continuation of bridge funding through the end of 2016 is needed to assure continuity of the low income programs, while the Commission continues to consider the Joint Utilities' 2015-2017 ESA and CARE Programs and Budgets Applications. For the reasons discussed herein, the Joint Utilities respectfully request approval for bridge funding for the remainder of 2016. The Joint Utilities request the Commission adopt the recommendations identified on page 2 of this Motion.

SDG&E, SCE, and SoCalGas have authorized PG&E to file this Motion on their behalf.

Respectfully submitted:

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Dated: April 22, 2016

^{9/} D.14-08-030, *mimeo*, p. 109 (Ordering Paragraph 3).