BEFORE THE PUBLIC UTILITIES COMMISSION OF THE

STATE OF CALIFORNIA

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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.	Application 14-11-007 (Filed November 18, 2014)
And Related Matters	Application 14-11-009 Application 14-11-010 Application 14-11-011

SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) OPENING COMMENTS TO COMMISSIONER SANDOVAL'S ALTERNATE PROPOSED DECISION ON LARGE INVESTOR-OWNED UTILITIES' CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) AND ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM APPLICATIONS

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SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) OPENING COMMENTS TO COMMISSIONER SANDOVAL'S ALTERNATE PROPOSED DECISION ON LARGE INVESTOR-OWNED UTILITIES' CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) AND ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM APPLICATIONS

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SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) OPENING COMMENTS ON COMMISSIONER SANDOVAL'S ALTERNATE PROPOSED DECISION

I. INTRODUCTION AND OVERVIEW

Pursuant to Rule 14.3 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission or CPUC), Southern California Edison Company (SCE) hereby submits its comments on Commissioner Sandoval's Alternate Proposed Decision (APD) on Large Investor-Owned Utilities' California Alternate Rates for Energy (CARE) and Energy Savings Assistance (ESA) Program Applications, issued on August 16, 2016. Concurrent with this filing, SCE separately files its comments on Administrative Law Judge (ALJ) Colbert's Proposed Decision (PD) on the Applications, issued August 16, 2016.

SCE appreciates the APD's thoughtful deliberation of all the issues presented by the IOUs' Applications. However, SCE has concerns with several key aspects of the APD, as noted herein, and therefore supports the adoption of the PD, with SCE's requested modifications, over the APD. SCE believes the PD strikes a more appropriate balance between the need to alleviate the energy burden for low-income customers and the cost impact of these programs on other customers.

Should the Commission adopt the APD, SCE requests that the final decision make certain modifications as discussed below. Specifically, SCE recommends the following modifications to the APD:

- **ESA Program Requirements:**
  - Modify the APD to remove requirement to install common area measures in multi-family buildings;[1]
  - Modify the APD to remove requirement to install air conditioning (A/C) units instead of evaporative coolers;[2]
  - Modify the APD to remove requirement that ESA Contractors must install A/C Cycling Program Controls;[3]

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[1] *See* Section III.C.1., below.
[2] *See* Section III.B.3., below.
[3] *See* Section VI.B., below.

- Modify the APD to remove the requirement for mandatory enrollment in a Demand Response (DR) program or dynamic pricing tariff in order to participate in the ESA Program;[4]
- Modify the APD to remove the requirement to provide clothes washers in Aliso Canyon areas;[5]
- Modify the APD to remove the directive to implement the technical assistance program;[6]
- Modify the APD to adopt a rolling 15-Year replacement eligibility for refrigerators;[7]
- Modify the APD to delay the use of a disaggregation vendor to generate electric end-use profiles, and clarify that vendor-developed load profiles will not be completed in time to be shared with 2017 Demand Response Auction Mechanism (DRAM) bidders;[8]
- Modify the APD to direct the On-Bill Financing Implementation Plan be updated after the Energy Efficiency (EE) Business Plans have been approved;[9] and
- Modify the APD to remove the requirement that the IOUs offer a rebate under the Appliance Recycling Program for second refrigerators.[10]

- **ESA and CARE Program Budgets:**[11]
  - Modify the APD to extend the deadline for the ESA Budget Adjustments; and
  - Clarify that all adjustments to the ESA and CARE budgets required as a result of the directives in the Decision which are not specifically directed to be submitted via a Petition for Modification (PFM) be submitted via the Tier 2 Advice Letter process.

- **Information Technology (IT) Requirements:**
  - Modify the APD to remove timeframe requirements for upgrades to My Energy / My Account;[12]

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4 *See* Section III.A., below.
5 *See* Section III.B.4., below.
6 *See* Section III.C.2., below.
7 *See* Section III.B.2., below.
8 *See* Sections V.C. & VI.A., below.
9 *See* Section III.D., below.
10 *See* Section III.B.1., below.
11 *See* Section II., below.
12 *See* Section IV.E., below.

- Modify the APD to remove the directive to develop mobile phone applications ("apps") and allow for more cost-effective means of mobile-optimization for low-income customers, and remove the direction to pre-install mobile apps on California LifeLine provided smartphones;[13] and

- Modify the APD to allow plans to upgrade Customer Information Systems be coupled with SCE's Customer Service Re-Platform Project as proposed in SCE's 2018 General Rate Case (GRC) application.[14]

- **Ratemaking Requirements:**[15]

    - Clarify the process for returning 2009-2015 unspent funds;

    - Modify the APD to remove requirements to create a new balancing account to record hot water measure expenditures and a new balancing account to record multi-family measures;

    - Clarify that low-income customers do pay the surcharge for the ESA Program; and

    - Clarify that SCE does not fund its Cool Center Program in the Energy Resource Recovery Account (ERRA).

- **CARE Program Requirements:**

    - Remove direction to develop a high usage alert system for CARE customers;[16]

    - Remove the requirement for pre-screening of CARE-eligible customers;[17]

    - Defer consideration of Rate Education Reports to proceeding R.12-06-013 where rate comparison measures are already being considered;[18]

    - Direct that the discount that CARE-enrolled Green Tariff Shared Renewables (GTSR) customers (CARE-GTSR customers) receive be reported as a percentage discount off of the total bill;[19] and

    - Remove requirement to bundle Home Energy Reports with Rate Education Reports.[20]

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13 *See* Sections IV.C. & D., below.
14 *See* Section IV.G., below.
15 *See* Section VIII., below.
16 *See* Section IV.A., below.
17 *See* Section IV.F., below.
18 *See* Section V.A., below.
19 *See* Section IV.B., below.
20 *See* Section V.B., below.

SCE includes its proposed modifications to the APD in Appendix A hereto, including recommended revisions to the Findings of Fact, Conclusions of Law, and Ordering Paragraphs. SCE notes that Appendix A herein includes only those modifications to Findings of Fact, Conclusions of Law, and Ordering Paragraphs that are not duplicative of those in ALJ Colbert's PD (not accounting for numbering.)

II. PROGRAM BUDGETS

A. Clarify that the Tier 2 Advice Letter Submitting Revised ESA and CARE Budget Proposals Should Include All Directives that Will Result in a Budget Change

The APD authorizes $253.7 million for SCE's ESA Program[21] and $25.6 million for SCE's CARE administrative budget for 2017-2020.[22] SCE supports an ESA Program budget and a CARE Administrative budget through 2020. The APD further directs the IOUs to file a Tier 2 Advice Letter within 60 days to conform final program energy savings goals and budgets to the directives in the Decision.[23] SCE notes that some of the APD's programmatic changes for the ESA and CARE programs specifically note that budget proposals for such changes be submitted via a Tier 2 Advice Letter,[24] while other programmatic changes do not provide a mechanism for submitting budget proposals (*e.g.*, the APD directs that the CARE high usage post enrollment verification will not count toward the rate ceiling requirement set forth in D.12-08-044).[25] SCE recommends that the APD be modified to clarify that the revised budgets submitted via Tier 2 Advice Letter may include budget proposals for all programmatic changes ordered by the Decision, whether or not the Decision specifically directs a budget proposal for such change be included in the Tier 2 Advice Letter.

III. ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM

SCE applauds Commissioner Sandoval's efforts in the APD to re-examine the effectiveness of the ESA program in light of the Legislature's overarching statutory objectives for the program, as well as the APD's aim to align ESA more closely with the program design for the overall energy efficiency program. However, SCE submits that such dramatic programmatic changes as proposed in the APD are

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[21] APD at Ordering Paragraph (OP) 2.
[22] APD at OP 3.
[23] APD at p. 35.
[24] APD at OP 14.
[25] APD at OP 88.

not appropriate for this budget cycle application proceeding, in part because some of the changes are not supported by record evidence in this proceeding. SCE recommends an alternative approach that the Commission consider opening a Rulemaking—similar to the R.13-11-005 EE Rolling Portfolios Rulemaking—to develop a robust record on these important issues and possibly work towards a Low Income Rolling Portfolios proposal, as noted by Commissioner Sandoval in her closing comments at the August 31, 2016 All-Party Meeting.

A. Enrollment in a Demand Response Program or in a Dynamic Tariff Should Not be Required in Order to Enroll in the ESA Program

The APD requires enrollment in either a demand response program or in a dynamic tariff in order to enroll a customer in the ESA Program.[26] The Commission should not require mandatory participation in a demand response or dynamic tariff by low income customers prior to receiving the benefits of the ESA Program. While SCE strongly supports demand response and integrating DSM program elements, this requirement is not consistent with the ESA Program and CARE program goal of easing low-income customers' energy expenditures. As noted in the APD and PD, the percentage of remaining eligible customers who are unwilling to participate in ESA is much higher than it has been in the past. This requirement adds a new potential barrier to increasing program participation among the remaining eligible and willing customers. Moreover, to the extent low income customers do not have HVAC and SCE's only demand response offerings for residential customers are the AC Cycling Summer Discount Plan (SDP) and the Save Power Day Incentive Plus (a smart thermostat program), low-income customers may be precluded from participating in ESA if they are unable to meet the mandate to participate in these tariffs. Lastly, most residential customers will default to time-of-use (TOU) rates beginning in approximately 2019.[27] The TOU rates serve the purpose of a dynamic tariff and should be the primary focus of rate transition efforts. As a result, SCE urges that demand response options be discussed as part of the energy education process for low-income customers participating in ESA, but not be a mandatory requirement.

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[26] APD at OP 5.
[27] D.15-07-001, p. 5.

B. Introducing, Evaluating or Retiring Measures

1. Direction to Offer a Rebate Under the Appliance Recycling Rebate is Not Feasible

SCE is supportive of both the PD and APD directives to offer households with at least six people living in the household or with medical conditions that warrant such use (on medical baseline), replacement of a second refrigerator.[28] However, as more fully discussed in SCE's Comments on ALJ Colbert's PD,[29] the requirement to offer an appliance recycling rebate should be removed for SCE because it is no longer available as part of SCE's current energy efficiency programs portfolio.

2. A Rolling 15-Year Year Replacement Eligibility For Refrigerators Should Be Adopted

Additionally, the APD approves replacement of refrigerators manufactured 8-10 years or more prior to the date of ESA treatment.[30] Replacing newer units well before the end of their Effective Useful Life (EUL) is likely to reduce the average net energy savings between the base case and the new unit. Per DEER 2014, the EUL of a refrigerator is 14 years. SCE supports a rolling year replacement eligibility, and recommends a 15-year rolling year replacement eligibility for refrigerators be adopted.

3. Central Air Conditioners and Evaporative Coolers

The APD directs SCE to stop replacing inefficient air conditioners (A/Cs) with evaporative coolers and to pilot the use of central A/Cs in Climate Zone (CZ) 13.[31] SCE does not replace central A/C units with evaporative coolers. SCE only installs evaporative coolers in homes with an existing working A/C unit. Evaporative coolers can be used in lieu of an A/C unit and is more efficient and cost-effective. In addition, directing SCE to offer A/C units instead of evaporative coolers will increase the number of CZs that are currently eligible for A/Cs and, as a result, increase the program budget. Currently, SCE is authorized to install evaporative coolers in CZs 10, 13, 14, 15, and 16, while central A/C units are authorized in CZs 14 and 15 and window/wall A/C units are authorized in CZs 10, 13, 14, and 15.

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[28] APD at COL 17 & OP 11; PD at COL 16 & OP 11.
[29] *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section III.C.
[30] APD at pp. 98-99.
[31] APD at COL 35 & OP 21.

As noted in the PD and APD, evaporative coolers are a cost-effective way to consistently deliver significant bill savings for customers in some CZs.[32] SCE appreciates and supports efforts to conserve water; however, requiring the installation of central A/Cs in lieu of evaporative coolers will increase SCE's required ESA budget and will likely result in a net increase in customer bills. If the APD is adopted, SCE recommends that OP 21 be modified to direct SCE to work with evaporative cooler manufacturers to improve water cycling requirements to mitigate concerns over drought impacts.

4. High Efficiency Washers Should Be Assessed for Feasibility and Cost Effectiveness Before Implementation

The APD directs SCE and SoCal Gas to offer high-efficiency clothes washer in the areas directly affected by Aliso Canyon to reduce the use of water and energy, including natural gas for water heating and water.[33] It is premature to direct SCE to offer high-efficiency clothes washer to customers. SCE has not yet been able to determine the feasibility of the measure. In addition, SCE is unaware of data supporting the cost effectiveness of installing high-efficiency clothes washers in all-electric homes. SCE recommends the APD be modified to allow SCE and SoCal Gas to collaborate to determine the feasibility and implementation strategy of high efficiency clothes washers, as directed in the PD.[34]

C. Multifamily Issues

1. Common Area Measures

SCE believes that the APD authorizes the installation of common area measures in multi-family buildings.[35] SCE strongly supports the PD's directive to install existing approved multi-family measures with ESA funds, and recommends that the APD be revised to reflect the PD treatment on this topic. This addition of common area measures, as directed in the APD, is likely to add additional costs to the ESA program portfolio without a reasonable means to make sure the benefits accrue to the low income residents rather than the owners of these properties. In the event that the Commission adopts the APD, SCE requests that OP 39 and OP 40 be removed.

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[32] *See* PD at pp. 86-87; APD at pp. 150-151.
[33] APD at FOF 43 & OP 25.
[34] PD at OP 27.
[35] APD at OPs 39 & 40.

2. **Technical Assistance Program**

SCE generally supports the creation of a technical assistance program; however, because this directive[36] is specific to a small sub-segment of the multifamily population, SCE recommends that the APD be modified to include the appropriate directives in the PD be approved for this effort.[37] The PD appropriately allows SCE to pursue its proposed integrated multifamily strategy to leverage existing program offerings while allowing test coordination approaches with Low Income Weatherization Program (LIWP) for projects undergoing deep retrofits. SCE requests that any final decision decline to impose the APD's directives for implementation of the technical assistance program.

D. **On-Bill Financing and On-Bill Repayment Implementation Plans Should be Updated After the EE Business Plans Have Been Approved**

Both the PD and APD recommend that the IOUs modify their On-Bill Financing ("OBF") programs to "make [them] more attractive to non-master metered, multifamily properties that rent to low-income tenants," and directs the IOUs to "file program implementation plan addendums for the OBF programs" when the IOUs file their Energy Efficiency Business Plan Applications in "November 2016."[38] As more fully discussed in SCE's Comments on ALJ Colbert's PD,[39] SCE requests that the final decision direct the IOUs to update their IPs related to OBF upon approval of the Energy Efficiency Business Plan Applications.

IV. **CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) PROGRAM**

A. **High Usage Alert System for CARE Customers are Unnecessary Due to Direction Provided in R. 12-06-013**

The PD and APD direct the IOUs to implement a high usage alert system for the CARE Program high usage customers exceeding 300 percent and 400 percent of baseline, respectively.[40] As more fully discussed in SCE's Comments on the PD, SCE recommends that this issue remain within the Residential Rate Design Proceeding (R.12-06-013) so that efforts are not duplicated.[41]

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36 APD at COLs 82-83 & OP 48-50.
37 *See* PD at COLs 87-88 & OP 52-53.
38 APD at p. 194 & OP 48; PD at p. 156 & OP 52.
39 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section III.E.
40 APD at OP 132; PD at OP 85.
41 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section IV.B.

B. The CARE-GTSR Customer Percentage Discount Should be Reported As A Percentage Discount of the Total Bill and Not Just the Distribution Portion

To monitor that CARE-GTSR customers maintain an average bill discount of 30-35 percent, the PD and APD direct the IOUs to report the number and percentage of CARE customers in the GTSR structures and the average total bill discount on the distribution portion of the bill in the CARE and ESA Program Annual report.[42] SCE supports the Commission's direction, but recommends that the discount be reported for the total bill and not just the distribution charges.[43] SCE's current billing system does not have an automated process to ascertain the average total bill discount on just the distribution portion.

V. INFORMATION TECHNOLOGY (IT) UPGRADES

A. The Final Decision Should Not Mandate the Development of Mobile Apps and Allow for More Cost-Effective Means of Mobile-Optimization for Low Income Customers

The PD and APD order the IOUs to develop a "mobile phone app" to deliver "mobile versioning" functionality within the scope of Low Income programs.[44] As more fully described in SCE's Comments on the PD, SCE requests that the final decision allow SCE to continue to develop the "mobile versioning" for all required functionality for CARE (and other Low Income programs) using SCE's standard of mobile-first, responsive web design.[45]

B. Pre-Installing Mobile Apps on California LifeLine Provided Phones is Unnecessary

The PD and APD also request the IOUs to investigate the feasibility of pre-installing the mandated mobile phone app onto California Lifeline provided smartphones.[46] As more fully described in SCE's Comments on the PD, the Commission should allow SCE to continue its strategy to use its mobile-first, responsive web design rather than requiring the development of a mobile phone app, in which case the directive for pre-installing the app onto California Lifeline provided smartphones will be unnecessary.

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[42] APD at COL 184 & OP 125; PD at COL 181 & OP 134.
[43] *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section IV.C.
[44] APD at COL 153 & OPs 80 & 97; PD at COL 151 & OPs 10 & 84.
[45] *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section V.A.
[46] APD at COL 154; PD at COL 152.

C. The Final Decision Should Not Dictate the Timeframe for Upgrades for My Energy/My Account

The PD and APD direct the IOUs to upgrade their My Account/My Energy to facilitate CARE Program Post Enrollment Verification and Recertification process within 120 days of the effective date of this decision[47] and direct other updates, such as increasing font size and allowing for enrollment into the ESA Program and CARE Program by June 1, 2017.[48] As more fully discussed in SCE's Comments on ALJ Colbert's PD, SCE requests that SCE continue to be allowed to decide upon the implementation strategy and timeframe to design the navigation of the Company's and all web services / capabilities including SCE.com My Account and CARE program self-service functionality.[49]

D. Data Transfers Should be Coupled with SCE's Customer Re-Platform Project

The PD and APD also direct the IOUs to offer customers that are likely to be CARE-eligible a customized My Account/My Energy experience that allows for ESA Program and CARE Program enrollment.[50] As more fully discussed in SCE's Comments on ALJ's Colbert's PD, SCE intends to make this effort part of its Customer Re-Platform project. As described in SCE's 2018 General Rate Case application, SCE proposes a Customer Service Re-Platform capitalized software project to replace legacy systems that are outdated and obsolete.[51]

VI. RATE EDUCATION REPORTS AND HOME ENERGY REPORT

A. Rate Education Reports Should be Deferred to the R.12-06-013 Marketing, Education and Outreach Plan

The PD and APD approve SDG&E's proposal to provide potential CARE Program customers with Rate Education Reports and directs PG&E, SCE, and SoCalGas to also provide these reports[52] and deliver them to customers via e-mail or direct mail.[53] As more fully discussed in SCE's Comments on ALJ Colbert's PD, SCE recommends that rate education reports should not be addressed in the final

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47 APD at OP 79; PD at OP 83.
48 APD at OP 99; PD at p. 254.
49 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section V.C.
50 APD at OP 156; PD at OP 154.
51 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section V.D.
52 APD at OP 102; PD at OP 107.
53 APD at OP 103; PD at OP 108.

decision and should instead be deferred to SCE's November 1, 2016 Marketing Education and Outreach plan, which will provide a more holistic plan around rate education.[54]

B. Home Energy Reports Should Not be Bundled with Rate Education Reports

In addition, the PD and APD also recommend Rate Education Reports be combined into a single mailer/e-mail with the Home Energy Reports (HERs) sent as part of the energy efficiency programs.[55] SCE recommends that Rate Education Reports not be combined with the HERs, for the reasons discussed in SCE's Comments on ALJ Colbert's PD.[56]

C. The Final Decision Should Delay the Use of a Disaggregation Vendor to Generate Electric End Use Profiles

The PD and APD direct the IOUs to instruct the disaggregation vendor, selected as part of the directed two RFPs to be conducted by the IOUs,[57] to create individual CARE customer reports that disaggregate household usage by end use over time.[58] As more fully discussed in SCE's Comments on ALJ Colbert's PD, SCE recommends the final decision remove this requirement until the Working Group can assess the merits of this educational measure.[59]

VII. INTERACTION WITH DEMAND RESPONSE (DR) REGULATORY PROCEEDINGS

A. Vendor-Developed Load Profiles Will Not Be Completed in Time to be Shared with 2017 DRAM Bidders

The PD and APD direct the IOUs to share the vendor-developed load profiles with potential Demand Response Auction Mechanism (DRAM) bidders, in accordance with customer privacy provisions, in year two of the DRAM pilot (2017).[60] As more fully discussed in SCE's Comments on ALJ Colbert's PD, SCE requests that the PD and the APD be modified to state, "The IOUs should share the vendor-developed load profiles with the 2018 DRAM sellers; in accordance with customer privacy

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[54] *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section VI.A.
[55] APD at OP 103; PD at OP 108.
[56] *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section VI.B.
[57] APD at OP 92; PD at OP 97.
[58] APD at OP 95; PD at OP 100.
[59] *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section VI.C.
[60] APD at OP 93; PD at OP 98.

provisions, aggregate usage profiles should be provided to DRAM sellers in year two of the 2018 DRAM pilot."[61]

B. ESA Contractors Who Provide A/C Measures Should Enroll the Customer in A/C Cycling but Not Install Program Controls

The PD and APD direct eligible ESA Program contractors that install A/C measures, where feasible, to simultaneously install A/C cycling program controls[62] so that ESA customers can benefit from the IOUs' A/C Cycling DR programs. As more fully discussed in SCE's Comments on ALJ Colbert's PD, SCE recommends that ESA contractors educate ESA customers on the benefits of SCE's Summer Discount Plan (SDP) and enroll customers if the ESA customer consents to participation. Once the customer consents to participate into the SDP program, an SDP contractor should install the SDP A/C Cycling device.[63]

VIII. RATEMAKING

A. Clarify the Process for Returning 2009 - 2015 Unspent Funds

The PD and APD state that uncommitted unspent funds should be used to offset future program year collections[64] and further state that the funds should not be returned to customers.[65] SCE interprets the PD and APD language as directing the IOUs to offset future program collections, as discussed in SCE's Comments on ALJ Colbert's PD.[66] Also more fully discussed in SCE's Comments on ALJ Colbert's PD, SCE recommends the PD and APD be modified to allow the IOUs appropriate discretion in directing the IOU's offsets to program funding collections each year with the unspent funds.

B. A New Balancing Account to Record Hot Water Measures is Unnecessary

The PD and APD direct the IOUs to create a new one time balancing account to fund only hot water measures currently offered by the ESA Program.[67] The PD and APD also direct the IOUs to create a specific sub-account within each of their existing ESA Program balancing accounts to track and

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61 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section VII.A.
62 APD at OP 94; PD at OP 99.
63 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section VII.B.
64 APD at OP 131; PD at OP 141.
65 APD at 136; PD at p. 293 & OP 148.
66 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section VIII.A.
67 APD at OP 26; PD at OP 28.

record the cost of this joint funding mechanism.[68] As more fully discussed in SCE's Comments on ALJ Colbert's PD, SCE recommends creating only a sub-account to record these costs.[69]

C. A New Balancing Account to Record LIWP Multi-Family Measures is Unnecessary

The PD and APD direct the IOUs to create a new balancing account to fund only measures currently offered by the ESA Program and approved for multifamily households.[70] As more fully discussed in SCE's Comments on ALJ Colbert's PD, SCE recommends a sub-account be created within the IOUs existing ESA Program balancing account to record these costs.[71]

D. Clarify That Low-Income Customers Currently Pay the Surcharge for the ESA Program

In the APD, the Commission incorrectly states that low income customers do not pay into the surcharges for the CARE discount and ESA Program.[72] Low income customers currently pay for the ESA Program through the Public Purpose Programs Charge (PPPC).[73] Therefore, returning unspent uncommitted funds would assist low-income customers.

E. Clarify That SCE Does Not Fund its Cool Center Program in the Energy Resource Recovery Account

The PD and APD incorrectly state that SCE uses its Energy Resource Recovery Account (ERRA) to fund its cooling center program.[74] SCE currently recovers its cooling center program costs in its Public Purpose Programs Adjustment Mechanism, and, as adopted by the PD or APD, will now recover cool center costs in the CARE Balancing Account.

IX. CONCLUSION

SCE appreciates the opportunity to provide these Opening Comments to the APD.

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68 APD at OP 55; PD at OP 29.
69 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section VIII.B.
70 APD at OP 44; PD at OP 45.
71 *See* SCE's Comments on ALJ Colbert's PD, filed concurrently with these comments, Section VIII.C.
72 APD at p. 350.
73 Though the CARE discount of approximately 20% is applied to the PPPC billed to low income (CARE) customers.
74 APD at 321; PD at p. 264, FOF 73, & OP 123.

Respectfully submitted,

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APPENDIX A

SCE PROPOSED MODIFICATIONS TO PROPOSED DECISION FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDERING PARAGRAPHS

SCE PROPOSED MODIFICATIONS TO PROPOSED DECISION FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDERING PARAGRAPHS

Proposed text deletions are in bold strikethrough (**~~abcd~~**)
Proposed text additions are in bold and in underline (**<u>abcd</u>**)

Reference	Proposed Modifications
Findings of Fact	
32	**~~In light of the ongoing drought, it is unreasonable to replace inefficient air conditions with evaporative coolers.~~** [DELETE IN ITS ENTIRETY]
43	**~~It is reasonable to direct SCE to offer high efficiency clothes washers in geographic areas affected by Aliso Canyon.~~** [DELETE IN ITS ENTIRETY]
48	**~~Treating common areas of multifamily buildings is important to improving the energy consumption of the physical structure in which low income tenants live. Failure to treat the common areas of a multi-unit building may undermine the effectiveness of treatment limited to the inside of a dwelling unit.~~** [DELETE IN ITS ENTIRETY]
49	**~~It is reasonable to use ESA Program fund for the subset of multifamily buildings dedicated to providing affordable housing to low-income Californians, including deed restricted, government and non-profit owned multifamily buildings, including common areas.~~** [DELETE IN ITS ENTIRETY]
50	**~~It is reasonable to fund from the ESA Program common area measures for multifamily buildings that has 80% verified low-income tenants, with funding up to 80% of total measure costs.~~** [DELETE IN ITS ENTIRETY]
91	**~~It is reasonable to mandate that all recipients of eligible ESA Program measures (except those on medical baseline) either enroll in a dynamic tariff or in a demand response program, when technically feasible.~~** [DELETE IN ITS ENTIRETY]
Conclusions of Law	
17	The IOUs should offer replacements of second refrigerators, as a measure to households with at least six people living in the household or with medical conditions that warrant such use (on medical baseline). The replacement should also occur when new unit is replacing is at least 25% more efficient than the unit it is replacing, after the customer has been offered education and the ability to recycle the second unit**<u>, if applicable</u>**. **<u>The refrigerator replacement eligibility requirement will be a 15-year rolling year replacement eligibility.</u>**
35	SCE's proposal to allow installing evaporative coolers in place of high energy using AC units in climate zones 10, 13, 14, 15, and 16 should be **~~denied because of the large water use and the overall drought conditions impacting California~~** **<u>approved</u>**.
49	SCE should **<u>work with SoCal Gas to determine the feasibility of</u>** offer**<u>ing</u>** HE Clothes

	Washers in the areas affected by Aliso Canyon, as the areas are determined and may be adjusted by the Commission's Energy Division, to reduce use of energy including natural gas for water heating, and water. **If installation of HE Clothes Washers is feasible,** SCE and SoCalGas should work together on how best to implement this measure in areas they both serve.
72	**~~The IOUs should conduct outreach to multifamily properties that are listed on the State Treasurer's website.~~** [DELETE IN ITS ENTIRETY]
73	**~~The IOUs should pursue MOUs with federal, tribal, local, non-profit, and others that own or manage multi-family housing for low-income Californians to leverage programs and encourage ESA participation.~~** [DELETE IN ITS ENTIRETY]
86	**~~Full funding for common area measures should occur for Government/non-profit/or deed restricted low-income multifamily housing~~**. ~~.~~ [DELETE IN ITS ENTIRETY]
87	Single Point of Contact should be used for the rest of the multi-family building stock**~~; if the non-restricted multi-family building has a verified 80% low-income population or above, then up to 80 of the funding for common area measures should come from the ESA Program~~**.
147	The IOUs should initiate a**n** **~~second~~** RFP that will procure a big data analytics vendor to develop CARE and non-CARE residential electric usage profiles and these profiles should segment the CARE population into groups that would see realized bill savings benefits from load shifting, critical peak pricing enrollment, time of use rates, or other demand response programs, and the IOUs should collaborate on the marketing, outreach and enrollment of these identified customers into CARE, ESA, and Demand Response programs.
Ordering Paragraphs	
5	**~~Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company shall require enrollment in either a demand response program or in a dynamic tariff in order to enroll a customer in an Energy Savings Assistance Program. The energy savings shall not count and the household shall not be considered treatment without enrollment in either the demand response or dynamic tariff programs. Customers on medical baseline are exempted from this requirement.~~** [DELETE IN ITS ENTIRETY]
11	Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall offer, to households with at least six people living in the household or with medical conditions that warrant such use (on medical baseline), a replacement program for a customer's second refrigerator pursuant to Rulemaking 13-11-005, after first offering the customer a rebate under the Appliance Recycling Program**, if available,** or if the new unit shall save at least 25% when compared with its replacement. **The refrigerator replacement eligibility requirement will be a 15-year rolling year replacement eligibility.**

SCE PROPOSED MODIFICATIONS TO PROPOSED DECISION FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDERING PARAGRAPHS

21	Southern California Edison Company**'s** (SCE**'s**) ~~**shall not replace inefficient air conditions with**~~ **proposal to install** evaporative coolers **as an alternative to existing Air Conditioners that consume more energy is approved** ~~**using Energy Savings Assistance Program funds**~~. SCE shall ~~**use central air conditioners on a pilot basis in**~~ **target installations to eligible customers who reside in hot and dry** Climate Zone**s (10,** 13**, 14, 15, and 16) where evaporative coolers are most effective**.
39	~~**Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company shall fund in the Energy Savings Assistance Program common area measures for the subset of multi-family buildings dedicated to providing affordable housing to low-income Californians, including deed restricted, government and non-profit owned multi-family buildings.**~~ [DELETE IN ITS ENTIRETY]
40	~~**Pacific Gas and Electric Company, Southern California Edison Company and San Diego Gas & Electric Company shall fund from the Energy Savings Assistance Program common area measures for multi-family buildings that has 80% verified low-income tenants, with funding up to 80% of total measure costs.**~~ [DELETE IN ITS ENTIRETY]
104	~~**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.**~~ **[DELETE IN ITS ENTIRETY]**
148	Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company and Southern California Gas Company shall file their next California Alternate Rates for Energy Program/Energy Savings Assistance Program applications no later than ~~June~~ **March** 1, ~~**2014**~~ **2019**.