



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

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Application of Southern California Edison  
Company (U 338E) 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

**REPLY OF SAN DIEGO GAS & ELECTRIC COMPANY TO PARTIES' OPENING  
COMMENTS ON THE PROPOSED DECISION AND THE ALTERNATE PROPOSED  
DECISION ON THE LARGE INVESTOR-OWNED UTILITIES' CALIFORNIA  
ALTERNATE RATES FOR ENERGY (CARE) AND ENERGY SAVINGS ASSISTANCE  
(ESA) PROGRAM APPLICATIONS**

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**I. INTRODUCTION**

Pursuant to Rule 14.3 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedures, San Diego Gas & Electric Company (SDG&E) respectfully submits its Reply to the Opening Comments filed in response to the Proposed Decision (PD) of Administrative Law Judge (ALJ) Anthony Colbert and the Alternate Proposed Decision (APD) of Commissioner Catherine Sandoval, issued on August 16, 2016.

While several parties submitted Opening Comments to both the PD and APD, SDG&E limits its response to specific issues raised by the Center for Accessible Technology (CforAT), Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas), Joint Comments of the National Consumer Law Center and the California Housing Partnership (NCLC/CHPC), the Greenlining Institute (Greenlining), and, Home Energy Analytics (HEA).

On September 9, 2016, SDG&E became aware that a revision to the APD was posted to the Commission's website which has not yet been served to the parties in this proceeding. SDG&E has incorporated a response to some of the amended directives identified in the redlined version of the revised APD. As acknowledged in the revised APD, certain items outlined in the summary of changes APD (at p. 362-365) are not addressed in the dicta, Findings of Fact,

Conclusions of Law, or the Ordering Paragraphs and the Commission anticipates making additional revisions to the APD. Therefore SDG&E has limited comments to multifamily issues in the revised APD because it has no other basis for providing comments not fully discussed in the revised APD. Therefore SDG&E requests that parties be given an opportunity to comment on any further revisions to the APD before it is finalized.

## **II. SDG&E RESPONSE TO SPECIFIC ISSUES RAISED BY PARTIES IN OPENING COMMENTS**

### **A. SDG&E Agrees That Certain Directives in the PD and APD Regarding the California Lifeline Program Are Not Supported by Record Evidence in This Proceeding**

SDG&E concurs with CforAT that both the PD and the APD issue directives that are not supported by record evidence.<sup>1</sup> CforAT opposes the Commission's authorizing CARE funding for Investor-Owned Utilities (IOUs) to: 1) that data sharing activities with California Lifeline providers are an effective use of ratepayer funds,<sup>2</sup> and, 2) the directive that the IOUs should use CARE funds to subsidize smartphones for Lifeline customers<sup>3</sup> since Lifeline customers already have access to smart phones through the Lifeline Program.

### **B. Greenlining's Request for IOUs to Revise & Resubmit Assembly Bill (AB) 793 Advice Letters Is Not within Scope and Should Be Rejected**

Greenlining recommends that the PD and APD be revised to direct the IOUs to include incentives for Energy Management Technologies (EMT) in the ESA Program, so as to comply with the requirements of AB 793.<sup>4</sup> Greenlining asserts that Advice Letters<sup>5</sup> filed by the IOUs on August 1, 2016 did not include meaningful proposals to incorporate EMT incentives for low income customers.<sup>6</sup> Contrary to these assertions, SDG&E's Advice Letter referenced the EMTs proposed in this proceeding and that it was awaiting the Commission's final decision on its proposed EMT measures.<sup>7</sup>

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<sup>1</sup> Opening Comments of CforAT at p. 10.

<sup>2</sup> PD OPs 91 & 93. APD OP 87 & 89.

<sup>3</sup> Opening Comments of CforAT at p. 12.

<sup>4</sup> Opening Comments of Greenlining at p. 7.

<sup>5</sup> SDG&E Advice Letter 2937-E/2500-G and Amended Advice Letter 2937-E-A/2500-G-A.

<sup>6</sup> Opening Comments of Greenlining at p. 7.

<sup>7</sup> EMTs proposed in SDG&E's Application included Tier II power strips and usage alerts and rate education for CARE customers.

Greenlining's request is not within the scope in this proceeding because Greenlining should have submitted a timely protest to the Advice Letters by August 21, 2016; however, Greenlining failed to do so. Greenlining should not now be permitted to circumvent the Commission's Advice Letter process and its request should be rejected accordingly.

**C. The Commission Should Use Caution in Adopting NCLC/CHPC's Recommendations on Multi-Family Issues to Ensure They Fully Align with the Commission's Intended Directives**

CHPC/NCLC asks the Commission to clarify that all multifamily in-unit or common area measures identified in an ASHRAE<sup>8</sup> audit be eligible for funding through the ESA Program.<sup>9</sup> SDG&E points out that measures that could be recommended through ASHRAE level 2 audits go beyond what is currently authorized for the ESA Program in both the PD and APD. As such, the Commission should reject NCLC/CHPC's request to revise the PD and APD to expand the list of ESA Program measures recommended in an ASHRAE level 2 audit.

NCLC/CHPC also asks the Commission to provide clear direction on the allocation of funds for multi-family complexes served through the ESA Program.<sup>10</sup> NCLC/CHPC recommends that the IOUs allocate 32% of the 2009-2015 unspent funds toward treating the "new" multi-family ESA Program component and 15-20% of those unspent ESA Program funds for government/non-profit deed-restricted multi-family housing. SDG&E opposes NCLC/CHPC's proposed revision to the multifamily funding allocations because it will give preferential and disparate treatment to deed-restricted multifamily housing over market rate multifamily housing.

While it appears that the revised APD adopts NCLC/CHPC's recommendation that a significant portion of the ESA Program's unspent funds should be allocated to treating deed-restricted multi-family housing, including common area measures, there are no provisions for how these activities should be funded once the unspent funds are expended. In addition, the Commission has failed to consider the impact this will have on those customers who fund the ESA Program through the PPP surcharge which includes CARE customers. The Commission should also evaluate whether it actually results in increased energy savings and the rate impact

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<sup>8</sup> American Society of Heating, Refrigerating and Air-Conditioning Engineers.

<sup>9</sup> Opening Comments of NCLC/CHP at p. 6.

<sup>10</sup> Opening Comments of NCLC/CHP at p. 8.

the additional subsidies used to fund replacement of common area measures will have on ratepayers and how they actually do directly benefit the low income residents.

SDG&E continues to oppose the directive requiring utilities to amend their agreements with multifamily property owners to stipulate that the landlord will not increase the rent or reduce the number of occupants for a period of four years. SDG&E has no (legal) authority to enforce this requirement in the event a landlord is in breach of the agreement.

The Commission also should clarify that the amount of unspent funds should be allocated based on each utility's unspent fund balances rather than allocated on a prorata basis or other allocation.

**D. The Commission Should Not Adopt TURN's Recommendation Regarding the Provision of Load Profile Data to Vendors**

SDG&E finds no reference to utilities needing to provide "load profile data to vendors" in D.12-11-025, a Decision associated with the direct participation of Demand Response Providers (DRPs) under Electric Rule 24 (at PG&E and SCE), and Rule 32 (at SDG&E). The utilities provide raw interval meter data to third parties only for their enrolled customers under their Rule 24/32 so that DR settlement payments can be made based on specific customers' actual load drop, and the data is not a load profile. Load profiles are the result of analytics being applied to the raw data, and descriptive of what kinds of major appliances are used ("disaggregation"), and/or at what times of the day a customer's load may peak, or dip, in order to match them to EE or DR programs, or to make sure they are on the right rate. Under D.12-11-025, the IOUs provide the enrolled customers' actual usage data, it is not anonymous and, thus, is given only at the customer's request or with their express permission through a formal request (DRP-CISR form). Instead, anonymized load profiles, as required in the PD and APD, could be provided to potential DRAM bidders to aid them in customer recruitment by segments and thereby protecting our customers' privacy.

**E. SDG&E Is Wary of HEA's Comments Regarding AMI Analytics Software**

SDG&E urges caution in considering the assertion of Home Energy Analytics (HEA) that the use of their software, which analyzes household energy use using AMI data, will increase the cost effectiveness of the ESA program. SDG&E submits that this assertion is misleading as it does not take into account the additional implementation costs required to analyze individual households on an ongoing basis and to incorporate that strategy into program implementation and reporting. Both costs and benefits need to be considered when assessing the cost

