

BEFORE THE PUBLIC UTILITIES COMMISSION OF
THE STATE OF CALIFORNIA



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Application of Pacific Gas and Electric Company for Approval of 2013-2014 Statewide Marketing, Education and Outreach Program and Budget. (U 39 M)
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Application 12-08-007
(Filed August 2, 2012)

And Related Matters.

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

**COMMENTS OF THE CENTER FOR ACCESSIBLE TECHNOLOGY AND THE
GREENLINING INSTITUTE ON RULING OF ASSIGNED COMMISSIONER
SOLICITING COMMENTS ON WINTERTIME MARKETING**

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I. INTRODUCTION

As directed in the Ruling of the Assigned Commissioner Soliciting Comments on Wintertime Marketing (Winter Marketing ACR) issued on September 28, 2016, the Center for Accessible Technology (CforAT) and the Greenlining Institute (Greenlining) jointly submit these comments to address the limited issue of funding for any wintertime marketing that may be ordered. All funding for any such marketing activities should come from shareholders, not ratepayers.

II. DISCUSSION

CforAT and Greenlining take no position on whether funding should be ordered or in what amount. Neither CforAT nor Greenlining have had resources to evaluate whether the money spent on customer education and/or Flex Alert paid messaging during the summer was effective in reducing the demand for natural gas and preventing disruptions for customers due to the leak at Aliso Canyon, which also limits our ability to evaluate whether additional expenditures would be effective to promote winter conservation.¹

While we do not specifically take a position on additional winter expenditures, CforAT and Greenlining maintain our position set forth for the Commission's previous consideration and adopted in D. 16-04-039, that any evaluation of the need for expanded educational efforts promoting conservation in light of the leak at Aliso Canyon should be taken with a view toward pure "effectiveness" over "cost effectiveness." In particular, CforAT and Greenlining noted in our summer comments that, in an emergency situation, "action that has some level of effectiveness in reducing demand may be appropriate, even

¹ The Commission's prior decision authorizing summer spending to promote conservation included reporting and assigned Energy Division to lead an evaluation of the effectiveness of the summer campaign, though it did not include a timeline for the evaluation to be complete. *See* D.16-04-039 at p. 29, OPs 6-7. CforAT and Greenlining understand that this evaluation is not yet complete; to the extent that any interim evaluation has taken place, CforAT and Greenlining are unaware of any conclusions that may have been reached.

without a clear determination of cost-effectiveness.”² The Commission agreed.³ This modification to the standard balance is particularly appropriate when shareholder funding is used.

The Winter Marketing ACR does not directly address the source of funding to support potential increased customer education or potential paid Flex Alert messaging. However, as with funding for summer conservation efforts, CforAT and Greenlining believe that any additional measures that may be ordered for winter should be funded by shareholders, not ratepayers. As CforAT and Greenlining noted in addressing concerns about shortfalls this past summer, SoCalGas has an obligation to operate its system so that it is safe and reliable. The Commission sets rates and ensures that the utility receives revenue sufficient to satisfy this obligation. To the extent that SoCalGas has failed to operate the Aliso Canyon facility in a safe manner, leading to the natural gas leak that is causing reliability concerns (as well as environmental concerns and health and safety concerns for consumers), it is not appropriate to ask ratepayers to provide additional funding to respond to the problems that result.⁴

CforAT and Greenlining recognize that the Commission in D.16-04-039 specifically declined to make a final determination as to whether the funding for conservation measures would ultimately be the responsibility of shareholders or ratepayers, while noting that the Governor has directed the Commission “to ensure that SoCalGas covers costs related to the natural gas leak and its response while protecting ratepayers.”⁵ In its earlier decision, the Commission thus ordered SoCalGas to track its

² Comments of the Center for Accessible Technology and the Greenlining Institute on Ruling of Assigned Commissioner (Joint Comments on ACR), filed on March 25, 2016 at p. 2.

³ D.16-04-039 at p. 18 (“the unique nature of the challenge facing the Los Angeles Basin this summer argues for drawing a distinction between “cost-effectiveness” and “general effectiveness,” and action that has some level of effectiveness in reducing demand may be appropriate, even without a clear, before-the-fact, determination of cost-effectiveness”).

⁴ Joint Comments on ACR at p. 6.

⁵ D.16-04-039 at p. 21.

costs while deferring any determination of responsibility for those costs “until a future proceeding that can examine all aspects of the Aliso Canyon leak and its aftermath at one time.”⁶ If the Commission again declines to make a determination of shareholder responsibility at this time, at minimum it must make clear that it will similarly evaluate whether any additional spending it may order will be the responsibility of shareholders in such a future proceeding.

III. CONCLUSION

CforAT and Greenlining take no position on whether the Commission should direct SoCalGas to fund additional paid Flex Alert messaging and/or ME&O efforts to support conservation in the area impacted by the closure of Aliso Canyon at this time. To the extent that the Commission orders SoCalGas to take further action, the funding should come from shareholders, not ratepayers.

Respectfully submitted,

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⁶ *Id.* at p. 22.