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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

In the Matter of the application of San Diego
Gas & Electric Company (U 902 E) for
Adoption of its Smart Grid Deployment Plan

Application 11-06-006
(Filed June 6, 2011)

And Related Matters.

Application 11-06-029
Application 11-07-001

**RESPONSE OF THE NATIONAL ASIAN AMERICAN COALITION (NAAC),
BLACK ECONOMIC COUNCIL (BEC), AND LATINO BUSINESS CHAMBER
OF GREATER LOS ANGELES (LBCGLA) TO THE APPLICATIONS FOR
APPROVAL OF SMART GRID DEPLOYMENT PLANS**

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National Asian American Coalition

Jorge Corralejo, Chairman and President
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August 4, 2011

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Pursuant to Rules 1.9, 1.10, and 2.6 of the California Public Utilities Commission’s (CPUC’s) Rules of Practice and Procedure, the Black Economic Council, Latino Business Chamber of Greater Los Angeles and the National Asian American Coalition (cumulatively “joint parties”) hereby submit their response in the above-captioned proceedings (cumulatively “applications”). This response is timely filed according to the Administrative Law Judge’s Ruling of July 25th, which indicated that protests and responses to the applications are permitted and due filed on August 4, 2011.

The Joint Parties are three minority businesses and consumer groups that represent the interests of minority business-owners and have participated in numerous proceedings before the CPUC.

The Joint Parties have many apprehensions regarding the actual effectiveness of Smart Grid efforts directed at and intended to benefit minority and other underserved communities. However, we have no doubt as to the potential benefit of Smart Grid programs if they are launched in a “smart” and inclusive fashion.

Using Pacific Gas & Electric's (PG&E's) unfortunate Smart Meter crisis as an example of what not to do, and also of what can be done to ensure that all communities are beneficiaries of the Smart Grid programs, we offer the following.

I. THE INEFFECTIVENESS OF PG&E COMMUNITY OUTREACH EFFORTS ON SMART METERS SHOULD NOT BE REPEATED.

Without intending to criticize PG&E's recent laudable efforts, the community education and outreach used by PG&E for Smart Meters was grossly ineffective. As a result, a broad range of community groups improperly criticized Smart Meters as dangerous, useless or creating health hazards. In contrast, San Diego Gas and Electric, for example, initially brought in all segments of the community and made efforts to ensure that all communities understood the purposes and benefits of Smart Meters.

Additionally, once PG&E learned about the perceived problems, it did too little to enlist strong and effective community support.

Four lessons that could be applied to Smart Grid that can be learned from Smart Meters could be summarized as follows:

- Ensure that major community education, outreach and implementation programs are instituted in advance of launching any product;
- Ensure that the most underserved communities fully understand the benefits of new products;
- Ensure that the underserved communities understand and have the ability to implement and receive the benefits of any new Smart Grid program; and
- Before launching any program, bring in community leaders not just from the environmental and traditional middle class community organizations, but also from the key minority and underserved communities who represent 60% or more of the rate payers.

II. THE UTILITIES SHOULD CONDUCT COMPREHENSIVE OUTREACH AND EDUCATION IN ORDER TO MAXIMIZE CONSUMER

COMMUNICATION AND RELATIONS IN UNDERSERVED AND MINORITY COMMUNITIES.

It appears that the utility companies are relying primarily on the internet for Smart Grid outreach initiatives; however, these outreach initiatives should not be limited to the internet since this excludes large portions of the low-income community from accessing the information that is available to other customers. Since the combined programs of all the utilities could cost the ratepayers \$5 billion over the next decade, we would urge that a minimum of five percent of the estimated costs be allocated for the above outreach and community education implementation programs to be directed at underserved communities.

This 5% funding for outreach and community education programs should be allocated primarily to community-based organizations that focus on underserved and low-income communities, who ordinarily do not have the benefit of other internet-based outreach materials. This is a modest sum given that it is quite possible that outreach to these communities could result in a major reduction in the costs of implementation of these Smart Grid programs and could actually produce substantial cost savings over time.

To ensure the initial proceedings are inclusive of the underserved communities who have often failed to benefit from otherwise laudable CPUC energy objectives, we urge that each of the utilities submit within thirty days an initial comprehensive plan, which includes allocations and details on how they will work with community-based organizations focused on underserved communities. In examining past failures of otherwise laudable programs to benefit underserved communities, consider, for example, the multibillion dollar CPUC solar energy subsidies that are directed almost solely to the most affluent Californians and the Air Resources Board's unfortunate focus on subsidizing electric cars in a fashion that excludes all low and moderate income families from participation.

Objective measurements for success of the Smart Grid programs are ambiguous at this stage. After meeting with all the parties, we will urge the adoption of specific energy cost savings and energy reduction goals that should be annually measured and reported. These

goals should include specific goals that are within the Low Income Oversight Board's ("LIOB") purview that includes all CARE recipients.

Additionally, the Smart Grid implementation, much like the electric procurement program, must focus on meeting the goals of the May 5th OIR on diversity.

III. CONCLUSION

The Joint Parties recognize the complexity and preparation required to implement Smart Grid systems in California. However, the Smart Grid system will be under-utilized and ineffective without the proper community outreach and education, especially for underserved and low-income communities. By allocating funding to the specific needs of underserved communities, the utilities not only ensure enhanced customer communication, but also ensure proper usage of their new systems.

Dated: August 4, 2011

Respectfully submitted,

/s/ Len Canty
Len Canty, Chairman
Black Economic Council

/s/ Faith Bautista
Faith Bautista, President and CEO
National Asian American Coalition

/s/ Jorge Corralejo
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