



**FILED**  
3-15-17  
04:59 PM

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

Application of San Diego Gas & Electric  
Company (U 902 E) For Authority To  
Implement Optional Pilot Program To Increase  
Customer Access To Solar Generated  
Electricity

Application No. 12-01-008  
(Filed January 17, 2012)

And Related Matters

Application No. 12-04-020  
Application No. 14-01-007

**ANNUAL GTSR PROGRAM PROGRESS REPORT OF SAN DIEGO GAS &  
ELECTRIC COMPANY (U 902-E)**

E. Gregory Barnes  
*Attorney for*  
**SAN DIEGO GAS & ELECTRIC COMPANY**  
8330 Century Park Court, CP32D  
San Diego, CA 92123  
Telephone: (858) 654-1583  
Facsimile: (619) 699-5027  
Email: [gbarnes@semprautilities.com](mailto:gbarnes@semprautilities.com)

March 15, 2017

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

Application of San Diego Gas & Electric  
Company (U 902 E) For Authority To  
Implement Optional Pilot Program To Increase  
Customer Access To Solar Generated  
Electricity

Application No. 12-01-008  
(Filed January 17, 2012)

And Related Matters

Application No. 12-04-020  
Application No. 14-01-007

**ANNUAL GTSR PROGRAM PROGRESS REPORT OF SAN DIEGO GAS &  
ELECTRIC COMPANY (U 902-E)**

Pursuant to Decision 15-01-051 (the “Decision”) San Diego Gas & Electric (“SDG&E”) files this annual progress report, reporting activity during calendar year 2016. The Decision requires the participating utilities to file an annual Green Tariff Shared Renewables (“GTSR”) Program Progress Report<sup>1</sup> every March 15 starting in 2016 and ending in 2019 with the following components:<sup>2</sup>

- Enrollment reporting, including “available capacity” data at the most detailed level feasible, updated monthly, with the precision of the information increasing over time;
- A one-page summary tracking the amount and cost of generation transferred between the Renewables Portfolio Standard (“RPS”) and GTSR Program;
- A summary of GTSR revenue and costs;

---

<sup>1</sup> Decision at 182, ordering paragraph 10.

<sup>2</sup> Decision at 141-142.

- A summary of advisory group or advising network activities, including information regarding frequency of meetings, topics discussed, and any other relevant information;
- A marketing report, containing the elements listed in Section 7 of the Decision;<sup>3</sup>
- A Community Choice Aggregation (“CCA”) Code of Conduct report, including a summary of marketing or lobbying efforts that are, or could reasonably be interpreted to be, subject to the CCA Code of Conduct;
- Supplier diversity activity;
- A summary of California Alternative Rates for Energy (“CARE”) enrollment, including location of CARE customers in relation to areas eligible for environmental justice (“EJ”) projects or planned EJ projects;
- Reports of fraud or misleading advertisements received through meetings with the advisory group or advising network; and
- If available, customer profile information and a summary of enrollment figures for low-income customers and subscribers who speak a language other than English at home.

SDG&E hereby submits its annual GTSR Program Progress Report for activities occurring in 2016.

## **I. 2016 AVAILABLE CAPACITY DATA**

The Decision sets a target capacity for SDG&E’s collective GTSR Program of 59 MW, with 10 MW reserved to come from EJ facilities and a 10 MW goal for capacity to be available

---

<sup>3</sup> *Id.* at 132-140.

for residential customers.<sup>4</sup> Table 1 presents the renewable capacity procured specifically for the Green Tariff (“GT”) and Enhanced Community Renewables (“h”) components of the GTSR Program.<sup>5</sup>

**Table 1. GTSR Procurement Totals (all values in MW)**

<b>Category</b>	<b>Target Capacity</b>	<b>GT Procured to Date</b>	<b>ECR Procured to Date</b>	<b>Capacity Remaining</b>
Unrestricted Sources	49	0 <sup>6</sup>	0	49
EJ Reservation	10	0	0	10
<b>Totals</b>	<b>59</b>	<b>0</b>	<b>0</b>	<b>59</b>

GTSR customer enrollment data is presented in Table 2, showing 2016 subscribed generation capacity for GT and ECR by month.

<sup>4</sup> *Id.* at 4-6.

<sup>5</sup> For reference, SDG&E markets the GT component as EcoChoice<sup>SM</sup> and the ECR component as EcoShare<sup>SM</sup>.

<sup>6</sup> The 20 MW project SDG&E procured for GT terminated, effective January 1, 2017. *See* Table 1, p. 2 of SDG&E monthly report for December 2016.

**Table 2. 2016 GTSR Customer Enrollment Summary (all values in MW)**

<b>Month</b>	<b>GT Subscribed Capacity</b>	<b>ECR Subscribed Capacity</b>
January	0	0
February	0	0
March	0	0
April	0	0
May	0	0
June	0	0
July	0	0
August	0	0
September	0	0
October	0	0
November	0.0277	0
December	0.0466	0

The GT component of SDG&E's GTSR Program opened for enrollment in November 2016. Enrollment during this period was limited to SDG&E employees in an effort to ensure billing system enhancements were functioning properly. GT enrollment was opened to the public within SDG&E's service territory on January 5, 2017.

GT subscribed capacity is calculated using 12 months of historical energy usage and the applicable GT subscription level for each enrolled customer. In conjunction with the weighted average capacity factor for all projects included in SDG&E's Interim Pool, the sum of customer purchased renewable energy is converted into an equivalent amount of renewable generation (i.e. subscribed capacity).<sup>7</sup>

Customers with a new service agreement lack 12 months of historical energy usage. In these instances, the customer's average monthly energy consumption is calculated and used to

---

<sup>7</sup> AL 2853-E specifies the facilities currently included in SDG&E's Interim Pool.

estimate the amount of energy the customer is likely to consume over an entire 12-month period. As historical usage for these customers becomes available, it will be reflected in the monthly and annual reporting, resulting in a more precise estimate of GT subscribed capacity.

The ECR component of SDG&E's GTSR Program did not have any subscribed capacity in 2016. SDG&E is continuing to accept marketing materials from interested solar developers who wish to participate in the ECR component.

Available capacity for GTSR customer enrollment is limited in two ways:

1. By the generating capacity of solar facilities procured specifically to serve the GTSR program, because customers "will be served exclusively from those resources" when they are brought online.<sup>8</sup>
2. By SDG&E's overall GTSR target of 59 MW, of which 10 MW is reserved for residential customers.

## **II. GENERATION TRANSFERRED BETWEEN RPS AND GTSR**

Customers enrolled in the GT component of SDG&E's GTSR Program purchased 7.05 MWh of renewable generation from the GT Interim Pool in 2016. Costs associated with this generation totaled \$652.55 and were calculated by multiplying the purchased renewable generation by the cost per MWh of charges associated with:

- Generation from the GT Interim Pool based on the weighted average contract price of participating facilities;
- Western Renewable Energy Generation Information System ("WREGIS"); and
- California Independent System Operator ("CAISO") Grid Management Charges.

---

<sup>8</sup> *Id.* at 41. SDG&E will serve any GT demand in excess of the generation capacity of its dedicated GT project(s) with generation from its Interim Pool until (an) additional dedicated GT project(s) can be brought online to serve this demand.

### III. REVENUE AND COSTS

In 2016, SDG&E incurred \$1,350,185 in non-commodity expenses related to developing and implementing the GTSR Program. Administration expenses are split between the two categories of information technology and program management. Expenses were also incurred in 2016 for marketing, education, and outreach. Table 3 summarizes non-commodity expenses by category and revenues are summarized in Table 4.

**Table 3. 2016 GTSR Expenditure Summary (non-commodity)<sup>9</sup>**

<b>Memorandum Account</b>	<b>SDG&amp;E Internal Order</b>	<b>Description</b>	<b>2016 Expenditures</b>	<b>Program Total Expenditures</b>
GTSR Administrative Costs Memorandum Account (“GTSRACMA”)	7078688	GT Information Technology	\$730,702	\$1,031,654
	7078689	ECR Information Technology	\$391,063	\$481,426
	7078690	GT Program Management	\$101,347	\$120,894
	7078691	ECR Program Management	\$37,072	\$55,185
GT Marketing, Education, & Outreach Memorandum Account (“GTME&OMA”)	7078692	GT Marketing and Outreach	\$87,856	\$88,443
ECR Marketing, Education, & Outreach Memorandum Account (“ECRME&OMA”)	7078693	ECR Marketing and Outreach	\$2,145	\$2,714
<b>Total</b>			<b>\$1,350,185</b>	<b>\$1,780,316</b>

**Table 4. 2016 GTSR Revenue Summary (non-commodity)**

<b>Memorandum Account</b>	<b>2016 Revenue</b>	<b>Total Revenue</b>
GTSRACMA	\$27	\$27
GTME&OMA	\$9	\$9
ECRME&OMA	\$0	\$0
<b>Total</b>	<b>\$36</b>	<b>\$36</b>

<sup>9</sup> In 2016, interest was booked to the GTSR Program memorandum accounts as follows:

GTSRACMA	GTME&OMA	ECRME&OMA
\$4,979	\$165	\$8

Commodity related revenues and expenses for the GT and ECR components are recorded in the Green Tariff Shared Renewables Balancing Account (“GTSRBA”). The GTSRBA recorded a total under-collected balance of \$95 at the end of 2016, which is broken down by subaccount in Table 5.

**Table 5. 2016 GTSRBA Summary (non-commodity)**

<b>Account</b>	<b>2016 Revenue</b>	<b>2016 Expenses</b>	<b>(Over) / Under Collection</b>
GT Subaccount	\$95 <sup>10</sup>	\$0 <sup>11</sup>	\$95
ECR Subaccount	\$0	\$0	\$0
<b>Total</b>	<b>\$95</b>	<b>\$0</b>	<b>\$95</b>

#### **IV. SUMMARY OF ADVISORY GROUP ACTIVITIES**

On April 8, 2016, SDG&E’s GTSR Advisory Network convened for a meeting. Topics covered include an update on SDG&E’s GT and ECR offerings, a demonstration of posted marketing information for potential third-party ECR developers, a discussion on select findings from SDG&E’s recently completed market research for the GT component, and additional program updates. The Advisory Network provided feedback and asked questions that may be referenced in Exhibit A.<sup>12</sup>

As the GTSR program was launched in November 2016, additional meetings with the Advisory Network were not convened in 2016. Advisory Network meetings will resume in early 2017 and include discussion and obtaining meaningful feedback on customers’ experience with

<sup>10</sup> The total revenue for the GT component in 2016 shows up as an under-collected balance due to negative revenue.

<sup>11</sup> The \$652.55 in expenses associated with generation transferred from the GT Interim Pool in December 2016 will show up in GTSRBA activity for January 2017.

<sup>12</sup> In Exhibit A, the materials for the advisory group meeting of April 8, 2016, refer to the previous branding of SDG&E’s GTSR program, connected to the Sun, SunRate and Share the Sun. These program names were changed after D.16-05-006 required expanding eligible resources to renewables other than solar.



the rates, enrollment process feedback, marketing and outreach efforts, among other topics. Further discussion will focus on ECR solicitations and program activity to date.

## **V.     MARKETING REPORT**

As planned, SDG&E conducted GT market research in the first quarter of 2016 to establish a customer profile for those with a propensity for enrolling in the program and to determine what messages and benefits would be most effective at motivating customer consideration and adoption of the program. The research indicates a potential obstacle for enrollment is likely when the customer believes the program would be an additional expense. Heightened interest in the program stems from the perception that enrollment would result in a bill savings. This research helped SDG&E develop updated messaging stating that the cost of enrollment is a “small premium every month” as well as insights to help develop other messaging. Responders were presented with eight messages with various benefit statements. The benefits, which responders ranked as resonating most, included:

- There are no upfront costs for subscribers to enroll;
- Participating will help decrease greenhouse gas emissions and support the environment;
- Participating provides a way for the customer to use more renewable energy without installing solar panels; and
- Participating increases renewable energy in the San Diego region.

The benefit with the most appeal to responders was “no upfront costs.” As more of SDG&E’s marketing activities come to fruition in 2017, this statement will play a prominent role in messaging. The research also helped supplement SDG&E’s segmentation strategy as

respondents most interested in enrolling in the program tended to be at a higher income level, and were college graduates with graduate school (or higher) degrees.

Marketing and outreach activities in support of the GT program that occurred in 2016 include:

- Updating SDG&E's website, <https://www.sdge.com/environment/connected-to-the-sun/ecochoice>, and <https://www.sdge.com/environment/connected-to-the-sun/ecoshare> with new program information, including a customer interest list for those interested in learning when the GT program would launch;
- Initiating an SDG&E employee recruitment campaign;
- Bill message promotion that included GT messaging on all customer bills;
- Business customer marketing through the SDG&E Account Executive newsletter which goes to large commercial and industrial customers with assigned account executives;
- Presentations to large commercial and industrial customers concerning the GT and ECR options; and
- Including GT promotional materials alongside those for other SDG&E programs at 76 residential outreach events across the service territory with a total estimated attendance of 13,069 people.

SDG&E marketing staff also worked in 2016 to develop a mass awareness campaign for Q1 2017, consisting of marketing to the targeted segment discussed above, as well as digital advertising, email campaigns and some targeted direct touch canvassing (consisting of live calls or door-to-door outreach) in low income areas. These activities will be included in the annual report for the 2017 program year.

## **VI. CCA CODE OF CONDUCT REPORT**

The Decision provides that, if applicable, SDG&E is to summarize “any marketing or lobbying efforts that are, or could reasonably be interpreted to be, subject to the CCA Code of Conduct.” Consistent with the Decision, SDG&E cannot selectively market GTSR to areas where CCA exists or where a CCA implementation plan has been adopted by a local authority. SDG&E has not engaged in any such impermissible marketing or lobbying efforts. Instead, SDG&E commenced broad marketing and outreach activities in 2016. Additionally, there is no CCA or local authority that has adopted a CCA implementation plan within SDG&E’s service territory.

## **VII. SUPPLIER DIVERSITY**

In 2016 SDG&E had no procurement from diverse business enterprises (“DBEs”) for the GTSR Program. SDG&E encourages such activity with DBEs, as defined in G.O. 156, to participate in all solicitations. SDG&E has dedicated representatives to provide information for DBEs and assist them in the DBE process. When companies express an interest to participate in a solicitation, SDG&E tracks whether that company is a DBE and follows up with them in future solicitations. In addition, SDG&E makes a significant effort to highlight the importance of DBEs in its bidder’s conferences.

## **VIII. SUMMARY OF CARE ENROLLMENT**

No CARE customers enrolled in SDG&E’s GTSR Program during the limited release to SDG&E employees in 2016.

## **IX. REPORTS OF FRAUD OR MISLEADING ADVERTISEMENT**

One report of fraud or misleading advertising was received in 2016.<sup>13</sup> On December 02, 2016, a customer called SDG&E's Customer Contact Center regarding sales tactics used by someone whom he believed to be an employee of SDG&E. Per the customer's account of the incident, the individual representing himself as an SDG&E employee:

- Initially said he was there to discuss SDG&E's "new ECR program";
- Upon entering the home quickly informed the customer that they were not eligible for SDG&E's ECR program; and
- Took photos of the customer's home and scheduled a site visit with a solar installation company against the customer's wishes.

Upon investigation, it was determined that the individual in contact with the customer was fraudulently representing himself as an employee of SDG&E to gain the customer's trust and aggressively push the installation of a rooftop solar system. SDG&E takes such fraudulent activity very seriously and an internal security report has been filed for this incident. SDG&E will continue to monitor for such activity. However, SDG&E has not received any reports of fraud or misleading advertising from true ECR developers who have submitted marketing materials to date for review by SDG&E, nor is SDG&E aware of any such practices at this time.

As stated on the ECR website at [www.sdge.com/EcoShare](http://www.sdge.com/EcoShare), customers wishing to report such activates can contact SDG&E at 1-800-411-7343 or [CTTS@sdge.com](mailto:CTTS@sdge.com).

---

<sup>13</sup> This report was not received through the Advisory Network as the annual reporting requirement is defined, but is included for awareness.

## **X. CUSTOMER PROFILE INFORMATION**

In 2016, as also mentioned above in Section VIII, no customers enrolled in the GT component were identified as customers on CARE indicating they may be low-income. SDG&E also notes whether residential customers signing up for rates speak a language other than English at home. To date, SDG&E has not recorded any participants in the GT rate as speaking a language other than English at home. As stated, the ECR component was not open for customer enrollment in 2016 because the first ECR solicitation was held in September 2016 and there are no developers with an active ECR power purchase agreement. Thus, SDG&E has no profile information on ECR participants.

SDG&E looks forward to growing this program in 2017.

SDG&E requests that the Commission accept this annual progress report.

Sincerely,

SAN DIEGO GAS & ELECTRIC COMPANY

/s/ Scott B. Crider

Scott B. Crider

San Diego Gas & Electric Company

Vice President – Customer Services

DATED at San Diego, California, this 15<sup>th</sup> day of March, 2017