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Implement Optional Pilot Program To
Increase Customer Access To Solar
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Application No. 12-01-008
(Filed January 17, 2012)

And Related Matters

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**ANNUAL GTSR PROGRAM PROGRESS REPORT OF SAN DIEGO GAS &
ELECTRIC COMPANY (U 902-E) FOR ACTIVITIES OCCURRING IN 2019**

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March 16, 2020

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ANNUAL GTSR PROGRAM PROGRESS REPORT OF SAN DIEGO GAS & ELECTRIC COMPANY (U 902-E) FOR ACTIVITIES OCCURRING IN 2019

Pursuant to Decision 15-01-051 (“Decision”) San Diego Gas & Electric Company (“SDG&E”) files this annual progress report, reporting activity during the 2019 calendar year. The Decision requires the participating utilities to file an annual Green Tariff Shared Renewables (“GTSR”) Program Progress Report¹ every March 15 starting in 2016 and the ending date was since removed by Senate Bill 840, passed in September 2016, which extended the operation of the program indefinitely. Resolution E-5028 (“Resolution”) made minor changes to the components of this GTSR Annual Program Progress Report, most notably removing the annual marketing report and moving it to the MIAL², as well as attaching the Annual GTSR 20 Year Forecast.³ This report includes the following components:

- Enrollment reporting, including “available capacity” data at the most detailed level feasible, updated monthly, with the precision of the information increasing over time;

¹ Decision at 182, Ordering Paragraph 10.

² Decision at 180, Ordering Paragraph 6.

³ Resolution E-5028, Ordering Paragraph 6.

- 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;
- A summary of advisory group or advising network activities, including information regarding frequency of meetings, topics discussed, and any other relevant information;
- 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 2019.

I. 2019 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

for residential customers.⁴ Table 1 presents the renewable capacity procured specifically for the Green Tariff (“GT”) and Enhanced Community Renewables (“ECR”) components of the GTSR Program.⁵ New GTSR procurement during 2019 consisted of no new projects to serve the GT component, as well as no new projects to serve the ECR component. The lack of GTSR procurement in 2019 was driven by the regulatory guidance to not begin any new solicitations after January 31, 2018⁶ unless an IOUs GTSR programs had been extended. SDG&E’s GTSR program was officially extended in September 2019 via Resolution E-5028,⁷ which also initiated several procurement related changes to the programs.

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

Category	Target Capacity	GT Procured to Date	ECR Procured to Date	Capacity Remaining
Unrestricted Sources	49	40	2.4	6.6
EJ Reservation	10	0	0	10
Totals	59	40	2.4	16.6

GTSR customer enrollment data is presented in Table 2, showing 2019 subscribed generation capacity for GT and ECR by month. Beginning in 2018 SDG&E had limited commercial enrollment in the GT component to 42 MW, in an effort to maintain available capacity for the ECR component, and to help ensure the 10 MW residential customer reservation established for the GTSR Program can be met. Amid slowing program enrollment and the inability to solicit for ECR programs, in Q3 of 2019 SDG&E reopened the unrestricted GTSR

⁴ *Id.* at 4-6.

⁵ For reference, SDG&E markets the GT component as EcoChoiceSM and the ECR component as EcoShareSM.

⁶ Decision at 33.

⁷ Resolution at 48, Ordering Paragraph 2.

program capacity to GT commercial customers. This resulted in 46.31 MW of commercial customer enrollment in the GT component by 12/31/20.

SDG&E has reserved 2.4 MW of unrestricted GTSR program capacity for the single ECR project that has been approved by the commission effective June 17, 2018. At the time that the ECR contract was approved there was no residential enrollment requirement for individual ECR projects, therefore SDG&E must manage GTSR program capacity such that the approved ECR project could enroll 2.4 MW of business customers if that is the ECR developer's intent.

The remaining GTSR Program capacity is currently available to residential customers looking to subscribe to the GT component, and to potential ECR customers.

Table 2. 2019 GTSR Customer Enrollment Summary (all values in MW)

Month	GT Subscribed Capacity	ECR Subscribed Capacity
January	44.331	0
February	44.331	0
March	44.307	0
April	44.470	0
May	44.199	0
June	44.114	0
July	43.727	0
August	43.278	0
September	43.725	0
October	48.386	0
November	50.298	0
December	50.50	0

The GT component of SDG&E's GTSR Program opened for enrollment in November 2016. 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 designated GT and Interim Pool projects, the sum of customer

purchased renewable energy is converted into an equivalent amount of renewable generation (i.e. Subscribed Capacity).⁸

Customers with a new service agreement will lack 12 months of historical energy usage. In these instances, the customer's average monthly energy consumption is calculated and used to 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 quarterly reporting resulting in a more precise estimate of GT Subscribed Capacity over time.

The ECR component of SDG&E's GTSR Program did not have any subscribed capacity in 2019. SDG&E did not hold any GTSR solicitations in 2019 due to the regulatory requirement that IOUs gain approval of extending their GTSR programs beyond January 1, 2019 via a Tier 3 Advice Letter⁹, as well as the eventual approval of SDG&E's GTSR extension on September 26 2019¹⁰. With approval of SDG&E's GTSR programs in late 2019¹¹ and the subsequent changes reflected in the GTSR programs, SDG&E is now set to resume program procurement activity in 2020. To date SDG&E has accepted marketing materials from six interested solar developers who wish to participate in the ECR component.

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

⁸ AL 2853-E specifies the facilities currently included in SDG&E's Interim Pool.

⁹ Decision at 182, Ordering Paragraph 13.

¹⁰ Advice Letter 3168-E.

¹¹ Resolution E-5028.

1. By the generating capacity of solar facilities procured specifically to serve the GTSR program, since customers “will be served exclusively from those resources” when they are brought online.¹²
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 87,617 MWh of renewable generation from the GT Interim Pool in 2019. Costs associated with this generation totaled \$8,347,521 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 (GMC).

III. REVENUE AND COSTS

In 2019, SDG&E incurred \$132,445 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 2019 for marketing, education, and outreach. Table 3 summarizes non-commodity expenses by category and revenues are summarized in Table 4.

¹² Decision 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.

Table 3. 2019 GTSR Expenditure Summary (non-commodity)¹³

Memorandum Account	SDG&E Internal Order	Description	2019 Expenditures	Program Total Expenditures
GTSR Administrative Costs Memorandum Account (GTSRACMA)	7078688	GT Information Technology	\$0	\$1,253,377
	7078689	ECR Information Technology	\$0	\$553,763
	7078690	GT Program Management	\$44,499	\$343,334
	7078691	ECR Program Management	\$75,764	\$200,009
GT Marketing, Education, & Outreach Memorandum Account (GTME&OMA)	7078692	GT Marketing and Outreach	\$12,182	\$282,157
ECR Marketing, Education, & Outreach Memorandum Account (ECRME&OMA)	7078693	ECR Marketing and Outreach	\$0	\$2,828
Total			\$132,445	\$2,635,468

Table 4. 2019 GTSR Revenue Summary (non-commodity)

Memorandum Account	2019 Revenue	Total Revenue
GTSRACMA	\$489,005	\$898,617
GTME&OMA	\$148,450	\$272,790
ECRME&OMA	\$0	\$0
Total	\$637,455	\$1,171,407

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 small total under-collected balance of \$1,999,756 at the end of 2019, which is broken down by

¹³ In 2019, interest was booked to the GTSR Program memorandum accounts as follows:

GTSRACMA	GTME&OMA	ECRME&OMA	GTSRBA
\$39,268	\$1,978	\$65	\$19,560

subaccount in Table 5. The 2019 under collection shown below is largely the result of an unexpected delay to the commercial operation date of SDG&E's 2nd dedicated GT contract, which resulted in additional commodity expenses during 2019.

Table 5. 2019 GTSRBA Summary

Account	2019 Revenue	2019 Expenses	(Over) / Under Collection
GT Subaccount	\$8,535,739	\$10,535,495	\$1,999,756
ECR Subaccount	\$0	\$0	\$0
Total	\$8,535,739	\$10,535,495	\$1,999,756

IV. SUMMARY OF ADVISORY GROUP ACTIVITIES

In 2019 SDG&E's GTSR program did not host a formal meeting with the GTSR Advisory Group due to the uncertainty of the program extension request and potential program changes. SDG&E's 2019 advisory activity was instead focused around our community outreach and work with our Energy Solutions Partner Network.

Outreach

Outreach and engagement through SDG&E's wide network of partnerships and customer relationship management through our team of Account Executives played a crucial role in reaching customers. Outreach efforts included emails, customer phone calls and in-person visits and presentations. Overall, these partners communicated through their broad network of affiliations and supported the program through 36 events, 158 internet activities, and 18 presentations reaching over 260,000 customers.

- Energy Solutions Partner Network: The Outreach team worked with an already established network of 190 community-based partners to promote the program.

Activities included support for events, presentations and messaging through online and social media channels.

- Local Government Partnerships: Every month, SDG&E shares articles and social media posts with 48 marketing leads with various local government partners such as the County of San Diego, SANDAG and the City of Chula Vista. Several partners have the option to include this information in their newsletters, social media and webpages. One of the topics promoted is EcoChoice.
- Chambers, Business and Trade Association Collaboration Packages: SDG&E has partnerships with over 70 Chambers of Commerce, Economic Development organizations, Business Improvement Districts and trade associations. These groups help proactively engage customers through activities like events, presentations, and messaging through online and social media channels. One of the topics promoted is EcoChoice. In addition, several Chambers of Commerce enrolled in the GT program as a way to lead by example and support their own environmental goals. Many cited the benefit of having the option to be part of a clean energy initiative without committing to the expense of solar.
- Account Executive Engagement: SDG&E's Account Executives serve as the primary point of contact and manage relationships with many commercial customers. This includes educating them on programs and services such as GTSR. Account Executives met with customers, in most cases, multiple times and provided guidance and bill analysis. The group also followed up on leads from email campaigns through phone calls and in person visits.

Overall, enrollment in the program benefitted from multiple channels and touch points. The 2019 price point was once again competitive with traditional electric rates and slightly lower for some customer groups which has contributed to customer interest, mainly the Commercial and Industrial segment. SDG&E has currently received more interest in GT from the Commercial and Industrial customers than its capacity allocation can serve. SDG&E will continue to gauge customer interest in GT as the cost of participation fluctuates year to year, as well as the expected increase of customer choice options in SDG&E's service territory. Other customer segments found the cost of participation to be a deterrent to participation. Outreach interactions with customers continue to indicate customers are hesitant to pay more for their electricity, even if it contains more renewable generation.

V. CCA CODE OF CONDUCT REPORT

SDG&E's 2019 marketing and outreach activities were consistent with the Community Choice Aggregation (CCA) Code of Conduct, Decision 15-01-051, and Resolution E-4734. SDG&E's marketing and outreach efforts were broad and expansive, covering the territory and based on segmentation strategies, not CCA activity.

VI. SUPPLIER DIVERSITY

In 2019 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 our bidder's conferences.

VII. SUMMARY OF CARE ENROLLMENT

In 2019, 420 CARE customers enrolled in the GT portion of SDG&E's GTSR program. These customer service points have been cross referenced with the 20% most impacted communities identified using CalEPA's CalEnviroScreen 2.0 and newer. Out of those 420 CARE customers, 92 are located in areas that are also eligible for an EJ project, as defined in the Decision.¹⁴

VIII. REPORTS OF FRAUD OR MISLEADING ADVERTISEMENT

SDG&E has not received any reports of fraud or misleading advertising concerning the GTSR Program during 2019, nor is SDG&E aware of any such practices at this time.

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

IX. CUSTOMER PROFILE INFORMATION


In 2019, as also mentioned above in Section VIII, 420 customers enrolled in the GT component were identified as CARE, indicating they are low-income. SDG&E also records if residential customers signing up for rates speak a language other than English at home. Through 2019, SDG&E's residential GT customers were found to fall into the following categories: 81% English speaking, 1% Spanish speaking, and 18% unknown. As stated, the ECR component had no enrollment through 2019, as there are no developers with an active ECR Project. Thus, SDG&E has not collected this profile information on ECR participants.

¹⁴ Decision at 51.

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

Respectfully submitted,

SAN DIEGO GAS & ELECTRIC COMPANY

By: _____
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March 16, 2020