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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

Agenda ID: 19437 RESOLUTION E-5141 June 3, 2021

RESOLUTION

Resolution E-5141. Request by Southern California Edison for a time extension to claim savings for Legacy Streetlight projects.

PROPOSED OUTCOME:

• Approves the request of Southern California Edison to claim savings for the Legacy Streetlight projects through December 31, 2021.

SAFETY CONSIDERATIONS:

• There are no safety considerations associated with this resolution.

ESTIMATED COST:

• There are no costs associated with this resolution.

By Advice Letter 4367-E, Filed on December 9, 2020.

SUMMARY

This Resolution approves the request of Southern California Edison (SCE) to claim savings and pay incentives for SCE's legacy streetlight projects for the cities of Bell, Goleta, Huntington Beach, Industry, Laguna Beach, Manhattan Beach, Pico Rivera, Santa Ana, Santa Clarita, Simi Valley, and West Hollywood through December 31, 2021, extending the original deadline of December 31, 2020. These streetlight projects shall continue to be excluded from SCE's energy efficiency portfolio cost-effectiveness determinations.

BACKGROUND

In August 2017, SCE requested CPUC staff to allow 53 local government agencies to remain eligible for light-emitting diodes (LED) street lighting incentives through 2020. These customers entered the street lighting acquisition queue to purchase SCE owned streetlights prior to September 2015 and remain in the process of purchasing and upgrading their street-lighting.¹

On October 10, 2017, CPUC staff issued a memo authorizing these customers to be exempt from eligibility requirements and other program rules in effect prior to September 2015 as well as to receive incentives at levels prior to September 2015. The memo also directed SCE to update its workpaper "SCE 17LG097 Revision 1" to allow for savings claims from these transactions. SCE proceeded to update the workpaper. Savings from these transactions are now claiming savings based on workpaper "SCE 17LG097 Revision 2".²

On December 6, 2018, the Energy Division Director issued a subsequent memo revising the number of local agencies qualifying under the October 10, 2017 legacy rules to 62. The memo also allowed SCE to claim savings based on workpaper "SCE 17LG097 Revision 2" and pay customer incentives for the upgrades, report associated expenses in accordance with CPUC reporting requirements, and to exclude these projects from the cost-effectiveness determinations. The memo granted SCE until December 31, 2020 to complete the projects. Finally, the memo directed SCE to file a Tier III Advice Letter and seek Commission approval for extension of this exception for projects not completed by December 31, 2020.

SCE filed Advice Letter (AL) 4163-E on February 11, 2020. In AL 4163-E, SCE requested that the Commission grant a two-year time extension for the exceptions authorized in the December 6, 2018 memo for the LA County Streetlight Project.

On April 10, 2020, CPUC staff submitted a data request to SCE to clarify the status and timeline of the street light upgrade project for LA County and the

¹ SCE stated in its request that this asset transfer process takes approximately three or four years to complete before any retrofits can begin.

² AL 4367-E Attachment B.

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other local government agencies. SCE submitted responses to the data request on April 28 and 29, 2020. CPUC staff reviewed the responses and had a follow up meeting with SCE staff on May 15, 2020. SCE confirmed that it was not requesting an extension at that time for any other upgrades in progress not completed by December 31, 2020. Therefore, the extension requested under AL 4163-E applied only to LA County.

Resolution E-5096 was approved by the CPUC at the August 27, 2020 Commission Meeting. It approved the request of SCE to claim savings and pay incentives for the Los Angeles County Streetlight Project through December 31, 2022 and to continue to exclude the project from SCE's energy efficiency portfolio cost-effectiveness determinations as requested in Advice Letter 4163-E.

SCE filed Advice Letter (AL) 4367-E on December 9, 2020. In AL 4367-E, SCE requested that the Commission grant a one-year time extension for the exceptions authorized in the December 6, 2018 memo for SCE's legacy streetlight projects for the cities of Bell, Goleta, Huntington Beach, Industry, Laguna Beach, Manhattan Beach, Pico Rivera, Santa Ana, Santa Clarita, Simi Valley, and West Hollywood.

In AL 4367-E, SCE explains that the impact and severity of COVID-19 was not fully known in May 2020 and provides an estimated completion date for each of the cities. SCE expects project completion for all cities by December 31, 2021.

NOTICE

Notice of AL 4367-E was made by publication in the Commission's Daily Calendar. Southern California Edison states that a copy of the Advice Letter was mailed and distributed in accordance with Section 4 of General Order 96-B.

PROTESTS

Advice Letter 4367-E was not protested.

DISCUSSION

We find that SCE's request of a one-year extension to complete the legacy streetlight projects for the cities of Bell, Goleta, Huntington Beach, Industry, Laguna Beach, Manhattan Beach, Pico Rivera, Santa Ana, Santa Clarita, Simi Resolution E-5141 DRAFT Southern California Edison AL 4367-E/RMI

Valley, and West Hollywood is reasonable due to the impact of COVID-19, the size and complexity of the projects and the multiple steps and approvals required from local governments, SCE, and the CPUC for the sale of street lights, and therefore approve the request.

We clarify that this extension is valid only to the legacy streetlight projects for the cities of Bell, Goleta, Huntington Beach, Industry, Laguna Beach, Manhattan Beach, Pico Rivera, Santa Ana, Santa Clarita, Simi Valley, and West Hollywood and that no further extensions will be granted to the legacy rules after December 31, 2021.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review. Please note that comments are due 20 days from the mailing date of this resolution. Section 311(g)(2) provides that this 30-day review period and 20-day comment period may be reduced or waived upon the stipulation of all parties in the proceeding.

The 30-day review and 20-day comment period for the draft of this resolution was neither waived nor reduced. Accordingly, this draft resolution was mailed to parties for comments, and will be placed on the Commission's agenda no earlier than 30 days from today.

FINDINGS

- 1. On October 10, 2017, CPUC staff authorized SCE to legacy 53 local government agencies who have entered the street lighting acquisition queue prior to September 2015 who remain in the process of purchasing and upgrading their street-lighting to be exempt from current requirements and follow eligibility requirements and other program rules in effect prior to September 2015.
- 2. On December 6, 2018, at the request of SCE, the Energy Division Director issued a subsequent memo revising the number of local agencies qualifying under the October 10, 2017 legacy rules to 62.
- 3. The December 6, 2018 memo allowed SCE to claim savings based on workpaper "SCE 17LG097 Revision 2" and pay customer incentives for the

upgrades, report associated expenses in accordance with CPUC reporting requirements and to exclude these projects from the cost-effectiveness determinations.

- 4. The December 6, 2018 memo directed SCE to file a Tier III Advice Letter and seek Commission approval to claim savings for projects not completed by December 31, 2020
- 5. SCE filed AL 4367-E on December 9, 2020 to request an extension to claim savings and pay incentives for legacy streetlight projects for the cities of Bell, Goleta, Huntington Beach, Industry, Laguna Beach, Manhattan Beach, Pico Rivera, Santa Ana, Santa Clarita, Simi Valley, and West Hollywood and to continue to exclude these projects from SCE's energy efficiency portfolio cost-effectiveness determinations until December 31, 2021.
- 6. The extension requested is only for the legacy streetlight projects for the cities of Bell, Goleta, Huntington Beach, Industry, Laguna Beach, Manhattan Beach, Pico Rivera, Santa Ana, Santa Clarita, Simi Valley, and West Hollywood and does not apply for other ongoing projects.

THEREFORE IT IS ORDERED THAT:

- 1. The request of Southern California Edison to claim savings and pay incentives for the legacy streetlight projects for the cities of Bell, Goleta, Huntington Beach, Industry, Laguna Beach, Manhattan Beach, Pico Rivera, Santa Ana, Santa Clarita, Simi Valley, and West Hollywood through December 31, 2021 and to continue to exclude the projects from SCE's energy efficiency portfolio cost-effectiveness determinations as requested in Advice Letter 4367-E is approved.
- 2. No further extensions will be granted for the legacy streetlight projects after December 31, 2021.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on June 3, 2021; the following Commissioners voting favorably thereon:

> RACHEL PETERSON Executive Director