PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



December 26, 2013

Advice Letter 4559-G

Rasha Prince, Director Regulatory Affairs Southern California Gas 555 W. Fifth Street, GT14D6 Los Angeles, CA 90013-1011

Subject: Joint AL Filing by SDG&E, SoCalGas, SCE, and PG&E - Request for Approval New, Emerging Lighting Equipment to be Included in On-Bill Financing Programs in Compliance with D.13-09-044

Dear Ms. Prince:

Advice Letter 4559-G is effective November 19, 2013.

Sincerely,

Edward F. Randolph, Director

Edward Randoft

Energy Division



Clay Faber - Director Regulatory Affairs 8330 Century Park Court San Diego, CA 92123-1548

Tel: 858.654.3563 Fax: 858.654.1788 cfaber@semprautilities.com

November 19, 2013

ADVICE LETTER 2538-E/2240-G (U902-M)

ADVICE LETTER 4559-G (Southern California Gas Company – U904-G)

ADVICE LETTER 2970-E (Southern California Edison Company – U338-E)

ADVICE LETTER 3432-G/4319-E (Pacific Gas and Electric Company – U39-M)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT:

SAN DIEGO GAS & ELECTRIC COMPANY, SOUTHERN CALIFORNIA GAS COMPANY, SOUTHERN CALIFORNIA EDISON COMPANY, AND PACIFIC GAS AND ELECTRIC COMPANY REQUEST FOR APPROVAL OF NEW, EMERGING LIGHTING EQUIPMENT TO BE INCLUDED IN ON-BILL FINANCING PROGRAMS IN COMPLIANCE WITH DECISION 13-09-044

PURPOSE

San Diego Gas & Electric Company (SDG&E), on behalf of itself, Southern California Gas Company (SCG), Southern California Edison Company (SCE), and Pacific Gas and Electric Company (PG&E) (together the Investor-Owned Utilities (IOUs)), hereby submits for approval by the California Public Utilities Commission (Commission) a method for identifying new, emerging lighting equipment that may be financed through the IOU's On-Bill Financing (OBF) Program and excluded from the 20% single end-use lighting cap adopted in Decision (D.) 13-09-044 Ordering Paragraph (OP) 9.

BACKGROUND

D.13-09-044 Ordering Paragraph 9 states:

Southern California Edison Company, Pacific Gas and Electric Company, Southern California Gas Company, and San Diego Gas & Electric Company (collectively "IOUs") shall modify their On-Bill Financing (OBF) programs so that single end use lighting

measures shall comprise no more than 20% of total project costs for business customers, excluding institutional customers. No later than sixty (60) days after this decision is issued, the IOUs shall submit a joint Tier 2 Advice Letter which identifies new, emerging lighting equipment which may be excluded from the 20% calculation due to their technologically-higher efficiencies and frequently higher initial costs, and amend the statewide OBF program implementation plan.

SCG joins in this filing in order to ensure compliance with D.13-09-044 OP 9. However, SCG, as a gas-only utility, does not have a lighting program; thus the directives in OP 9 are not applicable to SCG. The proposed modifications will not apply to SCG's OBF program implementation plan (PIP).

Modification for Single End Use Lighting Measures

PG&E, SCE and SDG&E have communicated with their participating contractors, customers, and partnership program participants informing them of the change to the OBF program reflecting that single end use lighting measures shall comprise no more than 20% of total project costs for business customers, excluding institutional customers. Basic lighting measures will not be eligible for exemption from the 20% lighting cap. Basic lighting includes all non-LED lighting retrofits (e.g., CFLs and linear fluorescents), and basic lighting controls measures. The IOUs request that the program change be made effective November 19, 2013, consistent with D.13-09-044 OP 9. The updated OBF program PIPs will be available on the Commission's California Energy Efficiency Statistics website.¹ In addition, the IOUs have updated their respective websites to convey this program change.

Emerging Technology Lighting Exemptions

In order to promote consistency across EE programs, the IOUs recommend that the OBF Program use the Statewide Commercial, Industrial, and Agricultural Programs' framework for identifying "targeted" lighting measures to identify new, emerging lighting equipment that can be excluded from the 20% lighting cap. Targeted lighting framework can be found in the 2013-2014 Statewide Commercial, Industrial, and Agricultural Program Implementation Plans (PIP). See PG&E's Commercial Energy Efficiency Program PIP, p. 188; Industrial Energy Efficiency Program PIP, p. 54, and Agriculture Energy Efficiency Program, p. 58. See SCE's Commercial Energy Efficiency Program PIP, p. 313, Industrial Energy Efficiency Program PIP, p. 445, and Agriculture Energy Efficiency Program, p. 532. See SDG&E's Commercial Energy Efficiency Program PIP, pp. 65-66; Industrial Energy Efficiency Program PIP, pp. 49-50, and Agriculture Energy Efficiency Program, pp. 52-53.

The Statewide Programs identify "targeted" measures as measures that are new, emerging or costly, and for which higher incentives are therefore offered. In contrast, "basic" measures are generally those that are less costly and more well-established, and therefore are paired with lower incentives. As such, the IOUs believe that the OBF Program should leverage the Statewide Programs' framework for identification of "targeted" lighting measures in order to maintain consistency across program offerings, maximize program efficiencies in identifying measures for which more emphasis should be placed, and allow the OBF Program to continually adapt to market conditions.

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¹ California Energy Efficiency Statistics is available at http://eestats.cpuc.ca.gov/

<u>Targeted lighting</u>: includes LED retrofits and advanced lighting controls measures. For the OBF Program, only LED retrofit measures (such as LED integral lamps, LED retrofit kits, and LED fixtures), and lighting controls that exceed the requirements of Title 24 as of January 2014 will be exempt from the 20% cap at this time. This framework will be applied to both deemed and customized lighting measures. In addition, the OBF Program will adhere to all current Commission directives related to lighting.

Should the definition of targeted lighting be expanded in the future, beyond the above definition of Targeted Lighting, to include other new/emerging lighting measures in the Statewide Programs, these measures will also be eligible for exemption from the 20% lighting cap. The IOUs will provide appropriate new/emerging lighting work papers for review and approval by Energy Division through the Commission's approved work paper process and in this process notify Energy Division work paper, custom program and non-residential deemed program analysts that the candidate technologies are also proposed for OBF program cost cap exemption. Upon approval of the exemption of the targeted lighting measures, the IOUs will then update the OBF Program Implementation Plan (PIP) through the existing PIP addendum process and implement the program update.

EFFECTIVE DATE

The IOUs request that this Tier 2 advice letter be approved by December 19, 2013, which is 30 days from the filing date, with an effective date of November 19, 2013. Approving this Advice Letter with an effective date of November 19, 2013, the date of filing, is consistent with D.13-09-044 OP 9 and will allow the IOUs to expedite processing of pending OBF projects with the proposed new emerging lighting measures that are submitted while this Advice Letter is reviewed and approved.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than December 9, 2013, which is 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division Attention: Tariff Unit 505 Van Ness Avenue San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via both e-mail and facsimile to the addresses shown below on the same date it is mailed or delivered to the Commission.

For SDG&E:

Attn: Megan Caulson Regulatory Tariff Manager

8330 Century Park Court, Room 32C

San Diego, CA 92123-1548 Facsimile No. (858) 654-1879

E-mail: MCaulson@semprautilities.com

For SoCalGas:

Sid Newsom

Tariff Manager - GT14D6

Southern California Gas Company

555 West 5th Street

Los Angeles, CA 90013-1011 Facsimile: (213) 244-4957

E-mail: snewsom@semprautilities.com

For SCE:

Megan Scott-Kakures

Vice President, Regulatory Operations Southern California Edison Company

8631 Rush Street

Rosemead, California 91770 Facsimile: (626) 302-4829

E-mail: AdviceTariffManager@sce.com

Leslie E. Starck

Senior Vice President, Regulatory Policy & Affairs

c/o Karyn Gansecki

Southern California Edison Company 601 Van Ness Avenue, Suite 2030 San Francisco, California 94102

Facsimile: (415) 929-5544

E-mail: Karyn.Gansecki@sce.com

For PG&E:

Brian K. Cherry

Vice President, Regulatory Relations Pacific Gas and Electric Company 77 Beale Street, Mail Code B10C

P.O. Box 770000

San Francisco, California 94177

Facsimile: (415) 973-7226 E-mail: PGETariffs@pge.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in A.12-07-001, A.12-07-002, A.12-07-003 & A.12-07-004, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by facsimile at (858) 654-1879 or by email to SDG&ETariffs@semprautilities.com.

CLAY FABER
Director – Regulatory Affairs

Attachments

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)		
Company name/CPUC Utility No. SAN DIEGO GAS & ELECTRIC (U 902)		
Utility type:	Contact Person: Christina Sondrini	
$oxed{oxed}$ ELC $oxed{oxed}$ GAS	Phone #: (858) <u>636-5736</u>	
☐ PLC ☐ HEAT ☐ WATER	E-mail: csondrini@semprautilities.com	
EXPLANATION OF UTILITY TYPE (Date Filed/ Received Stamp by CPUC)		
ELC = Electric $GAS = Gas$ $PLC = Pipeline$ $HEAT = Heat$ W	WATER = Water	
Advice Letter (AL) #: 2538-E/2240-G, et al.		
Subject of AL: <u>Joint IOU Filing: Request for Approval of New, Emerging Lighting Equipment to be</u>		
Included in 2013-2014 On-Bill Financing Programs in Compliance with Decision 13-09-044		
Keywords (choose from CPUC listing): Compliance, Energy Efficiency		
AL filing type: Monthly Quarterly Annual One-Time Other		
If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:		
D.13-09-044		
Does AL replace a withdrawn or rejected AL? If so, identify the prior AL		
Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A		
Does AL request confidential treatment? If so, provide explanation: N/A		
Resolution Required? Yes No		Tier Designation: 1 2 3
Requested effective date: 11/19/13 No. of tariff sheets: 0		
Estimated system annual revenue effect: (%): N/A		
Estimated system average rate effect (%): N/A		
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).		
Tariff schedules affected: N/A		
Service affected and changes proposed¹: N/A		
Pending advice letters that revise the same tariff sheets: N/A		
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:		
CPUC, Energy Division	-	an Diego Gas & Electric
Attention: Tariff Unit	A	ttention: Megan Caulson
505 Van Ness Ave.,		330 Century Park Ct, Room 32C
San Francisco, CA 94102		San Diego, CA 92123
EDTariffUnit@cpuc.ca.gov mcaulson@sen		ncaulson@semprautilities.com

 $^{^{\}scriptscriptstyle 1}$ Discuss in AL if more space is needed.

General Order No. 96-B ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

M. Clark

Public Utilities Commission Southern California Edison Co. Douglass & Liddell D. Douglass DRA M. Alexander S. Cauchois D. Liddell K. Cini R. Pocta G. Klatt K. Gansecki W. Scott Duke Energy North America H. Romero M. Gillette **Energy Division TransCanada** Dynegy, Inc. P. Clanon R. Hunter S. Gallagher J. Paul D. White D. Lafrenz Ellison Schneider & Harris LLP **TURN** M. Salinas E. Janssen M. Hawiger **UCAN** CA. Energy Commission Energy Policy Initiatives Center (USD) F. DeLeon S. Anders D. Kelly R. Tavares **Energy Price Solutions** U.S. Dept. of the Navy Alcantar & Kahl LLP A. Scott K. Davoodi K. Cameron Energy Strategies, Inc. N. Furuta American Energy Institute K. Campbell L. DeLacruz C. King M. Scanlan Utility Specialists, Southwest, Inc. APS Energy Services Goodin, MacBride, Squeri, Ritchie & Day D. Koser J. Schenk Western Manufactured Housing B. Cragg **BP Energy Company** J. Heather Patrick **Communities Association** J. Zaiontz J. Squeri S. Dey Barkovich & Yap, Inc. Goodrich Aerostructures Group White & Case LLP B. Barkovich M. Harrington L. Cottle Interested Parties In: Bartle Wells Associates Hanna and Morton LLP R. Schmidt N. Pedersen A.12-07-001 Braun & Blaising, P.C. Itsa-North America A.12-07-002 S. Blaising L. Belew A.12-07-003 California Energy Markets J.B.S. Energy A.12-07-004 S. O'Donnell J. Nahigian Luce, Forward, Hamilton & Scripps LLP C. Sweet California Farm Bureau Federation Manatt, Phelps & Phillips LLP K. Mills California Wind Energy D. Huard N. Rader R. Keen Matthew V. Brady & Associates Children's Hospital & Health Center T. Jacoby M. Brady City of Poway Modesto Irrigation District R. Willcox C. Mayer City of San Diego Morrison & Foerster LLP J. Cervantes P. Hanschen G. Lonergan MRW & Associates M. Valerio D. Richardson Commerce Energy Group Pacific Gas & Electric Co. V. Gan J. Clark M. Huffman CP Kelco A. Friedl S. Lawrie Davis Wright Tremaine, LLP E. Lucha E. O'Neill Pacific Utility Audit, Inc. J. Pau E. Kelly Dept. of General Services San Diego Regional Energy Office S. Freedman H. Nanjo

J. Porter

O. Armi Solar Turbines F. Chiang

M. Rochman

School Project for Utility Rate Reduction

Shute, Mihaly & Weinberger LLP