

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 7, 2017

Advice Letter 5087 and 5087-A

Ronald van der Leeden
Director, Regulatory Affairs
Southern California Gas
555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011

**Subject: Request for Approval of Energy Efficiency Program Change and
Partial Supplement Filing**

Dear Mr. van der Leeden:

Advice Letter 5087 as supplemented by 5087-A is effective as of March 2, 2017.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph
Director, Energy Division



Ronald van der Leeden
Director
Regulatory Affairs

555 W. Fifth Street, GT14D6
Los Angeles, CA 90013-1011
Tel: 213.244.2009
Fax: 213.244.4957

RvanderLeeden@semprautilities.com

March 3, 2017

Advice No. 5087-A

Public Utilities Commission of the State of California

Subject: Partial Supplement - Southern California Gas Company Request for Approval of Energy Efficiency Program Change

Purpose

Southern California Gas Company (SoCalGas) hereby requests California Public Utilities Commission (Commission) approval of the re-categorization of one Third-Party program from its Energy Efficiency (EE) Portfolio.

Background

Advice No. (AL) 5087, filed on January 31, 2017, documents the formal program change of the Multi-Family Home Tune Up program (Program ID: SCG3761) that was approved in SoCalGas' Application (A.)12-07-003 for its 2013-2014 (and 2015-2017) portfolio. The program was added to SoCalGas' portfolio as a result of a competitive solicitation conducted in 2009. SoCalGas requests to cancel and re-categorize the program.

This filing, AL 5087-A, complies with the Energy Division direction to file a partial supplement in order to provide a comparison of the Multi-Family (MF) Home Tune-up Program and the MF Direct Therm Savings Program performance over the last two years.

Program Cancellation and Re-Categorization

A third-party implementer was selected to implement the MF Home Tune-up Program in 2009 through a competitively-bid solicitation. The MF Home Tune-up Program was designed to deliver energy savings and provide efficiency education to multi-family

customers, property owners, and tenants located within the SoCalGas service territory, such as Orange, Riverside, San Bernardino, and Imperial counties.

The results of the program, as implemented, showed that the program's energy savings were significantly low compared to the program budget. The program has delivered below goal results with increasing costs and declining cost-effectiveness for the past two consecutive years, showing a continuous trend through 2017 as proposed by the program implementer.

In 2016, MF Home Tune-up's expenditures far exceeded its installation rate, resulting in a program Total Resource Cost (TRC) ratio of 0.48 which was less than the program's 2015 TRC of 0.52. In comparison, in 2016 SoCalGas' MF Direct Therm program (SCG3763) achieved a TRC of 1.10 implementing the same program in geographic areas not served by MF Home Tune-up. Attachment A provides a two-year performance comparison of the MF Home Tune-up and MF Direct Therm Savings Programs.

As a result of the program's unfavorable economics and limited energy savings results, SoCalGas proposes to cancel and re-categorize the MF Home Tune-up Program and fund shift any remaining funds to the SCG3763 MF Direct Therm Savings Program in order to ensure there is no gap in service for our customers served by MF Home Tune-up Program. Equivalent to the MF Home Tune-up Program, The MF Direct Therm Savings Program offers the same field sales and direct installation program to deliver energy savings to multifamily residential customers located in SoCalGas' service territory.

Protest

In accordance with General Order 96-B, Section 7.5.1 and at the direction of Commission Staff, SoCalGas hereby requests that the protest period be waived, as only analysis to support below goal results for the past two consecutive years is provided for the MF Home Tune-up and MF Direct Therm Savings Programs.

Effective Date

SoCalGas believes that this filing is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval) pursuant to General Order (GO) 96-B. This filing is consistent with D.09-09-047. Therefore, SoCalGas respectfully requests that this filing be approved on March 2, 2017, which is the approval date requested in AL 5087.

Notice

A copy of this AL is being sent SoCalGas' GO 96-B service list and the Commission's service list in R.13-11-005. Address change requests to the GO 96-B should be

directed by electronic mail to tariffs@socalgas.com or call 213-244-3387. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Ronald van der Leeden
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. **SOUTHERN CALIFORNIA GAS COMPANY (U 904G)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Ray B. Ortiz

Phone #: (213) 244-3837

E-mail: ROrtiz@semprautilities.com

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 5087-A

Subject of AL: Partial Supplement - Southern California Gas Company Request for Approval of Energy Efficiency Program Change

Keywords (choose from CPUC listing): 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.09-09-047

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No

Summarize differences between the AL and the prior withdrawn or rejected AL¹: N/A

Does AL request confidential treatment? If so, provide explanation: No

Resolution Required? Yes No

Tier Designation: 1 2 3

Requested effective date: 3/2/17

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

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

EDTariffUnit@cpuc.ca.gov

Southern California Gas Company

Attention: Ray B. Ortiz

555 West 5th Street, GT14D6

Los Angeles, CA 90013-1011

ROrtiz@semprautilities.com

Tariffs@socalgas.com

¹ Discuss in AL if more space is needed.

ATTACHMENT A

Advice No. 5087-A

**Two-year Performance Comparison of the
MF Home Tune-up and MF Direct Therm Savings Programs**

Multi-Family Home Tune Up (SCG3761)						
	2015			2016		
Gross Therms	Goal	Actual	% of Goal	Goal	Actual	% of Goal
	223,990	180,800	81%	210,457	104,528	50%
Program Year Spend	Budget	Actual		Budget	Actual	
	\$1,092,504.00	\$833,633.29	76%	\$736,400.00	\$644,938.59	88%
TRC						
	0.52			0.48		
Cost/Therm						
	\$4.61			\$6.17		
Devices Installed	Goal	Actual		Goal	Actual	
Showerheads	24,000	14,434	60%	22,000	8,984	41%
Kitchen Aerators	28,000	11,238	40%	25,540	6,326	25%
Bathroom Aerators	18,000	17,185	95%	17,464	9,758	56%

Multi-Family Direct Therm Savings (SCG3763)						
	2015			2016		
Gross Therms	Goal	Actual*	% of Goal	Goal	Actual	% of Goal
	228712	278,364	122%	276,091	285,837	104%
	Budget	Actual		Budget	Actual	
Program Year Spend	Budget	Actual		Budget	Actual	
	\$1,464,403.00	\$1,731,411.80	118%	\$1,255,176.88	\$1,298,358.04	103%
TRC						
	0.79			1.10		
Cost/Therm						
	\$6.22			\$4.54		
Devices Installed	Goal	Actual		Goal	Actual	
Showerheads	24,000	29,302	122%	28172	29,592	105%
Kitchen Aerators	20,000	32,197	129%	23468	23,376	100%
Bathroom Aerators	25,000	21,661	108%	32093	32,901	103%

*Actuals include carry-over from remaining 2013-2014 budget which was spent, with associated therms delivered, in 2015