

PUBLIC UTILITIES COMMISSION

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December 28, 2017

**Advice Letter 5111-A
5111-B**

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

**SUBJECT: Low Income Programs Conforming Advice Letter Pursuant to Decision (D.)
16-11-022**

Dear Mr. van der Leeden:

Advice Letter 5111-A and Supplemental 5111-B are effective as of April 29, 2017, per Resolution G-3532 Ordering Paragraphs.

Sincerely,

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

Edward Randolph
Director, Energy Division



Ronald van der Leeden
Director
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April 4, 2017

Advice No. 5111-A
(U 904 G)

Public Utilities Commission of the State of California

Subject: Supplement - Low Income Programs Conforming Advice Letter Pursuant to Decision (D.) 16-11-022

Southern California Gas Company (SoCalGas) hereby requests California Public Utilities Commission (Commission) approval of the California Alternate Rate Assistance (CARE) Program and Energy Savings Assistance (ESA) Program final budgets as directed in D.16-11-022 (the Decision).

Purpose:

This supplemental filing replaces Advice No. 5111, Low Income Programs Conforming Advice Letter Pursuant to Decision (D.) 16-11-022, filed on March 30, 2017, in its entirety. This supplemental filing complies with the Decision directing SoCalGas to file a conforming Advice Letter (AL) to provide budget and implementation plans and details, and seek certain acknowledgements and approvals for these plans. The Decision directs each utility to file a Tier 2 conforming AL within 60 days of the Decision to conform final program energy savings goals and budgets to the directives in the Decision, and it should include program costs for approved measures, penetration goals, cost effectiveness values, and any other updated factors.”¹

Background:

On November 18, 2014, SoCalGas filed Application (A.) 14-11-011 (herein referred to as A.14-11-007, et. al.) for the 2015-2017 CARE and ESA Program cycle. In this Application, SoCalGas requested Commission approval of SoCalGas’ proposed Low Income Program plans for Program Years (PY) 2015-2017. On December 28, 2015, the Commission issued D.15-12-024 approving bridge funding for PY 2016 (January 1, 2016 to June 30, 2016) at the Commission’s 2015 authorized budget level given the Commission’s delay in rendering a Decision on A.14-11-007, et. al. On June 10, 2016, the Commission issued D.16-06-018 approving continued bridge funding from July 1, 2016 to December 31, 2016.

¹ D.16-11-022, pp. 37-38.

On November 21, 2016, the Commission issued the Decision approving the 2015-2017 CARE and ESA Program Applications of the Investor-Owned Utilities (IOUs).²

On December 22, 2016, the IOUs requested an Extension of Time to comply with the directive in the Decision to file a Tier 2 conforming AL by January 20, 2017. On January 12, 2017, the Executive Director of the Commission granted the IOUs' request for extension of time to comply with a new deadline for filing the Tier 2 conforming AL of March 31, 2017.

In the discussion and development of certain directives of this conforming AL, the Joint IOUs have identified timing constraints in the implementation of the following directives: 1) the development of mobile versioning/mobile apps; 2) CARE funding for Lifeline smart phones; and 3) marketing and outreach timelines. On March 8, 2017, the IOUs filed a Request for Extension of Time to comply with these directives. In the request, the IOUs note that, subject to Commission approval, the IOUs will file a supplemental AL to this conforming AL to further address the directives.

Advice No. 5111 was filed on March 30, 2017. It was later discovered that the CARE and ESA Programs budgets and analysis were inadvertently excluded from the filing. Advice No. 5111-A includes the CARE and ESA Programs budgets and analysis, as shown in Attachment D.

Discussion

ESA Program Budget for PY 2017-2020

SoCalGas requests approval of a revised ESA Program budget totaling \$608,818,845 in order to incorporate all ESA Program related requirements in the Decision. Pursuant to the Decision, SoCalGas revises its ESA Program budgets for 2017-2020 by making the following adjustments to the budget:

- Cost levels and inflation adjustments have been updated to the following current estimates:
 - 2015 historical data are used as the basis for measure costs and feasibility.
 - Administrative and other labor- and non-labor cost forecasts for newly-proposed and ongoing activities have been updated based on current cost levels and program requirements, and the timing of such activities adjusted to current expectations.
 - Standard labor and non-labor cost inflation assumptions have been used to forecast future program years 2018-2020.
- Unit goals have been adjusted based on the increase in treated unit goals:
 - All Energy Efficiency categories, including customer enrollment and energy education as well as certain activities shown "below the line" particularly for the Inspections category, are directly related to the number of units

² The IOUs consist of SoCalGas, San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SCE), and Pacific Gas & Electric Company (PG&E).

SoCalGas will treat and weatherize. Adjustment results in a significant increase in 2018, 2019, and 2020 budgetary requirements.

- Specific funding ordered for Lifeline Coordination and My Account enhancements have been incorporated.
- Newly forecast activities have been added to the budget, as shown in Attachment A and described under budget category descriptions.
- A budget category has been added for affordable multi-family housing common area measures and associated costs, funded via unspent balance from the prior program cycle.
- A budget category has been added for Community Services and Development leveraging, funded from unspent funds.

The Decision approved SoCalGas' requested 2015-2017 ESA Program budget (with a shift of one year) by adopting a total SoCalGas ESA Program budget of \$126,782,639 for PY 2017, \$129,251,729 for PY 2018, \$131,836,750 for PY 2019, and \$134,473,450 for PY 2020. The 2019 and 2020 adopted figures are an extension of the 2018 adopted budget with a 2% annual growth rate. In addition to the budget details noted above, Attachment A provides specific forecasting provisions for new or modified program activities, as further described in applicable subcategory sections. ESA Program budget above the authorized amount from the Decision will be funded via unspent balance from the prior program cycle, pursuant to the Decision.³ Table 1 below provides a summary of SoCalGas' revised ESA Program budget totaling \$608,818,845 for PY 2017-2020.

³ D.16-11-022 OPs 16, 21, 30(g), 53, 93, 101, 104, and 108.

Table 1. SoCalGas ESA Program Revised Budgets for PY 2017-2020

ESAP BUDGET CATEGORIES	2017	2018	2019	2020	Total
Energy Efficiency					
Appliances	16,450,664	17,652,411	18,947,099	20,328,173	73,378,347
Domestic Hot Water	25,541,417	27,407,259	29,417,400	31,561,665	113,927,740
Enclosure	31,356,733	33,647,394	36,115,208	38,747,683	139,867,018
HVAC	23,190,540	24,884,646	26,709,771	28,656,674	103,441,631
Maintenance	1,922,439	2,062,876	2,214,175	2,375,568	8,575,059
Lighting	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Customer Enrollment	17,994,859	19,307,970	20,722,568	22,231,468	80,256,866
In Home Education	5,021,521	5,257,030	5,507,114	5,770,914	21,556,578
Pilot	-	-	-	-	-
Energy Efficiency TOTAL	121,478,173	130,219,587	139,633,335	149,672,146	541,003,240
Training Center	901,998	926,681	952,114	977,059	3,757,851
Inspections	2,509,088	2,646,697	2,773,816	2,903,418	10,833,019
Marketing and Outreach	1,450,000	1,450,000	1,450,000	1,450,000	5,800,000
Statewide ME&O	-	-	-	-	-
M&E Studies	115,625	153,125	115,625	115,625	500,000
Regulatory Compliance	471,807	405,114	416,882	428,364	1,722,167
General Administration	6,356,574	6,500,414	6,661,106	6,818,403	26,336,496
CPUC Energy Division	86,000	86,000	86,000	86,000	344,000
SUBTOTAL PROGRAM COSTS	133,369,265	142,387,618	152,088,877	162,451,013	590,296,773
Multi- Family Common Area	4,500,000	4,500,000	4,500,000	4,500,000	18,000,000
Leveraging - CSD	261,036	261,036	-	-	522,073
TOTAL PROGRAM COSTS	138,130,301	147,148,654	156,588,877	166,951,013	608,818,845
Authorized by D.16-11-022	126,782,639	129,251,729	131,836,750	134,473,450	522,344,568
Funded through Unspent	11,347,662	17,896,925	24,752,127	32,477,563	86,474,277
TOTAL PROGRAM COSTS	138,130,301	147,148,654	156,588,877	166,951,013	608,818,845

CARE Program Budget for PY 2017-2020

In the Decision, the Commission authorized a SoCalGas budget similar to the actual 2015 expenditure levels, with the exceptions and/or adjustments made in Outreach, Information Technology, Energy Division, General Administration and Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) Program budget categories. In order to implement the directives of the Decision and to account for the adjustments above, SoCalGas requests a revised CARE Program budget totaling \$574,536,056 for PY 2017-2020.

SoCalGas' revised budget does not include additional funding for Information Technology (IT), but seeks to reallocate \$200,000 from each year (2018-2020) into the current 2017 IT budget in order to comply with the My Account updates directive to be completed by

December 31, 2017.⁴ The Commission's approved total IT budget of \$4,374,252 for PY 2017-2020 is properly adequate to fund SoCalGas' IT enhancements related to mobile devices, customer notification, coordination with Lifeline, and IT systems maintenances and minor enhancements.⁵

SoCalGas' revised budget also accounts for the Decision' approval of SoCalGas' Customer Service Representative (CSR) enrollment related proposals and includes the following two adjustments into the CARE administrative budget: 1) CSR Enrollment Study of \$35,000 in the General Administration budget for 2017; and 2) \$1.2 million annually in the Processing category for 2017 and 2018.

Table 2 below shows SoCalGas' revised CARE Program budget by cost category, which reflects the exceptions and adjustments stated above. CARE administrative budgets before exceptions are at 15% over actual 2015 expenditures for PY 2017, and 20% over 2015 expenditures for PY 2018 to account for inflation as well as any unforeseen costs. Pursuant to the Decision for PY 2019-2020, the budgets are to be "not more than 25% over 2015 actual costs."⁶ Attachment B provides detailed calculations of the SoCalGas' revised CARE Program budget, which includes the CSR enrollment and study and the adopted new IT budget that were approved in the Decision.

Table 2. SoCalGas CARE Program Revised Budgets for PY 2017-2020

CARE Budget Categories	2017 Planned	2018 Planned	2019 Planned	2020 Planned
Outreach	4,601,879	4,795,982	4,843,942	4,892,381
Processing, Certification, Recertification	2,509,631	2,566,572	2,592,238	2,618,160
Post Enrollment Verification	148,382	154,833	156,382	157,945
IT Programming	1,893,720	793,720	843,406	843,406
Cool Centers	-	-	-	-
CHANGES	437,502	437,502	441,877	446,296
Measurement and Evaluation	-	-	-	-
Regulatory Compliance	456,031	475,858	480,617	485,423
General Administration	952,404	953,729	963,266	972,899
CPUC Energy Division Staff	60,000	60,000	60,600	61,206
SUBTOTAL MANAGEMENT COSTS	\$ 11,059,549	\$ 10,238,196	\$ 10,382,328	\$ 10,477,716
Subsidies and Benefits	\$ 131,338,535	\$ 132,351,979	\$ 133,675,499	\$ 135,012,254
TOTAL PROGRAM COSTS & CUSTOMER DISCOUNTS	\$ 142,398,084	\$ 142,590,175	\$ 144,057,827	\$ 145,489,970

ESA Program Unspent Funds and Carry-Forward of Funds

The Decision directs the IOUs to fund incremental ESA activities from existing, unspent funds authorized in prior program years.⁷ Based on SoCalGas' review, there are sufficient unspent funds recorded in SoCalGas' Direct Assistance Program Balancing Account (DAPBA) as of December 31, 2016 to cover the incremental ESA budget needs presented

⁴ D.16-11-022, Ordering Paragraph (OP) 77 and OP 102.

⁵ *Id.*, pp. 309, 318-319.

⁶ D.16-11-022, p. 345, CARE Administrative Budgets.

⁷ D.16-11-022 OPs 16, 21, 30(g), 53, 93, 101, 104, and 108.

in this AL. As such, SoCalGas does not need to request any incremental funding beyond the funding levels specified in the Decision.⁸ Instead, SoCalGas proposes to carry forward a portion of the accumulated unspent funds recorded in the DAPBA in order to augment the PY 2017-2020 budgets presented in this AL. SoCalGas' accumulated ESA unspent budgets through 2016 are \$239,553,201, of which \$145.5 million has been recorded in the DAPBA based on actual funding collected in rates. Pursuant to the Decision,⁹ SoCalGas requests authority to carry forward \$86,474,277 from its accumulated unspent funds to fund the budgets presented above for the PYs 2017-2020, plus an additional \$32,572,138 (or 25% of SoCalGas' authorized 2016 budget) to cover unforeseen funding needs, for a total of \$119,046,415 carried forward from the prior cycle. SoCalGas plans to use the remaining \$26.5 million of unspent funds to offset future Public Purpose Program (PPP) revenue requirements in connection with SoCalGas' Annual PPP Surcharge Rate update filing.

Disposition of ESA Program Memorandum Account (ESAPMA) and Other Prior Authorized Funding

Pursuant to D.15-12-024 and D.16-06-018, Bridge Funding for 2016 CARE and ESA Programs, effective January 1, 2016 and December 31, 2016, respectively, the ESAPMA was established to record the difference between the revenue requirement adopted for the applicable bridge funding period and the revenue requirement requested and eventually approved in the 2015-2017 CARE and ESA Programs A.14-11-011. As of result of the authorized funding established in the Decision, the ESAPMA recorded a \$1.158 million overcollection as of December 31, 2016, (i.e., authorized 2016 funding of \$147.627 million vs. \$148.782 million incorporated in 2016 PPP rates plus memorandum account interest). As discussed above, these overcollection funds will be carried forward as necessary to fund program budgets presented in this AL and any remaining funds will be used to offset future authorized funding collected in rates. As such, SoCalGas plans to eliminate the balance in the ESAPMA and terminate the ESAPMA.¹⁰

In addition, in Advice No. 5053, SoCalGas had deferred the recovery of prior authorized funding of approximately \$38 million pending a decision in A.14-11-007, et al. al. and Phase 2 of Rulemaking (R.) 13-11-005.¹¹ SoCalGas plans to forgo the recovery of these past authorized funding as there are sufficient underspending recorded to SoCalGas' DAPBA to date to fund the program budgets presented in this conforming AL.

⁸ Unspent funds recorded in the DAPBA are based on actual collections and not based on budgeted, authorized levels.

⁹ OP 135: "If a large Investor-Owned Utility wishes to carry over an amount in excess of the 15% limit, that Utility must first file a fund shifting Advice Letter. If the large IOU does not receive such approval, any unspent funds in excess of the 25% limit may not be carried over for programmatic use, and must instead be used to offset future collections."

¹⁰ The ESAPMA is a memorandum account not reflected in SoCalGas' financial statements. The overcollection, to the extent amounts actually collected from customers, is reflected in SoCalGas' DAPBA.

¹¹ D.14-08-030 authorized recovery for the additional funding approved for the 2012-2014 program cycle for ESA and CARE of \$35 million and the recovery of the \$3 million carryback for the 2009-2011 ESA program cycle.

Marketing and Outreach (M&O)

Pursuant to the Decision, SoCalGas will present at a public workshop on M&O in coordination with the IOUs. To date, the IOUs have held and participated in recurring weekly conference calls to collaborate and plan for the required public M&O workshop and integrate marketing plans as required by the Decision.¹² In compliance with the Decision, Attachment C provides the Joint IOU M&O plan outline, which was shared with Energy Division on February 21, 2017.

In addition, an ESA and CARE Program M&O workshop will take place following the filing of the Statewide Marketing Education and Outreach plan. During this public workshop, SoCalGas will share its M&O program offerings and strategies and seek input from stakeholders. A M&O plan to reach low income customers will include a mix of strategies to effectively target, inform, and encourage participation in the ESA and CARE Programs and will be submitted 60 days after the workshop.

Multi-family Affidavit Pursuant to the Decision, OP 46

The IOUs coordinated efforts and drafted an owner or authorized representative affidavit process. This owner affidavit process encompasses various multi-family properties “for buildings located in a PRIZM Code, census tract, or federally recognized tribal reservation or zone where 80% of households are at or below 200% of federal poverty guidelines; a Promise Zone as designated by the federal government, or; the building is registered as low income affordable housing with Energy Savings Assistance (ESA) Program qualified income documentation, that is less than 12 months old, on file.”¹³ Additionally, this Property Owner Waiver form is designed for ESA Program and other energy efficiency program installations. The IOUs have collaborated in the development of the self-certification affidavit which also serves as Property Owner Waiver form for the ESA Program.

Multi-family Technical Assistance Pursuant to the Decision, OP 53

The Decision also ordered SoCalGas and SCE to establish technical assistance programs for low income multi-family energy efficiency retrofits in the areas affected by Aliso Canyon, as those geographical regions may be adjusted by the Commission’s Energy Division.¹⁴ The funding for SoCalGas’ multi-family initiatives, including the technical assistance requirement, is discussed in detail in SoCalGas’ revised ESA Program budget for PY 2017-2020, as shown in Attachment A. The technical assistance requirement is designed to assist in educating the benefits of energy efficient buildings to property owners/managers and the enrollment of low income multi-family tenants.

In collaboration with SCE, SoCalGas drafted a Technical Assistance Program that provides no-cost energy efficiency technical assistance to help multi-family property

¹² D.16-11-022, pp. 161-162.

¹³ *Id.*, OP 46.

¹⁴ *Id.*, OP 53.

owners to retrofit and make smart energy choices that can pay dividends for years to come by investing in new equipment and optimizing energy performance. SoCalGas aims to foster a strong relationship to the low income multi-family owners and tenants. SoCalGas' Technical Assistance Portfolio includes:

- **Program Guidance**

The Single Point of Contact (SPOC) will coordinate with large multi-family property owners whose properties also qualify for low income status, such as but not limited to: 1) Section 8 Housing; 2) Public Housing/HUD Housing; and 3) Utility PRIZM Code. SoCalGas proposes to prioritize multi-family properties that meet the 65% low income criteria for common area measures. The SPOC will promote program offerings from the ESA Program and broader energy efficiency programs that best suit the needs of the multi-family property. Program offerings may include select energy saving products available to customers at no cost, as well as a wide variety of incentives for other energy saving products and coordination of gas, electric, and water savings programs.

- **Benchmarking Support**

SoCalGas will work with property owners/managers to enroll and utilize many of its current offerings, such as an energy analysis of their property, energy audits, and technical assistance to identify multiple energy efficiency opportunities and benchmarking. SoCalGas will work with the customer to prioritize properties and develop a customized portfolio strategy based on identified site, energy use, and budget.

- **Energy Assessments and Consultation**

The program will perform no-cost walk through energy assessments. The purpose of an energy assessment is to identify site level energy savings opportunities and assist property owners and managers with making informed energy improvement decisions. A program representative will review assessment findings with customers, assist with scope of work development, and streamline customer program participation.

Coordination with the Department of Community Services and Development (CSD)

The Decision seeks new and innovative ways to utilize data sharing, as well as pursue leveraging in enrollment and marketing of ESA and CARE Programs with CSD's program offerings.¹⁵ SoCalGas has been in contact with CSD, both individually and in concert with the other IOUs, to discuss the directives of the Decision and to develop the necessary coordination and budgeting.

SoCalGas and CSD have developed the following approach to accomplish the data sharing requirements in the Decision:¹⁶

¹⁵ D.16-11-022, Conclusion of Law (COL) 190 and 191.

¹⁶ D.16-11-022, pp. 368-369.

- Establish reporting requirements.
- Negotiate mutually acceptable nondisclosure agreements (NDAs).
- Use the Energy Data Request Process (EDRP) to provide CSD with an initial request of Utility Usage Data.
- Clarify legal requirements to allow sharing of customer data.
- Develop ongoing data exchange requirements, schedule, and technical protocol.
- Maintain an ongoing engagement and feedback process.

The Decision directs that additional funds be allocated for the purpose of leveraging with the CSD Low Income Weatherization Program (LIWP). The Decision directs the IOUs to submit a budget proposal in the conforming AL for such efforts.¹⁷ To that end, SoCalGas has compared LIWP and ESA Program measure offerings and developed a proposed budget, presented in Attachment A, based on CSD's projected LIWP penetration rates. The leveraging arrangement is expected to begin in 2017 and end in 2018. Details of income qualification and mechanics continue to be negotiated between the parties.

As SoCalGas understands from discussions, CSD's Low Income Toilet Replacement Program (TRP), funded by DWR, has been in operation for many months and is scheduled to conclude on June 30, 2017. Given the rate of current expenditure and anticipated ramp down in local operations over ensuing months, the window of opportunity to accomplish any meaningful leverage of TRP funds and/or services has closed. With regard to the language from the Decision which outlines the CEC's plans for a \$15 million infusion to bolster offerings of CSD's weatherization assistance programs to include water saving devices and measures,¹⁸ the Budget Act of 2016 did not appropriate such funding to CEC, thus the fund leverage between CSD and CEC never materialized. With these two possible CSD partnership programs winding down, SoCalGas and CSD have agreed that the leveraging arrangement ordered in OP 32 is no longer feasible, but the two sides will continue to explore opportunities in the area of water-energy and weatherization collaboration.

SoCalGas and CSD have identified other areas of potential collaboration that will be explored, including data sharing of weatherized dwelling information, customer referrals, and other coordinated delivery strategies.

Willingness to Participate

The Decision specifies requirements related to willing and eligible calculations. Among these requirements is that SoCalGas must "refile new eligibility estimates for the remaining years of this program cycle in its conforming Advice Letter to be filed within 60 days of this Decision."¹⁹

SoCalGas estimates that, as of the start of 2017, there are 492,963 customers willing and feasible to participate that have not been treated since 2002 and, thus, remain to be

¹⁷ *Id.*, p. 201.

¹⁸ D.16-11-022, p. 149.

¹⁹ *Id.*, p. 274.

treated as part of the 2020 goal. This estimate is based on the methodology adopted in D.01-03-028.²⁰ The calculation is described and summarized in Table 3 below.

Table 3. SoCalGas ESA 2020 Goal: Remaining Willing and Feasible to Participate (WFTP) Customers

Eligible 2020 (Latest Athens; 1% annual Growth)	2,139,946
Minus Unwilling (60% WFTP)	306,564
Minus ESAP Already Treated through 2016 (Excluding Go-Backs)	1,135,633
<u>Minus LIHEAP Treated Through 2020</u>	<u>204,786</u>
Total Remaining To Treat 2017-2020	492,963

The details of this calculation are as follows:

- SoCalGas' eligible population is 2,056,446.²¹
- At 1% annual growth over the 4-year period from 2017-2020, this figure will increase by 83,500 to reach 2,139,946 by the end of 2020.
- SoCalGas has treated 1,153,337 customers from 2002-2016. This figure includes 17,704 go-backs treated in 2016, the first year post-2002 go-backs were permitted in SoCalGas' program. The net number of new customers treated by SoCalGas since 2002 is 1,135,633.
- CSD has treated 178,413 customers through 2016 and is projected to reach an additional 26,373 by 2020. Assuming CSD continues to treat customers at a rate 90% of the historical level over the period 2002-2016, CSD should treat a total of 204,786 by 2020.
- After accounting for customers already treated by SoCalGas or CSD through 2016, the remaining eligible customers in 2016 are 736,506, and of those, 40% or 294,602 are assumed to be unwilling based on the WFTP factor.²² This figure is equivalent to 14.3% of the total eligible population through 2016.
- Assuming the same total population unwillingness by 2020, total unwilling will reach 306,564 or 14.3% of the eligible population of 2,139,946.
- Total remaining customers to be treated by ESA Program results from subtracting those unwilling as of 2020, ESA Program treated through 2016, and LIHEAP treated through 2020 from the total projected 2020 eligible population.

The resulting total remaining customers to treat are more than the 474,114 total treated goal for 2017-2020 adopted in the Decision, which will necessarily include some "go-back" units that do not contribute to the 2020 goal. Nevertheless, SoCalGas recognizes the importance of maintaining focus on the 2020 goal and will position its contractors to maximize enrollment of these first-time customers. As described above, SoCalGas proposes to carry forward additional funds beyond those needed to complete the treated

²⁰ D.01-03-028 p.49, OP 14 and OP 15.

²¹ According to the latest available Athens Research (2016 Study) figures and as reported in SoCalGas' 2017 monthly reports.

²² D.16-11-022, OP 76.

goal and implement other activities ordered in the Decision, to facilitate SoCalGas' ability to exceed its treated goals.

My Account Updates and Mobile Versioning/Mobile Apps

The Decision provides several directives related to My Account updates and mobile device/app.²³ SoCalGas plans to update its My Account with new CARE functions that will be mobile device accessible and responsive. The My Account updates will provide all non-CARE residential customers the ability to be informed of the CARE program and offered a facilitated enrollment process, if they choose to apply. Additionally, CARE customers will be informed of their CARE status, reminded/facilitated to recertify their CARE eligibility, reminded/facilitated to upload required proof of eligibility documentation, and, if required, to Post Enrollment Verification (PEV). SoCalGas will continue the current marketing banner practice to target likely eligible customers, based on internal analytics.

SoCalGas plans to leverage its existing SoCalGas mobile app and embed new CARE functionalities in lieu of creating a new CARE Program app. SoCalGas' customers will be able to apply for CARE and recertify their CARE eligibility in five different languages. All forms will be accessible and responsive to mobile devices. In addition, linking the current CARE website to SoCalGas' mobile app landing page menu will provide more exposure for the program. The SoCalGas mobile app intent is to increase connections, which is critical in cross-promoting all company programs and services. CARE customers who use the mobile app would be exposed to other beneficial programs. Further, SoCalGas plans to integrate My Account CARE updates into SoCalGas' mobile app after completion of the My Account CARE enhancements.

Water Leveraging Plans

In compliance with the Decision, SoCalGas plans to continue its leveraging plans with identified water wholesalers and retailers (water agencies and companies) operating in SoCalGas' service territory.²⁴ Currently, SoCalGas has water leveraging agreements with: 1) Metropolitan Water District (wholesaler); 2) Liberty Water (retailer); 3) San Gabriel Valley Water (retailer); 4) Fontana Water (retailer); and 5) Eastern Municipal Water District (retailer) that provide for co-funding of ESA Program water measures. SoCalGas will continue its leveraging activities with water agencies and will include more detailed activity and update its plans at the mid-cycle, as directed in the Decision.²⁵

Audits

In August 2016, the State Controller's Office (SCO) conducted an audit of SoCalGas CARE and ESA Programs for the period of January 1, 2013 to December 31, 2015. The purpose of the audit was to determine if SoCalGas is in compliance of all the laws and regulations of the programs. The total cost of the audit for all the IOUs was \$625,000,

²³ COL 154, OP 77, OP 82, OP 102, and OP 103.

²⁴ D.16-11-022, OP 30e, OP 30g, and COL 61.

²⁵ D.16-11-022, pp. 148-149.

resulting in \$156,250 of the costs applicable to SoCalGas. At the direction of the Commission's Energy Division, the audit costs will be split evenly between ESA and CARE Programs. To date, SoCalGas has received an invoice for \$55,872.44. These costs are incorporated into SoCalGas' revised ESA and CARE Program budgets.

ESA and CARE Programs Budgets and Analysis

ESA and CARE Programs budgets and analysis tables providing the following information are included in Attachment D.

Table	ESA & CARE Programs Budgets & Analysis
A-1	PY 2017-2020 Energy Savings Assistance Program Proposed Electric & Gas Budget
A-2	PY 2017-2020 Energy Savings Assistance Program Proposed Gas Budget
A-3	PY 2017-2020 Energy Savings Assistance Program Planning Assumptions
A-4	Energy Savings Assistance Program Penetration
A-5	Summary of Energy Savings Assistance Program Cost Effectiveness
A-6	Energy Savings Assistance Program Cost-Effectiveness - Weather Sensitive Measures
A-7	Energy Savings Assistance Program Cost-Effectiveness - Non Weather Sensitive Measures
A-8	PY 2017-2020 Energy Savings Assistance Program Pilots and Studies
B-1	PY 2017-2020 CARE Proposed Program Budget
B-2	PY 2017-2020 CARE and ESAP Rate Impacts - Gas
B-3	PY 2016 CARE Outreach and Penetration Information
B-4	PY 2017-2020 CARE Estimated Participation
B-5	Low Income Customer Usage Levels
B-6	PY 2017-2020 CARE Pilots and Studies

Conclusion

Based on the information provided herein, SoCalGas requests that its revised ESA and CARE Program budgets be approved in order to implement the directives in the Decision.

Protests

Anyone may protest this AL to the 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 protests must be made in writing and received within 20 days of the date of this AL, which is on April 24, 2017. 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
Attn: 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 Energy Division Tariff Unit (EDTariffUnit@cpuc.ca.gov). A copy of the protest should also be sent via both e-mail and facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Ray Ortiz
Tariff Manager - GT14D6
555 West Fifth Street
Los Angeles, CA 90013-1011
Facsimile No.: (213) 244-4957
E-mail: ROrtiz@SempraUtilities.com

Effective Date

SoCalGas believes that this filing is subject to Energy Division disposition and should be classified as Tier 2 (effective after staff approval). Therefore, SoCalGas respectfully requests that this advice letter become effective for service on April 29, 2017, which is the approval date requested in AL 5111.

Notice

A copy of this AL is being sent to SoCalGas' General Order (GO) 96-B service list and the Commission's service list in A.14-11-007. Address change requests to the GO 96-B should be directed by electronic mail to tariffs@socalgas.com or call 213-244-2837. 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) #: 5111-A

Subject of AL: Supplement - Low Income Programs Conforming Advice Letter Pursuant to Decision (D.) 16-11-022

Keywords (choose from CPUC listing): CARE, 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.16-11-022

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: 4/29/17

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: None

Service affected and changes proposed¹: N/A

Pending advice letters that revise the same tariff sheets: None

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. 5111-A

Energy Savings Assistance (ESA) Program Updated Budget

ATTACHMENT A

ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM UPDATED BUDGET

Appliances

The Appliances subcategory forecast includes all measure installation costs and fees related to delivery of High Efficiency (HE) Washers. SoCalGas assumed installed units in 2017-2020 will be equal to the number of treated homes, times the rate at which treated homes have qualified for washers in 2015, with an adjustment for the rate of unsuccessful delivery attempts. Costs per unit have been updated in accordance with actual contractor rate changes in 2016. Thus, on average expenditures per treated unit basis, adjusted for inflation, appliances are lower in 2017 than requested in SoCalGas 2015-2017 Low Income Application.

Table A.1: Appliances Subcategory 2017-2020 Budget

Appliances	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Treated Goal	110,000	110,000	110,000	115,500	121,275	127,339	474,114
Budget	\$ 16,741,980	\$ 17,117,000	\$ 16,450,664	\$ 17,652,411	\$ 18,947,099	\$ 20,328,173	\$ 73,378,347

Domestic Hot Water

The Domestic Hot Water subcategory forecast includes all measure installation costs and fees related to the following measures:

- Faucet Aerators
- Low-Flow Shower Heads
- Thermostatic Shower Valves
- Water Heater Repair
- Water Heater Replacement
- Thermostatic Tub Spouts (new measure)

For each of the measures above that were part of the 2015 portfolio, SoCalGas assumed installed units in 2017-2020 will be equal to the number of treated homes, times the average expenditure per treated unit for the measure experienced in 2015. Costs per unit increased from the 2015 level by 4.5% for water heater repair and replacement based on actual rate increases implemented in 2017.

In forecasting costs for Thermostatic Tub Spouts, SoCalGas assumed units will be installed at a rate 80% of that experienced for Thermostatic Shower Valves in 2015, based on SoCalGas' estimate of the rate of tub-shower combination units serviced, and that this rate of installation will begin in 2017 based on SoCalGas' best estimate of the availability of the equipment. Regular and Handheld¹ Tub Spout installation rates are based installation rates of Regular and Handheld Thermostatic Shower Valves installed in 2015. Unit costs are estimated based on current (2017) costs for materials and installation.

Table A.2: Domestic Hot Water Subcategory 2017-2020 Budget

Domestic Hot Water	Requested		2017-2020 Proposed				
Year	2016	2017	2017	2018	2019	2020	Total
Treated Goal	110,000	110,000	110,000	115,500	121,275	127,339	474,114
Budget	\$ 19,793,179	\$ 20,236,546	\$ 25,541,417	\$ 27,407,259	\$ 29,417,400	\$ 31,561,665	\$ 113,927,740

Enclosure

The Enclosure subcategory forecast includes all Air Sealing and Envelope costs related to the following measures:

- A/C Vent Cover
- Caulking
- Evaporative Cooler Vent Cover
- Minor Home Repair
- Switch Outlet Gaskets and Cover
- Weather-stripping
- Attic Insulation

For each of the measures above, SoCalGas assumed installed units in 2017-2020 will be equal to the number of treated homes, times the average expenditure per treated unit for the measure experienced in 2015, and adjusted for price changes and annual unit goal increase.

¹ The tub spout measure includes an integrated shower head with fixed and handheld versions.

Table A.3: Enclosure Subcategory 2017-2020 Budget

Enclosure	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Treated Goal	110,000	110,000	110,000	115,500	121,275	127,339	474,114
Budget	\$ 31,664,954	\$ 32,374,249	\$ 31,356,733	\$ 33,647,394	\$ 36,115,208	\$ 38,747,683	\$ 139,867,018

HVAC

The HVAC subcategory forecast includes all measure and fees related to the following approved measures:

- Forced Air Unit (FAU) Standing Pilot Light Conversion
- Furnace Repair/Replacement
- Duct Sealing – Prescriptive
- HE (FAU) Furnace

For FAU Standing Pilot Light Conversion and Furnace Repair/Replacement, SoCalGas assumed installed units in 2017-2020 will be equal to each year’s treated unit goal times the average expenditure per treated unit for the measure experienced in 2015. Costs per unit are based on 2015 experience, adjusted according to actual rate changes implemented in 2016-2017.

D.16-11-022 orders that Duct Testing and Sealing be replaced with a new measure known as Prescriptive Duct Sealing. SoCalGas will replace testing with the prescriptive process as soon as possible. With the elimination of duct testing in order to initiate duct sealing, SoCalGas anticipates an increased rate of duct sealing installations from the rate experienced in 2015, equaling up to 80% of total FAU’s. This includes homes required for Title 24 compliance. The forecast for Prescriptive Duct Sealing is thus based on an adjusted 2015 feasibility rate, with unit costs based on the current rate sheet for sealing (separate from testing), multiplied by each year’s treated unit goal and adjusted for inflation.

In its Application, SoCalGas proposed introducing HE FAUs on an “early replacement” basis that were specifically approved in the Decision at OP 15 along with split systems. Additionally, SoCalGas proposed “replacement on burnout” scenarios, which comprised the majority of proposed HE FAU units. This component contributed a relatively smaller proportion of the proposed budget, because the scenario entailed

installing an HEFAU in cases where the existing furnace was inoperable, and under existing program rules, would have been replaced with a standard efficiency FAU – thus, the incremental cost of using HE units (net of the avoided cost of a new, standard-efficiency FAU) was relatively less. SoCalGas considers the decision to be ambiguous on approval of HEFAU “replacement on burnout” and is seeking clarification in the Joint Petition For Modification filed March 24, 2017, on this issue. However, in the budget presented here, SoCalGas has included the “replace on burnout” scenario on the assumption that this measure is likely to be approved or clarified as part of the intended approval in the Decision.

Table A.4: HVAC Subcategory 2017-2020 Budget

HVAC	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Year							
Treated Goal	110,000	110,000	110,000	115,500	121,275	127,339	474,114
Budget	\$ 22,973,761	\$ 23,488,373	\$ 23,190,540	\$ 24,884,646	\$ 26,709,771	\$ 28,656,674	\$ 103,441,631

Maintenance

Furnace Clean and Tune is the sole measure in the Maintenance budget subcategory. Forecast unit costs incorporate an increase above 2015 levels, based on actual 2016-2017 price rate adjustments. The number of units per treated home is based on the rate experienced in base year 2015.

Table A.5: Maintenance Subcategory 2017-2020 Budget

Maintenance	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Year							
Treated Goal	110,000	110,000	110,000	115,500	121,275	127,339	474,114
Budget	\$ 1,895,280	\$ 1,937,734	\$ 1,922,439	\$ 2,062,876	\$ 2,214,175	\$ 2,375,568	\$ 8,575,059

Customer Enrollment

The Customer Enrollment subcategory includes all fees related to Outreach & Assessment activities including income qualification, enrollment of customers, and the cost of enrollment forms and additional forms required. This includes activities performed by SoCalGas’ contractor network, as well as those performed by SoCalGas employees under the Customer Assistance Representative (CARs) organization, and

includes recovery of up to \$2.9 million per year for Pension and Benefits, Worker's Compensation and Personal Liability and Property Damage insurance loaders, as allowed under D.12-08-044 as well as Payroll Tax and Vacation and Sick loader costs, identical to the approach used in SoCalGas' 2014 Application. New Unwilling, Infeasible, Ineligible forms are additional costs associated with new directives ordered by D.16-11-022.

The forecast cost per treated unit for enrollment and assessment activities is based on the cost per unit experienced in 2015, adjusted for planned rate increases in 2017 and expected inflation in later years. Because the cost of this activity, performed both by contractors and by CARs employees, is based on a cost per unit, CARs costs described above do not result in an incremental budget request.

Table A.6: Customer Enrollment Subcategory 2017-2020 Budget

Customer Enrollment	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Treated Goal	110,000	110,000	110,000	115,500	121,275	127,339	474,114
Budget	\$ 18,110,250	\$ 18,515,920	\$ 17,994,859	\$ 19,307,970	\$ 20,722,568	\$ 22,231,468	\$ 80,256,866

In Home Education

The In-Home Education budget category includes the cost of fees paid to contractors for education activities as well as the cost of energy education related materials. Unit costs in 2017 are based on actual 2015 levels, adjusted for planned rate increases in 2017 and inflation in the later years. In addition to the ongoing printing costs for the energy education guide, the 2017-2020 budgets also contain costs for materials including coloring books, bookmarks, shower timers, Toilet Tank Efficiency Kits, and green totes which were part of the original Application budget. Also included are costs associated with new directives ordered by D.16-11-022 requiring program representatives to:

- Gather toilet information
- Encourage customer opt-in to demand response/alternate tariff program
- Educate customers on My Account website offering

- Enroll customers with an active email account and home/mobile internet access into My Account platforms, reporting customers who opt out.

Table A.7: In Home Education Subcategory 2017-2020 Budget 7

In Home Education	Requested		2017-2020 Proposed				
	2016	2017	2017	2018	2019	2020	Total
Treated Goal	110,000	110,000	110,000	115,500	121,275	127,339	474,114
Budget	\$ 3,714,821	\$ 3,798,033	\$ 5,021,521	\$ 5,257,030	\$ 5,507,114	\$ 5,770,914	\$ 21,556,578

Training Center

The Training Center budget category includes labor and non-labor costs related to training and auditing of contractor activities. Continuing activities were estimated based historical average expenditures, adjusted for inflation. As proposed in the 2014 Application, the budget includes one additional staff member to augment SoCalGas’ contractor training and auditing capacity, as well as provision for a training facility, assessment training video development, and a computer based training tool. These costs have been updated and adjusted as to timing to reflect the expectation that they will be implemented beginning 2017.

Table A.8: Training Center Subcategory 2017-2020 Budget

Training Center	Requested		2017-2020 Proposed				
	2016	2017	2017	2018	2019	2020	Total
Budget	\$ 885,711	\$ 908,314	\$ 901,998	\$ 926,681	\$ 952,114	\$ 977,059	\$ 3,757,851

Inspections

The Inspections budget category records costs paid to contractors for inspection of installed measures.²

Per-treated-unit costs for this budget category are based on experience in 2015, adjusted for inflation.

² The general rate increase used to calculate 2017 per unit costs from 2015 was 4.5%.

Table A.9: Inspections Subcategory 2017-2020 Budget

Inspections	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Treated Goal	110,000	110,000	110,000	115,500	121,275	127,339	474,114
Budget	\$ 2,306,256	\$ 2,357,651	\$ 2,509,088	\$ 2,646,697	\$ 2,773,816	\$ 2,903,418	\$ 10,833,019

General Administration

The General Administration budget category records labor and non-labor costs associated with the general management and administration of the program including operation of the ESA Program call center, invoice processing, management of contractor field activities and installation standards, project management and analysis of the CARs organization, information systems maintenance and development, contract administration and program data analysis. Forecasts for continuing activities in this category have been estimated based on the five-year 2011-2015 average expenditures, and adjusted for inflation.

The costs of information systems maintenance and enhancements have been adjusted according to timing and current program needs, including provision for the new tracking and reporting requirements identified in D.16-11-022, and budgeted at \$736,473 per year for 2017-2020. Among the planned enhancements are further development of the tools that will allow SoCalGas to coordinate more closely with Southern California Edison, enhanced reporting capability to enable SoCalGas management to more effectively monitor contractor activity and identify spending trends, and enhanced linkages between the ESA Program database and SoCalGas' main customer database to facilitate customer targeting and improved customer service. Other significant non-labor costs included are telecommunications costs, printing costs for forms, and costs paid to temporary employment agencies to provide added processing capacity during busy periods.

Additional costs for new initiatives ordered by D.16-11-022 have been included in the 2017-2020 General Administration budget categories. These additional costs include annual amounts of \$23,000 for Lifeline Coordination and \$101,365 for My Account enhancements.

In its 2014 Application, SoCalGas had proposed to reclassify the labor costs for 6.72 full time equivalent (FTE) staff members to the Marketing and Outreach budget category, from General Administration. SoCalGas had not previously charged labor to the M&O category for the ESA program, in contrast to CARE, where the labor and non-labor costs of the M&O function are grouped within the same budget category. However, D.16-11-022 authorized SoCalGas' annualized M&O budget based on non-labor expenditures only.³ Therefore, SoCalGas in this Advice Letter retains its existing classification of M&O labor costs under General Administration, and includes in M&O only the continuing non-labor costs and new proposed activity costs within that budget category. Thus all continuing, existing labor and backfill that has been recorded to General Administration through 2016 has been retained within this category for 2017-2020.

Table A.9: General Administration 2017-2020 Budget

General Administration	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Budget	\$ 5,520,021	\$ 5,291,513	\$ 6,356,574	\$ 6,500,414	\$ 6,661,106	\$ 6,818,403	\$ 26,336,496

Marketing and Outreach

The Marketing and Outreach (M&O) budget category includes non-labor costs related to ESA Program direct customer marketing, community outreach, and general awareness campaigns. In this Advice Letter, SoCalGas conforms to the annualized non-labor budget established in D. 16 11-022 as \$1.45 million per year for 2017-2020. In 2017, SoCalGas will join PG&E, SCE, and SDG&E in a public workshop to present and solicit feedback on its M&O plans for the ESA Program and CARE. Attached to this Advice Letter, Pursuant to D. 16-11-022 OP 37, SoCalGas submits a joint IOU outline to guide development of individual IOU M&O plans, which will be filed 60 days after the public M&O workshop.

³ Excluding labor results in a budget cut to M&O expenditures rather than the 10% increase over the maximum annual expenditures allowed by the decision. If the authorized ESA Program M&O budget of \$1.45 million/year were to represent labor and non-labor, then spending for 2017 would be constrained to approximately 25% less than the maximum annual expenditures referenced in Table 2 “Annualized M&O Budget Requests and Authorizations.”³

Table A.10: Marketing and Outreach Subcategory 2017-2020 Budget

Marketing and Outreach	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Budget	\$ 2,558,973	\$ 2,600,256	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 5,800,000

M&E Studies

M&E studies category is budgeted for a total amount of \$500,000 for the 2017-2020 program cycle. This amount attributes to SCG’s portion of Low income studies cost split by all IOU’s, including Impact Assessment, Needs Assessment, Cost-Effectiveness/Non Energy Benefits and potential and hoc studies.

Table A.11 M&E Studies Subcategory 2017-2020 Budget

M&E Studies	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Budget	\$ 195,833	\$ 195,833	\$ 115,625	\$ 153,125	\$ 115,625	\$ 115,625	\$ 500,000

Regulatory Compliance

The activities for this cost category include facilitating SoCalGas’ compliance with Commission program rules and reporting requirements, the development of ESA Program regulatory filings, monitoring and evaluation of financials in compliance with established budgets, and responding to data requests from the Commission and other outside agencies and organizations, among other duties. Also included in PY 2017 budget is \$78,125 for the ESA portion of the 2016 audit of SoCalGas CARE and ESA Programs conducted by the State Controller’s Office (SCO). In addition, 0.5 FTEs have been added to support EM&V studies.

Table A.12 Regulatory Compliance Subcategory 2017-2020 Budget

Regulatory Compliance	Requested		2017-2020 Proposed				Total
	2016	2017	2017	2018	2019	2020	
Budget	\$ 335,621	\$ 344,307	\$ 471,807	\$ 405,114	\$ 416,882	\$ 428,364	\$ 1,722,167

Commission’s Energy Division

SoCalGas has included \$86,000 per year for the 2017 – 2020 program cycle, a funding level consistent with the annual amounts originally authorized in D.12-08-044 and re-confirmed for PYs 2012-2014 in D.14-08-030.

Table A.13 Regulatory Compliance Subcategory 2017-2020 Budget

CPUC Energy Division	Requested		2017-2020 Proposed				
Treated Goal	2016	2017	2017	2018	2019	2020	Total
Budget	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000	\$ 344,000

Multifamily Common Area

D.16-11-022 OP 43 directs SoCalGas to allocate \$18 million of unspent dollars to fund common area ESA multifamily building efforts. SoCalGas has incorporated a “Multifamily Common Area” budget category into the budget table in order to demonstrate compliance with this order. This category is shown as an annual \$4.5 million for the 2017-2020 program cycle, totaling \$18 million.

All labor and non-labor costs for common area and multifamily building efforts are included in this budget category. Costs include direct implementation expenses, administrative costs, and marketing efforts supporting the multifamily common area program segment.

Table A.13 Multifamily Common Area Subcategory 2017-2020 Budget

Multi- Family Common Area	2017-2020 Proposed				
Year	2017	2018	2019	2020	Total
Budget	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 18,000,000

Leveraging – CSD

D.16-11-022 OP 48 directs IOUs to create a new balancing account to fund CSD’s LIWP efforts for only measures currently offered by the ESA Program and approved for multi-family households. Measures include low flow showerheads, water heater blankets, water heater pipe insulation, thermostatic shower valves, tub diverters, faucet aerators, and thermostatic tub spouts. Forecasts for this budget category are derived using projected installation rates for these authorized ESA Program water measures, including labor and non-labor costs.

Table A.13 Levering - CSD Subcategory 2017-2020 Budget

Leveraging - CSD	2017-2020 Proposed				
Year	2017	2018	2019	2020	Total
Budget	\$ 326,295	\$ 326,295	\$ -	\$ -	\$ 652,590

ATTACHMENT B

Advice No. 5111-A

California Alternate Rates For Energy (CARE) Program Budget

ATTACHMENT B

CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) PROGRAM BUDGET

Decision (D.) 16-11-022 did not approve the CARE Administrative budgets as proposed by SoCalGas. Instead the authorized budget by the Commission was aligned more closely with the actual 2015 expenditure levels and with the exceptions made in the Outreach, IT, Energy Division, General Administration and CHANGES budget categories. Specifically, CARE administrative budgets before exceptions are at 15% over actual 2015 expenditures for 2017, and 20% over 2015 expenditures for 2018 to account for inflation as well as any unforeseen costs. For 2019 - 2020, the budgets are to be “not more than 25% over 2015 actual costs” as noted in page 346, CARE Administrative Budgets in Section 4.12.3.” (p.346)

The tables below show the CARE Budget by Cost Category step by step as outlined in the Decision and mentioned above.

Table B.1: CARE 2017-2018 Budget Based on 2015 Actual Alignment before Exceptions

		2017 Base Budget	2018 Base Budget
CARE Budget Categories	2015 Actual	115% of 2015 Actual	120% of 2015 Actual
Outreach	\$ 3,882,068	\$ 4,464,379	\$ 4,658,482
Processing, Certification, Recertification	\$ 1,138,810	\$ 1,309,631	\$ 1,366,572
Post Enrollment Verification	\$ 129,028	\$ 148,382	\$ 154,833
Measurement and Evaluation	\$ -	\$ -	\$ -
Regulatory Compliance	\$ 396,549	\$ 456,031	\$ 475,858
General Administration	\$ 726,496	\$ 835,471	\$ 871,796
Commission Energy Division Staff	\$ 43,815	\$ 50,387	\$ 52,577
SUBTOTAL MANAGEMENT COSTS	\$ 6,316,766	\$ 7,264,281	\$ 7,580,119

Table B.2: Exceptions and Adjustments to 2015 Actual Alignment Budget Method

CARE Budget Line Item	2017 Budget Impact	2018 Budget Impact	Reference
CARE Admin	\$ 116,933.00	\$ 81,933.00	
Lifeline Coordination	\$ 81,933.00	\$ 81,933.00	Pg 299
CSR Enrollment Study	\$ 35,000.00		COL 100/OP 60
CARE Outreach	\$ 137,500.00	\$ 137,500.00	
Rate Education Report	\$ 137,500.00	\$ 137,500.00	Pg 324
CARE IT	\$ 1,293,720.00	\$ 993,720.00	
CIS/ database updates for ED Data Transfer	\$ 300,000.00		OP 93
Authorized IT budget before adj	\$ 993,720.00	\$ 993,720.00	Pg 310
CHANGES	\$ 437,502.00	\$ 437,502.00	OP 129
CARE Process	\$ 1,200,000.00	\$ 1,200,000.00	
CSR Enrollment 15 FTEs	\$ 1,200,000.00	\$ 1,200,000.00	COL 167

- Coordination with Lifeline, Covered California, VASH, IRS VITA: ESA and CARE programs coordinate the distribution of marketing material to be proactively distributed to California Lifeline providers, stores and kiosks. These efforts should be co-funded at \$104,933 for 2017 and 2018 split between the two programs. The CARE Administration cost of \$81,933 is allocated to 2017 and 2018.¹
- Rate Education Report, a new rate education initiative, should be co-funded with the CARE Outreach budget and is approved for \$137,500 per year for this effort.²
- \$300,000 in its CARE Information Technology Programming budgets to update its current system to allow for monthly data transfer to the Commission’s Energy Division (or its consultants) for independent review, modeling, and, where appropriate, public demonstration on a website.³
- D.16-11-022 approves SoCalGas’ budget request for information systems maintenance and enhancement. The authorized IT budgets are \$ 993,720, \$1,043,500, \$1,043,500, and \$1,043,500 for 2017, 2018, 2019, and 2020, respectively.⁴

¹ *Id.*, pp. 297-298

² *Id.*, p. 323.

³ *Id.*, OP 93.

⁴ *Id.*, p. 309.

- CARE Administrative Budget funding the Community Help and Awareness of Natural Gas and Electricity Services ongoing program is adjusted from \$61,200 per month to \$145,834 per month, with 25% contribution from each SoCalGas.⁵
- SoCalGas’ proposal for CSR Enrollment was approved and \$1.2 million was proposed in its application to implement CSR enrollment.⁶
- CSR Enrollment Study: “Southern California Gas Company’s proposed \$35,000 California Alternate Rates for Energy Program Customer Service Representative Enrollment Study is approved.”⁷

**Table B.3: SoCalGas Conformed Budget by Cost Category
(Table B.1 Plus Table B.2)**

CARE Budget Categories	2017	2018	2019	2020	Total
Outreach	4,601,879	4,795,982	4,843,942	4,892,381	19,134,184
Processing, Certification, Recertification	2,509,631	2,566,572	2,592,238	2,618,160	10,286,601
Post Enrollment Verification	148,382	154,833	156,382	157,945	617,542
IT Programming	1,293,720	993,720	1,043,406	1,043,406	4,374,252
Cool Centers	-	-	-	-	-
CHANGES	437,502	437,502	441,877	446,296	1,763,177
Measurement and Evaluation	-	-	-	-	-
Regulatory Compliance	456,031	475,858	480,617	485,423	1,897,930
General Administration	952,404	953,729	963,266	972,899	3,842,297
CPUC Energy Division Staff	60,000	60,000	60,600	61,206	241,806
SUBTOTAL MANAGEMENT COSTS	10,459,549	10,438,197	10,582,327	10,677,716	42,157,789

The SoCalGas’ CARE budget above is fully conforming to the directives in the Decision.

Table B.4: SoCalGas Requested Budget by Cost Category

The table below outlines SoCalGas’ requested budget by cost categories. This highlights the IT Programming costs shifted heavily in 2017 in order to comply with the My Account update directive due by December 31, 2017, the CSR enrollment cost of \$1.2 M annually for 2017-2018 has been added to the Processing category, and finally the CSR Enrollment Study cost is incorporated under General Administration category.

⁵ *Id.*, OP 129.

⁶ *Id.*, COL 167.

⁷ *Id.*, OP 60.

CARE Budget Categories	2017	2018	2019	2020	Total
Outreach	\$ 4,601,879	\$ 4,795,982	\$ 4,843,942	\$ 4,892,381	\$ 19,134,184
Processing, Certification, Recertification	\$ 2,509,631	\$ 2,566,572	\$ 2,592,238	\$ 2,618,160	\$ 10,286,601
Post Enrollment Verification	\$ 148,382	\$ 154,833	\$ 156,382	\$ 157,945	\$ 617,542
IT Programming	\$ 1,893,720	\$ 793,720	\$ 843,406	\$ 843,406	\$ 4,374,252
Cool Centers	\$ -	\$ -	\$ -	\$ -	\$ -
CHANGES	\$ 437,502	\$ 437,502	\$ 441,877	\$ 446,296	\$ 1,763,177
Measurement and Evaluation	\$ -	\$ -	\$ -	\$ -	\$ -
Regulatory Compliance	\$ 456,031	\$ 475,858	\$ 480,617	\$ 485,423	\$ 1,897,930
General Administration	\$ 952,404	\$ 953,729	\$ 963,266	\$ 972,899	\$ 3,842,297
CPUC Energy Division Staff	\$ 60,000	\$ 60,000	\$ 60,600	\$ 61,206	\$ 241,806
SUBTOTAL MANAGEMENT COSTS	\$ 11,059,549	\$ 10,238,197	\$ 10,382,327	\$ 10,477,716	\$ 42,157,789

ATTACHMENT C

Advice No. 5111-A

Joint Investor-Owned Utilities Marketing & Outreach Plan Outline

ATTACHMENT C

JOINT INVESTOR-OWNED UTILITIES MARKETING & OUTREACH PLAN OUTLINE

Common Format and Standardized Information

- I. Executive summary**

This section will provide a brief overview of the plan, what is included in the document, and key priorities for the plan.
- II. Program Background**

This section will include an overview of the CARE and ESA Programs, program priorities and goals, and applicable regulatory context based on D.16-11-022.
- III. Low Income Market Situation and Customer Insights**

This section will include an overview of the state of low income customers in California and the current conditions of the market including barriers to enrollment (including barriers identified by IOU's, LINA Study, and SB350 CEC Barriers), which will inform the marketing plans.
- IV. Overall Marketing Plan**

This section will specify IOU marketing objectives, goals, target audiences (including hard-to-reach segments), segmentation strategy, messaging strategy and tactics.
- V. Integration**

This section will describe how low income messaging will be integrated into ME&O strategies for other key initiatives such as: Residential Rate Reform, Statewide ME&O, Energy Efficiency and Demand Response Programs, AB793 (Energy Management Technologies), and Aliso Canyon efforts in Southern California.
- VI. Measurement and Metrics**

This section will describe how IOUs will track impacts of outreach conducted by contractors, IOUs, and capitation agencies. Metrics will include participation rates for under-enrolled communities.
- VII. Budget**

This section will include a budget estimate for the ME&O activities based on the plan developed.
- VIII. Appendix**

This section will include any related documents for reference.

ATTACHMENT D

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ESA & CARE Programs Budgets & Analysis

- Table A-1: PY 2017-2020 Energy Savings Assistance Program Proposed Electric & Gas Budget
- Table A-2: PY 2017-2020 Energy Savings Assistance Program Proposed Gas Budget
- Table A-3: PY 2017-2020 Energy Savings Assistance Program Planning Assumptions
- Table A-4: Energy Savings Assistance Program Penetration
- Table A-5: Summary of Energy Savings Assistance Program Cost Effectiveness
- Table A-6: Energy Savings Assistance Program Cost-Effectiveness - Weather Sensitive Measures
- Table A-7: Energy Savings Assistance Program Cost-Effectiveness - Non Weather Sensitive Measures
- Table A-8: PY 2017-2020 Energy Savings Assistance Program Pilots and Studies
- Table B-1: PY 2017-2020 CARE Proposed Program Budget
- Table B-2: PY 2017-2020 CARE and ESAP Rate Impacts - Gas
- Table B-3: PY 2016 CARE Outreach and Penetration Information
- Table B-4: PY 2017-2020 CARE Estimated Participation
- Table B-5: Low Income Customer Usage Levels
- Table B-6: PY 2017-2020 CARE Pilots and Studies

**Table A-1: PY 2017-2020 Energy Savings Assistance Program Proposed Electric & Gas Budget
SoCalGas Company**

	PY 2016 Year-End Authorized [1]	PY 2017 Year-End Projected	PY 2018 Year-End Projected	PY 2019 Year-End Projected	PY 2020 Year-End Projected
Energy Savings Assistance Program					
Energy Efficiency					
Appliances	\$4,355,784	\$16,450,664	\$17,652,411	\$18,947,099	\$20,328,173
Domestic Hot Water	\$9,303,931	\$25,541,417	\$27,407,259	\$29,417,400	\$31,561,665
Enclosure	\$17,353,805	\$31,356,733	\$33,647,394	\$36,115,208	\$38,747,683
HVAC	\$7,158,892	\$23,190,540	\$24,884,646	\$26,709,771	\$28,656,674
Maintenance	\$1,190,753	\$1,922,439	\$2,062,876	\$2,214,175	\$2,375,568
Lighting	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0
Customer Enrollment	\$10,206,244	\$17,994,859	\$19,307,970	\$20,722,568	\$22,231,468
In Home Education	\$1,037,475	\$5,021,521	\$5,257,030	\$5,507,114	\$5,770,914
Pilot					
Energy Efficiency Total	\$50,606,884	\$121,478,173	\$130,219,587	\$139,633,335	\$149,672,146
Training Center	\$306,749	\$901,998	\$926,681	\$952,114	\$977,059
Inspections	\$1,202,036	\$2,509,088	\$2,646,697	\$2,773,816	\$2,903,418
Marketing and Outreach	\$1,151,254	\$1,450,000	\$1,450,000	\$1,450,000	\$1,450,000
Statewide Marketing Education and Outreach	\$0	\$0	\$0	\$0	\$0
Measurement and Evaluation Studies	\$4,889	\$115,625	\$153,125	\$115,625	\$115,625
Regulatory Compliance	\$293,595	\$471,807	\$405,114	\$416,882	\$428,364
General Administration	\$4,657,898	\$6,356,574	\$6,500,414	\$6,661,106	\$6,818,403
CPUC Energy Division	\$12,644	\$86,000	\$86,000	\$86,000	\$86,000
SUBTOTAL PROGRAM COSTS	\$58,235,948	\$133,369,265	\$142,387,618	\$152,088,877	\$162,451,013
Multi-Family Common Area Measures 2009-2015 Unspent Funds [4]		\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000
Leveraging - CSD [2][3]		\$261,036	\$261,036	\$0	\$0
TOTAL PROGRAM COSTS	\$58,235,948	\$138,130,301	\$147,148,654	\$156,588,877	\$166,951,013
Funded Outside of ESAP Program Budget					
Indirect Costs					
NGAT Costs					

[1] Authorized by D.16-11-022 issued on November 21, 2016.

[2] Ordering Paragraph 31 of D.16-11-022 directs IOUs to support leveraging Department of Water Resources (DWR) and California Energy Commission (CEC) drought mitigation funds providing that PG&E, SCE, SoCalGas, SDG&E to create a new, one time balancing account to fund only those hot water measures currently offered by the ESA Program – namely, low flow showerheads, water heater blankets, water heater pipe insulation, thermostatic shower valves, tub diverters, faucet aerators, and thermostatic tub spouts to be installed by CSD efforts. Using projected installation rates for these authorized ESA Program water measures, together with their costs for both labor and the measures, the four utilities shall work with the CSD to calculate the projected funding level for this effort.

[3] Ordering Paragraph 48 of D.16-11-022 directs PG&E, SCE, SoCalGas, SDG&E to create a new balancing account to fund only measures currently offered by the ESA Program and approved for multi-family households. Using projected installation rates for these measures, coupled with the four large IOUs costs for both labor and the measures, the IOUs are to work with CSD to calculate the projected funding level for this effort, with the goal of funding the CSD's Low Income Weatherization Program efforts for those measures provided by the ESA Program, preserving the remaining CSD's funding for use to install central systems and common area measures not provided by the ESA Program.

[4] Ordering Paragraph 43 of D.16-11-022 directs IOUs to fund in the ESA Program common area measures for the following multi-family buildings dedicated to providing affordable housing to low-income Californians in deed restricted, government and non-profit owned multi-family buildings, subject to a cap of \$80 million of unspent funds pro-rated by each utility. The landlord must certify that at least 65% of the building's tenants meet the ESA Program's income eligibility as a threshold for participation for the common area measures. SCG's portion is \$18 million of the \$80 million.

**Table A-2: PY 2017-2020 Energy Savings Assistance Program Proposed Gas Budget
SoCalGas Company**

	PY 2016 Year-End Authorized [1]	PY 2017 Year-End Projected	PY 2018 Year-End Projected	PY 2019 Year-End Projected	PY 2020 Year-End Projected
Energy Savings Assistance Program					
Energy Efficiency					
Appliances	\$4,355,784	\$16,450,664	\$17,652,411	\$18,947,099	\$20,328,173
Domestic Hot Water	\$9,303,931	\$25,541,417	\$27,407,259	\$29,417,400	\$31,561,665
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Lighting	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0
Customer Enrollment	\$10,206,244	\$17,994,859	\$19,307,970	\$20,722,568	\$22,231,468
In Home Education	\$1,037,475	\$5,021,521	\$5,257,030	\$5,507,114	\$5,770,914
Pilot					
Energy Efficiency Total	\$50,606,884	\$121,478,173	\$130,219,587	\$139,633,335	\$149,672,146
Training Center	\$306,749	\$901,998	\$926,681	\$952,114	\$977,059
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Indirect Costs					
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Table A-3: PY 2017-2020 Energy Savings Assistance Program Planning Assumptions
SoCalGas Company

Measures*	Units	PY 2017 Planned					PY 2018 Planned					PY 2019 Planned					PY 2020 Planned				
		Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Projected Expenses	Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses	Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses	Quantity Installed	kWh (Annual)	kW (Annual)	Therms (Annual)	Proposed Expenses
Appliances																					
High Efficiency Clothes Washer	Each	21,225			655,423	16,450,664	22,286			688,195	17,652,411	23,400			722,604	18,947,099	24,570			758,736	20,328,173
Refrigerators	Each																				
Microwaves	Each																				
Domestic Hot Water																					
Water Heater Blanket	Home	4,795			10,688	280,577	5,035			11,222	301,074	5,286			11,783	323,156	5,551			12,373	346,711
Low Flow Showerhead	Home	103,788			153,769	5,209,575	108,977			161,479	5,590,143	114,426			169,553	6,000,143	120,147			178,031	6,437,499
Water Heater Pipe Insulation	Home	3,592			6,354	87,827	3,772			6,672	94,243	3,961			7,005	101,155	4,159			7,355	108,528
Faucet Aerator	Home	99,213			340,300	1,853,966	104,174			357,315	1,989,402	109,382			375,181	2,135,311	114,852			393,940	2,290,956
Water Heater Repair/Replacement	Each	1,570			4,318	2,322,951	1,648			4,534	2,492,647	1,730			4,761	2,675,466	1,817			4,999	2,870,483
Thermostatic Shower Valve	Each	141,050			327,049	6,598,686	148,102			343,401	7,080,731	155,508			360,572	7,600,056	163,283			378,601	8,154,032
New - Combined Showerhead/TSV	Each																				
New - Heat Pump Water Heater	Each																				
New - Tub Spout	Each	89,315			709,689	9,187,834	93,781			745,176	9,859,047	98,470			782,434	10,582,137	103,393			821,552	11,353,403
Enclosure																					
Air Sealing [1]	Home	81,233			326,637	22,503,207	85,295			342,969	24,147,103	89,560			360,118	25,918,134	94,038			378,124	27,807,333
Caulking	Home																				
Weatherstripping	Home																				
Utility Gaskets	Home																				
Attic Access Weatherstripping	Home																				
Evaporative Cooler Cover	Home																				
AC Vent Cover	Each																				
Attic Insulation	Home	6,973			181,949	8,853,526	7,321			191,047	9,500,291	7,687			200,599	10,197,074	8,072			210,630	10,940,350
HVAC																					
FAU Standing Pilot Light Conversion	Each	137			5,752	47,051	144			6,040	50,488	151			6,342	54,191	159			6,659	58,141
Furnace Repair/Replacement	Each	9,762			-	12,226,732	10,251			-	13,119,915	10,763			-	14,082,174	11,301			-	15,108,639
New-HE Furnace Split	Home	200			-	800,000	210			-	858,441	221			-	921,402	232			-	988,564
New-Upgrade NGAT Fail FAU Replacements to HE Furnace	Home	2,048			-	3,276,508	2,150			-	3,515,862	2,258			-	3,773,728	2,371			-	4,048,799
New- HE FAU Early Replacement	Home	800			20,163	2,760,000	630			21,171	2,961,622	662			22,230	3,178,838	695			23,341	3,410,547
New Upgrade NGAT Fail FAU Repair to HE Furnace	Home	150			5,737	615,000	158			6,024	659,927	165			6,325	708,328	174			6,642	759,959
New - Prescriptive Duct Sealing	Home	5,643			62,605	3,465,248	5,925			65,735	3,718,390	6,221			69,022	3,991,110	6,532			72,473	4,282,026
Maintenance																					
Furnace Clean and Tune	Home	32,248			237,914	1,922,439	33,861			249,809	2,062,876	35,554			262,300	2,214,175	37,332			275,416	2,375,568
Central A/C Tune-up	Home																				
Evaporative Cooler Maintenance	Home																				
Lighting																					
Compact Fluorescent Lights (CFLs)	Each																				
Interior Hard wired CFL fixtures	Each																				
Exterior Hard wired CFL fixtures	Each																				
Torchiere	Each																				
Occupancy Sensor	Each																				
LED Night Lights	Each																				
New - LED Diffuse Bulb (60W Replace)[2]	Each																				
New - LED Reflector Bulb (BR30 Recessed Can)[2]	Each																				
Miscellaneous																					
Pool Pumps	Each																				
Smart Strip Tier 1	Each																				
New - Smart Strip Tier II	Each																				
Pilots																					
	Each																				
	Each																				
Customer Enrollment																					
Outreach & Assessment	Home	115,500				17,994,859	121,275				19,307,970	127,339			20,722,568	133,706				22,231,468	
In-Home Education	Home	75,046				5,021,521	78,798				5,257,030	82,738			5,507,114	86,875				5,770,914	
Total					3,048,367	121,478,171				3,200,789	130,219,614				3,360,829	139,633,359				3,528,872	149,672,092

* Include all proposed new measures, where appropriate.

[1] The Air Sealing measures are bundled. Air Sealing measures include: Caulking, Weatherstripping, Utility Gaskets, Attic Access Weatherstripping, Evaporative Cooler Cover, AC Vent Cover, and Minor Home Repair.

**Table A-4: Energy Savings Assistance Program Penetration
Southern California Gas Company**

Program Year	Number of Customers in Utility Service Area ¹	Number of Eligible Low Income Customers ²	Number of Customers Served by ESAP in Past 10 Years ³	Number of Customers Enrolled in CARE	Number of Eligible and Willing ESAP Customers ⁴	Customers to be Treated by ESAP Program ⁵	Percent of ESAP Programmatic Initiative Achieved
PY 2007	5,668,370	1,948,291	282,761	1,332,614	1,396,477	44,048	21.36%
PY 2008	5,716,020	2,024,477	341,534	1,435,398	1,342,946	58,773	24.65%
PY 2009	5,748,890	1,802,661	425,027	1,560,543	1,018,848	83,493	34.03%
PY 2010	5,775,086	2,106,758	545,385	1,714,044	1,144,500	120,358	36.59%
PY 2011	5,792,691	2,076,738	706,405	1,716,495	943,237	161,020	46.99%
PY 2012	5,809,640	2,035,756	753,834	1,649,360	796,710	96,893	54.32%
PY 2013	5,830,610	2,146,897	803,603	1,604,411	770,458	106,948	58.11%
PY 2014	5,860,473	2,154,960	841,893	1,593,140	677,586	92,967	63.30%
PY 2015	5,899,626	2,158,123	881,686	1,707,088	593,618	80,316	67.89%
PY 2016	5,647,886	2,056,446	914,628	1,724,159	430,090	69,812	75.59%
PY 2017	5,679,049	2,077,010	980,580	1,608,025	331,115	110,000	81.39%
PY 2018	5,710,201	2,097,781	1,037,307	1,632,997	226,817	115,500	87.38%
PY 2019	5,741,482	2,118,758	1,217,355	1,645,483	116,921	121,275	93.56%
PY 2020	5,772,651	2,139,946	1,344,694	1,657,969	1,141	127,339	99.94%

¹ Source of data: 2016 SCG California Gas Report.

² Number of eligible low income customers to be based on customers at or below 200 percent of the Federal Poverty Line. The figures are escalated by 1% annually 2017-2020.

³ Includes customers served by SCG's ESA Program from January 2002. Data for 2017-2020 is forecasted.

⁴ Number of eligible, willing and feasible ESAP customers based on utility's proposed standard means of deriving the number of Willing and Feasible to Participate (WFTP) as discussed in this Advice Letter in the section Willingness to Participate. The number of Eligible, Willing, and Feasible is calculated yearly by using the year number of eligible low-income customers minus the CSD treated, minus the ESA Treated, minus the unwilling.

⁵ Treated customers through SCG's ESA Program are actual totals through year-end 2016 data. Data for 2017-2020 is forecasted.

**Table A-5: Summary of Energy Savings Assistance Program Cost Effectiveness
Southern California Gas Company**

Ratio of Benefits Over Costs			Net Benefits \$	
ProgramYear	ESACET	ResourceTRC	ESACET	ResourceTRC
2017	0.72	0.28	(34,174,056)	(50,925,876)
2018	0.76	0.30	(29,531,622)	(49,730,760)
2019	0.81	0.31	(24,244,681)	(48,629,407)
2020	0.86	0.33	(18,260,002)	(47,484,959)

Notes:

- All program measures "resource and non-resource measures" are included in the ESACET. Only measures considered "resource measures" are included in the Resource TRC.
- The ESACET includes energy and non-energy benefits and all program costs including measure, installation, and administrative costs.
- The Resource TRC includes energy benefits and program measure and installation costs.
- Ordering Paragraph 43 of D.14-08-030 directs the application of the two new cost effectiveness tests, ESACET and Resource TRC, by replacing the existing tests shown below in the table.

**Table A-6: Energy Savings Assistance Program Cost-Effectiveness - Weather Sensitive Measures
Southern California Gas Company**

Measure	Measure Group	Type of Measure	Type of Home	Electric or Gas	Climate Zone	Ratio of Benefits over Costs							
						2017 ESACET	2017 Resource TRC	2018 ESACET	2018 Resource TRC	2019 ESACET	2019 Resource TRC	2020 ESACET	2020 Resource TRC
Air sealing	Enclosure	Resource	MF	G	4	2.59	0.28	2.74	0.29	2.90	0.31	3.08	0.32
Air sealing	Enclosure	Resource	MF	G	5	2.66	0.29	2.81	0.30	2.98	0.32	3.16	0.33
Air sealing	Enclosure	Resource	MF	G	6	0.10	0.01	0.10	0.01	0.11	0.01	0.12	0.01
Air sealing	Enclosure	Resource	MF	G	8	0.25	0.02	0.26	0.02	0.28	0.02	0.31	0.02
Air sealing	Enclosure	Resource	MF	G	9	0.27	0.02	0.29	0.02	0.31	0.02	0.33	0.02
Air sealing	Enclosure	Resource	MF	G	10	1.80	0.17	1.91	0.18	2.04	0.19	2.17	0.20
Air sealing	Enclosure	Resource	MF	G	13	2.98	0.34	3.14	0.36	3.32	0.38	3.52	0.39
Air sealing	Enclosure	Resource	MF	G	14	3.43	0.43	3.61	0.45	3.81	0.47	4.03	0.49
Air sealing	Enclosure	Resource	MF	G	15	0.11	0.01	0.12	0.01	0.12	0.01	0.13	0.01
Air sealing	Enclosure	Resource	MF	G	16	1.50	0.14	1.60	0.14	1.70	0.15	1.82	0.16
Air sealing	Enclosure	Resource	MH	G	4	2.65	0.29	2.80	0.30	2.97	0.32	3.15	0.33
Air sealing	Enclosure	Resource	MH	G	5	2.55	0.27	2.70	0.29	2.86	0.30	3.03	0.31
Air sealing	Enclosure	Resource	MH	G	6	2.89	0.33	3.05	0.34	3.23	0.36	3.42	0.38
Air sealing	Enclosure	Resource	MH	G	8	0.23	0.02	0.24	0.02	0.26	0.02	0.28	0.02
Air sealing	Enclosure	Resource	MH	G	9	0.63	0.05	0.67	0.05	0.72	0.06	0.77	0.06
Air sealing	Enclosure	Resource	MH	G	10	2.95	0.34	3.12	0.36	3.30	0.37	3.49	0.39
Air sealing	Enclosure	Resource	MH	G	13	2.75	0.30	2.91	0.32	3.08	0.34	3.27	0.35
Air sealing	Enclosure	Resource	MH	G	14	3.20	0.38	3.38	0.40	3.57	0.42	3.77	0.44
Air sealing	Enclosure	Resource	MH	G	15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Air sealing	Enclosure	Resource	MH	G	16	3.20	0.38	3.37	0.40	3.56	0.42	3.77	0.44
Air sealing	Enclosure	Resource	SF	G	4	2.63	0.29	2.78	0.30	2.95	0.31	3.13	0.33
Air sealing	Enclosure	Resource	SF	G	5	2.61	0.28	2.76	0.30	2.92	0.31	3.10	0.32
Air sealing	Enclosure	Resource	SF	G	6	0.20	0.02	0.21	0.02	0.22	0.02	0.24	0.02
Air sealing	Enclosure	Resource	SF	G	8	0.24	0.02	0.26	0.02	0.28	0.02	0.30	0.02
Air sealing	Enclosure	Resource	SF	G	9	0.33	0.03	0.36	0.03	0.39	0.03	0.41	0.03
Air sealing	Enclosure	Resource	SF	G	10	1.57	0.14	1.67	0.15	1.78	0.16	1.90	0.17
Air sealing	Enclosure	Resource	SF	G	13	2.80	0.31	2.96	0.33	3.13	0.34	3.32	0.36
Air sealing	Enclosure	Resource	SF	G	14	3.26	0.39	3.44	0.42	3.63	0.43	3.84	0.45
Air sealing	Enclosure	Resource	SF	G	15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Air sealing	Enclosure	Resource	SF	G	16	1.58	0.15	1.69	0.15	1.80	0.16	1.92	0.17
Attic insulation	Enclosure	Resource	MF	G	4	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Attic insulation	Enclosure	Resource	MF	G	5	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Attic insulation	Enclosure	Resource	MF	G	6	0.51	0.28	0.54	0.29	0.57	0.30	0.60	0.32
Attic insulation	Enclosure	Resource	MF	G	8	0.51	0.28	0.54	0.29	0.57	0.30	0.60	0.32
Attic insulation	Enclosure	Resource	MF	G	9	0.51	0.28	0.54	0.30	0.57	0.31	0.61	0.32
Attic insulation	Enclosure	Resource	MF	G	10	0.46	0.24	0.49	0.25	0.51	0.26	0.54	0.27
Attic insulation	Enclosure	Resource	MF	G	13	0.43	0.22	0.46	0.23	0.48	0.24	0.51	0.25
Attic insulation	Enclosure	Resource	MF	G	14	0.04	0.04	0.04	0.05	0.04	0.05	0.05	0.05
Attic insulation	Enclosure	Resource	MF	G	15	0.11	0.04	0.11	0.05	0.12	0.05	0.13	0.05
Attic insulation	Enclosure	Resource	MF	G	16	0.11	0.04	0.11	0.05	0.12	0.05	0.13	0.05
Attic insulation	Enclosure	Resource	SF	G	4	0.24	0.11	0.25	0.11	0.27	0.11	0.28	0.12
Attic insulation	Enclosure	Resource	SF	G	5	0.45	0.24	0.47	0.25	0.50	0.25	0.53	0.26
Attic insulation	Enclosure	Resource	SF	G	6	0.52	0.29	0.54	0.30	0.57	0.31	0.61	0.32
Attic insulation	Enclosure	Resource	SF	G	8	0.51	0.28	0.54	0.30	0.57	0.31	0.60	0.32
Attic insulation	Enclosure	Resource	SF	G	9	0.51	0.28	0.54	0.29	0.57	0.30	0.60	0.31
Attic insulation	Enclosure	Resource	SF	G	10	0.49	0.26	0.51	0.27	0.54	0.28	0.57	0.29
Attic insulation	Enclosure	Resource	SF	G	13	0.44	0.23	0.47	0.24	0.49	0.25	0.52	0.26

						Ratio of Benefits over Costs							
Measure	Measure Group	Type of Measure	Type of Home	Electric or Gas	Climate Zone	2017 ESACET	2017 Resource TRC	2018 ESACET	2018 Resource TRC	2019 ESACET	2019 Resource TRC	2020 ESACET	2020 Resource TRC
Attic insulation	Enclosure	Resource	SF	G	14	0.43	0.22	0.45	0.23	0.48	0.24	0.51	0.25
Attic insulation	Enclosure	Resource	SF	G	15	0.57	0.33	0.60	0.35	0.64	0.36	0.67	0.37
Attic insulation	Enclosure	Resource	SF	G	16	0.49	0.26	0.51	0.27	0.54	0.28	0.57	0.29
Furnace clean and tune	Maintenance	Resource	MF	G	4	0.48	0.12	0.51	0.12	0.54	0.13	0.57	0.14
Furnace clean and tune	Maintenance	Resource	MF	G	5	0.48	0.12	0.51	0.12	0.54	0.13	0.57	0.14
Furnace clean and tune	Maintenance	Resource	MF	G	6	0.48	0.12	0.51	0.12	0.54	0.13	0.57	0.14
Furnace clean and tune	Maintenance	Resource	MF	G	8	0.48	0.12	0.51	0.12	0.54	0.13	0.57	0.14
Furnace clean and tune	Maintenance	Resource	MF	G	9	0.48	0.12	0.51	0.12	0.54	0.13	0.57	0.14
Furnace clean and tune	Maintenance	Resource	MF	G	10	0.65	0.17	0.68	0.18	0.72	0.19	0.76	0.20
Furnace clean and tune	Maintenance	Resource	MF	G	13	0.65	0.17	0.68	0.18	0.72	0.19	0.76	0.20
Furnace clean and tune	Maintenance	Resource	MF	G	14	0.65	0.17	0.68	0.18	0.72	0.19	0.76	0.20
Furnace clean and tune	Maintenance	Resource	MF	G	15	0.34	0.08	0.36	0.08	0.38	0.09	0.40	0.09
Furnace clean and tune	Maintenance	Resource	MF	G	16	0.34	0.08	0.36	0.08	0.38	0.09	0.40	0.09
Furnace clean and tune	Maintenance	Resource	MH	G	4	0.76	0.21	0.80	0.22	0.84	0.23	0.89	0.25
Furnace clean and tune	Maintenance	Resource	MH	G	5	0.44	0.11	0.47	0.11	0.50	0.12	0.53	0.13
Furnace clean and tune	Maintenance	Resource	MH	G	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furnace clean and tune	Maintenance	Resource	MH	G	8	1.64	0.70	1.70	0.74	1.76	0.78	1.82	0.83
Furnace clean and tune	Maintenance	Resource	MH	G	9	1.57	0.64	1.62	0.67	1.69	0.71	1.75	0.76
Furnace clean and tune	Maintenance	Resource	MH	G	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furnace clean and tune	Maintenance	Resource	MH	G	13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furnace clean and tune	Maintenance	Resource	MH	G	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furnace clean and tune	Maintenance	Resource	MH	G	15	2.17	1.42	2.23	1.50	2.29	1.58	2.35	1.69
Furnace clean and tune	Maintenance	Resource	MH	G	16	0.05	0.01	0.06	0.01	0.06	0.01	0.06	0.01
Furnace clean and tune	Maintenance	Resource	SF	G	4	0.48	0.12	0.51	0.12	0.54	0.13	0.57	0.14
Furnace clean and tune	Maintenance	Resource	SF	G	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furnace clean and tune	Maintenance	Resource	SF	G	6	1.66	0.72	1.72	0.76	1.78	0.80	1.85	0.86
Furnace clean and tune	Maintenance	Resource	SF	G	8	1.58	0.65	1.64	0.69	1.70	0.73	1.77	0.77
Furnace clean and tune	Maintenance	Resource	SF	G	9	1.56	0.63	1.62	0.67	1.68	0.71	1.74	0.75
Furnace clean and tune	Maintenance	Resource	SF	G	10	1.01	0.31	1.06	0.32	1.11	0.34	1.16	0.36
Furnace clean and tune	Maintenance	Resource	SF	G	13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furnace clean and tune	Maintenance	Resource	SF	G	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furnace clean and tune	Maintenance	Resource	SF	G	15	2.03	1.36	2.08	1.43	2.13	1.51	2.18	1.62
Furnace clean and tune	Maintenance	Resource	SF	G	16	1.31	0.51	1.36	0.53	1.41	0.56	1.46	0.60
HE FAU Early Replacement	HVAC	Resource	MF	G	8	0.08	0.02	0.09	0.02	0.09	0.02	0.10	0.02
HE FAU Early Replacement	HVAC	Resource	MF	G	9	0.14	0.04	0.15	0.04	0.16	0.04	0.17	0.04
HE FAU Early Replacement	HVAC	Resource	MF	G	10	0.15	0.04	0.15	0.04	0.16	0.04	0.17	0.04
HE FAU Early Replacement	HVAC	Resource	MF	G	14	0.23	0.06	0.24	0.07	0.25	0.07	0.27	0.07
HE FAU Early Replacement	HVAC	Resource	MH	G	4	0.38	0.11	0.40	0.12	0.42	0.12	0.45	0.13
HE FAU Early Replacement	HVAC	Resource	MH	G	5	0.41	0.13	0.43	0.13	0.46	0.13	0.48	0.14
HE FAU Early Replacement	HVAC	Resource	MH	G	6	0.23	0.07	0.24	0.07	0.26	0.07	0.27	0.07
HE FAU Early Replacement	HVAC	Resource	MH	G	8	0.24	0.07	0.25	0.07	0.26	0.07	0.28	0.07
HE FAU Early Replacement	HVAC	Resource	MH	G	9	0.27	0.08	0.29	0.08	0.30	0.08	0.32	0.09
HE FAU Early Replacement	HVAC	Resource	MH	G	10	0.32	0.09	0.34	0.10	0.36	0.10	0.38	0.10
HE FAU Early Replacement	HVAC	Resource	MH	G	13	0.35	0.10	0.37	0.11	0.39	0.11	0.41	0.12
HE FAU Early Replacement	HVAC	Resource	MH	G	14	0.43	0.13	0.46	0.14	0.48	0.14	0.51	0.15
HE FAU Early Replacement	HVAC	Resource	MH	G	15	0.21	0.06	0.22	0.06	0.24	0.06	0.25	0.07
HE FAU Early Replacement	HVAC	Resource	MH	G	16	0.37	0.11	0.39	0.11	0.41	0.12	0.44	0.12
HE FAU Early Replacement	HVAC	Resource	SF	G	4	0.34	0.10	0.36	0.10	0.38	0.11	0.40	0.11
HE FAU Early Replacement	HVAC	Resource	SF	G	5	0.47	0.15	0.50	0.15	0.52	0.16	0.55	0.16
HE FAU Early Replacement	HVAC	Resource	SF	G	6	0.28	0.08	0.29	0.08	0.31	0.09	0.33	0.09

						Ratio of Benefits over Costs							
Measure	Measure Group	Type of Measure	Type of Home	Electric or Gas	Climate Zone	2017 ESACET	2017 Resource TRC	2018 ESACET	2018 Resource TRC	2019 ESACET	2019 Resource TRC	2020 ESACET	2020 Resource TRC
HE FAU Early Replacement	HVAC	Resource	SF	G	8	0.24	0.07	0.26	0.07	0.27	0.07	0.29	0.08
HE FAU Early Replacement	HVAC	Resource	SF	G	9	0.29	0.09	0.31	0.09	0.33	0.09	0.35	0.09
HE FAU Early Replacement	HVAC	Resource	SF	G	10	0.32	0.10	0.34	0.10	0.36	0.10	0.38	0.11
HE FAU Early Replacement	HVAC	Resource	SF	G	13	0.37	0.11	0.39	0.12	0.42	0.12	0.44	0.12
HE FAU Early Replacement	HVAC	Resource	SF	G	14	0.37	0.11	0.39	0.12	0.41	0.12	0.44	0.12
HE FAU Early Replacement	HVAC	Resource	SF	G	15	0.18	0.05	0.19	0.05	0.20	0.05	0.22	0.06
HE FAU Early Replacement	HVAC	Resource	SF	G	16	0.55	0.18	0.58	0.19	0.61	0.20	0.65	0.20
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MF	G	8	0.09	0.03	0.10	0.03	0.11	0.03	0.11	0.03
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MF	G	9	0.16	0.04	0.16	0.04	0.17	0.05	0.18	0.05
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MF	G	10	0.16	0.04	0.17	0.05	0.18	0.05	0.19	0.05
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MF	G	14	0.25	0.07	0.26	0.07	0.28	0.08	0.30	0.08
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	4	0.42	0.13	0.44	0.13	0.47	0.14	0.49	0.14
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	5	0.45	0.14	0.47	0.15	0.50	0.15	0.53	0.16
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	6	0.26	0.07	0.27	0.08	0.29	0.08	0.30	0.08
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	8	0.26	0.08	0.28	0.08	0.29	0.08	0.31	0.08
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	9	0.30	0.09	0.32	0.09	0.34	0.09	0.36	0.10
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	10	0.35	0.11	0.37	0.11	0.39	0.11	0.42	0.12
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	13	0.39	0.12	0.41	0.12	0.43	0.13	0.46	0.13
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	14	0.48	0.15	0.50	0.16	0.53	0.16	0.56	0.17
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	15	0.23	0.07	0.25	0.07	0.26	0.07	0.28	0.07
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	MH	G	16	0.41	0.12	0.43	0.13	0.45	0.13	0.48	0.14
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	4	0.37	0.11	0.39	0.12	0.42	0.12	0.44	0.12
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	5	0.52	0.17	0.54	0.17	0.57	0.18	0.61	0.19
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	6	0.31	0.09	0.33	0.09	0.34	0.10	0.37	0.10
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	8	0.27	0.08	0.28	0.08	0.30	0.08	0.32	0.09
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	9	0.32	0.10	0.34	0.10	0.36	0.10	0.38	0.11
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	10	0.36	0.11	0.38	0.11	0.40	0.12	0.42	0.12
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	13	0.41	0.13	0.43	0.13	0.46	0.14	0.48	0.14
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	14	0.41	0.13	0.43	0.13	0.46	0.13	0.48	0.14
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	15	0.20	0.06	0.21	0.06	0.23	0.06	0.24	0.06
Upgrade NGAT Fail FAU Repair to HE	HVAC	Resource	SF	G	16	0.61	0.20	0.64	0.21	0.67	0.22	0.71	0.23
Tub Spouts	Domestic Hot Water	Resource	MF	G	4	1.04	0.65	1.08	0.68	1.13	0.72	1.18	0.75
Tub Spouts	Domestic Hot Water	Resource	MF	G	5	1.08	0.70	1.12	0.74	1.17	0.77	1.22	0.81
Tub Spouts	Domestic Hot Water	Resource	MF	G	6	1.01	0.61	1.05	0.65	1.10	0.68	1.15	0.71
Tub Spouts	Domestic Hot Water	Resource	MF	G	8	0.99	0.59	1.03	0.62	1.07	0.65	1.13	0.68
Tub Spouts	Domestic Hot Water	Resource	MF	G	9	0.99	0.59	1.03	0.62	1.07	0.65	1.13	0.68
Tub Spouts	Domestic Hot Water	Resource	MF	G	10	0.98	0.58	1.02	0.62	1.07	0.65	1.12	0.68
Tub Spouts	Domestic Hot Water	Resource	MF	G	13	0.99	0.59	1.03	0.62	1.08	0.65	1.13	0.68
Tub Spouts	Domestic Hot Water	Resource	MF	G	14	1.01	0.61	1.05	0.64	1.09	0.67	1.15	0.71
Tub Spouts	Domestic Hot Water	Resource	MF	G	15	0.83	0.44	0.87	0.46	0.91	0.48	0.96	0.51
Tub Spouts	Domestic Hot Water	Resource	MF	G	16	1.12	0.76	1.16	0.80	1.21	0.84	1.27	0.88
Tub Spouts	Domestic Hot Water	Resource	MH	G	4	0.98	0.58	1.02	0.61	1.07	0.64	1.12	0.67
Tub Spouts	Domestic Hot Water	Resource	MH	G	5	1.02	0.62	1.06	0.66	1.11	0.69	1.16	0.72
Tub Spouts	Domestic Hot Water	Resource	MH	G	6	0.95	0.55	0.99	0.58	1.04	0.61	1.09	0.64
Tub Spouts	Domestic Hot Water	Resource	MH	G	8	0.93	0.53	0.97	0.56	1.01	0.58	1.07	0.61
Tub Spouts	Domestic Hot Water	Resource	MH	G	9	0.93	0.52	0.97	0.55	1.01	0.58	1.07	0.61
Tub Spouts	Domestic Hot Water	Resource	MH	G	10	0.93	0.52	0.97	0.55	1.01	0.58	1.06	0.61
Tub Spouts	Domestic Hot Water	Resource	MH	G	13	0.93	0.52	0.97	0.55	1.01	0.58	1.07	0.61
Tub Spouts	Domestic Hot Water	Resource	MH	G	14	0.95	0.54	0.99	0.57	1.03	0.60	1.08	0.63
Tub Spouts	Domestic Hot Water	Resource	MH	G	15	0.77	0.39	0.81	0.41	0.85	0.43	0.90	0.45

						Ratio of Benefits over Costs							
Measure	Measure Group	Type of Measure	Type of Home	Electric or Gas	Climate Zone	2017 ESACET	2017 Resource TRC	2018 ESACET	2018 Resource TRC	2019 ESACET	2019 Resource TRC	2020 ESACET	2020 Resource TRC
Tub Spouts	Domestic Hot Water	Resource	MH	G	16	1.06	0.68	1.10	0.72	1.15	0.75	1.21	0.79
Tub Spouts	Domestic Hot Water	Resource	SF	G	4	0.98	0.58	1.02	0.61	1.07	0.64	1.12	0.67
Tub Spouts	Domestic Hot Water	Resource	SF	G	5	1.02	0.62	1.06	0.66	1.11	0.69	1.16	0.72
Tub Spouts	Domestic Hot Water	Resource	SF	G	6	0.95	0.55	0.99	0.58	1.04	0.61	1.09	0.64
Tub Spouts	Domestic Hot Water	Resource	SF	G	8	0.93	0.53	0.97	0.56	1.01	0.58	1.07	0.61
Tub Spouts	Domestic Hot Water	Resource	SF	G	9	0.93	0.52	0.97	0.55	1.01	0.58	1.07	0.61
Tub Spouts	Domestic Hot Water	Resource	SF	G	10	0.93	0.52	0.97	0.55	1.01	0.58	1.06	0.61
Tub Spouts	Domestic Hot Water	Resource	SF	G	13	0.93	0.52	0.97	0.55	1.01	0.58	1.07	0.61
Tub Spouts	Domestic Hot Water	Resource	SF	G	14	0.95	0.54	0.99	0.57	1.03	0.60	1.08	0.63
Tub Spouts	Domestic Hot Water	Resource	SF	G	15	0.77	0.39	0.81	0.41	0.85	0.43	0.90	0.45
Tub Spouts	Domestic Hot Water	Resource	SF	G	16	1.06	0.68	1.10	0.72	1.15	0.75	1.21	0.79

* These tests were calculated using the Cost Effectiveness Tool (CET) and LIPPT Model.

**Table A-7: Energy Savings Assistance Program Cost-Effectiveness - Non Weather Sensitive Measures
Southern California Gas Company**

Measure	Measure Group	Type of Measure	Type of Home	Electric or Gas	Ratio of Benefits over Costs							
					2017 ESACET	2017 Resource TRC	2018 ESACET	2018 Resource TRC	2019 ESACET	2019 Resource TRC	2020 ESACET	2020 Resource TRC
Duct sealing and testing	HVAC	Non-Resource	MF	G	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Duct sealing and testing	HVAC	Non-Resource	MH	G	0.25	0.11	0.26	0.11	0.28	0.11	0.29	0.12
Duct sealing and testing	HVAC	Non-Resource	SF	G	0.55	0.30	0.58	0.31	0.61	0.32	0.65	0.33
FAU standing pilot light conversion	HVAC	Resource	MF	G	0.80	0.54	0.83	0.57	0.87	0.60	0.90	0.64
FAU standing pilot light conversion	HVAC	Resource	MH	G	0.80	0.54	0.83	0.57	0.87	0.60	0.90	0.64
FAU standing pilot light conversion	HVAC	Resource	SF	G	0.80	0.54	0.83	0.57	0.87	0.60	0.90	0.64
HE Clothes washer	Appliances	Resource	MF	G	0.67	0.30	0.70	0.32	0.74	0.33	0.78	0.35
HE Clothes washer	Appliances	Resource	MH	G	0.65	0.30	0.68	0.32	0.72	0.33	0.76	0.35
HE Clothes washer	Appliances	Resource	SF	G	0.65	0.30	0.68	0.32	0.72	0.33	0.76	0.35
Heating system	HVAC	Non-Resource	MF	G	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Heating system	HVAC	Non-Resource	MH	G	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Heating system	HVAC	Non-Resource	SF	G	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Low Flow Shower Head	Domestic Hot Water	Resource	MF	G	0.34	0.13	0.36	0.14	0.38	0.14	0.41	0.15
Low Flow Shower Head	Domestic Hot Water	Resource	MH	G	0.13	0.16	0.14	0.17	0.14	0.18	0.15	0.19
Low Flow Shower Head	Domestic Hot Water	Resource	SF	G	0.55	0.23	0.58	0.25	0.61	0.26	0.65	0.27
Thermostatic Shower Valve	Domestic Hot Water	Resource	MF	G	0.39	0.15	0.41	0.16	0.44	0.17	0.46	0.17
Thermostatic Shower Valve	Domestic Hot Water	Resource	MH	G	0.48	0.20	0.51	0.21	0.54	0.22	0.57	0.23
Thermostatic Shower Valve	Domestic Hot Water	Resource	SF	G	0.82	0.42	0.86	0.45	0.90	0.47	0.95	0.49
Water Heater Blanket	Domestic Hot Water	Resource	MF	G	0.13	0.05	0.13	0.05	0.14	0.05	0.15	0.06
Water Heater Blanket	Domestic Hot Water	Resource	MH	G	0.18	0.07	0.19	0.08	0.21	0.08	0.22	0.08
Water Heater Blanket	Domestic Hot Water	Resource	SF	G	0.26	0.11	0.27	0.11	0.29	0.12	0.31	0.12
Water Heater Pipe Insulation	Domestic Hot Water	Resource	MF	G	0.56	0.30	0.59	0.31	0.62	0.33	0.66	0.34
Water Heater Pipe Insulation	Domestic Hot Water	Resource	MH	G	0.72	0.44	0.76	0.46	0.80	0.48	0.84	0.50
Water Heater Pipe Insulation	Domestic Hot Water	Resource	SF	G	0.90	0.65	0.94	0.68	0.98	0.71	1.03	0.74
Water heater repair and replace	Domestic Hot Water	Non-Resource	MF	G	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water heater repair and replace	Domestic Hot Water	Non-Resource	MH	G	0.05	0.02	0.05	0.02	0.06	0.02	0.06	0.02
Water heater repair and replace	Domestic Hot Water	Non-Resource	SF	G	0.05	0.02	0.05	0.02	0.06	0.02	0.06	0.02
Faucet Aerator	Domestic Hot Water	Resource	MF	G	1.14	0.74	1.18	0.78	1.23	0.82	1.29	0.86
Faucet Aerator	Domestic Hot Water	Resource	MH	G	1.32	1.04	1.37	1.10	1.42	1.16	1.48	1.21
Faucet Aerator	Domestic Hot Water	Resource	SF	G	1.49	1.47	1.53	1.55	1.58	1.63	1.64	1.70
HE Furnace Split, All	HVAC	Non-Resource	All	G	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
de NGAT Fail FAU Replacements to HE Fu	HVAC	Non-Resource	All	G	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* These tests were calculated using the Cost Effectiveness Tool (CET) and LIPPT Model.

**Table A-8: PY 2017-2020 Energy Savings Assistance Program Pilots and Studies
Southern California Gas Company**

Line No.	Statewide Study	Total Cost	Percent paid by Utility	Total Cost paid by Utility
1	Impact Assessment	\$550,000	25%	\$137,500
2	Needs Assessment	\$500,000	25%	\$125,000
3	Cost-Effectiveness/Non Energy Ben	\$150,000	25%	\$37,500
4	Potential Ad Hoc Tasks	\$200,000	100%	\$200,000

**Table B-1: PY 2017-2020 CARE Proposed Program Budget
Southern California Gas Company**

CARE Budget Categories	2016 Authorized	2017 Planned	2018 Planned	2019 Planned	2020 Planned
Outreach		4,601,879	4,795,982	4,843,942	4,892,381
Processing, Certification, Recertification		2,509,631	2,566,572	2,592,238	2,618,160
Post Enrollment Verification		148,382	154,833	156,382	157,945
IT Programming		1,893,720	793,720	843,406	843,406
Cool Centers		-	-	-	-
CHANGES		437,502	437,502	441,877	446,296
Measurement and Evaluation		-	-	-	-
Regulatory Compliance		456,031	475,858	480,617	485,423
General Administration		952,404	953,729	963,266	972,899
CPUC Energy Division Staff		60,000	60,000	60,600	61,206
SUBTOTAL MANAGEMENT COSTS	\$ 8,938,505	\$ 11,059,549	\$ 10,238,196	\$ 10,382,328	\$ 10,477,716
Subsidies and Benefits	\$ 131,338,535	\$ 131,338,535	\$ 132,351,979	\$ 133,675,499	\$ 135,012,254
TOTAL PROGRAM COSTS & CUSTOMER DISCOUNTS	\$ 140,277,040	\$ 142,398,084	\$ 142,590,175	\$ 144,057,827	\$ 145,489,970

**Table B-2: PY 2017-2020 CARE and ESAP Rate Impacts - Gas
Southern California Gas Company**

PY 2017	Average Rate Excluding CARE/ESA Surcharge	CARE Subsidy Portion of Rate	CARE Administration Portion of Rate	ESA Program Portion of Rate	ESA Program Administration Portion of Rate	Total CARE/ESA Surcharge	Average Rate Including CARE/ESA Surcharge
Customer Type							
Residential (non CARE)	\$0.01831	\$0.03131	\$0.00253	\$0.05671	N/A	\$0.09056	\$0.10887
Residential (CARE)	\$0.01831	\$0.00000	\$0.00000	\$0.05671	N/A	\$0.05671	\$0.07502
Commercial¹	\$0.04560	\$0.03131	\$0.00253	\$0.00000	N/A	\$0.03385	\$0.07944
Industrial²	\$0.00468	\$0.03131	\$0.00253	\$0.00000	N/A	\$0.03385	\$0.03852
Agricultural	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lighting	N/A	N/A	N/A	N/A	N/A	N/A	N/A
System	\$0.01982	\$0.03131	\$0.00253	\$0.02770	N/A	\$0.06155	\$0.08136

PY 2018	Average Rate Excluding CARE/ESA Surcharge	CARE Subsidy Portion of Rate	CARE Administration Portion of Rate	ESA Program Portion of Rate	ESA Program Administration Portion of Rate	Total CARE/ESA Surcharge	Average Rate Including CARE/ESA Surcharge
Customer Type							
Residential (non CARE)	\$0.01831	\$0.03032	\$0.00235	\$0.06043	N/A	\$0.09310	\$0.11141
Residential (CARE)	\$0.01831	\$0.00000	\$0.00000	\$0.06043	N/A	\$0.06043	\$0.07874
Commercial¹	\$0.04560	\$0.03032	\$0.00235	\$0.00000	N/A	\$0.03267	\$0.07827
Industrial²	\$0.00468	\$0.03032	\$0.00235	\$0.00000	N/A	\$0.03267	\$0.03735
Agricultural	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lighting	N/A	N/A	N/A	N/A	N/A	N/A	N/A
System	\$0.01982	\$0.03032	\$0.00235	\$0.02951	N/A	\$0.06218	\$0.08200

PY 2019	Average Rate Excluding CARE/ESA Surcharge	CARE Subsidy Portion of Rate	CARE Administration Portion of Rate	ESA Program Portion of Rate	ESA Program Administration Portion of Rate	Total CARE/ESA Surcharge	Average Rate Including CARE/ESA Surcharge
Customer Type							
Residential (non CARE)	\$0.01831	\$0.03063	\$0.00238	\$0.06431	N/A	\$0.09731	\$0.11562
Residential (CARE)	\$0.01831	\$0.00000	\$0.00000	\$0.06431	N/A	\$0.06431	\$0.08262
Commercial¹	\$0.04560	\$0.03063	\$0.00238	\$0.00000	N/A	\$0.03301	\$0.07860
Industrial²	\$0.00468	\$0.03063	\$0.00238	\$0.00000	N/A	\$0.03301	\$0.03768
Agricultural	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lighting	N/A	N/A	N/A	N/A	N/A	N/A	N/A
System	\$0.01982	\$0.03063	\$0.00238	\$0.03141	N/A	\$0.06441	\$0.08423

PY 2020	Average Rate Excluding CARE/ESA Surcharge	CARE Subsidy Portion of Rate	CARE Administration Portion of Rate	ESA Program Portion of Rate	ESA Program Administration Portion of Rate	Total CARE/ESA Surcharge	Average Rate Including CARE/ESA Surcharge
Customer Type							
Residential (non CARE)	\$0.01831	\$0.03093	\$0.00240	\$0.06857	N/A	\$0.10190	\$0.12021
Residential (CARE)	\$0.01831	\$0.00000	\$0.00000	\$0.06857	N/A	\$0.06857	\$0.08688
Commercial¹	\$0.04560	\$0.03093	\$0.00240	\$0.00000	N/A	\$0.03333	\$0.07893
Industrial²	\$0.00468	\$0.03093	\$0.00240	\$0.00000	N/A	\$0.03333	\$0.03801
Agricultural	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lighting	N/A	N/A	N/A	N/A	N/A	N/A	N/A
System	\$0.01982	\$0.03093	\$0.00240	\$0.03349	N/A	\$0.06682	\$0.08664

¹ Core C/I

² NonCore C/I

Natural Gas CARE subsidy for this table is illustrative. Actual CARE subsidy will be updated in an Advice Letter filing per OP 22 in D.04-08-010.

**Table B-3: PY 2016 CARE Outreach and Penetration Information
Southern California Gas Company**

CARE PY 2016 [1]				
Outreach Method	Total Cost	Estimated # of Customers Reached	Estimated # of Customers Enrolled	Percent of Net Enrollments for PY 2017
Third Party Door-to-Door	\$731,896	N/A	36,327	8.9%
Mass Marketing [2]	\$100,000	47,249,883	42,789	10.5%
SDG&E Branch Offices	\$2,297	10,000	6,733	1.6%
Telephone Campaigns	\$0	0	0	0.0%
Customer Contact Center	N/A	N/A	171,257	41.8%
Data Sharing (Intra/Inter Utilities)	N/A	N/A	67,931	16.6%
Bill Insert	\$58,780	2,939,000	2,799	0.7%
Direct Mail	\$565,357	2,238,767	81,560	19.9%
Total Enrollments	\$1,458,330	52,437,650	409,396	100%

[1] Data for program year 2016 is preliminary and subject to change in Low Income Annual Report filing on May 1, 2017.

[2] Includes cost for Mass Media efforts including: Television, phone, print, and, email blast.

Enrollments numbers included IVR and Internet enrollments generated from these efforts.

**Table B-4: PY 2017-2020 CARE Estimated Participation
Southern California Gas Company**

	Total Enrolled 12-31-16		PY 2017 Estimated Eligible	Estimated Net PY 2017 Enrollments	Estimated Year End PY 2017 Participation	Estimated PY 2017 Goal Rate	Estimated PY 2018 Net Enrollments	Estimated Year End PY 2018 Participation	Estimated PY 2018 Goal Rate (a)	Estimated PY 2019 Net Enrollments	Estimated Year End PY 2019 Participation	Estimated PY 2019 Goal Rate (a)	Estimated PY 2020 Net Enrollments	Estimated Year End PY 2020 Participation	Estimated PY 2020 Goal Rate (a)
(Source)	(1)		(2)	(3)	(Col. B+E)	(Col. F/D)	(2)	(Col. F+H)	(Col. I/D)	(2)	(Col. I+K)	(Col. L/D)	(2)	(Col. L+N)	(Col. O/D)
	1,570,566		1,814,442	37,459	1,608,025	89%	24,972	1,632,997	90%	12,486	1,645,483	91%	12,486	1,657,969	91%

(a) Estimated PY2017-PY2020 Goal Rate will fluctuate based on updated CARE Eligibility information filed at CPUC in February each year for 2018-2020.

[1] Data for program year 2016 is preliminary and subject to change in Low Income Annual Report filing on May 1, 2017.

(2) Each utility's estimate based on eligibility rates filed.

(3) Most recent estimates of net enrollments.

**Table B-5: Low Income Customer Usage Levels
Southern California Gas Company**

		PY 2016		PY 2017 (Projected)		PY 2018 (Projected)		PY 2019 (Projected)		PY 2020 (Projected)	
		Number of CARE Customers (1)	Number of Customers Treated by ESAP	Number of CARE Customers (1)	Number of Customers Treated by ESAP	Number of CARE Customers (1)	Number of Customers Treated by ESAP	Number of CARE Customers (1)	Number of Customers Treated by ESAP	Number of CARE Customers (1)	Number of Customers Treated by ESAP
Electric	Total										
	Tier 1*										
	Tier 2*										
	Tier 3*										
	Tier 4*										
	Tier 5*										
Gas	Total	1,570,566	69,812	1,608,025	110,000	1,632,997	115,500	1,645,483	121,275	1,657,969	127,339
	Below Baseline*	1,040,610	46,255	1,065,429	72,883	1,081,975	76,527	1,090,248	80,353	1,098,520	84,371
	Above Baseline*	529,956	23,557	542,596	37,117	551,022	38,973	555,235	40,922	559,448	42,968

Data for program year 2016 is preliminary and subject to change in Low Income Annual Report filing on May 1, 2017.

Excludes submeter and expanded CARE

The usage tier is reported as the tier the customer was on, the maximum number of months, in the reported year.

Tier 1: up to 100% of baseline allowance

Tier 2: 101% to 130% of baseline allowance

Tier 3: 131% to 200% of baseline allowance

Tier 4: >200% of baseline allowance

Gas below baseline: up to 100% of baseline allowance

Gas above baseline: >100% of baseline allowance

**Table B-6: PY 2017-2020 CARE Pilots and Studies
Southern California Gas Company**

Line No.	Statewide Study	Total Cost	Percent paid by Utility	Total Cost paid by Utility
Total				

SoCalGas is not proposing any statewide studies for program years 2017-2020.