PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

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,

Edward Randolph

Edward Randolph
Director, Energy Division

Ronald van der Leeden
Director
Regulatory Affairs

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

June 20, 2017

Advice No. 5111-B
(U 904 G)

Public Utilities Commission of the State of California

Subject: Partial 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 Decision (D.)16-11-022 (hereafter referred to as D.16-11-022 or Decision).[1]

Purpose:

This filing is being made consistent with a June 1, 2017 letter from the Commission's Energy Division requesting a supplemental Advice Letter (AL) to provide additional information regarding SoCalGas' ESA and CARE programs for years 2017-2020. The Energy Division had originally requested the supplemental AL be filed by June 16, 2017. On June 12, the Energy Division granted SoCalGas an extension to June 20, 2017.

Background:

On April 3, 2017, SoCalGas filed its Conforming AL in compliance with D.16-11-022. D.16-11-022 approved SoCalGas' Low-Income Application (A.) 14-11-009 filed on November 18, 2014 and sets forth the parameters for the administration of and participation in the ESA and CARE Programs for years 2017 through 2020. SoCalGas hereby supplements its Conforming AL to address each of the areas where the Energy Division requests additional information.

[1] Decision on Large Investor-Owned Utilities' California Alternate Rates for Energy (CARE) and Energy Savings Assistance (ESA) Program Applications, in A.14-11-007, et. al.

Additional Information

1. New Budget Tables

Please include a redline of the new budget tables in Attachment ESA-1 (based on what was authorized in D.16-11-022), to clearly identify the magnitude of the budget adjustments by category and where these changes occur by year.

SCG Response:

D.16-11-022 ordered that "Southern California Gas Company 2017 budgets are approved based on the 2016 requested budget with adjustments made, and the 2018 budgets are approved based on the 2017 requested budgets with adjustments made. The 2019 and 2020 budget are based the 2018 budgets, with the adjustments made…"[2] and provided specific total budget authorizations for each program year at OP2. It did not provide a table or other details sufficient to conclude that budget values by category were specifically authorized, or to determine the magnitude of authorized budget values, if any.

For purposes of responding to this question, SoCalGas presents in Attachment A, Table Q1 the budget tables, in alignment with OP 1 and OP 2 to the greatest extent possible as follows: The new proposed budget for 2017 is compared against SoCalGas' proposed 2016 budget by category from A.14-11-011, and the new proposed budgets for 2018, 2019, and 2020 are compared against SoCalGas' Application-proposed 2017 budget, with a 2% per-year increase in 2019 and 2020 (the same increases provided at OP2).

2. ESA Program Household Treatment Goals

Decision 16-11-022 directed SoCalGas to file new eligibility estimates using the adopted 60% willingness and feasible to participate factor (WFTP), which resulted in an increase in the remaining eligible population to be treated. However, SoCalGas did not file new household treatment updates for program years 2017-2020. Please provide updated household treatment goals, and also estimate the breakdown of first time touches verses retreatments. We understand that the breakdown between first time touches and retreatments would be estimates.

SCG Response:

Before addressing the question of ESA household treatment goals, SoCalGas has revised its calculation of remaining customers to be treated to reach the 2020 goal, in order to better align with D.16-11-022. The revised calculation treats the 60% WFTP factor as an observation applicable to year-end 2015 conditions (the data available during 2016 when the Decision was issued). This

[2] D.16-11-022, Ordering Paragraph (OP) 1.

revision is guided by D.16-11-022 Conclusion of Law 122 which indicates the calculation "should factor out the IOUs' treated households from 2002-2015 [and] should factor out the LIHEAP treated households in each IOU service territory from 2002-2015"; furthermore, in adopting a 60% WFTP factor, the Decision relied upon 2015 data and clarified that 60% was a year-2015 observation.[3] In updating the calculation to reflect a 60% WFTP factor among remaining untreated customers as of 2015, SoCalGas has determined that the remaining eligible figure is 442,184. Details of the revised calculation are presented below as a redline to the affected section in AL 5111-A:

Willingness To Participate

SoCalGas estimates that, as of the start of 2017, there are 442,184 customers willing and feasible to participate that have not been treated since 2002 and, thus, remain to be treated as part of the 2020 goal. This estimate is based on the methodology adopted in D.01-03-028.[4] 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~~357,343
Minus ESAP Already Treated through 2016 (Excluding Go-Backs)	1,135,633
Minus LIHEAP Treated Through 2020	204,786
Total Remaining To Treat 2017-2020	**~~492,963~~442,184**

The details of this calculation are as follows:

- SoCalGas' eligible population is 2,056,446.[5]
- 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.
- California Department of Community Services & Development (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.

[3] D.16-11-022 p.270: "These data show an average willing and feasible factor of about 60% statewide, **in 2015**." (emphasis added)
[4] D.01-03-028 p.49, OP 14 and OP 15.
[5] According to the latest available Athens Research (2016 Study) figures and as reported in SoCalGas' 2017 monthly reports.

- The eligible population through 2015 was estimated at 2,154,960.[6] After accounting for customers already treated through 2015 by SoCalGas (1,083,526) or CSD (171,808), the remaining eligible customers in ~~2015~~2016 are ~~736,506~~899,626, and of those, 40% or ~~294,602~~359,850 are assumed to be unwilling based on the WFTP factor.[7] This figure is equivalent to ~~14.3~~16.7% of the total eligible population through 201~~5~~6.
- Assuming the same total population unwillingness by 2020, total unwilling will reach 357,343 or 16.7% 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 93% of 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 goal and implement other activities ordered in D.16-11-022, to facilitate SoCalGas' ability to exceed its treated goals.

SoCalGas is targeting the below 75%/25% split between first-time and go-back treatments:

HH Treatment Goal 2017-2020					
	2017	2018	2019	2020	Total
First Time Treatments	82,500	86,625	90,956	95,504	355,585
Retreatments	27,500	28,875	30,319	31,835	118,529
Total	110,000	115,500	121,275	127,339	474,114

Total treatments remain at the levels adopted in D.16-11-022; SoCalGas has not adjusted them in developing the Conforming AL budget or this Supplemental AL. SoCalGas does not believe D.16-11-022 calls for an adjustment of treated goals as part of the Conforming AL.[8]

---

[6] Athens Research (2015 Study).
[7] D.16-11-022, OP 76.
[8] The Commission adopted specific treated goals at OP 79 and did not order that those goals should be adjusted in the current cycle as part of the conforming Advice Letter. As the Commission reasoned at p.280, "given the new WFTP factor, the remaining willing and eligible population is greater than originally calculated, and we believe that the proposed total households treated goals above are feasible, particularly in light of the policy and program changes we adopt herein. We therefore direct the following homes treated goals for the program cycle…" The

The above forecast includes 355,585 first-time customers, which is short of the 442,184 necessary to meet the 2020 goal. In order to bridge this gap, SoCalGas proposes to retain available carry-forward funds of $100,795,364 from the unspent balance remaining at year end 2016, in addition to the $86,474,277 needed for the specific budget augmentations presented in AL 5111-A and in this supplement, bringing the total carry forward of unspent funds to $187,269,641. The additional available carry-forward can be used to fund additional treated units, and will be drawn upon to the extent contractors are able to identify and enroll first-time customers in excess of the adopted treated goal. SoCalGas notes that achieving and exceeding 75% first-time enrollments is a very challenging stretch goal.

3. ESA Program Cost Effectiveness

Decision 16-11-022 directed SoCalGas to file new cost effectiveness values using the ESACET and Resource TRC. In order to understand the impact of the directives in D.16-11-022, as well as how the new tests compare to the old tests, please provide the following values for PYs 2014-2020 using the original Utility Cost Test, Modified Participant test and TRC below. Please also use the updated avoided cost calculator when calculating these values.

<u>SCG Response:</u>

SoCalGas ESA Program Cost Effectiveness					
	Utility Cost Test	**TRC)**	**MPT**	**ESACET (w/ Admin)**	**TRC (w/o Admin)**
PY 2008	0.28	0.20	0.71	NA	NA
PY 2009	0.31	0.21	0.67	NA	NA
PY 2010	0.27	0.18	0.70	NA	NA
PY 2011	0.27	0.18	0.73	NA	NA
PY 2012	0.31	0.20	0.52	NA	NA
PY 2013	0.36	0.24	0.51	NA	NA
PY 2014	0.39	0.27	0.48	0.72	0.44
PY 2015	0.37	0.23	0.54	0.79	0.40
PY 2016	0.47	0.28	0.56	0.94	0.50
PY 2017	0.29	0.17	0.49	0.72	0.28
PY 2018	0.30	0.18	0.49	0.76	0.30
PY 2019	0.31	0.18	0.49	0.81	0.31
PY 2020	0.32	0.19	0.50	0.86	0.33

SoCalGas cautions against comparing results between the various cost effectiveness (CE) tests. Each test provides a different perspective on the effectiveness of the program. The ESA Cost Effectiveness Working Group

---

Commission further ruled at OP 81 “Southern California Gas Company shall recalculate and include an estimate for the new remaining Energy Savings Assistance Program eligible population in their annual reports, and shall use those numbers in their *next program cycle applications*” (emphasis added).

(Working Group) White Paper Addendum (Addendum) from July 2013 provided a detailed description of each test. In that document, the Working Group recommended that the Modified Participant Test (MPT) should no longer be used, as it deviates from the CE framework outlined in the Standard Practice Manual (SPM)[9] and does not represent any particular perspective on the program. In particular, the test includes benefits that are realized by the participant household and costs that are paid by the utility. The Working Group further reported that the Utility Cost Test (UCT), while providing a reasonable perspective of the utility's benefits and costs, was still an inadequate representation of the program's effectiveness.

The two new tests recommended by the Working Group and adopted in D.14-08-030 are both based on the Total Resource Cost (TRC) test in the SPM and provide a more complete perspective of the program's CE. The ESA Cost Effectiveness Test (ESACET) is basically the TRC with the addition of non-energy benefits (NEBs). The Resource TRC is the TRC with resource only measures and excluding administrative costs and NEBs.[10] The new tests were recommended as a way to more accurately align the tests with goals of the program and to include the perspectives of all program stakeholders.

Table 5 in the Addendum[11] provided a matrix illustrating which benefits and costs are included in the various tests. In addition to the differences in inputs across the various tests, the values of the inputs to the tests also changed over time. Each program cycle, a new set of energy savings estimates are used in the tests which are derived from the most recent program impact evaluation. Other changes across program cycles include updates to the avoided costs, changes in measure mix and measure costs, updates to the effective useful lives (EULs) of the measures, and escalating program administrative costs due to new program initiatives and other regulatory requirements. As an example, both the avoided costs and the energy savings estimates used in the CE analyses for the current program cycle are significantly lower than those used in previous program cycle analyses.

For the reasons detailed above, comparing test results across tests and/or across program cycles can be problematic and should only be done with the understanding of how the tests differ and how the values of the inputs are changing over time.

---

[9] California Standard Practice Manual, Economic Analysis of Demand-Side Programs and Projects, October 2001, available at: http://www.cpuc.ca.gov/uploadedfiles/cpuc_public_website/content/utilities_and_industries/energy_-_electricity_and_natural_gas/cpuc_standard_practice_manual.pdf.

[10] Administrative costs and NEBs were excluded due to the difficulty of allocating them among remaining measures when non-resource measures and services are excluded from the test.

[11] Addendum, page 9.

4. Program Savings Goals

Decision 16-11-022 directed SoCalGas to file new savings goals due to the new initiatives and directives for the ESA Program. SoCalGas did not file new savings goals in light of the approval of additional measures (common areas for multifamily, etc.), and the removal of measure caps. As the Commission expected additional budget requests to result from these new program rules, we also expected to see associated energy savings, and hence new targets. Please provide new energy savings goals based on the new measures and initiatives approved in the Decision for program years 2017-2020. Also, please include the assumptions made in order to arrive at the new goals.

SCG Response:

In D.16.-11-022 the Commission clarified that the ESA program is "adopting an energy savings target (as opposed to an energy savings goal)"[12]. Further, OP 5 of D.16-11-022 established annual targets of 4.6 MM Therms for 2017 and 2018 for SoCalGas' ESA Program. OP 6 directed the annual targets to increase by five percent for years 2019 and 2020.

SoCalGas ESA Program savings targets are provided in the table below. SoCalGas notes that it is premature to include savings from multifamily common area measures as program managers are in their initial stage of planning. SoCalGas anticipates that targets for 2019 and 2020 would be reevaluated during the mid-cycle update to include better estimates based on the ESA Impact Evaluation Study, experience implementing the ESA Program in 2017 and 2018, the multifamily working group, and input from the 2017 Energy Efficiency Potential and Goals Study.

ESA Savings Goal		
PY	**Annual Utility Portfolio-Wide Electric Savings Target (GWh)**	**Annual Utility Portfolio-Wide Natural Gas Savings Target (MM Therms)**
Old 2017 (Per D.16-11-022)	NA	4.6
New 2017	NA	4.6
New 2018	NA	4.6
New 2019	NA	4.8
New 2020	NA	4.8

[12] D.16-11-022, p.46.

5. Allocation of Unspent Funds

Decision 16-11-022 authorized SoCalGas to utilize unspent funds for various new measures and initiatives. To determine the reasonableness of the request, please provide the assumptions made in order to arrive at the requested budget for each cost category. Itemize and provide justification for any and all increases requested including reasons why additional funding beyond what was authorized by the decision is necessary. Include supporting documentation for unanticipated expenditures or planned expenditures including reasons why such expenditures were not anticipated in the original budgetary filings and cannot be accommodated by the current budget allocations provided for in the Decision.

Category	Additional Amount Requested	Unspent Funds Allocation
Appliances	$4,251,507	$4,251,507
Domestic Hot Water	$32,202,646	$32,202,646
Enclosure	$9,123,929	$9,123,929
HVAC	$8,584,066	$8,584,066
Maintenance	$749,539	$749,539
Customer Enrollment	$5,480,503	$5,480,503
In Home Education	$6,218,260	$6,218,260
Training Center	$92,337	$92,337
Inspections	$1,311,408	$916,590
General Administration	$4,622,333	
Marketing and Outreach*	-$4,716,795	
M&E Studies*	-$295,162	
Regulatory Compliance	$332,828	$332,828
CPUC Energy Division*	-$5,194	
MF common measures	$18,000,000	$18,000,000
CSD LIWP Coordination/Leveraging	$522,072	$522,072
Total	**$86,474,277**	**$86,474,277**

*Required budget increases shown are offset by budget reductions in Marketing & Outreach, M&E Studies, and CPUC Energy Division categories, reducing or eliminating the need to allocate unspent funds for Inspections and General Administration categories.

As summarized above, SoCalGas has identified $86,474,277 in net required budget increases. In total, $91,491,426 in increases have been identified, offset by $5,017,151 in decreases (primarily the reduction ordered in the Marketing & Outreach category ordered at OP 34). In Attachment A, Table Q5, SoCalGas provides assumptions and updated factors driving the need for increases and decreases to each category.

6. "Unforeseen Funding Needs" Request

SoCalGas is requesting $32,572,138 (or 25% of SoCalGas' authorized 2016 budget) to cover unforeseen funding needs. Please confirm if this $32,572,138 is part of the $86,474,277 total budget request outlined in AL 5111-A Table 1, or if this is a separate and additional request on top of the $86,474,277. Additionally, to determine the reasonableness of this request, please explain what "unforeseen funding needs" might entail and also provide the planning assumptions made in order to arrive at the requested amount.

SCG Response:

The amount SoCalGas proposes to make available for carry forward for unforeseen funding needs is above and beyond the $86,474,277 covering specific budget needs provided in Table 1. SoCalGas proposes to increase this unforeseen needs request to $100,795,364 (from the $32,572,138 presented in AL 5111-A) as discussed in Section 2 above, bringing the total carry-forward needs to $187,269,641, of the total $239,553,201 unspent through 2016. Remaining unspent budgets would no longer be available to the program in compliance with D.16-11-022, OP 135.

The primary need for which SoCalGas' proposes to make these additional funds available, is the possibility that the program will be in a position to exceed its unit goal. The requested amount would be sufficient to exceed 2017-2020 treated unit goals by up to 86,599 units, the increment that would be needed to reach the remaining 2020-goal customers identified in Section 2 above, assuming the program enrolls its target 25% go-backs. Other possible needs for additional funding would include higher than forecast rates of feasibility for some measures, including newly introduced measures, as well as increasing allocations to the multifamily common area effort. SoCalGas arrived at the figure $100,795,364 by calculating the average budget requirement per treated unit over the period 2017-2020 for Energy Efficiency plus inspections.

Because SoCalGas is increasing its unforeseen needs request, and hence the total need for prior unspent funds, initially proposed in AL 5111-A, adjustments to AL 5111-A are needed as follows:

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.[13] 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 in this AL. As such, SoCalGas does not need to request any incremental funding beyond

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

the funding levels specified in the Decision.[14] 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,[15] 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~~ In addition, SoCalGas proposes to retain $100,795,364 from prior unspent budgets~~32,572,138 (or 25% of SoCalGas' authorized 2016 budget)~~ to cover unforeseen funding needs, for a total of $187,269,641 of budget authorization~~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.~~ Further collections toward prior-cycle budget authorizations will not be necessary.

SoCalGas proposes to make the additional funds necessary to reach the 2020 goal available for carry-forward, if needed, rather than proposing changes to the annual treated goals stated at OP 79 and proposed budgets presented in Section 1 above, for the following reasons:

- As described in Section 2 above, SoCalGas does not believe D.16-11-022 calls for revision of treated goals through the Conforming AL.
- Based on the calculations presented in Section 2 above, the 2020 goal can be reached if 93% or more of the treated goal is met through first-time customers, even without use of the proposed available carry-forward, however this is a challenging point.
- SoCalGas believes these carry-forward funds provide valuable flexibility because they can potentially be deployed for multifamily common area or other unexpected developments.
- Because OP 135 requires that IOUs annually seek approval to carry funding in excess of 25% of the prior year's budget, the Commission will have an opportunity to review annually the continued need for such unspent funds if they continue to exceed the threshold, based on future program developments.

---

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

[15] 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."

7. Information Technology (IT) Funding Request

D.16-11-022 approved an IT budget of $4,374,252 for SoCalGas to fund IT enhancements related to mobile devices, customer notification, coordination with Lifeline, and IT systems maintenances and minor enhancements in which SoCalGas states in its Advice letter as "properly adequate." However, the Advice Letter later identifies an annual budget of $101,365 for "My Account enhancements." Please confirm whether this amount is being absorbed as part of the overall authorized IT budget of $4,374,252, or if this is an additional request on top of the authorized IT budget, and for which program years.

SCG Response:

SoCalGas would like to clarify that the total IT budget of $4,374,252 for SoCalGas is for the CARE Program IT budget category. Further, in the Appendix A of AL-5111, the amount of $101,365 for My Account enhancements for PY2017-PY2020 is part of the ESA Program' General Administration budget category and not for the CARE Program IT budget category.

8. LIWP Coordination

D.16-11-022 directed the IOUs to submit a budget proposal for the CSD LIWP coordination effort via their conforming Advice Letters. To determine whether the SoCalGas requested budget of $522,073 is sufficient and reasonable, please provide a table identifying the measures offered under this effort, the projected number of measures provided, per measure and measure installation cost, and projected units treated under the LIWP coordination effort.

SCG Response:

The table below highlights the parameters involve in SoCalGas' requested budget of $522,073 for CSD LIWP coordination.

SCG & CSD Leveraging Annual Forecast 2017-2018					
		CSD Projected Units			
		IOU	# Properties		# Units
		SCG	21		1665
Measure Name	**Reimb Amount per Measure**	**Install Rate Per Unit**	**Estimated Total Measures per Unit**		**Total ESA Estimate**
Apartment Laundry Washer	$ 775.07	0.010	17	$	13,500
Single Pane Window	$ 51.00	0.738	1,230	$	62,708
Attic Insulation	$ 1,269.76	0.007	11	$	14,370
Apartment Forced Air Furnace	$ 4,600.00	0.004	6	$	27,691
Duct Sealing (heating only)	$ 614.00	0.003	5	$	2,957
1.5 GPM Showerheads	$ 50.19	1.095	1,823	$	91,483
1.5 GPM Kitchen Aerators	$ 19.00	0.902	1,502	$	28,533
Thermostat Shower Valve	$ 46.78	0.950	1,582	$	73,998
DHW Pipe Insulation	$ 24.45	0.003	5	$	133
DHW Pipe Insulation	$ 24.45	0.003	5	$	133
Tank Type Energy Star	$ 1,480.01	0.016	26	$	38,964
1.0 GPM Bathroom Aerators	$ 19.00	0.902	1,502	$	28,533
Thermostat Tub Valve	$ 102.87	0.812	1,352	$	139,070
Total				**$**	**522,072.72**

9. Audit Budgets

SoCalGas has identified an Audit budget of $156,250. Please confirm if this is being absorbed in the Regulatory Compliance budget categories for CARE and ESA, and for which program years, or if this is an additional budget request. As currently presented, it is unclear if this audit budget is included in the total $86,474,277 request.

<u>SCG Response:</u>

On page 11 of the Conforming AL, the total amount of $156,250 of the costs applicable to SoCalGas for the State Controller Office (SCO) audit is split evenly between ESA and CARE Programs under the Regulatory Compliance category for PY 2017. The audit budget is included in ESA Program's $86,474,277 budget request.

10. Department of Community Services and Development (CSD) -WAP Referral Process

D.16-11-022 directed SoCalGas to file coordination plans/referral process between the ESA Program and CSD's WAP program for identified customers with high energy burden and non-IOU fuel sources. A plan was not submitted in the Advice letter but it was indicated that discussions were still ongoing. Given the time that has passed since the filing, please provide an update on the progress made and file in your supplemental the coordination plans/referral process agreed upon by the parties.

SCG Response:

Since the Decision issuance in November of last year, CSD and the IOUs have held three in person working sessions (on March 16, May 1, and June 7) to discuss and plan collaboration efforts in accordance with D.16-11-022 directives. Other discussions have occurred by phone and email. Collaboration efforts have focused in the following three areas: data sharing; multifamily co-funding strategies; and program coordination and referral processes. SoCalGas and CSD collaboration efforts to share customer usage data are discussed in Section 11 below, and multifamily coordination in Section 8.

SoCalGas and CSD are in the process of discussion regarding a partnership of ESA Program and CSD WAP referral process targeting high energy burden customers. The goal is to focus on effectively leveraging the resources of both programs while decreasing energy usage of low income customers.

As part of the initial phase, both CSD and SoCalGas will begin developing of a project plan. This includes selecting geographic areas to target high-energy users for both ESA and CSD, identifying discrepancies between the two programs, streamlining and coordinating the process, preparing a project plan to identify measures and associated cost, and engaging local service providers (LSP) for the implementation of ESA Program and CSD WAP referral process.

11. CSD Access to Customer Usage Data

D.16-11-022 explicitly authorized CSD access to customer-specific usage data and information for CSD-treated households, and required SoCalGas to outline how the Green Button/Connect My Data program coordination would work. A plan was not submitted in the Advice letter, but it was indicated that discussions were still ongoing. Given the time that has passed since the filing, please provide an update on the progress made and file in your supplemental the coordination plans agreed upon by the parties.

SCG Response:

D.16-11-022 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. 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:

- 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.

To date, SoCalGas' status on coordinating efforts with CSD is as follows:

- SoCalGas will fulfill the initial request for energy usage data via the Energy Data Request Program (EDRP) process.
- Standard method for fulfilling future on-going request for energy usage data will be determined by Customer Programs.
- EDRP Non-Disclosure Agreement has been modified by CSD; corresponding updates from SoCalGas have been added, NDA will be provided to CSD for final review.
- Coordinated with CSD to receive a sample file via the SoCalGas Electronic Data Transfer (EDT) system.
- File content evaluated to determine match to SoCalGas database and to identify other requirements necessary for retrieving usage data.
- Results of evaluation provided to CSD; session to be planned to coordinate details related to initial file exchange.

12. Multifamily Technical Assistance

a. *Decision 16-11-022 directed SoCalGas to establish technical assistance programs for low income multifamily energy retrofits in the areas affected by the Aliso Canyon State of Emergency. These efforts were directed to be funded with unspent funds. Since SoCalGas' Advice Letter did not specify a separate budget for the technical assistance program, please confirm if this is being absorbed in the $18M multifamily common area cost category authorized.*

<u>SCG Response:</u>

The bulk of technical assistance program cost is aimed at deed restricted buildings which is included in the $18 million multifamily common area cost as authorized by the Decision.

b. *Additionally, it is unclear if the technical assistance programs have been established and implemented in the field or is still in development. If these efforts have not yet been implemented, please provide an implementation timeline for the effort. Please also include further details about the assistance, including the estimated number of participating property owners/managers in the areas affected by the Aliso Canyon State of*

Emergency, and describe how technical assistance provided is different from existing program support.

<u>SCG Response:</u>

It is estimated that there are 100,000 low income properties that may be eligible to received technical assistance via the Single Point of Contact (SPOC) and 50% of those are within the Aliso Canyon State of Emergency designated area. SoCalGas has been offering mutilfamily property owners technical assistance via Program Guidance, Energy Assessments and Audits since the inception of the SPOC position. The focus has been larger mutilfamily property owners with numerous properties within their portfolios. Examples include technical assistance and coordination provided to Park La Brea, Housing Authority of the City of Los Angeles (HALCLA) Public Housing and Asset Management divisions, and Weiss Properties. These efforts have produced natural gas, electric and water savings.

Under D.16-11-022, the primary difference in technical assistance support will be a focused effort to provide a more comprehensive support network to ensure property owners/managers have the resources to implement energy efficiency across all aspects of the low income designated property. This includes a formalized assessment and for eligible properties may include a comprehensive audit. Along with the coordination of low income and energy efficiency programs that best meet the needs of the property owner / manager in conjunction with SoCalGas and the electric / water provider(s). The focal points will include:

<u>Energy Assessments and Consultation</u>
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.

<u>Program Guidance</u>
The SPOC will coordinate with large multifamily property owners whose properties also qualify for low income status such as but are not limited to: Section 8 Housing, Public Housing/HUD Housing and Utility Prism Code. For SoCalGas, multifamily properties that meet the 65% low income criteria for common area measures will be prioritized.

The SPOC will promote program offerings from the ESA Program and Energy Efficiency Program that best suit the needs of the mutilfamily property. Program offerings include select energy-saving products available to customers at no-cost, as well as a wide variety of incentives for other energy-saving products. These programs may include 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: energy analysis of their property, energy audits and technical assistance to identify 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.

In the event an energy audit is deemed necessary, the IOU will select a technical assistance contractor and the SPOC will work with the property owner and the contractor to coordinate technical assistance activities.

Financing Options
Furthermore, the SPOC will connect property owners with On-Bill Financing (OBF) personnel to provide available financing options, including OBF or lender referrals for customers considering energy efficiency projects.

13. Multifamily Affidavit/ Property Owner Waiver (POW)

D.16-11-022 directed SoCalGas to file an owner or authorized representative affidavit process 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; buildings registered as a low income affordable housing with the ESA program qualified income documentation that is less than 12 months old on file. The process should allow large portfolio owners/operators to simultaneously submit affidavits for many properties in multiple service territories at one time and was to be submitted to the Commission via Advice letter for approval. The self-certification affidavit shall also act as Property Owner Waiver form for the ESA program and other Energy Efficiency program installations. SoCalGas failed to provide sufficient details on the process other than identify the Single Point of Contact (SPOC) to work with building owners. Please provide in greater detail how the SPOC will be working with the building owners, the steps involved for the property owner/authorized representative going through the process, as well as a sample of the POW form(s).

SCG Response:

Since 2012, SoCalGas has delivered an integrated, joint-utility EE/ESAP portfolio to large, multifamily property owners. SoCalGas has partnered with other municipalities and the other IOUs in delivering a suite of co-funded program solutions which reduce program delivery costs and improve service levels.

The SPOC will be the dedicated point person to the multifamily sector who will create a tailored road map for program participation engaging other utilities along the process, bridging gaps between programs, tracking of all available measures and services along the way, and connecting other possible benefits and services outside of utility programs. SoCalGas envisions the SPOC's engagement process with the property owners involve the following steps:

Step 1. Pre-Engagement
a) Gather property data
b) Identify high value targets
c) Prepare engagement plan

Step 2. Back-End Support
a) Prior program participation review
b) Review & confirm eligibility
c) Meter gas usage data
d) Provide program collateral

Step 3. Engagement
a) Conduct outreach to property manager
b) Hold kick-off meeting
c) Interview key stakeholders, owner priorities matched with programs
d) Prioritize target facilities, portfolio loading order

Step 4. Assessment
a) Conduct walkthrough of facilities
b) Conduct expert facility assessments for large properties (obtain energy/water usage)
c) Present assessment report
d) Present program program/measures (No cost/low cost lead the way)
e) Present financing opportunities

Step 5. Planning & Implementation
a) Assist in selection of measures
b) Assist in coordinating all programs and services
c) Implement both low-cost/no-cost and capital investment opportunities
d) Monitor implementation progress, monthly status meetings

Step 6. Back-End Support
a) Contractor portfolio tracking reports
b) Monitor energy performance & water usage over time
c) Assist with property & portfolio level benchmarking (Portfolio Manager)

Step 7. Evaluation & Post Portfolio
a) Document project completion
b) Manage communications
c) Property owner recognition
d) Present case studies, white papers etc.

The statewide multifamily affidavit/POA form is not yet finalized and is currently undergoing legal review. As discussed with Energy Division, a draft form will be provided to Energy Division under a separate cover.

14. Technology Options by Measure

D.16-11-022 directed SoCalGas to provide the technology options available by measure that will enable participation in demand response and/or alternative tariffs consistent with the requirements of Assembly Bill (AB) 327. AL 5111-A did not identify any measures (or measure types) that may have demand response interoperability options. Please provide a list of currently offered measures that may have technology options by measure that can enable participation in demand response and/or alternative tariffs. This list may include smart technology options and measures with home energy management systems (HEMs) features.

SCG Response:

SoCalGas did not identify any measures in response to AB 327 which states that "this bill would repeal the limitations upon increasing the electric service rates of residential customers, including the rate increase limitations applicable to electric service provided to CARE customers, but would require the commission, in establishing rates for CARE program participants, to ensure that low-income ratepayers are not jeopardized or overburdened by monthly energy expenditures and to adopt CARE rates in which the level of discount for low-income electricity and gas ratepayers correctly reflects their level of need, as determined by a specified needs assessment."[16] It is SoCalGas' understanding that the directive is geared towards electric utilities. D.15-07-001 also directed the flattening of rates and a strategy for the reduction in SDG&E and PG&E's CARE discount to 35% by 2019. However, SoCalGas anticipates possible impact on low-income ratepayers and is in direct coordination with the other IOUs in their CARE and ESA Program marketing and outreach plans in addition to seeking smart technology options and measures that it could potentially add to its current measure list in support of AB 327.

Conclusion

Based on the additional information provided herein, SoCalGas requests that the 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

[16] https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB327

days of the date of this AL, which is on July 10, 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 AL become effective for service on April 29, 2017, which is the approval date requested in AL 5111-A.

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-B

Subject of AL: Partial 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 AL[1]: 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 proposed[1]: 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-B

SoCalGas ESA Program Budget

SoCalGas ESA Program Budget

ESAP BUDGET CATEGORIES	Total Budget Requirement - Conforming AL				A.14-11-011 Budget Request, Adjusted per D.16-11-022 OP1/OP2				Net Increase (Conforming AL Budget less A.14-11-011 Request)			
	2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020
Energy Efficiency												
Appliances	16,450,664	17,652,412	18,947,099	20,328,173	16,741,980	17,117,000	17,459,339	17,808,521	(291,316)	535,412	1,487,760	2,519,652
Domestic Hot Water	25,541,417	27,407,259	29,417,400	31,561,665	19,793,179	20,236,546	20,641,275	21,054,095	5,748,238	7,170,713	8,776,125	10,507,569
Enclosure	31,356,733	33,647,394	36,115,208	38,747,683	31,664,954	32,374,249	33,021,730	33,682,156	(308,221)	1,273,145	3,093,477	5,065,527
HVAC	23,190,540	24,884,646	26,709,771	28,656,674	22,973,761	23,488,373	23,958,138	24,437,294	216,779	1,396,273	2,751,633	4,219,380
Maintenance	1,922,439	2,062,876	2,214,175	2,375,568	1,895,280	1,937,734	1,976,488	2,016,018	27,159	125,142	237,687	359,550
Lighting	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Customer Enrollment	17,994,859	19,307,970	20,722,568	22,231,468	18,110,250	18,515,920	18,886,236	19,263,956	(115,391)	792,050	1,836,332	2,967,512
In Home Education	5,021,521	5,257,030	5,507,114	5,770,914	3,714,821	3,798,033	3,873,993	3,951,472	1,306,700	1,458,997	1,633,121	1,819,442
Pilot	-	-	-	-	-	-	-	-	-	-	-	-
Energy Efficiency TOTAL	**121,478,173**	**130,219,587**	**139,633,335**	**149,672,144**	**114,894,224**	**117,467,855**	**119,817,199**	**122,213,512**	**6,583,949**	**12,751,732**	**19,816,135**	**27,458,632**
Training Center	901,998	926,681	952,114	977,059	885,711	908,314	926,480	945,010	16,287	18,367	25,634	32,049
Inspections	2,509,088	2,646,697	2,773,816	2,903,418	2,306,256	2,357,651	2,404,804	2,452,899	202,832	289,046	369,012	450,519
Marketing and Outreach	1,450,000	1,450,000	1,450,000	1,450,000	2,558,973	$ 2,600,256	2,652,261	2,705,305	(1,108,973)	(1,150,256)	(1,202,261)	(1,255,305)
Statewide ME&O	-	-	-	-	-	-	-	-	-	-	-	-
M&E Studies	115,625	153,125	115,625	115,625	195,833	195,833	199,750	203,745	(80,208)	(42,708)	(84,125)	(88,120)
Regulatory Compliance	471,807	405,114	416,882	428,364	335,621	344,307	351,194	358,217	136,186	60,807	65,688	70,147
General Administration	6,356,574	6,500,414	6,661,106	6,818,403	5,520,021	5,291,513	5,397,342	5,505,288	836,553	1,208,901	1,263,764	1,313,115
CPUC Energy Division	86,000	86,000	86,000	86,000	86,000	86,000	87,720	89,474	-	-	(1,720)	(3,474)
SUBTOTAL PROGRAM COSTS	**133,369,265**	**142,387,618**	**152,088,878**	**162,451,013**	**126,782,639**	**129,251,729**	**131,836,750**	**134,473,450**	**6,586,626**	**13,135,889**	**20,252,127**	**27,977,563**
Multi- Family Common Area	4,500,000	4,500,000	4,500,000	4,500,000					4,500,000	4,500,000	4,500,000	4,500,000
Leveraging - CSD	261,036	261,036	-	-					261,036	261,036	-	-
Total Program Costs/ Authorized Budget	**138,130,301**	**147,148,654**	**156,588,878**	**166,951,013**	**126,782,639**	**129,251,729**	**131,836,750**	**134,473,450**	**11,347,662**	**17,896,925**	**24,752,128**	**32,477,563**

ATTACHMENT B

Advice No. 5111-B

Table Q5

Assumptions for Budget Increases/Decreases

Table Q5 - Assumptions to Budget Increases/Decreases

Category	Additional Amount Requested	Unspent Funds Allocation
Appliances	$4,251,507	$4,251,507
Domestic Hot Water	$32,202,646	$32,202,646
Enclosure	$9,123,929	$9,123,929
HVAC	$8,584,066	$8,584,066
Maintenance	$749,539	$749,539
Customer Enrollment	$5,480,503	$5,480,503
In Home Education	$6,218,260	$6,218,260
Training Center	$92,337	$92,337
Inspections	$1,311,408	$916,590
General Administration	$4,622,333	
Marketing and Outreach*	-$4,716,795	
M&E Studies*	-$295,162	
Regulatory Compliance	$332,828	$332,828
CPUC Energy Divison*	-$5,194	
MF common measures	$18,000,000	$18,000,000
CSD LIWP Coordination/Leveraging	$522,072	$522,072
Total	**$86,474,277**	**$86,474,277**

*Required budget increases shown are offset by budget reductions in Marketing & Outreach, M&E Studies, and CPUC Energy Division categories, reducing or eliminating the need to allocate unspent funds for Inspections and General Administration categories.

<u>Assumptions to Budget Increases/Decreases:</u>

Appliances
2017-2020 Cycle Category Increase $ 4,251,506.

- D.16-11-022 ordered 5% annual Treated Goal increase, resulting in increased installed unit forecast.
- Revised inflation forecast.
- Reduced per-unit cost forecast.

Domestic Hot Water
2017-2020 Cycle Category Increase $ 32,202,645.

- D.16-11-022 ordered 5% annual Treated Goal increase, resulting in increased installed unit forecast.
- Revised inflation forecast.
- Revised current measure cost estimates for Faucet Aerators, Low-Flow Shower Heads, Thermostatic Shower Valves, Water Heater Repair/Replacement, Thermostatic Tub Spouts (new measure), Water Heater Blanket, Water Heater Pipe Insulation.

Enclosure
2017-2020 Cycle Category Increase $ 9,123,929.

- D.16-11-022 ordered 5% annual Treated Goal increase, resulting in increased installed unit forecast.
- Revised inflation forecast.
- Revised current measure cost estimates for Air Sealing and Envelope, Attic Insulation.

HVAC
2017-2020 Cycle Category Increase $ 8,584,066.

- D.16-11-022 ordered 5% annual Treated Goal increase, resulting in increased installed unit forecast.
- Revised inflation forecast
- Incorporation of estimated Prescriptive Duct Sealing costs (new measure in lieu of Duct Testing & Sealing, which SoCalGas proposed to eliminate in Application).
- Revised current measure cost estimates for Forced Air Unit (FAU) Standing Pilot Light Conversion, Furnace Repair/Replacement.
- Revised per-home installation frequency estimates for FAU Standing Pilot Light Conversion.

Maintenance
2017-2020 Cycle Category Increase $ 749,539.

- D.16-11-022 ordered 5% annual Treated Goal increase, resulting in increased installed unit forecast.
- Revised inflation forecast.
- Revised per-home installation frequency estimates.

Customer Enrollment
2017-2020 Cycle Category Increase $ 5,480,503.

- D.16-11-022 ordered 5% annual Treated Goal increase.
- Revised inflation forecast.
- New forms to comply with D.16-11-022 New Unwilling, Infeasible, Ineligible information requirements.

In Home Education
2017-2020 Cycle Category Increase $ 6,218,260.

- D.16-11-022 ordered 5% annual Treated Goal increase.
- Revised inflation forecast.
- Increased per-unit cost of in-home energy education due to incremental ordered activities including education and enrollment into My Account website offering.

Training Center
2017-2020 Cycle Category Increase $ 92,337.

- Revised inflation forecast.

Inspections
2017-2020 Cycle Category Increase $ 1,311,408.

- D.16-11-022 ordered 5% annual Treated Goal increase, resulting in increased units to be inspected.
- Revised inflation forecast.

General Administration
2017-2020 Cycle Category Increase $ 4,622,333.

- Revised inflation forecast.
- Cost of information systems maintenance and enhancements have been adjusted according to timing and current program needs.
- D.16-11-022 authorizes additional annual budget amount of $23,000 for Lifeline Coordination.
- D.16-11-022 authorizes additional annual budget amount of $101,365 for MyAccount enhancements.
- Retains existing classification of M&O labor costs under General Administration for 6.72 full time equivalent (FTE) staff members as described in Conforming AL.

Marketing and Outreach
2017-2020 Cycle Category Decrease ($4,716,795).

- D.16-11-022 establishes a M&O Budget of $1.45 million per year for 2017-2020.

M&E Studies
2017-2020 Cycle Category Decrease ($ 295,162).

- Annual Budget of $115,625.

Regulatory Compliance
2017-2020 Cycle Category Increase $ 332,828.

- 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.
- 0.5 FTE's added to support EM&V studies.

Commission's Energy Division
2017-2020 Cycle Category Decrease ($5,194).

- Annual Budget of $86,000.
- D.16-11-022 overestimates 2019-2020 budget by $5,194.

Multifamily Common Area
2017-2020 Cycle New Category $ 18,000,000.

- D.16-11-022 OP 43 directs SoCalGas to allocate $18 million of unspent dollars to fund common area ESA multifamily building efforts.

Leveraging – CSD
2017-2018 Cycle New Category $ 522,072.

- 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.