STATE OF CALIFORNIA GAVIN NEWSOM, *Governor*

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April 9, 2019

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RE: Staff Disposition of the Jointly Filed Advice Letter of San Diego Gas & Electric Company (3268-E-A/2701-G-A), Southern California Gas Company (5346-G-A), Southern California Edison Company (5373-E-A) and Pacific Gas and Electric Company (5373-E-A/4009-E-A) For a Shared Funding Mechanism Proposal Pursuant to Decision 18-05-041

Dear Investor Owned Utility Regulatory Officers:

Energy Division approves the following Investor Owned Utilities' Joint Advice Letters for a Shared Funding Mechanism Proposal Pursuant to Decision 18-05-041, with an effective date of November 15, 2018:

- San Diego Gas & Electric Company Advice Letter 3268-E-A/2701-G-A,
- Southern California Gas Company Advice Letter 5346-G-A,
- Southern California Edison Company Advice Letter 3861-E-A, and
- Pacific Gas and Electric Company's Advice Letter 5373-E-A/4009-G-A.

In approving these advice letters, Energy Division highlights the following, as detailed in the Discussion section (see page 5):

- The Program Year 2019 budgets do not reflect allocations to statewide programs, under the current definition and requirements,
- Budget adjustments are permissible where they ensure continued compliance with statewide funding minimums, and when they are initiated by the lead PA,
- Budget allocations to statewide program areas, as they presented in the Statewide Funding Supplemental AL, supersede all previous budget and business plan filings, and
- Energy Division expects a fully compliant portfolio of statewide programs to be in place and operational by the end of 2020.

Background

On August 18, 2016, the Commission issued D.16-08-019, re-defining statewide programs and setting new requirements. The new definition requires that statewide programs be designed and delivered by "One or more statewide implementers, under contract to the lead administrator"[1] and requiring statewide programs to comprise at least 25 percent of the total program portfolio budget of each utility program administrator.[2] On May 31, 2018 the Commission issued D.18-05-041, providing some adjustments and clarifications to the statewide budget requirements. Among the adjustments was a reduction in the statewide funding requirement for Southern California Gas Company (SoCalGas) from 25 percent to 15 percent of its overall budget since the potential for statewide measures addressing gas use is more limited.[3]

D.18-05-041 also addressed how costs for each statewide program would be apportioned among utility program administrators (PAs), setting a requirement that IOUs "fund statewide programs at levels within 20 percent of their proportional share of load," but provides that the proportional share requirement can be waived if the utility is "specifically approved by the Commission for a deviation by means of a new business plan filing containing justification for why the statewide program cannot be funded at the required level."[4] Ordering Paragraph (OP) 24 of D.18-05-041 provides for the implementation of this option where it states that the IOUs may file Tier 1 advice letters within 90 days of the issuance of the decision to "propose a mechanism for shared funding of statewide programs, justifying why the current cost-sharing arrangements are insufficient, if applicable."[5]

On September 4, 2018, the IOUs jointly filed advice letter 3268-E/2701-G et al. addressing OP 24 of D.18-05-041. The advice letter proposes a mechanism to enable shared funding and facilitate the reimbursement of lead Program Administrators for funds spent on statewide programs. The advice letter proposes a schedule for payments, and a process to track each IOU's contributions against overall program expenditures, and provisions for an annual true-up.

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[1] D.16-08-019 Ordering Paragraph 5, p. 109.
[2] D.16-08-019, Ordering Paragraph 6, p. 110.
[3] D.18-05-041, p. 84.
[4] D.18-05-041, Conclusion of Law 18, p. 173.
[5] D.18-05-041, Order 24, p. 187.

The initial advice letter addresses the funding requirements laid out in OP 22 and OP 23 of D.18-05-041 on page 2, where it states:

> "each IOU will fund statewide programs based on the 25 percent of the total portfolio budget requirement for SDG&E, PG&E and SCE, and the 15 percent requirement for SoCalGas designated in D.16-08-019, consistent with each IOU's proportional share based on load, unless a deviation is specifically approved by the Commission."

On November 16, 2018 the IOUs jointly filed a supplemental advice letter, in response to a request by Energy Division staff. The supplemental was filed jointly as 3268-E-A/2701-G-A (San Diego Gas & Electric Company); 5346-G-A (Southern California Gas Company)/ 3861-E-A (Southern California Edison Company); 5373-E/ 4009-G-A (Pacific Gas and Electric Company). For simplicity, this will be referred to as the "Joint IOU Statewide Funding Supplemental AL" throughout the remainder of this document.

Public Advocates Office Protest

On September 24, 2018, before the IOUs filed the Joint IOU Statewide Funding Supplemental AL, the California Public Advocates Office (CalPA) timely protested the initial statewide funding advice letter.[6]

In their protest, CalPA states that the (initial) statewide funding advice letter lacked sufficient information to determine whether the IOUs' funding allocations comply with the fund-sharing requirements of D.18-05-041 and should be rejected.

CalPA points out that the advice letter did not supply any specific information to determine whether budget allocations would in fact comply with D.18-05-041's requirements that:

a. PG&E, SCE, and SDG&E spend 25 percent of their total portfolio budgets, and SoCalGas spend 15 percent of its budget, on statewide programs;[7] and
b. The IOUs fund each statewide program based on their proportional share and within 20 percent of the proportional load share.[8]

CalPA notes in their protest that the IOUs did not submit detailed budgets for statewide programs nor provide an explanation for how they will determine each IOU's proportional load share responsibility. If that information is not available, the Commission cannot have confidence that the IOUs will be able to comply with proportionate funding requirements in D.18-05-041.

CalPA asserts the IOUs should demonstrate that they are compliant with D.18-05-41 by providing the Commission with funding ratios based on their statewide electric and gas load-shares. CalPA recommended the Commission require the IOUs to refile of the advice letter, or

[6] Filed jointly as 3268-E/2701-G (San Diego Gas & Electric Company); 5346-G (Southern California Gas Company)/ 3861-E (Southern California Edison Company); 5373-E/ 4009-G (Pacific Gas and Electric Company).
[7] D.18-05-041, Order 23, p. 187.
[8] D.18-05-041, Conclusion of Law 18, p. 173.

provide a supplemental advice letter, with sufficient detail to understand how the IOUs intend to comply with Ordering Paragraphs 22 and 23 of D.18-05-041.

Joint IOU Reply to Protest

On October 1, 2018 the IOUs filed a "Joint IOUs Reply to the Protest of Advice Letter 3268-E/2701-G, et. al." In their reply to the protest, the IOUs argue that the advice letter was filed to comply with OP 24, which requires a description of co-funding mechanism but—they argue—does not require the provision of individual statewide program budgets. The IOUs note that the advice letter affirms their intent to comply with OP 22 and OP 23 of the decision and meet the requirements of OP24. The IOUs further argue that the appropriate time and place to assess whether proposed budgets are compliant include the following:

- when the statewide program contracts are filed with the commission for approval;
- in future annual budget advice letters providing details of statewide program budgets; and
- the annual report on statewide program funding-level management.[9]

Request for Supplemental Advice Letter

Energy Division requested supplemental information for the Joint Statewide ALs (SDG&E Advice Letter 3268-E/2701-G, et. al) to address compliance concerns regarding the statewide program portfolio scheduled to launch in 2020. The request included the following questions:

1) What is each IOUs electric load-share?
2) What is each IOUs gas load-share?
3) What data sources and methods, common to all IOUs, were used to derive the IOU load-shares? The supplemental should also describe how updates to load-share would be determined; at what frequency; and how updates would be integrated into portfolio budgets.
4) For each program category (D.18-05-041 Table 3. Section 3.1.6) that will be launched under the statewide administration model, the assigned lead IOU shall provide the following:
    a. The IOU portfolio budget allocation to statewide programs for program years 2020 and 2021, demonstrating compliance with D.18-05-041 OP23.
    b. The "Percent electric" for each statewide program category, which represents the portion of the program budget that will be associated with electric load-share, and where the balance is associated with gas load-share.
    c. The minimum proportional funding amount for each IOU, consistent with electric and gas load-shares and "percent electric". The minimum proportional amount should reflect the flexibility to vary by 20 percent of applicable load-share.
    d. The expected year and quarter of third-party implementation launch (i.e. implementation start date)

[9] Joint IOUs Reply to the Protest of Advice Letter 3268-E/2701-G, et. al., page 4

e. Anticipated annual third-party implementation budget, i.e., the annual third party implementation contract budget.
f. The annual budget for each IOU for each statewide program category

IOU Response to Supplemental Request

The Joint IOU Statewide Funding Supplemental AL provides the above-requested information and demonstrates that planned budget allocations to statewide programs will comply with D.18-05-041 OP 23, following the execution of planned statewide program solicitations. The Joint IOU Statewide Funding Supplemental AL also articulates a load-share methodology and presents the resultant cost-shares for each planned statewide program. In determining the load-share methodology, the IOU's reference the Energy Efficiency Potential and Goals Study for 2018. An excerpt from page 4 of the Joint IOU Statewide Funding Supplemental AL follows:

> "The methodology for determining load share is based on (1) the EE goals in each of the IOU service territories as developed in Energy Efficiency Potential and Goals Study for 2018 and Beyond (EE Potential Study)[10] adopted in D. 17-09-025 and (2) the corresponding portfolio budgets to meet these goals as adopted in D. 18-05-041[11]. The adopted IOU portfolio budgets are an approximate proxy for the EE load share as represented by the adopted EE goals. This is an appropriate approach because the study is developed utilizing the necessary inputs to equitably meet the Commission's directive. The IOUs' budgets are intended to meet the EE goals as determined in the EE Potential Study utilizing the IOU's load consumption and trends for each sector…"[12]

The IOUs Supplemental AL presents budgets for each statewide program area and for each IOU[13] in. However, the budget table is prefaced with a disclaimer:

> "These budgets are illustrative of the proportional funding methodology, and could change depending on the final 2020 ABALs, program design, and budget adjustments in response to program success."[14]

Discussion

Program Year 2019 budgets do not reflect allocations to statewide programs, under the current definition and requirements

Energy Division agrees with CalPA that a methodology for determining load-share should be provided by the Joint IOUs in order for the Commission to have confidence that each statewide

[10] Energy Efficiency Potential and Goals Study for 2018 and Beyond, Navigant Consulting, September 25, 2017. The study can be found as Appendix 1 to D.17-09-025.
[11] The business plan budgets were based on goals set in D.15-10-028. The potential study was updated and adopted in D. 17-09-025, and SoCalGas requested to modify its budget according to newly identified potential. SoCalGas' incremental budget request was approved in D. 18-05-041
[12] Potential Study, at p.34. "The team used the 2016 IEPR for electric rates and forecasts and the 2015IEPR for gas rates and forecasts. This was because only electric rates and forecasts were updated in the 2016 IEPR."
[13]Supplemental Advice Letter, Table 5, page 7
[14] Supplemental Advice Letter page 6.

program area is funded in accordance with load-share. Energy Division also agrees with CalPA that the Joint IOUs should present a statewide budgetary plan demonstrating that total annual budget allocations to statewide programs meet with minimum required proportional amounts (i.e., 25% for PG&E, SCE and SDG&E and 15% for SoCalGas).

However, Energy Division does not agree with CalPA that the statewide program budgets are pertinent to the 2019 budget filings. Solicitations must be completed, and new contracts executed before a program area can be considered statewide under the new definition. This is because under the new definition programs must be delivered on a statewide basis by one or more implementers under contract to the lead-PA. None of the existing programs meet this aspect of the statewide definition. The IOUs are planning to launch solicitations to support new statewide programs in 2019 and are expected to launch a new portfolio of compliant statewide programs over the calendar year 2020.

Budget adjustments are permissible where they ensure continued compliance with statewide funding minimums, and when they are initiated by the lead PA

It is permissible for the PAs to adjust the budgets for individual statewide program areas, provided overall statewide program budgets continue to meet with minimum funding requirements articulated in D. 18-05-041 OP 23, as discussed above. All statewide budget adjustments shall be reflected in the IOUs annual budget advice letters, as well as in the monthly reports and related CEDARS filings. Moreover, changes to the budgets for statewide program areas must be approved by the assigned lead-PA, as the lead-PA has sole responsibility for statewide program procurement and contract administration.[15]

Budget allocations to statewide program areas, as presented in the Statewide Funding Supplemental AL, supersede all previous budget and business plan filings

As noted by CalPA, the budget allocations to statewide program areas for 2020 to 2025 do not reflect load-share proportional funding, nor overall minimum funding requirements. To be clear, the budgets filed in the Statewide Funding Supplemental AL supersede any budget projections made for statewide program areas filed in any previous ABAL, or in any individual IOU Business Plan.

For example, in its most recent ABAL SCG allocates $866k to Codes and Standards for program year 2020, presumably to support all five of its Codes and Standards sub-programs.[16] Based on the statewide Supplemental AL, the annual budget that SoCalGas now allocates to the two Codes and Standards Advocacy programs is $915k per year. [17] This annual budget commitment will begin in 2020, following the completion of the Codes and Standards statewide solicitation. Moreover, this will remain SoCalGas' budget commitment to statewide Codes and Standards Advocacy unless the lead PA (in this case, PG&E) initiates a change to the funding level.

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[15] D.18-05-041, OP 18 item b, at page 185.

[16] Building Codes and Compliance Advocacy (SCG3724), Appliance Standards Advocacy (SCG3725), Compliance Enhancement (SCG3726), Reach Codes (SCG3727), and C&S Planning and Coordination (SCG3728).

[17] Building Codes and Compliance Advocacy (SCG3724) and Appliance Standards Advocacy (SCG3725).

Energy Division expects a fully compliant portfolio of statewide programs to be in place and operational by the end of 2020

The current solicitation schedule combined with the budgets presented in the Supplemental AL result in full compliance with budget requirements by the end of calendar year 2020. Energy Division finds this schedule to be acceptable. However, it is important the IOUs remain on track to meet all statewide compliance requirements by the end of calendar year 2020. Per the schedule of planned solicitations, and the budgets filed in the Statewide Funding Supplemental AL, Energy Division expects a fully compliant portfolio of statewide programs to be in place and operational by the end of 2020.

Sincerely,

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division

Cc: Service lists of R.13-11-005 and A.17-01-013
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November 15, 2018

ADVICE LETTER 3268-E-A/2701-G-A
(San Diego Gas & Electric Company - U902 M)

ADVICE LETTER 5346-G-A
(Southern California Gas Company - U904 G)

ADVICE LETTER 3861-E-A
(Southern California Edison Company - U338 E)

ADVICE LETTER 5373-E-A/4009-G-A
(Pacific Gas & Electric Company – U39 M)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: **SUPPLEMENTAL - SAN DIEGO GAS & ELECTRIC COMPANY, SOUTHERN CALIFORNIA GAS COMPANY, SOUTHERN CALIFORNIA EDISON COMPANY AND PACIFIC GAS AND ELECTRIC COMPANY'S SHARED FUNDING MECHANISM PROPOSAL PURSUANT TO DECISION 18-05-041**

PURPOSE

San Diego Gas & Electric Company (SDG&E), Southern California Gas Company (SoCalGas), Southern California Edison Company (SCE) and Pacific Gas and Electric Company (PG&E), (hereinafter "IOUs") hereby submit this supplemental Advice Letter (AL) in response to Energy Division's questions to the IOUs' proposed mechanism for shared funding of statewide programs pursuant to Ordering Paragraph (OP) 24 of Decision (D.) 18-05-041. The Energy Division's request for supplemental information is attached hereto as Attachment B.

This supplement replaces the original advice letter(s) in its entirety.[1]

BACKGROUND

D. 16-08-019 required the IOUs to submit business plan proposals for the 2018-2025 period by January 15, 2017, including proposing a single lead administrator for each of the designated statewide programs[2] and at least four separate downstream programs.[3]

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[1] SDG&E AL 3268-E/2701-G; SoCalGas AL 5346-G; SCE AL 3861-E; PG&E AL 5373-E/4009-G.
[2] D.16-08-019, Decision Providing Guidance for Initial Energy Efficiency Rolling Portfolio Business Plan Filings, p. 61.

D.18-05-041, *Decision Addressing Energy Efficiency (EE) Business Plans*, requires the IOUs to submit a Tier 1 AL to propose a mechanism for shared funding of statewide programs.[4] This supplemental AL puts forth the statewide shared funding mechanism for managing the funding for EE Statewide programs.

On September 4, 2018, SDG&E, SoCalGas, SCE, and PG&E each submitted separate Tier 2 ALs requesting authorization to establish individual new interest-bearing gas and electric EE balancing accounts to track and manage the cost sharing among the statewide program lead administrators and the contributing program administrators (PAs).[5]

The following are the responses to Energy Division's questions:

1. What is each IOU's electric load-share?

Response: Please refer to Tables 3 and 5.

2. What is each IOUs gas load-share?

Response: Please refer to Table 4.

3. What data-sources and methods, common to all IOUs, were used to derive the IOU load-shares? The supplemental should also describe how updates to load share would be determined; at what frequency; and how updates would be integrated into portfolio budgets.

Response: Please refer to the discussion in "Proportional Funding Requirements" discussion below.

Table 5 responds to all the remaining questions, 4 through 10. For each program category (D.18-05-041 Table 3 (Section 3.1.6)) that will be launched under the statewide administration model, the assigned lead IOU shall enter the following details into the attached spreadsheet:

4. IOU Portfolio budget amount for program year 2020, consistent with D.18-05-041 OP23 and budget filings in the 2019 ABAL (Column D)

5. IOU Portfolio budget amount for program year 2021, consistent with D.18-05-041 OP23 and budget filings in the 2019 ABAL (Column E)

6. The "Percent Electric" for each statewide program category, which represents the portion of the program budget that will be associated with electric load-share, and where the balance is associated with gas load-share. (Column F)

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[3] *Id*., p. 65.

[4] D.18-05-041 OP 24 sates, "Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company may file Tier 1 advice letters within 90 days of the issuance of this decision to propose a mechanism for shared funding of statewide programs, justifying why the current cost-sharing arrangements are insufficient, if applicable. They shall also develop an agreed-upon annual report to facilitate ongoing statewide program funding-level management. A summary of key findings from this report shall be included in each utility's annual energy efficiency portfolio report to the Commission, detailing proportional funding amounts for each statewide program and any cost-sharing discrepancies or issues, with particular attention to the proportional funding requirements."

[5] SoCalGas Advice 5348-G; PG&E Advice 4010-G/5374-E; SCE Advice 3860-E; and SDG&E Advice 3266-E/2699-G.

7. The minimum proportional funding amount for each IOU, consistent with electric and gas load-shares and the "percent electric". The *minimum* proportional amount provided should reflect the flexibility to vary by 20 percent of applicable load-share. (Columns G, H, I, J).

8. The expected year and quarter of third party(s) implementation launch (i.e. implementation start date) (Column K).

9. The anticipated annual third-party implementation budget, i.e. the annual third party implementation contract budget (Column L).

10. The annual budget for each IOU for the statewide program category (Columns M, N, O, P)

PROPOSAL

Currently, the IOUs utilize co-funding agreements for collaborative program efforts. The existing IOU co-funding agreements provide for partnering utilities to be billed by the lead utility, following initiation of program activities, to facilitate reimbursement for program expenditures. The IOUs propose to modify the co-funding agreement process as follows:

- Each IOU will provide a ratable monthly payment of the annual approved statewide budget to the lead IOU for each statewide program by the fifteenth (15^{th}) of each month, beginning the 15^{th} of the first month after subject contracts are signed, and the program implementation plan is uploaded to CEDARS.
- Subsequent payments to the statewide lead IOU will be provided by the 15^{th} of each month following provision of the initial payment.
- If the program is successful and requires additional funding beyond the approved budget, the lead IOU will, in consultation with the funding IOUs, work to identify and allocate additional program funds. The master co-funding agreement will be updated by the program lead to reflect the new budget and monthly payment.
- The proposed new interest-bearing balancing accounts will track (1) IOUs' contributions to all the approved and contracted statewide programs for which the IOU is the lead PA; (2) all the funds transferred from other IOUs for programs that each IOU will be administering on behalf of all the IOUs; and (3) actual costs of the programs administered by the lead IOU.
- The annual true-up, which will include accrued interest, will be handled through an agreed-upon annual report that provides each IOU with the status of their payments, expenses and related interest for the programs administered by each lead IOU. The proposed annual report template is provided as Attachment A.
- The annual true-up reports will be submitted together with the annual EE reports by May 1 of the following calendar year.

PROPORTIONAL FUNDING REQUIREMENT

The Commission directed the IOUs to fund statewide programs consistent with their proportional share based on load.[6] Below is the methodology the IOUs will follow for determining proportional funding amounts in compliance with proportional load share. While this methodology will remain consistent each year, the actual funding totals of each IOU may change in line with approved ABAL budgets, and the program-level funding contributions could be adjusted in line with program performance.

The methodology for determining load share is based on (1) the EE goals in each of their territories as developed in *Energy Efficiency Potential and Goals Study for 2018 and Beyond (EE Potential Study)*[7] adopted in D.17-09-025, and (2) the corresponding portfolio budgets to meet these goals as adopted in D.18-05-041.[8] The adopted IOU portfolio budgets are the appropriate proxy for the EE load share as represented by the adopted EE goals. This is an appropriate approach because the study is developed utilizing the necessary inputs to equitably meet the Commission's directive. The IOUs' budgets are intended to meet the EE goals as determined in the EE Potential Study utilizing the IOU's load consumption and trends for each sector[9], energy saving potential by leveraging saturation studies, cost-effectiveness constraints and customer adoption limitations. Additionally, basing the load shares on the budgets that the CPUC has approved to meet the EE Potential Study reflects Public Purpose Program (PPP)-eligible load, which is eligible load served by the EE portfolios. Therefore, the IOUs' proposed methodology is consistent with the Commission's direction, while also balancing practical considerations of managing Business Plan budgets that were developed to meet the State's energy savings goals while managing additional constraints associated with program planning.

The total authorized IOU budgets for 2020 are presented in Table 1 below, along with the 25% minimum required funding levels for statewide programs, for SDG&E, PG&E and SCE, and the 15% minimum required funding level for statewide programs for SoCalGas as adopted in D.18-05-041. These funding levels are further split to account for dual-fuel programs with 46% to PG&E, 14% to SDG&E, 33% to SCE, and 8% to SoCalGas. These percentages will remain consistent throughout the Business Plan cycle to ensure that each IOU is funding their share of statewide programs regardless of their requested annual funding levels. This methodology results in IOU funding shares consistent with funding shares adopted in D.16-09-020 for Statewide Marketing Education and Outreach.[10]

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[6] D.18-05-041 Ordering Paragraph 22.

[7] *Energy Efficiency Potential and Goals Study for 2018 and Beyond*, Navigant Consulting, September 25, 2017. The study can be found as Appendix 1 to D.17-09-025.

[8] The business plan budgets were based on goals set in D.15-10-028. The potential study was updated and adopted in D.17-09-025, and SoCalGas requested to modify its budget according to newly identified potential. SoCalGas' incremental budget request was approved in D.18-05-041

[9] Potential Study, at p.34. "The team used the 2016 IEPR for electric rates and forecasts and the 2015 IEPR for gas rates and forecasts. This was because only electric rates and forecasts were updated in the 2016 IEPR."

[10] D.16-09-020, Ordering Paragraph 6, at 73. "The ratepayers of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) shall continue to fund the annual budget of the statewide Marketing, Education, and Outreach program according to the existing percentage shares contributed by each utility: 46.74% for PG&E, 32.68% for SCE, 12.43% for SDG&E and 8.14% for SoCalGas."

Table 1. 2020 Minimum Statewide Funding Amounts

	Total 2020 Budget	Minimum Statewide Funding Percentages	Total Statewide Funding	Statewide Funding Split
PG&E	$376,627,905	25%	$94,156,976	46%
SDG&E	$116,456,309	25%	$29,114,077	14%
SCE	$271,852,000	25%	$67,963,000	33%
SoCalGas	$104,064,000	15%	$15,609,600	8%
Total	**$869,000,214**		**$206,843,654**	

Each IOU collects its PPP funds from its customers according to fuel type. SoCalGas and SCE, as single-fuel utilities, collect 100% of their budgets from gas and electric customers, respectively. PG&E and SDG&E collect their budgets from electric and gas customers in proportions consistent to their portfolio mix. Currently the PG&E's budget has an 80% electric and 20% gas whereas SDG&E's budget split is 90% electric and 10% gas. Using these proportions, the statewide budgets can be further divided for electric-only or gas-only statewide programs. Table 2 provides the electric and gas funding shares by IOU.

Table 2. 2020 Statewide Program Funding Shares By Fuel Type

	Total Statewide Funding	Electric PPP %	Statewide Budget (Electric)	Statewide Funding Split (Electric)	Statewide Budget (Gas)	Statewide Funding Split (Gas)
PG&E	$94,156,976	80%	$75,325,581	44.4%	$18,831,395	50.4%
SDG&E	$29,114,077	90%	$26,202,670	15.5%	$2,911,408	7.8%
SCE	$67,963,000	100%	$67,963,000	40.1%	$0	0.0%
SoCalGas	$15,609,600	0%	$0	0.0%	$15,609,600	41.8%
Total	**$206,843,654**		**$169,491,251**		**$37,352,403**	

Using the statewide funding splits presented in Table 1 for dual-fuel programs, and Table 2 for single-fuel programs, the IOUs have determined a budget for each statewide program authorized in D.18-05-041.[11] The Lead IOU for each program developed an overall required funding level for each program, and the funding splits are applied based on fuel-type. Table 3 presents the statewide program budgets by IOU. Table 4 presents the statewide program electric and gas budgets by IOU.

It is important to note that if other non-IOU program administrators, and Publicly-Owned Utilities, participate in Statewide programs, this budget share methodology is scalable to include additional funding contributions. While the IOUs will still be obligated to meet their 25%/15% minimum Statewide funding thresholds, individual program funding shares may be modified with the inclusion of funds from other participating program administrators or utilities.

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[11] D.18-05-041 allows for deviations from the proportional splits up to 20%, unless specifically approved by the Commission by means of a new business plan application, and possibly a larger deviation if specifically approved by the Commission by means of a new Business Plan application.

Through the annual budget advice letter process, the IOUs will review the progress of each statewide program and evaluate the continuing annual program budgets based on program design and success. Program cost-effectiveness will continue to be a key factor in program success and will inform program budgets, both for local and for statewide programs.

Table 5 provides the information in the format requested by Energy Division including forecasted budgets for 2020 and 2021. These budgets are illustrative of the proportional funding methodology, and could change depending on the final 2020 ABALs, program design, and budget adjustments in response to program success.

Table 3: Projected 2020 Statewide Program Budgets by IOU

						Total			
						PG&E	SDG&E	SCE	SCG
	Program	Electric	Gas	Total Budget	Electric%	45.5%	14.0%	32.4%	8.0%
Upstream	Plug Load & Appliance	$23,485,247	$5,871,312	$29,356,559	80%	$13,397,403	$4,088,361	$9,417,170	$2,453,626
	Upstream HVAC	$18,400,000	$4,600,000	$23,000,000	80%	$10,496,471	$3,203,110	$7,378,075	$1,922,344
	Residential New Construction	$3,680,000	$920,000	$4,600,000	80%	$2,099,294	$640,622	$1,475,615	$384,469
	Non-Res New Construction	$16,000,000	$4,000,000	$20,000,000	80%	$9,127,366	$2,785,313	$6,415,718	$1,671,603
	New Financing Offers	$2,080,000	$520,000	$2,600,000	80%	$1,071,169	$417,317	$756,729	$354,786
	C&S Advocacy	$8,760,000	$2,190,000	$10,950,000	80%	$4,997,233	$1,524,959	$3,512,605	$915,203
	Lighting	$50,000,000	$0	$50,000,000	100%	$22,221,082	$7,729,800	$20,049,118	$0
	Emerging Technologies - Gas	$0	$3,000,000	$3,000,000	0%	$1,512,465	$233,833	$0	$1,253,702
	Emerging Technologies - Electric	$17,897,000	$0	$17,897,000	100%	$7,953,814	$2,766,805	$7,176,381	$0
	WE&T Career Connections (CC)	$1,633,145	$408,286	$2,041,431	80%	$931,644	$284,301	$654,862	$170,623
	Institutional (UC/CSU/CCC)	$4,046,913	$1,011,728	$5,058,641	80%	$2,308,603	$704,495	$1,622,741	$422,802
	Dept of California	$800,000	$200,000	$1,000,000	80%	$456,368	$139,266	$320,786	$83,580
	Dept of Corrections	$1,200,000	$300,000	$1,500,000	80%	$684,552	$208,898	$481,179	$125,370
	Midstream Commercial Water Heating	$5,625,000	$5,625,000	$11,250,000	50%	$5,335,743	$1,308,039	$2,255,526	$2,350,692
	Foodservice Point of Sale	$9,750,000	$9,750,000	$19,500,000	50%	$9,248,621	$2,267,268	$3,909,578	$4,074,533
Downstream									
	HVAC Quality Installation/Quality Maintenance (QI/QM) Res	$5,520,000	$1,380,000	$6,900,000	80%	$3,148,941	$960,933	$2,213,423	$576,703
	Water/Wastewater Pumping Program	$4,240,000	$1,060,000	$5,300,000	80%	$2,418,752	$738,108	$1,700,165	$442,975
	Career and Workforce Readiness	$1,690,055	$422,514	$2,112,569	80%	$964,110	$294,208	$677,682	$176,569
	Total	**$174,807,360**	**$41,258,840**	**$216,066,200**		**$98,373,631**	**$30,295,638**	**$70,017,352**	**$17,379,580**
	Remaining Requirement	-$5,316,110	-$3,906,437			**$4,216,654**	**$1,181,560**	**$2,054,352**	**$1,769,980**

Table 4: Projected Statewide Program Electric and Gas Budgets by IOU

		Electric				Gas			
		PG&E	SDG&E	SCE	SCG	PG&E	SDG&E	SCE	SCG
	Program	**44.4%**	**15.5%**	**40.1%**	**0.0%**	**50.4%**	**7.8%**	**0.0%**	**41.8%**
Upstream	Plug Load & Appliance	$10,437,352	$3,630,725	$9,417,170	$0	$2,960,050	$457,635	$0	$2,453,626
	Upstream HVAC	$8,177,358	$2,844,566	$7,378,075	$0	$2,319,112	$358,544	$0	$1,922,344
	Residential New Construction	$1,635,472	$568,913	$1,475,615	$0	$463,822	$71,709	$0	$384,469
	Non-Res New Construction	$7,110,746	$2,473,536	$6,415,718	$0	$2,016,619	$311,777	$0	$1,671,603
	New Financing Offers	$924,397	$321,560	$756,729	$0	$262,161	$40,531	$0	$354,786
	C&S Advocacy	$3,893,134	$1,354,261	$3,512,605	$0	$1,104,099	$170,698	$0	$915,203
	Lighting	$22,221,082	$7,729,800	$20,049,118	$0	$0	$0	$0	$0
	Emerging Technologies - Gas	$0	$0	$0	$0	$1,512,465	$233,833	$0	$1,253,702
	Emerging Technologies - Electric	$7,953,814	$2,766,805	$7,176,381	$0	$0	$0	$0	$0
	WE&T Career Connections (CC)	$725,805	$252,478	$654,862	$0	$205,839	$31,824	$0	$170,623
	Institutional (UC/CSU/CCC)	$1,798,536	$625,637	$1,622,741	$0	$510,068	$78,858	$0	$422,802
	Dept of California	$355,537	$123,677	$320,786	$0	$100,831	$15,589	$0	$83,580
	Dept of Corrections	$533,306	$185,515	$481,179	$0	$151,246	$23,383	$0	$125,370
	Midstream Commercial Water Heating	$2,499,872	$869,603	$2,255,526	$0	$2,835,871	$438,437	$0	$2,350,692
	Foodservice Point of Sale	$4,333,111	$1,507,311	$3,909,578	$0	$4,915,510	$759,957	$0	$4,074,533
Downstream									
	HVAC Quality Installation/Quality Maintenance (QI/QM) Res	$2,453,208	$853,370	$2,213,423	$0	$695,734	$107,563	$0	$576,703
	Water/Wastewater Pumping Program	$1,884,348	$655,487	$1,700,165	$0	$534,404	$82,621	$0	$442,975
	Career and Workforce Readiness	$751,097	$261,276	$677,682	$0	$213,012	$32,933	$0	$176,569
	Total	**$77,688,175**	**$27,024,519**	**$70,017,352**	**$0**	**$20,800,844**	**$3,215,892**	**$0**	**$17,379,580**

Table 5: Projected 2020 and 2021 Statewide Program Electric and Gas Budgets by IOU

		Col D	Col E	Col F	Col G	Col H	Col I	Col J	Col K	Col L	Col M	Col N	Col O	Col P
					Minimum Proportional Contribution per Load-Share				Expected Contract(s), Budget and Start Date		Annual Budget After Launch			
Statewide Program Category	Lead IOU	IOU Portfolio Budget 2020, for purposes of assessing 25%/15% stateweide requirement*	IOU Portfolio Budget 2021, for purposes of assessing 25%/15% stateweide requirement	Percent Electric	PG&E	SCE	SDG&E	SCG	Year and Quarter of 3P Launch	Annual 3P Contract Budget ($)	PG&E	SCE	SDG&E	SCG
WE&T: Career and workforce readiness	PG&E	$354,274,412	$356,599,412	80%	45.5%	32.4%	14.0%	8.0%	2020 Q3	$ 2,112,569	$ 964,110	$ 677,682	$ 294,208	$ 176,569
Res New Construction				80%	45.5%	32.4%	14.0%	8.0%	2020 Q2	$ 4,600,000	$ 2,099,294	$ 1,475,615	$ 640,622	$ 384,469
NonRes New Costruction				80%	45.5%	32.4%	14.0%	8.0%	2020 Q2	$ 20,000,000	$ 9,127,366	$ 6,415,718	$ 2,785,313	$ 1,671,603
Codes and Standards Advocacy				80%	45.5%	32.4%	14.0%	8.0%	2020 Q4	$ 10,950,000	$ 4,997,233	$ 3,512,605	$ 1,524,959	$ 915,203
Institutional Partnerships, DGS & Dept of Corrections				80%	45.5%	32.4%	14.0%	8.0%	2020 Q4	$ 1,500,000	$ 684,552	$ 481,179	$ 208,898	$ 125,370
WE&T K-12 Connections				80%	45.5%	32.4%	14.0%	8.0%	2020 Q3	$ 2,041,431	$ 931,644	$ 654,862	$ 284,301	$ 170,623
Water/wastewater pumping	SCE	$275,649,883	$270,600,813	80%	45.5%	32.4%	14.0%	8.0%	2020 Q1	$ 5,300,000	$ 2,418,752	$ 1,700,165	$ 738,108	$ 442,975
Lighting (Upstream)				100%	45.5%	32.4%	14.0%	8.0%	2019 Q4	$ 50,000,000	$ 22,221,082	$ 20,049,118	$ 7,729,800	$ -
ETP, electric				100%	45.5%	32.4%	14.0%	8.0%	2020 Q1	$ 17,897,000	$ 7,953,814	$ 7,176,381	$ 2,766,805	$ -
Institutional Partnerships, UC/CSU/CCC				80%	45.5%	32.4%	14.0%	8.0%	2020 Q1	$ 5,058,641	$ 2,308,603	$ 1,622,741	$ 704,495	$ 422,802
ETP, gas	SCG	$104,064,000	$106,195,000	0%	45.5%	32.4%	14.0%	8.0%	2020 Q1	$ 3,000,000	$ 1,512,465	$ -	$ 233,833	$ 1,253,702
Food Service POS				50%	45.5%	32.4%	14.0%	8.0%	2020 Q4	$ 19,500,000	$ 9,248,621	$ 3,909,578	$ 2,267,268	$ 4,074,533
Midstream Comm Water Heating				50%	45.5%	32.4%	14.0%	8.0%	2020 Q4	$ 11,250,000	$ 5,335,743	$ 2,255,526	$ 1,308,039	$ 2,350,692
Res HVAC QI/QM	SDG&E	$119,719,776	$119,719,776	80%	45.5%	32.4%	14.0%	8.0%	2021 Q3	$ 6,900,000	$ 3,148,941	$ 2,213,423	$ 960,933	$ 576,703
Plug Load and Appliance				80%	45.5%	32.4%	14.0%	8.0%	2020 Q3	$ 29,356,559	$ 13,397,403	$ 9,417,170	$ 4,088,361	$ 2,453,626
Upstream HVAC (Comm + Res)				80%	45.5%	32.4%	14.0%	8.0%	2020 Q3	$ 23,000,000	$ 10,496,471	$ 7,378,075	$ 3,203,110	$ 1,922,344
Total										**$ 212,466,200**	**$ 96,846,094**	**$ 68,939,837**	**$ 29,739,055**	**$ 16,941,215**

*D.18-05-041 OP 23. The 25 percent requirement for statewide funding articulated in D.16-08-019 shall be calculated as a proportion of the utility program administrator's total portfolio budget, including evaluation, measurement, and verification funding, but excluding funding allocated to other program administrators for other (non-statewide) programs. The percentage requirement for statewide program funding for the Southern California Gas Company shall be reduced to 15 percent but remain 25 percent for the other utility program administrators consistent with D.16-08-019.

Data Source: IOU EE 2019 Budget Advice Letters
PGE: AL 4011-G/5375-G Table 12
SCE: AL 3859-E-A Attachment D Table 2a
SCG: AL 5349-A Table 2
SDG&E: 3267-E-A/2700-G-A Appendix B Table 2a

Minimum Proportional Contribution per Load-Share
1) The provided minimum proportional allocations are averaged over the IOUs' portfolios.
2) The Electric minimum proportional shares are as follows: PG&E-44.4%, SDG&E-15.5%, SCE-40.1%, SCG-0%
3) The Gas minimum proportional allocations are as follows: PG&E-50.4%, SDG&E-7.8% and SCG-41.8%, SCE-0%.

Solicitation Schedule
The current solicitation schedule is available at: https://www.sdge.com/documents/consolidated-iou-solicitation-timeline.

PROPOSED ANNUAL REPORT TEMPLATE

As required by OP 24, the proposed annual report template is attached hereto as Attachment A.

EFFECTIVE DATE

Pursuant to OP 24 of D.18-05-041, SDG&E believes that this submittal is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) and respectfully requests an approval date of November 15, 2018, the date submitted.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than December 5, 2018, which is 20 days of the date this Advice Letter was submitted with the Commission. There is no restriction on who may submit a protest. The address for mailing or delivering a protest to the Commission is:

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

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

For SDG&E: Attn: Megan Caulson
Regulatory Tariff Manager
8330 Century Park Ct., CP31F
San Diego, CA 92123-1548
E-mail: mcaulson@semprautilities.com

For SoCalGas: Attn: Ray B. Ortiz
Tariff Manager – GT14D6
555 West Fifth Street
Los Angeles, CA 90013-1011
Email: rortiz@semprautilities.com

For SCE: Gary A. Stern, Ph.D.
Managing Director – Statewide Regulatory Operations
Southern California Edison Company
8631 Rush Street
Rosemead, CA 91770
Email: AdviceTariffManager@sce.com

Laura Genao
Managing Director, State Regulatory Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2030
San Francisco, California 94102
Facsimile: (415) 929-5544
E-mail: Karyn.Gansecki@sce.com

For PG&E: Erik Jacobson
Director – Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electronic Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, CA 94177
Email: PGETarrifs@pge.com

NOTICE

A copy of this submittal has been served on the utilities and interested parties shown on the attached list, including interested parties in A.17-01-014 and R.13-11-005, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed. Address changes should be directed to SDG&E Tariffs by email to SDG&ETariffs@semprautilities.com.

CLAY FABER – DIRECTOR
California & Federal Regulatory

California Public Utilities Commission

ADVICE LETTER SUMMARY
ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: San Diego Gas & Electric/U-902

Utility type:
- ☑ ELC
- ☑ GAS
- ☐ WATER
- ☐ PLC
- ☐ HEAT

Contact Person: Christina Sondrini
Phone #: 858-636-5736
E-mail: csondrini@semprautilities.com
E-mail Disposition Notice to: csondrini@semprautilities.com

EXPLANATION OF UTILITY TYPE
ELC = Electric GAS = Gas
PLC = Pipeline HEAT = Heat WATER = Water

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 3268-E-A/2701-G-A, et. al.

Tier Designation: 1

Subject of AL: Supplemental - San Diego Gas and Electric Company, Southern California Gas Company, Southern California Edison Company and Pacific Gas and Electric Company's Shared Funding Mechanism Proposal Pursuant to Decision 18-05-041

Keywords (choose from CPUC listing): Energy Efficiency

AL Type: ☐ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:
D.18-05-041

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

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

Confidential treatment requested? ☐ Yes ☑ No

If yes, specification of confidential information: N/A
Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information: N/A

Resolution required? ☐ Yes ☑ No

Requested effective date: 11/15/18

No. of tariff sheets: 0

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: N/A

Service affected and changes proposed[1]: N/A

Pending advice letters that revise the same tariff sheets: N/A

[1]Discuss in AL if more space is needed.

Clear Form

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Megan Caulson
Title: Regulatory Tariff Manager
Utility Name: San Diego Gas & Electric
Address: 8330 Century Park Ct., CP31D
City: San Diego
State: California Zip: 92123
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email: mcaulson@semprautilities.com

Name: Please see AL for additional protest recipients
Title:
Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

Clear Form

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

cc: (w/enclosures)

Public Utilities Commission
Office of Ratepayer Advocates (ORA)
R. Pocta
Energy Division
M. Ghadessi
M. Salinas
L. Tan
R. Ciupagea
Tariff Unit

CA Energy Commission
B. Penning
B. Helft

Advantage Energy
C. Farrell

Alcantar & Kahl LLP
M. Cade
K. Harteloo

AT&T
Regulatory

Barkovich & Yap, Inc.
B. Barkovich

Braun & Blaising, P.C.
S. Blaising
D. Griffiths

CA Dept. of General Services
H. Nanjo

California Energy Markets
General

California Farm Bureau Federation
K. Mills

California Wind Energy
N. Rader

City of Poway
Poway City Hall

City of San Diego
F. Ortlieb
B. Henry
L. Azar
Y. Lu

Clean Power Research
T. Schmid
G. Novotny

Davis Wright Tremaine LLP
J. Pau

Douglass & Liddell
D. Douglass
D. Liddell

Ellison Schneider Harris & Donlan LLP
E. Janssen
C. Kappel

Energy Policy Initiatives Center (USD)
S. Anders

Energy Regulatory Solutions Consultants
L. Medina

Energy Strategies, Inc.
K. Campbell

EQ Research
General

Goodin, MacBride, Squeri, & Day LLP
B. Cragg
J. Squeri

Green Charge
K. Lucas

Hanna and Morton LLP
N. Pedersen

JBS Energy
J. Nahigian

Keyes & Fox, LLP
B. Elder

Manatt, Phelps & Phillips LLP
D. Huard
R. Keen

McKenna, Long & Aldridge LLP
J. Leslie

Morrison & Foerster LLP
P. Hanschen

MRW & Associates LLC
General

NLine Energy
M. Swindle

NRG Energy
D. Fellman

Pacific Gas & Electric Co.
M. Lawson
M. Huffman
Tariff Unit

RTO Advisors
S. Mara

SCD Energy Solutions
P. Muller

Shute, Mihaly & Weinberger LLP
O. Armi

Solar Turbines
C. Frank

SPURR
M. Rochman

Southern California Edison Co.
K. Gansecki

TerraVerde Renewable Partners LLC
F. Lee

TURN
M. Hawiger

UCAN
D. Kelly

US Dept. of the Navy
K. Davoodi

US General Services Administration
D. Bogni

Valley Center Municipal Water Distr
G. Broomell

Western Manufactured Housing Communities Association
S. Dey

Interested Parties in:
A.17-01-014
R.13-11-005

ATTACHMENT A

Statewide EE Shared Funding Report Table

Statewide EE Report by Program
Plug Load & Appliance
Program Year 20XX
Lead: SDG&E

	SDG&E	SCG	SCE	PG&E	Total
Contributions					$ -
Interest					
Expenses					$ -
Remaining Balance	$ -	$ -	$ -	$ -	$ -

ATTACHMENT B

Request for Supplemental

From:	Torok, Christina
To:	Sondrini, Christina; Caulson, Megan
Cc:	ED Tariff Unit; Besa, Athena; Campbell, Michael; Kane, Hal; LaBonte, Alison; Franzese, Peter; Biermayer, Peter; Dzvova, Mona Dee; Strindberg, Nils
Subject:	[EXTERNAL] REQUEST FOR SUPPLEMENTAL: SDG&E AL 3268-E/2701-G
Date:	Friday, November 9, 2018 1:55:15 PM
Attachments:	Statewide CoFunding AL Supplemental Request.xlsx

All,

Please respond to this request for supplemental information related to SDG&E advice letter 3268-E/2701-G (Shared Funding Mechanism Pursuant to Decision 18-05-041). Please provide a complete response on or before November 15, 2018.

Please refer to the questions and instructions below in completing your supplemental response, and fill out the attached spreadsheet form with the specified data and information.

Feel free to contact me if you have questions,

Thank you,

Christie

Christina Torok
California Public Utilities Commission
Analyst, Energy Division
415-703-3300

****

Statewide Funding Supplemental Request Background:

Funding for all Statewide programs must be proportional to the IOU's load-share per D.18-05-041 (p.82). Compliance with this direction would result in smaller IOUs having a smaller funding obligation relative to larger IOUs, where 'larger' and 'smaller' relate to the quantity of energy consumed within the IOU service territory. For example, SDG&E should have a smaller funding obligation than PG&E in any given statewide program. In addition, the energy savings claims must be proportional to the funding for statewide programs that claim savings. The requirements are as shown in the Decision excerpts below.:

> "D.16-08-019 addressed the issue of allocation of savings credit for statewide programs based on budget contributed by each IOU PA. We clarify that this means that credit for energy savings generated will be based on funding contributed only, and not in relation to the geographic region in which the energy efficiency measure was sold or installed. " [D.18-05-041, p. 82]
>
> "……we will require that each IOU PA contribute a budget to each statewide program area that is generally proportional to its load share, at a total level to be determined by

the lead IOU for each statewide program area. If at any point an individual PA's contribution is found to deviate by more than plus or minus 20 percent from its proportional share, this will constitute an additional trigger for which the PA in question will be required to file a new business plan, justifying why it cannot continue to fund a statewide effort proportionately." [D.18-05-041, p. 83]

"Utility program administrators shall not opt out of funding statewide programs. All utility program administrators shall fund statewide programs at levels consistent with their proportional share based on load, unless specifically approved by the Commission for a deviation by means of a new business plan filing containing justification for why the statewide program cannot be funded at the required level." [D.18-05-041, OP22,p. 186]

Statewide Funding Supplemental Request:
In a supplemental filing the IOUs need to demonstrate that they are compliant with D.18-05-41 by providing the Commission with reasonable funding ratios based on their statewide electric and gas load-shares. The IOUs must provide the dollar basis for assessing compliance with the required budget allocation (25% for PG&E, SDG&E and SCE, and 15% for SCG). The dollar basis amount should be consistent with annual budgets as filed in the Business Plans or as filed in the budget true-ups submitted with the 2019 ABALs. Per D.18-05-041, OP 23, "The 25 percent requirement for statewide funding articulated in D.16-08-019 shall be calculated as a proportion of the utility program administrator's total portfolio budget, including evaluation, measurement, and verification funding, but excluding funding allocated to other program administrators for other (non-statewide) programs. The percentage requirement for statewide program funding for the Southern California Gas Company shall be reduced to 15 percent, but remain 25 percent for the other utility program administrators consistent with D.16-08-019."

The IOUs' shall provide supplemental data related to the statewide co-funding advice letters that answer the following questions:

1. What is each IOU's electric load-share?
2. What is each IOUs gas load-share?
3. What data-sources and methods, common to all IOUs, were used to derive the IOU load-shares? The supplemental should also describe how updates to load share would be determined; at what frequency; and how updates would be integrated into portfolio budgets.

For each program category (D.18-05-041 Table 3 (Section 3.1.6)) that will be launched under the statewide administration model, the assigned lead IOU shall enter the following details into the attached spreadsheet:

4. IOU Portfolio budget amount for program year 2020, consistent with D.18-05-041 OP23

and budget filings in the 2019 ABAL (Column D)

5. IOU Portfolio budget amount for program year 2021, consistent with D.18-05-041 OP23 and budget filings in the 2019 ABAL (Column E)
6. The "Percent Electric" for each statewide program category, which represents the portion of the program budget that will be associated with electric load-share, and where the balance is associated with gas load-share. (Column F)
7. The minimum proportional funding amount for each IOU, consistent with electric and gas load-shares and the "percent electric". The *minimum* proportional amount provided should reflect the flexibility to vary by 20 percent of applicable load-share. (Columns G, H, I, J).
8. The expected year and quarter of third party(s) implementation launch (i.e. implementation start date) (Column K).
9. The anticipated annual third party implementation budget, i.e. the annual third party implementation contract budget (Column L).
10. The annual budget for each IOU for the statewide program category (Columns M, N, O, P)

Thank you!

From: Torok, Christina
Sent: Wednesday, September 26, 2018 1:27 PM
To: 'Sondrini, Christina' <CSondrini@semprautilities.com>; 'mcaulson@semprautilities.com' <mcaulson@semprautilities.com>
Cc: ED Tariff Unit <edtariffunit@cpuc.ca.gov>; 'Besa, Athena' <ABesa@semprautilities.com>; Campbell, Michael <Michael.Campbell@cpuc.ca.gov>
Subject: NOTICE OF SUSPENSION: SDG&E AL 3268-E/2701-G

All,

Please see the attached notice of suspension for SDG&E AL #3268-E/2701-G.

Thank you,

Christie

Christina Torok
California Public Utilities Commission
Analyst, Energy Division
415-703-3300