

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



January 22, 2020

**Advice Letter 5558-G**

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

**SUBJECT: Southern California Edison Company, San Diego Gas & Electric Company, Southern California Gas Company, and Pacific Gas and Electric Company's Request Approval to use Unspent Energy Savings Assistance Funds and California Alternate Rates for Energy Funds to Initiate the 2022 Low Income Needs Assessment in 2020.**

Dear Mr. van der Leeden:

Advice Letter 5558-G is effective as of January 19, 2020.

Sincerely,

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

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

---

December 20, 2019

**ADVICE LETTER 4193-G/5718-E**  
**(Pacific Gas and Electric Company – U39 M)**

**ADVICE LETTER 3478-E/2828-G**  
**(San Diego Gas & Electric Company - U902 M)**

**ADVICE LETTER 5558**  
**(Southern California Gas Company - U904 G)**

**ADVICE LETTER 4132-E**  
**(Southern California Edison Company - U 338-E)**

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
ENERGY DIVISION

**SUBJECT:** Southern California Edison Company, San Diego Gas & Electric Company, Southern California Gas Company, and Pacific Gas and Electric Company's Request Approval to Use Unspent Energy Savings Assistance Funds and California Alternate Rates For Energy Funds to Initiate the 2022 Low Income Needs Assessment in 2020

**PURPOSE**

Southern California Edison Company (SCE), on behalf of itself, Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas), and San Diego Gas & Electric Company (SDG&E) (collectively Joint Utilities), hereby request authorization to utilize unspent Energy Savings Assistance (ESA) and California Alternate Rates for Energy (CARE) funds to initiate the 2022 Low Income Needs Assessment (LINA or Needs Assessment) on behalf of the California Public Utilities Commission (Commission) beginning January 1, 2020.

## **BACKGROUND**

Beginning in 2002, the California statute requires an assessment of the needs of low-income electricity and gas ratepayers be conducted periodically by the Commission with the assistance of the Low-Income Oversight Board (LIOB).<sup>1</sup> The assessment is to evaluate low-income program implementation and the effectiveness of weatherization services and energy efficiency measures in low-income households.

In 2013, enactment of Assembly Bill (AB) 327 further amended Public Utilities Code 382(d) requiring the Commission conduct a periodic assessment at least once every three years.<sup>2</sup> With the completion of the latest LINA in 2019, the subsequent Needs Assessment is due to be completed by 2022.

On June 27, 2019, Decision (D.) 19-06-022 required the Joint Utilities include an estimated budget, timeline and scope to conduct the 2022 LINA within the 2021-2026 Low Income Application.<sup>3</sup>

On November 4, 2019, the Joint Utilities filed applications for ESA and CARE 2021-2026 Programs and Budgets. The applications include proposed topics for the 2022 LINA along with budget request for two forthcoming LINA studies (2025 and 2028) to be undertaken during the 2021-2026 period, pursuant to D.19-06-022.<sup>4</sup>

The Joint Utilities did not include an estimated budget, timeline and scope to conduct the 2022 LINA within the 2021-2026 Low Income Application. Given the time required to properly scope and conduct the 2022 LINA, preparation and bidding must commence in early 2020, prior to a Decision on the Joint Utilities' 2021-2026 Low Income Applications. For this reason, the Joint Utilities submit the following request seeking authorization to initiate the 2022 LINA study, including the ability to allocate funds, via advice letter.

## **2022 LINA REQUEST**

This advice letter seeks Commission authorization to fund the 2022 LINA. Funding is needed now in order to bid and contract the study in 2020 so that work may commence in 2021. The dollar amounts for the 2022 LINA were not included in SCE, PG&E, and SoCal Gas' 2021–2026 Applications as study authorization will be required before a

---

<sup>1</sup> Public Utilities Code Section 382(d).

<sup>2</sup> See AB 327, available at [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201320140AB327](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB327).

<sup>3</sup> D.19-06-022, Attachment A, Section 10.b, Pg. 24.

<sup>4</sup> SDG&E requested funding in its Application for the 2022 and 2025 LINA Studies to be funded equally by the CARE and ESA Programs. SDG&E did not request funding in its Application for a 2028 LINA Study.

Decision on the Joint Utilities' 2021–2026 Applications is anticipated.<sup>5,6</sup> If approved, the Joint Utilities would carryover the committed, unspent 2022 LINA funding forward to the 2021–2026 program cycle.

The 2022 LINA must be fully scoped, bid, and contracted by the end of 2020 so that it may be initiated in early 2021 in order to be completed by December 2022. For these reasons, budget for the 2022 LINA must be available before a Decision on the 2021-2026 program cycle is issued.

Based on the scope, budget, schedule and technical needs of the prior Needs Assessment studies, the Joint Utilities anticipate a budget of \$500,000 for the 2022 LINA. This Study will be funded equally from the ESA and CARE programs. The Joint Utilities seek authorization to use unspent ESA funds from the 2017-2020 program cycle to fund 50 percent of the 2022 LINA budget. The Joint Utilities also request authorization through this advice letter to fund the remaining 50 percent through CARE budgets.

The Joint Utilities propose to retain the previously authorized statewide study funding allocation:

- PG&E: 30 percent
- SCE: 30 percent
- SoCalGas: 25 percent
- SDG&E: 15 percent

The proposed 2022 LINA Study budget is shown in Table 1.

---

<sup>5</sup> See SCE Application, Pp. 81-86, Table I-20; SDG&E Application at Pg. 27 and ESA & CARE Table C-1 budgets for pilots and studies; SoCalGas Application, Prepared Direct Testimony of Mark Aguirre and Erin Brooks, pp. 54-55 and p. 147.; and PG&E Application, Table I-36 footnote (a) Pg. I-178, Table II-6 footnote (a) Pg. II-23, ESA Table C-1 footnote (1) Pg. IV-28, and Appendix C Table 3 footnote (a) Pg. AppC-9.

<sup>6</sup> If this advice letter is approved, SDG&E will use CARE Program and unspent ESA Program funds for the 2022 LINA Study and use the funds requested in its Application for the 2025 and 2028 LINA studies consistent with the other IOUs.

**Table 1: LINA 2022 Budget by Utility**

<b>Utility</b>	<b>%</b>	<b>LINA</b>	<b>ESA 50%</b>	<b>CARE 50%</b>
PG&E	30%	\$ 150,000	\$ 75,000	\$ 75,000
SCE	30%	\$ 150,000	\$ 75,000	\$ 75,000
SoCalGas	25%	\$ 125,000	\$ 62,500	\$ 62,500
SDG&E	15%	\$ 75,000	\$ 37,500	\$ 37,500
<b>TOTAL</b>	<b>100%</b>	<b>\$ 500,000</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>

While the Energy Division (ED) is ultimately responsible for the scope of work, the Joint Utilities will begin collaboration in Quarter 1 of 2020 with the ED, the LIOB and stakeholders to outline details of topics to be included in the 2022 LINA and write the scope of work. One of the utilities will manage the LINA study contract and assist in project management and coordination on behalf of Energy Division.

As has been the case with the past LINA studies and as requested in AB 327, the 2022 LINA will include an assessment of low-income customers' needs and the extent to which the CARE and ESA Programs address the hardships, burden and energy needs of these customers in California.

The Joint Utilities' proposal for the 2022 Needs Assessment will address legislative mandates<sup>7</sup> and ED's expectations while building on what has already been learned in prior Needs Assessment Studies.

Securing the funds and beginning to undertake the study at this time are critical to meet the legislated deadline with the level of rigor expected of this evaluation. As such, the Joint Utilities are seeking approval via this advice letter to use ESA unspent funds in addition to CARE funds to scope, bid and contract the study starting in early 2020 prior to its commencement in late 2020 or early 2021. The Joint Utilities also request to carryover this committed 2022 LINA funding forward to the 2021–2026 program cycle.

As part of the process, the Joint Utilities will serve notice to stakeholders to convene a workshop in Quarter 1 of 2020 to solicit additional input on the study.

---

<sup>7</sup> Public Utilities Code Section 382(d).

### **Proposed Timeline for 2022 Low Income Needs Assessment**

To complete the Needs Assessment by 2022, the Joint Utilities propose the following schedule:

<b>Dates</b>	<b>Task</b>
Dec. 2019	Joint Utilities Advice Letter to initiate 2022 Needs Assessment Submitted
Jan. 2020	LIOB LINA Subcommittee Agenda Item to solicit initial input for the scope of work.
Jan. 2020	Approval of Advice Letter / Joint Disposition to use unspent funds and begin the study.
Feb. 2020	Notice of workshop to discuss potential work scope of the 2022 LINA with stakeholders.
Mar. 2020	Energy Division and Joint Utilities Workshop to receive additional stakeholder input on work scope.
Apr. – Dec. 2020	Development of request for proposals, soliciting bids, selecting, hiring, and contracting with consultant.
Feb. – Mar. 2021	Public Workshop on Research Plan
Apr. 2022	Data collection and analyses complete
Jul. 2022	Draft Report complete
Sept. 2022	Public Workshop on Draft Report
Dec. 2022	Post Final Report

### **TIER DESIGNATION**

Pursuant to General Order (GO) 96-B, Energy Industry Rule 5.2, this advice letter is submitted with a Tier 2 designation.

### **EFFECTIVE DATE**

This advice letter will become effective on January 19, 2020, the 30th calendar day after the date submitted.

### **PROTEST**

Anyone wishing to protest this advice letter may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice letter. Protests should be submitted to:

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, California 94102  
E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

For SCE: Gary A. Stern, Ph.D.  
Managing Director – State Regulatory Operations  
Southern California Edison Company  
8631 Rush Street  
Rosemead, CA 91770  
Telephone (626) 302-9645  
Facsimile: (626) 302-6396  
Email: [AdviceTariffManager@sce.com](mailto: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  
Telephone: (415) 929-5544  
E-mail: [Karyn.Gansecki@sce.com](mailto:Karyn.Gansecki@sce.com)

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

For SoCalGas: Attn: Ray B. Ortiz  
Tariff Manager – GT14D6  
555 West Fifth Street  
Los Angeles, CA 90013-1011  
Email: [rortiz@socalgas.com](mailto:rortiz@socalgas.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](mailto:PGETarrifs@pge.com)

There are no restrictions on who may submit a protest, but the protest shall set forth specifically the grounds upon which it is based and must be received by the deadline shown above.

**NOTICE**

In accordance with General Rule 4 of General Order (GO) 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B, A.14-11-007 et. al. service lists. Address change requests to the GO 96-B service list should be directed by electronic mail to [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com) or at (626) 302-4039. 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](mailto:Process_Office@cpuc.ca.gov).

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <https://www.sce.com/wps/portal/home/regulatory/advice-letters>.

For questions, please contact Joni Key at (626) 302-5394 or by electronic mail at [Joni.Key@sce.com](mailto:Joni.Key@sce.com).

**Southern California Edison Company**

/s/ Gary A. Stern, Ph.D.  
Gary A. Stern, Ph.D.

GAS:jk:jm





# ADVICE LETTER SUMMARY

## ENERGY UTILITY



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

Company name/CPUC Utility No.:

Utility type:

ELC       GAS       WATER  
 PLC       HEAT

Contact Person:

Phone #:  
E-mail:  
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #:

Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type:  Monthly     Quarterly     Annual     One-Time     Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

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

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested?  Yes     No

If yes, specification of confidential information:

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:

Resolution required?  Yes     No

Requested effective date:

No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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:

Service affected and changes proposed<sup>1</sup>:

Pending advice letters that revise the same tariff sheets:

<sup>1</sup>Discuss in AL if more space is needed.

**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](mailto:EDTariffUnit@cpuc.ca.gov)

Name:  
Title:  
Utility Name:  
Address:  
City:  
State: Zip:  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

Name:  
Title:  
Utility Name:  
Address:  
City:  
State: Zip:  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

## ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	