

PUBLIC UTILITIES COMMISSION  
505 Van Ness Avenue  
San Francisco CA 94102-3298



**Southern California Gas Company**  
**GAS (Corp ID 904)**  
**Status of Advice Letter 6139G**  
**As of June 8, 2023**

Subject: Southern California Gas Company Request for Approval Early Closure of SCG3888  
Multifamily Space and Water Heating Controls Program

Division Assigned: Energy

Date Filed: 05-03-2023

Date to Calendar: 05-12-2023

Authorizing Documents: D1801004

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>06-02-2023</b>

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)

AL Certificate Contact Information:

Gary Lenart

(213) 244-2424

[GLenart@socalgas.com](mailto:GLenart@socalgas.com)

**PUBLIC UTILITIES COMMISSION**  
505 Van Ness Avenue  
San Francisco CA 94102-3298



To: Energy Company Filing Advice Letter

From: Energy Division PAL Coordinator

Subject: Your Advice Letter Filing

The Energy Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Energy Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Energy Division staff based on the information contained in the Energy Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Energy Division's Tariff Unit by e-mail to  
**[edtariffunit@cpuc.ca.gov](mailto:edtariffunit@cpuc.ca.gov)**



**Joseph Mock**  
Director  
Regulatory Affairs

555 W. Fifth Street, GT14D6  
Los Angeles, CA 90013-1011  
Tel: 213.244.3718  
Fax: 213.244.4957  
[JMock@socalgas.com](mailto:JMock@socalgas.com)

May 3, 2023

Advice No. 6139  
(U 904 G)

Public Utilities Commission of the State of California

**Subject: Southern California Gas Company Request for Approval Early Closure of SCG3888 Multifamily Space and Water Heating Controls Program**

### **Purpose**

Southern California Gas Company (SoCalGas) hereby submits for approval with the California Public Utilities Commission (Commission) the early closure of the Multifamily Space and Water Heating Controls program (SCG 3888) from SoCalGas's Energy Efficiency (EE) Portfolio.

### **Background**

On January 17, 2018, the Commission issued Decision (D.)18-01-004, requiring California Investor-Owned Utilities (IOUs) to transition to no less than 25 percent third-party<sup>1</sup> designed and implemented energy efficiency portfolios by December 31, 2019, 40 percent by December 31, 2020, and 60 percent by December 31, 2022.<sup>2</sup> D.18-01-004 further outlined the process for conducting third-party solicitations, including the requirement to submit a Tier 2 advice letter for any contracts of greater than \$5 million or three years in length.<sup>3</sup> In D.21-05-031, the Commission reiterated that a Tier 2 advice letter is required for the opening of new programs and the closure of existing programs and requested that "Commission staff will develop a process and content checklist of these [program closure] requirements and post them to our website prior to December 31, 2021."<sup>4</sup>

---

<sup>1</sup> As described in D.16-08-019, OP10, p.111, to "be designated as 'third party', the program must be proposed, designed, implemented, and delivered by non-utility personnel under contract to a utility program administrator.

<sup>2</sup> D.18-01-004, p. 30.

<sup>3</sup> D.18-01-004, p. 33.

<sup>4</sup> D.21-05-031, p. 47.

In accordance with D.18-01-004, SoCalGas began solicitations for multifamily programs by releasing the Residential Multifamily Request for Abstract (RFA) on November 26, 2018 with a proposal due date of January 7, 2019.<sup>5</sup> Of the 13 RFA submissions, five bidders were selected and requested to submit Requests for Proposals (RFPs) on July 31, 2019, with a submission due date of November 11, 2019. On January 22, 2020, the SoCalGas solicitation committee selected EnergX Controls Inc. to implement the Multifamily Space and Water Heating Controls program and an agreement was signed on December 23, 2020. No advice letter was required as the budget was below the \$5 million dollar threshold for third-party solicitations and the agreement terms between SoCalGas and EnergX Controls Inc. did not exceed 3 years.

## **Discussion**

### *Program Description*

The Multifamily Space and Water Heating Controls program aimed at providing a simple, no-cost avenue to maximizing the efficiency of dual function central water heaters in multifamily properties throughout the SoCalGas service territory. Narrow in scope by design, the program intended to optimize these existing systems through the direct installation of dual set point controllers and variable frequency devices.

### *Justification for Closure*

As a result of COVID-19's market impacts, the program faced increased costs and shipping times to procure measure equipment, as well as increased costs to install measure equipment. These market impacts have hindered the program's ability to deliver measures to customers in a cost-effective manner. As a result, the program has treated a limited number of properties in 2021 with no additional treatments occurring in 2022. In addition, the dual set point controller measure package expired on 12/31/2022, which has largely invalidated the program's design.

For these reasons, EnergX Controls Inc. and SoCalGas have mutually agreed to sunset the program and terminate the contract. SoCalGas does not anticipate the program's closure will have any impact to ratepayers.

### *Program Start and Sunset Dates*

The program launched on February 22, 2021 and was originally intended to sunset on 12/31/2023.

### *Contracted Budget and Savings*

Table 1 reflects the filed budget, savings, and TRC for the most recent and current program years.

---

<sup>5</sup> D.18-01-004, p.30.

**Table 1**

Program Year	Budget	Total Resource Cost	First Year Savings		
			Net kW Savings	Net kWh Savings	Net Therm Savings
2021	-	-	-	-	-
2022	\$648,338	0.13	6.82	8,165.5	5,187.48
2023	\$648,338	0.14	6.82	8,185.5	5,187.48

*Program Performance*

Table 2 below reflects the program's performance filed through 2022 Q4. All savings and expenditures, and total system benefit values for the 2022 program year are subject to true-up in the 2022 annual report.

Program Year	Budget Expenditures	Total Resource Cost	First Year Savings		
			Net kW Savings	Net kWh Savings	Net Therm Savings
2021	\$65,608	0.01	0	0	160.32
2022	\$30,910	0	0	0	0

*Webinar*

Pursuant to Energy Division's checklist for program closures, SoCalGas held a public webinar on March 20, 2023 to provide more information on the requested program closure. The California Energy Efficiency Coordinating Committee (CAEECC) posted notice of this webinar on their website. There are no additional planned changes to the program closure because of the webinar.

*Program Replacement Plan*

Upon acceptance of this advice letter, SoCalGas will transition funding released from this program's closure to the Multifamily Energy Alliance (MEA) program. The MEA program is a downstream program which provides both rebate and direct install measures to multifamily customers.

The MEA program will utilize the additional funding to continue to serve the multifamily sector, including properties located in Disadvantaged Communities (DAC) or classified as Hard-to-Reach (HTR). The Multifamily Space and Water Heater Controls program will not be resolicited.

**Protests**

Anyone may protest this Advice Letter 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 protest must be submitted electronically and must be received within 20 days after the date of this Advice Letter, which is May 23, 2023. Protests should be submitted to the attention of the Energy Division Tariff Unit at:

E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

In addition, protests and all other correspondence regarding this Advice Letter should also be sent electronically to the attention of:

Attn: Gary Lenart  
Regulatory Tariff Manager  
E-mail: [GLenart@socalgas.com](mailto:GLenart@socalgas.com)  
E-mail: [Tariffs@socalgas.com](mailto:Tariffs@socalgas.com)

### **Effective Date**

This submittal is subject to Energy Division disposition and should be classified as Tier 2 (effective pending disposition) pursuant to General Order (GO) 96-B and D21-12-011. Therefore, SoCalGas respectfully requests that this submittal be approved and made effective June 2, 2023, which is 30 days from the date submitted.

### **Notice**

A copy of this Advice Letter is being sent to SoCalGas' General Order (GO) 96-B service list and the Commission's service list in R.13-11-005. Address change requests to the GO 96-B service list should be directed via e-mail to [Tariffs@socalgas.com](mailto: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 via e-mail at [Process\\_office@cpuc.ca.gov](mailto:Process_office@cpuc.ca.gov).

*/s/ Joseph Mock*  
Joseph Mock  
Director – Regulatory Affairs

Attachments



# 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: