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March 23, 2023

**Advice Letter 4184-E  
(San Diego Gas & Electric Company ID U 902 E)**

**Advice Letter 4993-E  
(Southern California Edison Company ID U 338 E)**

**Advice Letter 6893-E  
(Pacific Gas and Electric Company ID U 39 E)**

**Advice Letter 6111-G  
(Southern California Gas Company – U 904-G)**

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**SUBJECT: San Diego Gas & Electric Company, Southern California Edison Company, Pacific Gas and Electric Company and Southern California Gas Company Non-Energy Benefits (NEBs) Study and Stakeholder Process Progress Report Pursuant to Ordering Paragraph (OP) 87 Of Decision (D.) 21-06-015**

## **PURPOSE**

Pursuant to Ordering Paragraph (OP) 87 of the California Public Utilities Commission (CPUC or Commission) Decision (D.) 21-06-015, Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (collectively, the Joint IOUs) respectfully submit their joint Advice Letter (AL), upon completion of the Non Energy Benefits (NEBs) study and stakeholder process progress report. This AL informs the Commission of the next steps the Joint IOUs will be taking to begin the NEBs study, and how the recommendations from the Energy Savings Assistance (ESA) Working Group will be taken into consideration.

## **BACKGROUND**

On December 28, 2022, the ESA Working Group's Cost Effectiveness Sub-Working Group (Subgroup)<sup>1</sup> submitted to the service list for proceeding Application (A.) 19-11-003 its progress

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<sup>1</sup> D.21-06-015 directed the formation of a cost effectiveness sub-working group of the Energy Savings Assistance (ESA) Program Working Group.

report on Recommendations to Facilitate the Non-Energy Benefits Study Process.<sup>2</sup> Pursuant to Ordering Paragraph 87 of D.21-06-015, the Joint IOUs are required to provide a description of the next steps they will take to begin the NEBs study along with a description of how the recommendations from the Working Group's progress report will be taken into consideration.<sup>3</sup>

## **DISCUSSION**

This section provides the Joint IOUs' response to the Subgroup's recommendations. The Joint IOUs were directed in D.21-06-015 to form an ESA CARE<sup>4</sup> Study Working Group (Study Working Group) composed of representatives from the Joint IOUs, Energy Division (ED), and interested stakeholders to provide feedback on study work scopes, budgets, timelines, and deliverables. The Study Working Group was formed in 2021.<sup>5</sup> The Joint IOUs shared the Subgroup's Progress Report with the Study Working Group and received their feedback on the recommended study topics and process. The following Joint IOUs' response is consistent with the Study Working Group's feedback.

### **Next Steps for Study Initiation**

The Joint IOUs, with input from the Study Working Group, met during the first quarter of 2023 to start developing a work scope and timeline for the study. The work scope and timeline will include at a minimum the following components:

- Clear study objectives.
- Questions to be answered by the study.
- Suggested tasks and methodology.
- Description of required deliverables; and
- Timing for study milestones and deliverables.

In addition, the Joint IOUs, with input from the Study Working Group, have designated SCE as the lead utility that will conduct the solicitation and provide contracting and co-funding requirements for procuring a consulting firm to conduct the study. Additional tasks to be completed include:

- Identifying potential consulting firms to include in the solicitation.
- Posting a public notice of the solicitation with the appropriate service lists, industry groups, and other appropriate venues; and
- Identifying and collecting supporting materials to be provided with the solicitation.

During the second quarter of 2023, the Joint IOUs expect to release a Request for Proposals (RFP) for the study, review, and score proposals, select a bidder, and execute a contract for

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<sup>2</sup> California Energy Efficiency Energy Contacts, *ESA Cost Effectiveness Sub Working Group Report* (December 2022), available at: <https://pda.energydataweb.com/api/view/2754/ESA%20CE%20SWG%20Progress%20Report%20on%20Task%20%20NEB%20Study%20Process.pdf>.

<sup>3</sup> D.21-06-015 at 492 (OP 87).

<sup>4</sup> California Alternate Rates for Energy.

<sup>5</sup> D.21-06-015 at 410-412, 480-481 (OP 45)

services. It is anticipated that the study will commence by the third quarter of 2023. This timeline is based on experience with similar evaluations and assumes minimal unanticipated delays. In addition to input from the Study Working Group, the plan follows the recommended approach and timeline in the Subgroup's progress report.

## **Subgroup's Recommendations**

The overall study plan follows the recommended approach and timeline in the Subgroup's progress report.<sup>6</sup> The progress report included the following recommendations:

### Study Work Scope and Use of Results

The Subgroup recommended the primary research topic for the upcoming study should be to estimate California specific values for existing Non-Energy Impacts (NEI) using an ESA customer survey with a primary focus on health, comfort, and safety. The Joint IOUs agree with this primary research topic and plan to include this in the upcoming study. In addition, the Center for Accessible Technology (CforAT) provided additional suggestions to include in the study scope during the stakeholder review period of the progress report. The Joint IOUs, with input from the Study Working Group, plan to review and consider these suggestions during the development of the detailed study work scope.

The Subgroup also recommended the study results be "incorporated into the latest version of the NEBs model and all subsequent ESACET<sup>7</sup> calculations by the Utilities" as directed by the Commission.<sup>8</sup> In addition, the Subgroup recommended updated ESACET results be provided at the next regular occurrence of cost effectiveness analysis after the study is finalized. According to the study timeline, this is expected to be for the Program Year (PY) 2025 ESA Annual Report. The Joint IOUs agree with these recommendations and plan to follow them.

### Study Team and Stakeholder Involvement

The Subgroup provided the following recommendations for the study team and stakeholder involvement. The Joint IOUs plan to follow all of these recommendations.

- The study team will include representatives from the Joint IOUs. An Energy Division representative may also join the team at their option. In addition, Study Working Group members will be involved at key milestones.
- The Joint IOUs will engage stakeholders for feedback at key points as follows:
  - Notice the low-income service list when the study will commence.
  - Notice and host a public webinar to present the draft detailed study work plan developed by the evaluator.
  - Notice and host a public webinar to present interim study results and collect feedback at the midpoint of the study.

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<sup>6</sup> ESA Cost Effectiveness Sub Working Group Report.

<sup>7</sup> Energy Savings Assistance Cost Effectiveness Test.

<sup>8</sup> D.21-06-015 at 517 (OP 172).

- Notice and host a public webinar to present the draft results; and
- Inform the Low-Income Oversight Board of study progress at their quarterly meetings.

### Ongoing Process

The Subgroup provided a recommendation for a process to incorporate other new research into the NEBs model on an ongoing basis. The recommendation is directed toward the ESA Working Group and recommends they establish a Non-energy Impacts Research Review Committee to review and assess ongoing research related to ESA non-energy impacts. The Joint IOUs support this recommendation for the ESA Working Group.

### **Response to Subgroup Recommendations**

The Joint IOUs agree with the recommendations noted above regarding (a) overall study scope and use of results; and (b) study team and stakeholder involvement. The Joint IOUs further support the recommendation that the larger ESA Working Group solidify the process to incorporate new research into the NEBs model.

### **EFFECTIVE DATE**

Pursuant to OP 87 of D.21-06-015, this AL is submitted with a Tier 1 designation (effective upon approval). The Joint IOUs respectfully request an approval date of March 23, 2023, the date of submittal.

### **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 submitted electronically and must be received by April 12, 2023, which is 20 days from the date filed. There is no restriction on who may file a protest.

The protest should be sent via e-mail to the attention of the Energy Division at [EDTariffUnit@cpuc.ca.gov](mailto: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 delivered to the Commission.

Attn: Greg Anderson  
Regulatory Tariff Manager  
E-mail: [GAnderson@sdge.com](mailto:GAnderson@sdge.com)  
[SDGETariffs@sdge.com](mailto:SDGETariffs@sdge.com)

For SCE: Connor Flannigan  
Managing Director, State Regulatory Operations  
Southern California Edison Company  
E-mail: [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com)

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**NOTICE**

A copy of this filing has been served on the utilities and interested parties shown on the attached list and Service List A.19-11-003, by either providing them a copy electronically or by mailing them a copy hereof, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by e-mail at [SDGETariffs@sdge.com](mailto:SDGETariffs@sdge.com).

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/s/ Clay Faber

CLAY FABER

Director – Regulatory Affairs



# 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:

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

cc: (w/enclosures)

Public Utilities Commission  
CA. Public Advocates (CalPA)

R. Pocta  
F. Oh  
P. Cunningham

Energy Division

M. Ghadessi  
M. Salinas  
L. Tan  
R. Ciupagea  
K. Navis  
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

Biofuels Energy, LLC

K. Frisbie

Braun & Blaising, P.C.

S. Blaising  
D. Griffiths

Buchalter

K. Cameron  
M. Alcantar

CA Dept. of General Services

H. Nanjo

California Energy Markets

General

California Farm Bureau Federation

K. Mills

California Wind Energy

N. Rader

Cameron-Daniel, P.C.

General

City of Poway

Poway City Hall

City of San Diego

L. Azar  
J. Cha  
D. Heard  
F. Ortlieb  
H. Werner  
M. Rahman

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Clean Power Research

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Davis Wright Tremaine LLP

J. Pau

Douglass & Liddell

D. Douglass  
D. Liddell

Ellison Schneider Harris & Donlan LLP

E. Janssen  
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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

McKenna, Long & Aldridge LLP

J. Leslie

Morrison & Foerster LLP

P. Hanschen

MRW & Associates LLC

General

NLine Energy

M. Swindle

Stoel Rives LLP

S. Hilton  
L. McKenna

NRG Energy

D. Fellman

Pacific Gas & Electric Co.

M. Lawson  
M. Huffman  
Tariff Unit

RTO Advisors

S. Mara

SCD Energy Solutions

P. Muller

SD Community Power

L. Fernandez  
L. Utouh

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

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K. Johnston

Service List

A.19-11-003

**PG&E Gas and Electric  
Advice Submittal List  
General Order 96-B, Section IV**

AT&T  
Albion Power Company

Alta Power Group, LLC  
Anderson & Poole

Atlas ReFuel  
BART

Barkovich & Yap, Inc.  
Braun Blaising Smith Wynne, P.C.  
California Cotton Ginners & Growers Assn  
California Energy Commission

California Hub for Energy Efficiency  
Financing

California Alternative Energy and  
Advanced Transportation Financing  
Authority  
California Public Utilities Commission  
Calpine

Cameron-Daniel, P.C.  
Casner, Steve  
Center for Biological Diversity

Chevron Pipeline and Power  
City of Palo Alto

City of San Jose  
Clean Power Research  
Coast Economic Consulting  
Commercial Energy  
Crossborder Energy  
Crown Road Energy, LLC  
Davis Wright Tremaine LLP  
Day Carter Murphy

Dept of General Services  
Don Pickett & Associates, Inc.  
Douglass & Liddell  
Downey Brand LLP  
Dish Wireless L.L.C.

East Bay Community Energy Ellison  
Schneider & Harris LLP  
Engineers and Scientists of California

GenOn Energy, Inc.  
Green Power Institute  
Hanna & Morton  
ICF

iCommLaw  
International Power Technology  
Intertie

Intestate Gas Services, Inc.

Johnston, Kevin  
Kelly Group  
Ken Bohn Consulting  
Keyes & Fox LLP  
Leviton Manufacturing Co., Inc.

Los Angeles County Integrated  
Waste Management Task Force  
MRW & Associates  
Manatt Phelps Phillips  
Marin Energy Authority  
McClintock IP  
McKenzie & Associates

Modesto Irrigation District  
NLine Energy, Inc.  
NRG Solar

OnGrid Solar  
Pacific Gas and Electric Company  
Peninsula Clean Energy

Pioneer Community Energy

Public Advocates Office

Redwood Coast Energy Authority  
Regulatory & Cogeneration Service, Inc.

Resource Innovations

SCD Energy Solutions  
San Diego Gas & Electric Company

SPURR  
San Francisco Water Power and Sewer  
Sempra Utilities

Sierra Telephone Company, Inc.  
Southern California Edison Company  
Southern California Gas Company  
Spark Energy  
Sun Light & Power  
Sunshine Design  
Stoel Rives LLP

Tecogen, Inc.  
TerraVerde Renewable Partners  
Tiger Natural Gas, Inc.

TransCanada  
Utility Cost Management  
Utility Power Solutions  
Water and Energy Consulting Wellhead  
Electric Company  
Western Manufactured Housing  
Communities Association (WMA)  
Yep Energy