April 11, 2019

Erik Jacobson
Director, Regulatory Relations
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

SUBJECT: Pilot Process Evaluation, Community Energy Navigator (CEN), and Economic Feasibility Framework Cost Sharing Agreement Pursuant to Decision (D.) 18-12-015

Dear Mr. Jacobson:

Advice Letter 4075-G/5494-E is effective as of March 12, 2019.

Sincerely,

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division
March 12, 2019

Advice No. 5436
(Southern California Gas Company - U 904G)

Advice No. 4075-G/5494-E
(Pacific Gas and Electric Company - U 39-M)

Advice No. 3967-E
(Southern California Edison Company - U 338-E)

Public Utilities Commission of the State of California

Subject: Pilot Process Evaluation, Community Energy Navigator (CEN), and Economic Feasibility Framework Cost Sharing Agreement Pursuant to Decision (D.) 18-12-015

Southern California Gas Company (SoCalGas) on behalf of itself, Pacific Gas and Electric Company (PG&E), and Southern California Edison Company (SCE) (collectively “utilities”), hereby submits for approval by the California Public Utilities Commission (Commission) a Joint Tier 1 Pilot Project Process Evaluation, CEN, and Economic Feasibility Framework Cost Sharing Advice Letter establishing a co-funding agreement that specifies the cost-sharing schema.

Purpose

Pursuant to D.18-12-015, Ordering Paragraph (OP) 29, this submittal establishes a cost-sharing schema for pilot project process evaluation, contracting to support development of an economic feasibility framework and CEN co-funding agreements.

Background

On December 19, 2018, the Commission issued D.18-12-015 approving the San Joaquin Valley (SJV) Disadvantaged Communities (DACs) pilot projects. OP 29 of D.18-12-015 directed the utilities to submit a joint Tier 1 Pilot Project Process
Evaluation, CEN, and Economic Feasibility Framework Cost Sharing Advice Letter within 90 days of issuance of D.18-12-015 containing a co-funding agreement that specifies the cost-sharing schema for three activities:

1. A pilot project process evaluation contract with SoCalGas, with costs not to exceed $250,000;
2. A contract to support development of an economic feasibility framework with SCE, with costs not to exceed $500,000; and
3. CEN Program Management Contract with SCE with costs not to exceed $1,500,000.

Additionally, OP 29 authorizes the utilities to recover their portion of these costs as detailed below in the one-way balancing accounts authorized in OPs 23 and 24.


The utilities propose the following cost-sharing schema for pilot project process evaluation activities, the development of an economic feasibility framework and for CEN activities as follows:

Pilot Project Process Evaluation

Based on the overall number of SJV DAC Pilot households and the proportion of these households in each utility’s service area, the costs for a pilot project process evaluation shall be shared between the utilities as shown in Table 1 below:

Table 1: Pilot Process Evaluation Budget Allocation

<table>
<thead>
<tr>
<th>Utility</th>
<th>Budget Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>PG&amp;E</td>
<td>45%</td>
</tr>
<tr>
<td>SCE</td>
<td>30%</td>
</tr>
<tr>
<td>SoCalGas</td>
<td>25%</td>
</tr>
</tbody>
</table>

Economic Feasibility Framework

Costs for developing an economic feasibility framework shall be budgeted and shared between the utilities equally. Table 2 below shows the economic feasibility framework budget allocation as per D.18-12-015:¹

Table 2: Economic Feasibility Budget Allocation

<table>
<thead>
<tr>
<th>Utility</th>
<th>Budget Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>PG&amp;E</td>
<td>33%</td>
</tr>
<tr>
<td>SCE</td>
<td>33%</td>
</tr>
<tr>
<td>SoCalGas</td>
<td>33%</td>
</tr>
</tbody>
</table>

¹ D.18-12-015, at 141.
Community Energy Navigator

In order to prevent cross-subsidization, funding from one utility will not be used to pay for CEN Program Manager (CPM) or CEN activities for a different utility’s pilot and the following mechanisms will be put in place:

Funding allocated for a utility will only be used by pilot Program Administrators to pay for pilot activities by that utility. The Statement of Work (SOW) for the CPM and CEN vendors will be divided by utility into three IOU-specific sections and a fixed cost section. Vendors’ fixed costs will be defined and allocated per the percentages identified below, and the overall cost of each utility’s portion of the contract - fixed costs plus the utility-specific cost - shall not exceed the utility-specific budgets authorized in D.18-12-015 and detailed below. Invoices submitted by contractors for all work performed in the pilot communities will be provided to all utilities and will be itemized by utility. Each utility will review and approve prior to payment. Copies of detailed invoices and payment records will be provided in the post-pilot report summarizing utilities engagement efforts and pilot implementation progress, including use of leveraged programs.

Costs for CEN shall be budgeted and shared between the utilities as per the percentage of the overall CEN budget allocated to each utility in D.18-12-015. Of the overall budget of $1.5M, PG&E was allocated $505,600, or 34%; SCE was allocated $532,100, or 35%; and SoCalGas was allocated $462,300, or 31%. Table 3 below shows the CEN budget allocation:

<table>
<thead>
<tr>
<th>Utility</th>
<th>CEN Budget Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>PG&amp;E</td>
<td>34%</td>
</tr>
<tr>
<td>SCE</td>
<td>35%</td>
</tr>
<tr>
<td>SoCalGas</td>
<td>31%</td>
</tr>
</tbody>
</table>

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 made in writing and received within 20 days of the date of this advice letter, which is April 1, 2019. The address for mailing or delivering a protest to the Commission is:

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2 D.18-12-015, at 84.

3 Ibid, at 66.

4 The CEN budget for PG&E was $142,000. The CEN budget for Third Party PA/PI in PG&E service territory was $363,600 for a total of $505,600.
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 Tariff Unit (EDTariffUnit@cpuc.ca.gov). A copy of the protest shall also be sent via both e-mail and facsimile to the addresses shown below on the same date it is mailed or delivered to the Commission:

For SoCalGas:  
Attn: Ray B. Ortiz  
Tariff Manager - GT14D6  
555 West Fifth Street  
Los Angeles, CA 90013-1011  
Facsimile No.: (213) 244-4957  
E-mail: ROrtiz@semprautilities.com

For PG&E:  
Erik Jacobson  
Director, Regulatory Relations  
c/o Megan Lawson  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177  
Facsimile: (415) 973-3582  
E-mail: PGETariffs@pge.com

For SCE:  
Gary A. Stern, PhD.  
Managing Director, State Regulatory Operations  
Southern California Edison Company  
8631 Rush Street  
Rosemead, CA 91770  
Telephone: (626) 302-9645  
Facsimile: (626) 302-6396  
E-mail: AdviceTariffManager@sce.com
Effective Date

SoCalGas asserts this advice letter is subject to Energy Division disposition and should be classified as Tier 1 (effective pending disposition) pursuant to General Order (GO) 96-B. This submittal is consistent with OP 29 of D.18-12-015. Accordingly, SoCalGas respectfully requests that this advice letter become effective for service on March 12, 2019, the date of submittal.

Notice

A copy of this advice letter is being sent to SoCalGas’ GO 96-B service list and the Commission’s service list in R.15-03-010. Address change requests to the GO 96-B service list should be directed via e-mail to tariffs@socalgas.com or call 213-244-2837. For changes to all other service lists, please contact the Commission’s Process Office at 415-703-2021 or via e-mail at Process_Office@cpuc.ca.gov.

Ronald van der Leeden
Director - Regulatory Affairs

Attachments
**ADVICE LETTER**

**SUMMARY**

**ENERGY UTILITY**

**Company name/CPUC Utility No.:** Southern California Gas Company (U 904G)

<table>
<thead>
<tr>
<th>Utility type/CPUC Utility No.:</th>
<th>Contact Person: Ray B. Ortiz</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELC</td>
<td>Phone #: (213) 244-3837</td>
</tr>
<tr>
<td>GAS</td>
<td>E-mail: <a href="mailto:ROrtiz@semprautilities.com">ROrtiz@semprautilities.com</a></td>
</tr>
<tr>
<td>PLC</td>
<td>E-mail Disposition Notice to: <a href="mailto:Tariffs@socalgas.com">Tariffs@socalgas.com</a></td>
</tr>
</tbody>
</table>

**EXPLANATION OF UTILITY TYPE**

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

**Advice Letter (AL) #:** 5436, et al.

**Tier Designation:** 1

**Subject of AL:** Pilot Process Evaluation, Community Energy Navigator (CEN), and Economic Feasibility Framework Cost Sharing Agreement Pursuant to Decision (D.) 18-12-015

**Keywords (choose from CPUC listing):** Compliance

**AL Type:**

- [ ] Monthly
- [ ] Quarterly
- [ ] Annual
- [x] One-Time
- [ ] Other

**If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:** D.18-12-015

**Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:** No

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

**Confidential treatment requested?**

- [ ] Yes
- [x] 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
- [x] No

**Requested effective date:** 3/12/19

**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:** N/A

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

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1 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:

<table>
<thead>
<tr>
<th>Name</th>
<th>Ray B. Ortiz</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>Regulatory Tariff Manager</td>
</tr>
<tr>
<td>Utility Name</td>
<td>Southern California Gas Company</td>
</tr>
<tr>
<td>Address</td>
<td>555 West Fifth Street, GT14D6</td>
</tr>
<tr>
<td>City</td>
<td>Los Angeles</td>
</tr>
<tr>
<td>State</td>
<td>California</td>
</tr>
<tr>
<td>Zip</td>
<td>90013-1011</td>
</tr>
<tr>
<td>Telephone</td>
<td>(213) 244-3837</td>
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<tr>
<td>Facsimile</td>
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<td>Email</td>
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</table>

<table>
<thead>
<tr>
<th>Name</th>
<th>SoCalGas Tariffs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td></td>
</tr>
<tr>
<td>Utility Name</td>
<td>Southern California Gas Company</td>
</tr>
<tr>
<td>Address</td>
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</tr>
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AT&T
Albion Power Company
Alcantar & Kahl LLP
Alt Power Group, LLC
Anderson & Poole
Atlas ReFuel
BART
Barkovich & Yap, Inc.
P.C. CalCom Solar
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
California State Association of Counties
Calpine
Cameron-Daniel, P.C.
Casner, Steve
Cenergy Power
Center for Biological Diversity
City of Palo Alto
City of San Jose
Clean Power Research
Coast Economic Consulting
Commercial Energy
County of Tehama - Department of Public Works
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
East Bay Community Energy
Ellison Schneider & Harris LLP
Energy Management Service
Evaluation + Strategy for Social Innovation
GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Charge Networks
Green Power Institute
Hanna & Morton
ICF
International Power Technology
Intestate Gas Services, Inc.
Kelly Group
Ken Bohn Consulting
Keyes & Fox LLP
Leviton Manufacturing Co., Inc.
Linde
Los Angeles County Integrated Waste Management Task Force
Los Angeles Dept of Water & Power
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McKenzie & Associates
Modesto Irrigation District
Morgan Stanley
NLine Energy, Inc.
NRG Solar
Office of Ratepayer Advocates
OnGrid Solar
Pacific Gas and Electric Company
Pioneer Community Energy
Praxair
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions
SCE
SDG&E and SoCalGas
SPURR
San Francisco Water Power and Sewer
Seattle City Light
Sempra Utilities
Southern California Edison Company
Southern California Gas Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
TerraVerde Renewable Partners
Tiger Natural Gas, Inc.
TransCanada
Troutman Sanders LLP
Utility Cost Management
Utility Power Solutions
Utility Specialists
Verizon
Water and Energy Consulting
Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)
Yep Energy