

*Southern California Edison*  
**SCE EE Business Plan A.17-01-013**

**DATA REQUEST SET A.17-01-013-ORA-SCE-001**

**To:** ORA

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**Title:** Senior Project Manager

**Dated:** 03/01/2017

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**Question 23:**

What analysis did you perform to determine the reasonableness of your portfolio budget?

**Response to Question 23:**

SCE determined that its proposed Business Plan budget is reasonable because it meets the Commission's cost-effectiveness requirements to have a TRC of 1.0 or greater, (see D. 12-11-015 and also D. 16-08-019 and the Standard Practice Manual) which achieves (and may exceed) the savings goals established in D.15-10-028. SCE also determined that its proposed portfolio budget is reasonable because it minimizes costs to its customers by having a more efficient and streamlined portfolio than in recent years. For its 2017 budget, which is the baseline for the 2018-2025 budget, SCE optimized its demand-side management portfolio resulting in a 2017 proposed budget that is approximately \$22 million less than SCE's 2016 budget. The portfolio optimization process included activities such as: internal organizational and process changes to improve efficiency, simplifying and consolidating programs, eliminating or reducing non-cost-effective programs, adjusting incentive levels based on analytics, incorporating alternative incentives besides rebates (e.g. on-bill financing).