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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of Energy Efficiency Rolling Portfolio Business Plan.

Application 17-01-013
(Filed January 17, 2017)

And Related Matters.

Application 17-01-014
Application 17-01-015
Application 17-01-016
Application 17-01-017

ADMINISTRATIVE LAW JUDGES' RULING MODIFYING SCHEDULE

This ruling modifies the remaining schedule in this proceeding. The ruling also offers an interpretation and seeks comment on the applicability of the third party requirements previously adopted in Decision 16-08-019.

1. Background

On April 14, 2017, the *Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judges* (Scoping Ruling) set the scope and a preliminary schedule for this proceeding, and required business plan proponents to respond to supplemental questions attached to the ruling by May 15, 2017.

On May 15, 2017, Pacific Gas and Electric Company (PG&E) on behalf of the business plan proponents and The Utility Reform Network (TURN) served a motion on the service list, requesting an extension to respond to specific questions included in the Scoping Ruling. The motion requested leave to file and serve these responses by June 12, 2017. The assigned Administrative Law Judges (ALJ) granted this motion via e-mail ruling on May 15, 2017.

On May 19, 2017, Donald Gilligan on behalf of the National Association of Energy Service Companies (NAESCO) sent an e-mail to the assigned ALJ and a portion of the service list, requesting to extend the deadlines for party comments (opening and reply) on the business plan proponents' responses to supplemental questions, and to the deadline to file a motion requesting evidentiary hearings and/or opportunity to submit testimony. NAESCO's request did not state or otherwise indicate whether NAESCO had consulted with and sought agreement from the other parties in this proceeding, as required by Rule 11.6 of the Commission's Rules of Practice and Procedure. ALJ Kao issued an e-mail ruling that (1) treated NAESCO's email as a motion for extension of time and (2) shortened the period to respond to NAESCO's motion to May 26, 2017.

The Commission received responses to ALJ Kao's May 19, 2017 e-mail ruling from TURN, San Diego Gas & Electric Company (SDG&E), the Office of Ratepayer Advocates (ORA), and PG&E.

Because ALJ Kao's May 19, 2017 e-mail ruling incorrectly referred to NAESCO's request as a motion to modify the schedule, ALJ Kao issued another e-mail ruling on May 26, 2017 directing NAESCO to file and serve a formal

motion for the relief requested in its May 19, 2017 email.¹ The ruling also gave parties an opportunity to respond to NAESCO's formal motion, to the extent that motion was different from NAESCO's May 19, 2017 request. On May 30, 2017, NAESCO served a motion for extension of time that was consistent with its May 19, 2017 request.

This ruling addresses NAESCO's request and the responses of TURN, SDG&E, ORA and PG&E to NAESCO's request. The modified schedule adopted also reflects a change to the budget advice letter filing date to account for the delays in other aspects of the schedule, reverting to filing date of September 1, 2017, as called for in Decision (D.) 15-10-028.²

2. Party Responses to NAESCO's Request

TURN does not oppose NAESCO's request but offers an alternative, shortened schedule that would leave the remainder of the proceeding schedule, including for the metrics and third party solicitation tracks, unaffected. TURN's alternative schedule would set the deadline for opening comments on the business plan proponents' supplemental information (and any other issues) to June 19, 2017; and reply comments and motions requesting evidentiary hearings and/or opportunity to serve testimony to June 30, 2017.

¹ The Commission's Rules of Practice and Procedure require that all written motions be filed and served (Rule 11.1), except for motions for extension of time (Rule 11.6), which may be made via email.

² See D.15-10-028 discussion at 58-63 and ordering paragraph 4.

ORA supports NAESCO's extension request and does not oppose TURN's proposed alternative, with one modification to the deadline for opening comments, to June 23, 2017.

SDG&E takes no position on whether to grant NAESCO's request, but requests further time for essentially all subsequent filings in the event that the Commission grants either NAESCO's request or TURN's alternative proposal. SDG&E's response includes a proposed schedule for the remainder of the proceeding in the event that the Commission grants NAESCO's request.

SDG&E's proposed schedule also includes dates for (1) response(s) to any motion(s) requesting evidentiary hearing and/or an opportunity to serve testimony, and (2) a ruling on whether to hold evidentiary hearings and/or to allow testimony.

PG&E opposes both NAESCO's request and TURN's proposed alternative, noting that further delays may impact its ability to comply with third party procurement requirements.

3. Discussion

It is reasonable to provide more time for parties to respond to the business plan proponents' supplemental information in its entirety, *i.e.*, including the budget-related information that is now due June 12, 2017. This will give parties the ability to respond to all information submitted by the program administrators (PAs) comprehensively in one set of comments and then make a request for subsequent action in the proceeding, as appropriate.

In addition, based on the next steps identified during the May 26, 2017 workshop on sector-level metrics, there is merit in providing more time for parties to develop and discuss viable proposals on that subject.

Next, as anticipated in the April 14, 2017 scoping memo, Commission staff working on both energy efficiency and demand response have developed a proposal for limited integration of certain aspects of the energy efficiency portfolios in this proceeding and the demand response portfolios being evaluated in Applications (A.) 17-01-012 *et. al.* That proposal is anticipated to be issued on approximately June 16, 2017 with a staff workshop scheduled for June 26, 2017. More information will be forthcoming on the Daily Calendar and emailed to the service lists of both sets of proceedings. We ask that comments be submitted on this limited integration topic at the same time as comments on the metrics issues, as detailed in the adopted schedule below.

We also anticipate an extended schedule will be needed to develop the record on third party solicitation issues. In the meantime, we note PG&E's concern about complying with the third party requirements in D.16-08-019. In the scoping memo which adopted the original schedule for this proceeding, we had anticipated being able to give further direction on the business plans in the form of a Commission decision prior to the end of 2017, in time for the PAs to comply with the third party, and any other, requirements of D.16-08-019.

However, based on the modified scheduled adopted in this ruling, it is not guaranteed that a decision will be adopted in 2017. Therefore, it may be necessary to clarify the timeframe associated with the third party requirements, in particular, that were adopted in D.16-08-019.³

³ See D.16-08-019, discussion at 68-76, and ordering paragraphs 10-13.

In general, our interpretation is that D.16-08-019 provided guidance for the rolling portfolio cycle business plans, and therefore any new or clarified third party requirements would be applicable to the business plan period, once the plans are approved or modified by the Commission. Prior to adoption of the business plans (now anticipated to include most or all of 2017), any Commission requirements previous to D.16-08-019, unless otherwise specified in that decision, would be in effect.

Because the timeframe of applicability of the third party requirements was not explicit in D.16-08-019, we seek comment from parties about whether and how the third party requirements should be applied to the program administrators, consistent with or different from the above-stated interpretation. Parties who wish to comment on these issues should provide those comments in their comments associated with the “third party solicitations process issues” portion of the schedule below, *i.e.*, on August 18, 2017.

Finally, this modified proceeding schedule restores the annual budget advice letter filing deadline of September 1, 2017, irrespective of whether evidentiary hearings are held and/or testimony is submitted. This is to ensure that budgets are evaluated on an annual basis regardless of the status of the approval of the business plans. When the final decision on the business plan proposals is rendered in this proceeding, it will likely provide further direction for budget modification and/or true-up.

4. Schedule

The schedule below is adopted, with options with or without testimony and/or evidentiary hearings, and may be further modified by the assigned Commissioner or ALJs in the future. Some events that have already occurred are included for reference.

April 14, 2017 Scoping Memo Date	New date	Item/Event
April 14, 2017	April 14, 2017	Scoping memo issued, along with request for supplemental information
Supplemental information and overall proceeding issues		
Late April 2017	Late April 2017	Meet and confer session on supplemental budget filings (at discretion of parties, especially PAs and TURN and ORA)
May 15, 2017	May 15, 2017	Responses to supplemental questions due from PAs <i>except for budget-related information</i>
	June 12, 2017	Supplemental budget information agreed upon in meet and confer session
June 5, 2017	June 22, 2017	Comments on supplemental information, and any other key issues identified by parties
June 19, 2017	June 29, 2017	Reply comments on supplemental information, and other key issues identified by parties
June 19, 2017	June 29, 2017	Deadline for parties to file motions requesting evidentiary hearings and/or opportunity to submit testimony
Sector level metrics issues		
Early May 2017	May 10, 2017	ALJ ruling with staff proposed metrics issued for comment
May 2017	May 26, 2017	Workshop: Sector-level business plan metrics
May, June 2017	June 2017	Additional informal workshops, meetings at CAEECC, etc. to discuss sector-level metrics
June 26, 2017	July 14, 2017	PAs file revised sector-level metric proposals
July 10, 2017	July 24, 2017	Parties comment on revised sector-level metrics
July 17, 2017	July 31, 2017	Reply comments on revised sector-level metrics
Limited energy efficiency and demand response integration issues		
NA	June 16, 2017	Staff circulates informal proposal to parties in this proceeding and A.17-01-012 et al.
NA	June 26, 2017	Workshop to discuss staff proposal for limited energy efficiency and demand response integration
NA	June 29, 2017	Ruling seeking comment on staff proposal for limited integration of energy efficiency and demand response
NA	July 24, 2017	Parties comment on staff proposal for limited integration of energy efficiency and demand response (combined with metrics comments above)
NA	July 31, 2017	Reply comments (combined with metrics reply comments above)

April 14, 2017 Scoping Memo Date	New date	Item/Event
Third party solicitation process issues		
May/June 2017	June 16, 2017	Workshop: Purpose, experience from elsewhere, PA proposals
June 2017	June/July 2017	Further workshops or informal discussion among parties and PAs
June 14, 2017	August 4, 2017	PAs file comprehensive solicitation process proposal; other parties may also file their own comprehensive proposals
July 3, 2017	August 18, 2017	Parties comment on solicitation process proposals
July 14, 2017	September 1, 2017	Reply comments on solicitation process proposals
Further schedule if <u>no</u> evidentiary hearings are conducted and <u>no</u> testimony submitted		
January 2, 2018	September 1, 2017	Annual budget advice letters submitted
September 2017	November 2017	Proposed decision issued for comment
October 2017	December 2017	Decision on Commission agenda
	<u>March 1, 2018</u>	<u>True-up budget advice letters submitted</u>
TBD	TBD	Implementation plans posted
TBD	TBD	Solicitations for third party and statewide programs completed and contracts executed
TBD	TBD	New and extended programs under business plan guidance commence
Further schedule if <u>no</u> evidentiary hearings are conducted but <u>testimony</u> is submitted		
August 4, 2017	September 25, 2017	Opening Testimony: Applications, REN Motions, supplemental budget information
August 18, 2017	October 6, 2017	Rebuttal Testimony: Applications, REN Motions, supplemental budget information
February 1, 2018	September 1, 2017	Annual budget advice letters submitted
October 2017	December 2017	Proposed decision issued for comment
November 2017	January 2018	Decision on Commission agenda
	<u>April 1, 2018</u>	<u>True-up budget advice letters submitted</u>
TBD	TBD	Implementation plans posted
TBD	TBD	Solicitations for third party and statewide programs completed and contracts executed
TBD	TBD	New and extended programs under business plan guidance commence
Further schedule if <u>evidentiary hearings</u> will be held		
July 7, 2017	September 25, 2017	Opening Testimony: Applications, REN Motions, supplemental budget information

April 14, 2017 Scoping Memo Date	New date	Item/Event
July 21, 2017	October 6, 2017	Rebuttal Testimony: Applications, REN Motions, supplemental budget information
March 1, 2018	September 1, 2017	Annual budget advice letters submitted
August 7-11, 2017	October 23-27, 2017	Evidentiary Hearings: Applications, REN Motions, supplemental budget information
September 1, 2017	November 9, 2017	Concurrent Opening Briefs: Applications, REN Motions, supplemental budget information
September 18, 2017	November 22, 2017	Concurrent Reply Briefs: Applications, REN Motions, supplemental budget information
November 2017	January 2018	Proposed decision issued for comment
December 2017	February 2018	Decision on Commission agenda
	<u>May 2, 2018</u>	<u>True-up budget advice letters submitted</u>
TBD	TBD	Implementation plans posted
TBD	TBD	Solicitations for third party and statewide programs completed and contracts executed
TBD	TBD	New and extended programs under business plan guidance commence

IT IS RULED that:

1. The schedule for this proceeding is modified as shown in Section 4 of this ruling.
2. The assigned Commissioner or Administrative Law Judges may adjust this schedule as necessary for efficient management and fair resolution of this proceeding.
3. Workshops will be held on solicitation issues on June 16, 2017, and on an informal staff proposal for limited integration of energy efficiency and demand response portfolios on June 26, 2017. Details about these workshops will be shared with the service list and posted on the Commission’s Daily Calendar. Decision-makers may attend the workshops but no decisions will be made.

Ex parte notices are not required to be filed for attendance or comments made at these publicly noticed workshops.

4. Parties interested in commenting on Commission staff ideas included in a forthcoming informal staff proposal and the upcoming June 26, 2017 workshop for the limited integration of energy efficiency and demand response portfolio activities should include comments on that subject with their comments and/or reply comments submitted on the metrics-related issues, to be filed and served no later than July 24, 2017 and July 31, 2017.

5. Parties interested in commenting on the appropriate applicability of the third party requirements in Decision 16-08-019, as interpreted in this ruling, should include those comments with their comments and/or reply comments on the solicitation process issues, to be filed and served no later than August 18, 2017 and September 1, 2017.

Dated June 9, 2017, at San Francisco, California.

 /s/ JULIE A. FITCH
Julie A. Fitch
Administrative Law Judge

 /s/ VALERIE U. KAO
Valerie U. Kao
Administrative Law Judge