

September 1, 2020

**ADVICE 4285-E**  
**(U 338-E)**

**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**  
**ENERGY DIVISION**

**SUBJECT:** Southern California Edison Company's Energy Efficiency  
Program and Portfolio Annual Budget Advice Letter for  
Program Year 2021

In compliance with Decision (D.)18-05-041, Southern California Edison Company (SCE) hereby submits its Energy Efficiency (EE) Program and Portfolio Annual Budget Advice Letter (ABAL) for Program Year (PY) 2021. This ABAL contains the information required by the California Public Utilities Commission<sup>1</sup> (Commission or CPUC), including, but not limited to, SCE's forecasted budgets for PY 2021 for various EE and EE/demand response (DR) integration activities,<sup>2</sup> SCE's forecasts for the Total Resource Cost (TRC), Program Administrator Cost (PAC), and Ratepayer Impact Measure (RIM) tests,<sup>3</sup> and its forecast of energy savings for PY 2021.<sup>4</sup> This ABAL also discusses SCE's transition to at least 40 percent third-party designed and implemented programs by December 31, 2020, as directed in D.18-01-004.<sup>5</sup> SCE requests that Commission Staff

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<sup>1</sup> See, e.g., D.18-05-041, D.18-10-008, D.19-05-019, and D.19-08-034 Decision Adopting Energy Efficiency Goals for 2020-2030 (Potential and Goals Decision).

<sup>2</sup> In SCE's 2019 ABAL (Advice 3859-E), SCE referred to funding for EE/DR Integration activities as "Integrated Demand Side Management (IDSM)" activities and budgets. This should not be confused with the IDSM Program (Program ID: SCE-13-SW-006) that SCE closed, based on the approval received in Advice 3859-E and 3859-E-A, and, to avoid confusion, SCE now uses the term EE/DR Integration activities and budgets to refer to those activities described as IDSM activities and budgets in the 2019 ABAL.

<sup>3</sup> The TRC test is performed for each program and sector and at the portfolio level. PAC and RIM tests are performed only at the portfolio level.

<sup>4</sup> See D.18-05-041, D.18-10-008, D.19-05-019, and D.19-08-034.

<sup>5</sup> See D.18-01-004, p. 56.

issue a disposition approving this ABAL, including SCE's PY 2021 budget request and the requested program closures, as detailed herein.<sup>6</sup>

## **I. PURPOSE**

The purpose of this advice letter filing is to propose detailed budgets for cost recovery, transfer, and contracting purposes for SCE's EE portfolio for PY 2021, in compliance with D.18-05-041.<sup>7</sup> SCE's EE annual budget and associated forecasted energy savings and cost-effectiveness for PY 2021 are summarized below and exclude market effects:<sup>8</sup>

- SCE proposes a 2021 portfolio budget of \$162.87 million, which is \$107.73 million below SCE's PY 2021 true-up budget amount.<sup>9</sup> SCE requests cost recovery of \$103.59 million in funding for PY 2021, which reflects carry-over funds from prior years.
- Without Codes & Standards, SCE's 2021 Portfolio results in a forecasted TRC of 1.00, which is an improvement over the PY 2020 forecasted TRC of 0.76. As described in Sections II and X, the TRC may be adjusted slightly when SCE files a supplemental ABAL to reflect the final contracted third-party program values.
- Including Codes & Standards, SCE's 2021 Portfolio results in a forecasted TRC of 2.60.
- Without Codes & Standards, SCE's portfolio yields forecasted energy savings of 364 GWh, which is 108 percent of goal; and 58 MW of forecasted demand reduction, which is 84 percent of goal.<sup>10</sup>

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<sup>6</sup> See D.18-05-041, pp. 134-135.

<sup>7</sup> *Id.*, p. 58.

<sup>8</sup> See EE Policy Manual, v6, p.29. Market effects are defined as additional energy savings that occur as a result of the energy efficiency programs, but that are not included in the utility savings claims.

<sup>9</sup> D.18-05-041 authorized a PY 2021 budget of \$266.80 million. The PY 2021 authorized amount was updated to \$270.60 million per the Annual Rolling Portfolio Budget Forecast - True-up Table (in SCE's 2019 ABAL Attachment D Commission Developed ABAL, Table 2a) in SCE Advice 3859-E-A submitted on October 29, 2018.

<sup>10</sup> D.19-08-034 (Potential and Goals Decision), p. 23, states that SCE's goals (without Codes and Standards) for PY 2021 are 336 GWh and 69 MW.

- Including Codes & Standards, SCE's portfolio yields forecasted energy savings of 1,246 GWh, which is 125 percent of goal; and 250 MW demand reduction, which is 123 percent of goal.<sup>11</sup>
- SCE proposes closing specific programs to improve portfolio cost effectiveness and to prepare for new programs entering the market as a result of local and statewide solicitations.

SCE has made its best effort to meet the ABAL goals referenced above and has met all other Commission and Energy Division ABAL requirements included in Section III. Consistent with the July 3, 2020 Scoping Ruling issued in R.13-11-005, SCE requests that the Commission Staff issue a disposition approving the ABAL, including the portfolio and statewide budgets and the proposed program closures described below in Section VIII.<sup>12</sup> The Commission Staff disposition should approve the requested budget in full to minimize impacts to customers, the EE market, and to ongoing statewide programs and activities, such as Statewide Codes and Standards Advocacy and new construction programs.

## **II. KEY UPDATES**

SCE is in the process of conducting multiple solicitations for third-party energy efficiency programs, two of which – the local Residential, Commercial and Industrial (RCI) solicitation and the Statewide Lighting solicitation – are scheduled to result in executed contracts by September 30, 2020.<sup>13</sup> The timing of these solicitations relative to the September 1 filing of this ABAL and the timing of launching new third-party programs in 2021 result in the following key updates:

- SCE will have at least 25 percent of the EE program budget under contract with third parties by September 30, 2020 and at least 40 percent programs under contract by December 31, 2020, as required by D.18-01-004.<sup>14</sup>
- SCE is including an estimate of the anticipated budget and cost effectiveness for new SCE-led local and statewide third-party programs. The total estimated

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<sup>11</sup> The Potential and Goals Decision, p. 23, states that SCE's goals (*including* Codes and Standards) for PY 2021 are 998 GWh and 204 MW.

<sup>12</sup> Additional information about program closures is contained in Attachments E and G.

<sup>13</sup> See D.18-01-004, OP1. Pursuant to D.18-01-004, the Energy Division extended the deadline for SCE to have at least 25% of the EE program budget under contract to September 30, 2020 in a letter from Alice Stebbins dated November 25, 2019.

<sup>14</sup> See D.18-01-004, OP1. Pursuant to D.18-01-004, the Energy Division extended the deadline for SCE to have at least 25% of the EE program budget under contract to September 30, 2020 in a letter from Alice Stebbins dated November 25, 2019.

budget, benefits, and costs resulting from SCE-led local solicitations are distributed evenly across the RCI sectors where applicable.

- To help ensure a smooth transition to new statewide and third-party programs from existing program offerings, SCE will continue to operate several existing programs until new programs are launched and available to the market. SCE has included several programs in its forecast that will continue to serve customers until programs are launched in these markets.
- SCE will file a supplement to this advice letter that will only replace the third-party estimates with contracted third-party program descriptions and their forecasted budget, savings, and cost effectiveness. SCE plans to update the tables in the ABAL, as well as Attachments A-G, to reflect the third-party programs for which contracts are ultimately executed.
- SCE will file Tier 2 advice letters for any third-party contracts executed valued at \$5 million or more and/or with a term of longer than three years.<sup>15</sup> SCE will provide the same key information related to budget, savings, and cost effectiveness in the supplemental ABAL and those Tier 2 advice letters.

SCE recommends that the Commission staff proceed with reviewing the 2021 ABAL submission prior to the supplemental update, because the supplemental ABAL filing will be narrowly focused. SCE does not expect the supplemental update to modify portfolio-level forecasts substantially because the estimates in this ABAL reflect an aggregate of contracts in the final stage of review. Therefore, the supplemental ABAL will not necessitate re-opening the protest period for this advice filing.

### **III. REGULATORY PROCEDURAL BACKGROUND**

#### **A. Commission Directed ABAL Requirements**

In a Scoping Ruling issued in R.13-11-005 on July 3, 2020, the Commission recognized the immediate and long-term impacts of COVID-19 and ordered all PAs to file new business plans by September 1, 2021.<sup>16</sup> The Commission also discussed the 2021 and 2022 ABALs as serving a “narrower purpose”<sup>17</sup> and that each PA should make their “best efforts” to meet the ABAL requirements, as identified in this section. The

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<sup>15</sup> See D.18-01-004, OP 2.

<sup>16</sup> Ruling issued in R.13-11-005 on July 3, 2020, (July 3 Ruling), OP 6.

<sup>17</sup> July 3 Ruling, p. 9. ( “The 2021 and 2022 ABALs will serve a narrower purpose, to notify the Commission and stakeholders of the budget and cost recovery requests and expenditures that each program administrator forecasts for 2021 and 2022.”).

Commission directed Staff to consider current events when reviewing the 2021 and 2022 ABALs.<sup>18</sup>

In D.15-10-028, the Commission ordered each Program Administrator (PA) to file a Tier 2 advice letter in September of each year with the PA's annual EE budget for the following year.<sup>19</sup> Each ABAL must contain the following:

- Portfolio cost-effectiveness statement; and
- Application summary tables with forecast budgets and savings by sector and program/intervention.

Beginning with the ABAL due on September 4, 2018, the Commission directed the PAs to provide the following information:<sup>20</sup>

- A forecasted TRC that meets or exceeds 1.25, except during program years 2019-2022, when the forecasted TRC must meet or exceed 1.0;
- Forecasted energy savings that meet or exceed Commission-established savings goals for each PA;
- A forecasted budget that does not exceed the PA's annual budget in the approved business plans, or (if applicable) the revised annual budget in the current ABAL;
- Sector-level metrics;<sup>21</sup> and
- A description of program and portfolio information.<sup>22</sup>

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<sup>18</sup> July 3 Ruling, OP 5.

<sup>19</sup> See D.15-10-028, OP 4.

<sup>20</sup> See D.18-05-041, p. 133.

<sup>21</sup> Pursuant to D.18-05-041, OP 11, the PAs' reporting and assessments of metrics and targets are included in their respective EE Annual Reports. SCE's latest report on metrics and targets was included in its 2020 EE Annual Report for Program Year 2019. SCE's EE Annual Report is posted on <http://eestats.cpuc.ca.gov/>.

<sup>22</sup> See D.18-05-041, pp. 124-129, &133.

D.18-05-041 requires the ABAL to include historical portfolio, sector, and program-level budget requests and actual expenditures over the life of the business plan.<sup>23</sup> This information is provided in Attachment C.

In D.19-05-019, issued in the Integrated Distributed Energy Resources (IDER) proceeding, the Commission directed the PAs to provide the RIM and PAC cost-effectiveness estimates,<sup>24</sup> and therefore SCE has included these estimates in Table 8.

## **B. Energy Division Staff ABAL Requirements**

In D.18-05-041, the Commission also directed Commission Staff to develop templates and further guidance as needed for ABAL submissions.<sup>25</sup> On July 19, 2018, the Commission's Energy Division (Energy Division) issued its guidance for the PAs' ABAL submissions. The Energy Division instructed the PAs to include the following additional information in their ABALs:

- PA's Program Year Budget and Forecasted Savings; and
- A Narrative of Program and Portfolio Information, including:
  - Proposed program changes;
  - Proposed portfolio changes; and
  - Additional explanations if the PA's TRC is between 1.0 and 1.25 or if the forecasted energy savings is below Commission established goals.

On June 30, 2020, the Energy Division asked the PAs to include a table that clearly defines the budget uploaded to CEDARS and to identify the difference between the budget and the revenue requirement. This information is presented in Table 3.

In addition, the Energy Division instructed the Investor Owned Utility (IOU) PAs to include their allocations for EE/DR Integration activities (also referred to as Integrated Demand Side Management or IDSM).<sup>26</sup> This information is presented in Table 5.

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<sup>23</sup> See *id.*, p. 125.

<sup>24</sup> D.19-05-019, p. 24, states "[W]e require the review and consideration of the RIM and PAC tests results during deliberation of all distributed energy resources proceedings and advice letters where cost-effectiveness analyses are required."

<sup>25</sup> See D.18-05-041, OP 40.

<sup>26</sup> See D.18-05-041, OP 10.

In support of the transition to new statewide programs, Energy Division also requested that the PAs submit a table, based upon the Joint IOUs' Advice Letter of their Shared Funding Mechanism Proposal, to include 2020 and 2021 forecasted budgets for each statewide program and the proportional shares and budgets for each utility.<sup>27</sup> This table is contained in Attachment F.

The Energy Division also requested that the PAs address the impact of the COVID-19 pandemic in its forecast. SCE discusses its approach to COVID-19 impacts and mitigations in Section IV.C.

### **C. CAEECC ABAL Recommendations**

On August 6, 2020, SCE shared its draft 2020 ABAL with the members of the CAEECC to provide stakeholders an opportunity to review and provide feedback on SCE's ABAL submission.<sup>28</sup> Stakeholders provided feedback at the CAEECC meeting which SCE has incorporated into this filing, including recommendations such as:

- Describe how the On-Bill Financing balancing account operates and why SCE requests to retain funds from the balance of past authorized budgets and repayments in the ABAL. This description is provided in Section V.A.
- Do not include REN EM&V budgets in the IOU EM&V budget under the SCE PY 2021 portfolio budget request presented in Table 1 and Attachment A-1.
- File the supplemental ABAL with actual third-party PY 2021 budgets as soon as possible following execution of new third-party contracts in late September to allow the Energy Division adequate time to review the supplemental ABAL before year-end. SCE's plans to supplement this ABAL are described in Section II and X.

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<sup>27</sup> Energy Division Staff requested IOUs to update funding percentages and amounts. Energy Division Staff provided IOUs a template, based upon Table 5 (page 9) from the Joint IOUs Supplemental Advice Letter of the Shared Funding Mechanism Proposal submitted on November 15, 2018 (San Diego Gas and Electric Company (SDG&E) Advice 3268-E-A/2701- G-A; Southern California Gas Company (SoCal Gas) Advice 5346-G-A; Southern California Edison Company (SCE) Advice 3861-E-A; and Pacific Gas and Electric Company (PG&E) Advice 5373-E-A/4009-G-A), to be included in their 2020 ABAL.

<sup>28</sup> D.18-05-041, p. 137, states that PAs are required to "share and present their draft ABALs at a CAEECC meeting prior to the September submission deadline, so that stakeholders have an opportunity to review and provide feedback that should inform the PAs' ABAL submissions."

#### **IV. 2021 EE PORTFOLIO SUMMARY**

##### **A. Achieving CPUC Requirements**

As part of SCE's ABAL planning and development process, SCE developed a portfolio and optimized the budget for each of the CPUC metrics, including but not limited to, achieving the Commission's required cost-effectiveness, savings goals, budgets, and budget caps and targets. SCE continues to support "California's longstanding commitment and actions to achieve energy savings."<sup>29</sup>

To continue optimizing its portfolio for its goals and cost-effectiveness requirements, SCE proposes the following adjustments to its 2021 EE portfolio:

- Optimize all measures and programs to maximize savings and cost-effectiveness;
- Eliminate or reduce non-cost-effective programs where new statewide and local third-party programs are expected to launch in 2021;
- Contract at least 40 percent third-party proposed, designed, and delivered programs; and
- Continue to reduce and shift SCE labor and non-labor costs in support of third-party proposed, designed, and delivered programs.

These modifications focus on delivering a cost-effective portfolio while transitioning to the new statewide and third-party model that the Commission adopted in D.18-01-004 to improve the overall cost-effectiveness of California EE programs and markets.

The result of SCE's optimization efforts — the proposed portfolio budget, savings, and cost-effectiveness, based upon currently approved energy savings and cost-effectiveness inputs to its measure and program mix — are contained in Sections V, VI and VII.

##### **B. Reasonableness of Forecasts Given Uncertainties in PY 2021**

While forecasting by definition requires the use of assumptions based on uncertain future outcomes, forecasting the 2021 portfolio contains more uncertainty because the EE programs are transitioning to statewide and third-party-implemented programs and because of the impacts of COVID-19, as well as other factors discussed in more detail in Sections IV.C, IX and X.

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<sup>29</sup> See D.19-08-034, Potential and Goals Decision, p. 6.



In D.18-05-041, the Commission recognized that due to multiple non-trivial uncertainties regarding third-party programs, program years 2018 through 2022 should be treated as ramp-up or transition years.<sup>30</sup> When statewide programs, SCE's new third-party programs, and other programs and policy changes are fully implemented, SCE anticipates that it will have more information on these programs to forecast to achieve the Commission-adopted goals cost-effectively and within the budget parameters of its revised and approved business plan.

Specific examples of uncertainties relating to the 2021 ABAL are:

- Timing, costs, benefits, and energy savings associated with statewide programs;
- Timing, costs, benefits, and energy savings associated with contracting for implementation of new third-party programs, both local and statewide;
- Timing and impact of workpaper dispositions and of Evaluation, Measurement, and Verification (EM&V) dispositions;
- The impacts of COVID-19, as described in Section IV.C below.

In D.18-01-004, the Commission ordered that IOUs' energy efficiency portfolios must contain at least 40 percent third-party proposed, designed, and implemented programs by the end of 2020, as discussed in Section X.<sup>31</sup> SCE will exceed this target at the conclusion of a third-party solicitation process by September 30, 2020 when contracts for the RCI and Statewide Lighting programs are executed. SCE is also incorporating new statewide programs managed by other PAs into its 2021 budget and TRC forecast. Based on the actual and estimated values used for this filing, SCE is forecasting substantial savings in 2021 from new local and statewide third-party programs, which are key contributors of the net-benefits in the portfolio TRC.<sup>32</sup>

SCE's third-party programs underwent a robust and collaborative Request for Abstract (RFA) and Request for Proposal (RFP) process with SCE's EE Procurement Review Group (PRG) and Independent Evaluators (IEs), as described further in Section X.B. Pay-for-performance provisions encourage implementers to develop reasonable savings and budget forecasts. Third-party program performance is expected to improve over time. The smaller program budgets and relatively lower performance estimates proposed by third-parties in 2021 versus 2022 and beyond are consistent with

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<sup>30</sup> See D.18-05-041, p. 71.

<sup>31</sup> See D.18-01-004, p 56. Conclusion of Law no. 4 states "40 percent minimum by no later than December 31, 2020."

<sup>32</sup> SCE will update Attachment E in the supplemental ABAL with final forecasted TRC values for new third-party programs.

Commission expectations that 2021 is a ramp-up year with uncertain impacts from COVID-19.

To provide for a smooth transition to the new statewide and local third-party programs, SCE will continue to operate several existing programs until the new programs are launched and available to the market. Therefore, SCE has included one-quarter of the annual budget for several programs that will continue to be open to new enrollments through at least Q1 2021, as discussed in Section VIII. This budget allocation is necessary to maintain these programs to prevent gaps in the market. SCE cannot guarantee the exact timing of the launch of the new third-party programs locally and across the state of California, and one-quarter of the annual budget for several programs may be a conservative forecast based on expected third-party program launch-dates. SCE will shift sufficient funds to continue running any programs from this subset beyond Q1 2021. The source of additional funds may be from any projected underspent sectors, including funds set aside for third parties which have not yet begun implementing their programs. As such, SCE is requesting approval in this advice letter to close these programs once new provider(s) have ramped-up and SCE has assessed whether those offerings are sufficient for each market sector.

SCE further discusses the reasonableness and the ability to achieve the forecasted TRC value in Section IX. SCE's resource programs, statewide third-party programs, and local third-party programs are forecast to be cost-effective with a TRC above 1.00.-. These resource programs collectively contribute to SCE achieving its kWh goal. SCE was not able to forecast the achievement of its kW savings goal for 2021 for several reasons. As the peak period has shifted from afternoon to evening hours, the benefits of traditional HVAC measures that drove the most kW savings during afternoon hours have decreased dramatically. There is also decreased opportunity from lighting measures, which provided a more consistent savings value during the new peak period. In addition to lighting, traditional kW measures have been absorbed into codes and standards as updated minimum standards create higher baselines. This challenge represents the success of California's energy efficiency programs but also makes it more difficult for SCE and the other IOUs to achieve kW reduction goals.

While SCE forecasts a specific cost-effectiveness, savings, and measure mix in the ABAL, this mix and resulting cost-effectiveness may change as the Commission Staff releases measure dispositions, Database for Energy Efficient Resources (DEER) updates, and other key inputs which could reduce or improve portfolio savings and cost-effectiveness.

Dispositions with negative impact measures, in high-volume programs, could have a significant impact on SCE's ability to achieve its savings forecasts. Early notifications of such dispositions would assist SCE and the market in responding to such changes.

SCE is committed to working closely with the Commission Staff to use the most recent measure and program forecasts while also providing the market with sufficient certainty

in making EE investment decisions. As cost-effectiveness inputs change, SCE will continue to evaluate the available mix of measures and make portfolio adjustments as necessary to cost-effectively meet savings goals.

### **C. The Impact of COVID-19 on the Portfolio**

The unprecedented impacts of COVID-19 and California's shelter-in-place order affected SCE and some third-party vendors' ability to operate EE programs in 2020. On March 20, 2020, SCE suspended on-site customer contacts for some energy efficiency programs pursuant to the California stay-at-home order. As a result, during the months of March, April and May 2020, some SCE-managed programs were negatively impacted. On May 29, 2020, SCE lifted these suspensions and has not sent new suspension notices for any programs. SCE and its vendors began implementing mitigation measures during this time, such as virtual inspections for Custom and Deemed projects and virtual workshops for Strategic Energy Management. It is difficult to estimate the COVID-19 impacts on the final 2020 results and to separate participation impacts of COVID-19 from other recent trends in energy efficiency. For example, as noted in previous filings, there has been a significant decline in the participation of SCE's large industrial and commercial customers since 2014 due to multiple reasons not related to COVID-19.<sup>33</sup> SCE continues to monitor COVID-19 and its impact on the portfolio. SCE is not able to precisely predict how COVID-19 will affect California in general, or SCE's EE portfolio specifically, in 2021. SCE's 2021 forecasts of budget and savings estimates reflect the best available information from both market participants and SCE. SCE anticipates that it will continue to use virtual methods, as necessary, to support the success of the 2021 programs and beyond. SCE will continue to manage its 2020 and 2021 EE portfolios to reflect market realities resulting from COVID-19 and any other related factors.

### **V. 2021 EE PORTFOLIO BUDGET**

Table 1 below provides SCE's forecast for 2021 EE portfolio budget. Please see Attachment A for SCE's 2021 EE Portfolio Budget in the Commission-issued ABAL template.

**Table 1: Forecasted 2021 EE Portfolio Budget<sup>34</sup>**

<b>Sector</b>	<b>2021 Budget</b>
Residential	\$45,822,420

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<sup>33</sup> See Advice 3992-E, p.1.

<sup>34</sup> The estimated \$45.98 million in local third-party programs' costs are included in Residential, Commercial and Industrial sectors. Another estimated \$3.20 million for Statewide Lighting is included in the Commercial sector.

Commercial	\$35,002,558
Industrial	\$19,706,340
Agriculture	\$942,323
Emerging Technologies	\$7,797,985
Public	\$8,459,650
WE&T	\$4,931,915
Finance	\$1,776,045
OBF Loan Pool	\$15,000,000
Codes and Standards	\$16,315,837
IOU/CPUC EM&V <sup>35</sup>	\$7,110,751
<b>Total 2021 Budget</b>	<b>\$162,865,826</b>

Table 2 below provides SCE's 2021 EE portfolio budget and cost recovery by funding source.

**Table 2: Budget and Cost Recovery by Funding Source**

<b>Budget and Cost Recovery by Funding Source</b>	<b>Amount</b>
SCE's Forecasted 2021 EE Portfolio Budget (includes SCE's funding share of statewide programs)	\$162,865,826
SCE's Unspent/Uncommitted Program Carryover Funds from Prior Years <sup>36</sup>	(\$80,070,024)
Tri-County Regional Energy Network's (3CREN) Funding Request for 2021 EE Portfolio	\$2,957,904
3CREN's EM&V	\$33,893

<sup>35</sup> IOU/CPUC EM&V budget does not include EM&V funding allocated to Southern California Regional Energy Network (SoCalREN) of \$0.201 million, Tri-County Regional Energy Network (3CREN) of \$0.025 million.

<sup>36</sup> Unspent/Uncommitted Program Carryover funds includes \$15.00 million as detailed in Table 4 for On-Bill Financing Loan Pool.

Southern California Regional Energy Network's (SoCalREN) Funding Request for 2021 EE Portfolio	\$17,597,884
SoCalREN's EM&V	\$201,642
<b>Total PA's Funding Request for 2021 EE Portfolio</b>	<b>\$103,587,125</b>

Not included in Table 2, SCE requests EE/DR funding of \$9.68 million for 2021, as discussed in Section V.B. below. Additionally, 3CREN and SoCalREN will submit their own Advice Letters for each PA's respective 2021 budget. Lancaster Choice Energy (LCE) is not submitting a request for additional funds for 2021 but will use unspent / uncommitted funds to complete program activities in 2021.

Table 3 below shows the budget uploaded to CEDARS and identifies the difference with the PY 2021 budget shown in Table 1.

**Table 3: Summary of CEDARS Budget**

<b>SCE's 2021 CEDARS Budget</b>	
<b>Funding Source</b>	<b>Amount</b>
SCE's Funding Request Total	\$162,865,826
Less OBF Loan Pool	(\$15,000,000)
<b>Total CEDARS Budget</b>	<b>\$147,865,826</b>

#### **A. On-Bill Financing Loan Pool**

For 2021, SCE will continue to offer its On-Bill Financing (OBF) Program which provides customers with zero-interest financing for the purchase and installation of qualifying energy-efficient measures. Loans are available to qualifying nonresidential customers, including commercial, industrial, government, and institutional customers, who repay their OBF loan as a line item on their electric bill. SCE is authorized to use funds recovered in the current year to fund loans committed during the current year.<sup>37</sup> Past authorized budgets and actual repayments currently allows SCE to fund future loans from the available balance, resulting in a net decrease between SCE's PY budget and annual EE funding request. The Commission and the Energy Division have previously granted SCE the authority to retain funds from prior EE and OBF program cycles to use in subsequent program cycles.<sup>38</sup> Consistent with this precedent, SCE is requesting

<sup>37</sup> Loan repayments are returned to SCE's Energy Efficiency Financing Program Balancing Account (EEFPBA), formerly called the On-Bill Financing Balancing Account.

<sup>38</sup> See SCE Advice 3880-E.

authority to retain unspent uncommitted funds from prior funding cycles to use for the 2021 funding cycle within the OBF program only.

SCE requests authorization to retain \$15.00 million from repayments, unspent, and uncommitted funding from the 2013-2015 and 2016 OBF program funding cycles, in order to fund OBF Program commitments for the 2021 program year. SCE proposes to retain approximately \$12.63 million from the 2013-2015 OBF program cycle and \$2.37 million from the 2016 OBF program cycle to make up the \$15.00 million needed for PY 2021.<sup>39</sup> This is reduced from the \$17.00 million retained for PY 2020<sup>40</sup> due to lower overall demand for this program. Table 4 includes the authorized budgets, loans issued, commitments, repayments and funds needed from the 2013-2016 program period.

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<sup>39</sup> SCE will use the available balance in the Energy Efficiency Financing Program Balancing Account (EEFPBA) to fund the \$15.00 million budget for PY 2021.

<sup>40</sup> See SCE Advice 4068-E, p. 11.

**Table 4: OBF Loan Pool Funding Needed for PY 2021**

Program Cycle <sup>41</sup>	Authorized Budgets (a)	Loans Issued <sup>42</sup> (b)	Write Offs (c)	Repayments (d)	Commitments <sup>43</sup> (e)	Retained for 2018-2020 OBF Loan Pool <sup>44</sup> (f)	Available Balance (a)-(b)-(c)+(d)-(e)-(f)	Proposed to Retain for 2021
2013-2015	\$54,724,863	\$47,251,050	\$393,872	\$34,043,817	\$0	\$27,988,880	\$13,134,878	\$12,634,878
2016	\$11,000,000	\$10,659,322	\$0	\$4,415,060	\$947,792	\$0	\$3,807,946	\$2,365,122
								\$15,000,000

## B. IOU EE/DR Integration Budget

In addition to the \$103.59 million requested for cost recovery for EE programs in 2021, SCE requests DR funding in the amount of \$9.68 million for 2021 to continue EE/DR Integration activities.<sup>45</sup> In D.18-05-041, the Commission approved SCE's Business Plan Application, which included DR balancing account funding for EE/DR Integration activities.<sup>46</sup>

In Table 5 below, SCE provides its EE/DR Integration Budget for 2021-2025. SCE will use unspent EE/DR Integration funds from previous years to support SCE's 2021 programs by pursuing EE/DR Integration where appropriate. SCE will update Implementation Plans as needed to reflect any program changes. Third-party programs are intended to be eligible for these funds and are currently undergoing the solicitation process.

<sup>41</sup> SCE was previously granted authority to retain funds from prior OBF program cycles to use in subsequent program cycles. See SCE Advice 3880-E.

<sup>42</sup> Cumulative amount of loans issued during the program cycle.

<sup>43</sup> Commitments are based on the total number of OBF projects that already have committed/reserved funds set aside.

<sup>44</sup> Funds retained for the 2018-2020 Program Cycles.

<sup>45</sup> See D.18-05-041, OP 10.

<sup>46</sup> Budgets and cost recovery for demand response programs and activities are recovered and recorded to SCE's Preliminary Statement Y, the Demand Response Programs Balancing Account (DRPBA).

**Table 5: SCE's 2021-2025 EE/DR Integration Budget Allocation (\$000)**

<b>Funding Source</b>	<b>Sector</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
DR	Non-Residential	\$8,678	\$8,961	\$9,253	\$9,554	\$9,864
DR	Residential	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
<b>Total</b>		<b>\$9,678</b>	<b>\$9,961</b>	<b>\$10,253</b>	<b>\$10,554</b>	<b>\$10,864</b>

## **VI. 2021 EE PORTFOLIO SAVINGS**

Table 6 and Table 7 below provide SCE's forecast of energy savings and demand reduction for its 2021 EE portfolio. Please see Attachment A for SCE's 2021 EE Portfolio Savings in the Commission-issued ABAL template. All savings and cost-effectiveness figures used in this ABAL are direct outputs taken from the Commission-provided Cost Effectiveness Tool (CET) on the CEDARS,<sup>47</sup> which excludes a 5 percent adjustment for market effects.

**Table 6: 2021 EE Portfolio Forecasted Savings  
(SCE Programs Only, excluding Codes & Standards)**

	<b>2021 Forecast</b>		
	<b>Savings</b>	<b>Goal<sup>48</sup></b>	<b>% of 2021 Goal</b>
Energy Savings (Net GWh)	364	336	108%
Demand Reduction (Net MW)	58	69	84%

**Table 7: 2021 EE Portfolio Forecasted Savings  
(SCE Programs Only, including Codes & Standards)**

	<b>2021 Forecast</b>		
	<b>Savings</b>	<b>Goal<sup>49</sup></b>	<b>% of 2021 Goal</b>
Energy Savings (Net GWh)	1,246	998	125%
Demand Reduction (Net MW)	250	204	123%

In Table 7, the 2021 goal (the Goal column) includes SCE's C&S goals from the Potential and Goals Decision (D.19-08-034), whereas SCE's 2021 forecasted savings

<sup>47</sup> <https://cedars.sound-data.com/>

<sup>48</sup> See D.19-08-034 Potential and Goals Decision, Figure 3, Tables 1 & 2, p. 23.

<sup>49</sup> *Id.*, p. 23.



(the Savings column) reflects SCE's funding load share of the total 2021 C&S goals.<sup>50</sup> If the Potential and Goals Decision were to reflect SCE's load share, SCE's 2021 goals, including C&S, would be 919 Net GWh and 190 Net MW, and SCE's forecast, including C&S, would be 136 percent of Net GWh and 132 percent of Net MW.<sup>51</sup>

## **VII. 2021 EE PORTFOLIO COST-EFFECTIVENESS**

Table 8 below sets forth the results of the TRC, PAC, and RIM tests for SCE's 2021 EE portfolio. These estimates exclude: market effects, SCE REN Administrative Costs,<sup>52</sup> and impacts from SCE's Codes and Standards programs, Statewide Marketing, Education & Outreach, and SCE's low-income EE program, the Energy Savings Assistance (ESA) Program. Please see Attachment A for SCE's 2021 EE Portfolio TRC, PAC, and RIM in the Commission-issued ABAL template.<sup>53</sup>

**Table 8: 2021 EE Portfolio TRC, PAC, and RIM  
(excluding Codes & Standards)**

<b>Cost-Effectiveness Test</b>	<b>2021 Forecast</b>
TRC	1.00
PAC	1.11
RIM	0.44

## **VIII. PROPOSED PROGRAM AND PORTFOLIO CHANGES**

SCE's ABAL is optimized to maximize cost-effective energy savings, taking into account uncertainties discussed above in Section IV. In D.18-05-041, the Commission

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<sup>50</sup> D.18-05-041, OP 22 states, "All utility program administrators shall fund statewide programs at levels consistent with their proportional share based on load."

<sup>51</sup> See D.19-08-034 Potential and Goals Decision at p. 25 which states: "...the distribution of codes and standards savings goals among the IOUs is not currently aligned with statewide administration policy. Energy Division is not required to reject an IOU's ABAL if its codes and standards savings forecast does not match its IOU-specific goal in the final potential study."

<sup>52</sup> D.19-12-021, OP 5, ordered the utilities to track "administrative costs associated with the utility's performance of the fiscal agent role..." of REN activities. These expenses are to be considered separately for cost-effectiveness purposes beginning in 2021. SCE set up a new separate line item for SCE REN Administrative Costs and included a modest budget for 2021, as shown in Attachment C, Table 4. This budget will not be included in SCE's cost-effectiveness calculations. SCE will track and charge these "SCE REN Administrative" expenses to this new budget starting January 1, 2021.

<sup>53</sup> See D.18-05-041, OP 40.

requires IOUs to meet a minimum forecasted TRC ratio of 1.0 through 2022.<sup>54</sup> SCE will continue to optimize the portfolio in order to meet the Commission's current mandates.

SCE's proposed PY 2021 portfolio budget of \$162.87 million is lower than the IOU portfolio budget included in SCE's Annual Rolling Portfolio Budget True-Up for PY 2021 of \$266.80 million.<sup>55</sup> SCE's 2021 budget is higher than the approved 2020 budget of \$147.40 million due to the inclusion of new third-party local and statewide programs and associated costs and savings. SCE's 2021 budget accounts for approximately \$45.98 million in funding for new, local third-party programs and approximately \$18.81 million in funding for new statewide programs and activities, as described in Section VIII.B below.

To help meet the Commission's goals for EE, SCE is proposing to reduce its non-resource program portfolio, eliminate and reduce low-performing programs, and maximize savings from cost-effective programs and measures, as described in Section VIII, Subsection A, C and D below. Some SCE local programs and existing statewide programs are budgeted for one-quarter of the year to provide market coverage until new third-party EE programs launch in 2021. Other programs will remain open to serve the relevant market through 2021 while remaining third-party solicitations are underway. As third-party programs are launched in the market, corresponding SCE programs or sub-programs will close to new activity.

Other significant efforts taken by SCE to improve its portfolio's cost-effectiveness include further actions to reduce SCE labor and associated non-labor. SCE is forecasting labor reductions and realignments to manage the significant shift to local third-party and statewide programs, resulting in a 25 percent reduction in SCE labor expenses across the EE portfolio from 2020 to 2021. This includes reductions in Customer Programs & Services, Business Customer Division, and Customer Service Operating Division labor to reflect the transition to third-party-implemented programs.<sup>56</sup> As shown in Table 9, these actions also resulted in a reduction in General & Administrative (G&A) labor and non-labor expenses by 28.5 percent from 2020 to 2021.

Table 9 shows the 2021 administrative budget and compares it to the 2019 and 2020 budget. Total administrative expenses went down 16 percent from 2019 to 2020, and 35 percent from 2018 to 2019, largely due to reductions in SCE labor expense as SCE closed non-cost-effective and non-resource programs. The total administrative expenses for 2021 increased by an estimated 50 percent from its 2020 budget, largely

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<sup>54</sup> See *id.*, Conclusion of Law (COL) 36.

<sup>55</sup> See Table 2a (IOU Budget True-Up) in Attachment D of SCE's 2019 ABAL Advice Letter 3859-E-A.

<sup>56</sup> SCE exceeded its commitment to reduce "[f]unding for [Business Customer Division] BAM account managers in SCE's 2021 ABAL ... by at least \$5.169 million (compared to 2018 ABAL funding levels)," as stated in the 2021 General Rate Case (see A.19-08-013, SCE-19, p. 54, lines 6-7).

due to the addition of administrative expenses included in statewide and local third-party program contracts.<sup>57</sup>

The increase in these administrative expenses corresponds with the increase in statewide and local third-party programs in SCE's 2021 EE portfolio.<sup>58</sup> In order to improve cost-effectiveness, SCE is committed to managing its administrative and other non-resource-related costs while ensuring appropriate oversight of its portfolio during and after the transition to the statewide and third-party program implementation model. There is a small increase in IOU Program Labor to account for the realignment of SCE labor to manage the growing number of third-party statewide and local third-party programs and contracts.

For all programs, SCE will maintain the required levels of technical review and quality control to provide appropriate ratepayer protections and rigor around the claimed savings from SCE's portfolio. SCE will continue to evaluate and make labor adjustments through 2022 as the remaining statewide and local third-party solicitations are completed.

**Table 9: Administrative Cost Comparison**

Administrative Budget	2019 ABAL [A]	2020 ABAL [B]	2021 ABAL [C]	2019 to 2020 Increase (Reduction) [B - A]	2020 to 2021 Increase (Reduction) [C - B]
G&A Labor	\$5,789,583	\$5,211,793	\$3,963,233	(\$577,790)	(\$1,248,560)
G&A Non-Labor and Consultant	\$1,904,412	\$1,798,816	\$1,047,065	(\$105,596)	(\$751,751)
IOU Program Labor	\$995,569	\$478,879	\$839,652	(\$516,690)	\$360,773
IOU Program Non-Labor	\$292,159	\$153,281	\$25,003	(\$138,878)	(\$128,278)
SW Program Labor	-	-	\$325,571	-	\$325,571
SW Program Non- Labor	-	-	\$40,381	-	\$40,381
3TP/Partner/SW	\$821,113	\$563,198	\$6,064,060	(\$257,915)	\$5,500,862
Total	\$9,802,836	\$8,205,967	\$12,304,966	(\$1,596,869)	\$4,098,999

Table 10 below provides a list of SCE's programs categorized by programs proposed to be started or closed in 2021, programs with substantially enhanced budgets (>40 percent increase from 2020 budgets) or substantially reduced budgets (>40 percent decrease from 2020 budgets), and continuing programs that are not cost-effective (TRC <1.0). A detailed discussion of these programs is provided in subsections A-D below

<sup>57</sup> See EE Policy Manual (v6), p. 9 and Appendix F, pp. 87-90. Like SCE-implemented programs, statewide and local third-party contracts include administrative expenses that follow the guidelines included in the EE Policy Manual.

<sup>58</sup> As explained in Section X.A, the Third-Party/Partner administrative expenses and a portion of the Statewide Labor and Non-Labor administrative expenses associated with Statewide Lighting listed in Table 9 are an estimate in this ABAL, and they will be updated in a supplemental filing.

and in Attachment E, and they are also summarized in a table in Attachment G. Of the information contained in Table 10, SCE is seeking Commission Staff approval for program closures only, including for programs that will close in 2021 when new third-party local and statewide programs are ramped-up and operational. All other information is for informational purposes only as required in D.18-05-041.<sup>59</sup>

**Table 10: Summary of Program Changes**

<b>Program ID</b>	<b>Program Name</b>
<b>INCENTIVE PROGRAMS PROPOSED TO BE CLOSED IMMEDIATELY</b>	
SCE-13-SW-001C	Multifamily Energy Efficiency Rebate Program
<b>INCENTIVE PROGRAMS PROPOSED TO BE CLOSED UPON COMPLETION OF EXISTING COMMITMENTS</b>	
SCE-13-TP-007	Primary and Fabricated Metals
SCE-13-TP-008	Nonmetallic Minerals and Products
SCE-13-TP-010	Comprehensive Petroleum Refining
<b>INCENTIVE PROGRAMS PROPOSED TO BE CLOSED TO NEW ENROLLMENTS AFTER Q1 2021</b>	
SCE-13-SW-001B	Plug Load and Appliances Program
SCE-13-SW-001F	Residential New Construction Program
SCE-13-SW-002F	Nonresidential HVAC Program
SCE-13-SW-002C	Commercial Deemed Incentives Program
SCE-13-SW-002G	Savings By Design
SCE-13-SW-003B	Industrial Calculated Energy Efficiency Program
SCE-13-SW-003C	Industrial Deemed Energy Efficiency Program
SCE-13-SW-002H	Midstream Point of Purchase
<b>NON-RESOURCE PROGRAMS PROPOSED TO BE CLOSED IMMEDIATELY</b>	
SCE-13-L-002I	Energy Leader Partnership Strategic Support
SCE-13-SW-004A	Agriculture Energy Advisor Program (including Pump Test sub-program)
<b>NEW LOCAL THIRD-PARTY PROGRAMS</b>	
SCE-13-TP-026	Residential 3P Solicitation
SCE-13-TP-027	Commercial 3P Solicitation
SCE-13-TP-028	Industrial 3P Solicitation
<b>NEW SCE-LED STATEWIDE THIRD-PARTY RESOURCE PROGRAMS</b>	
SW_UL	Lighting (Upstream)

<sup>59</sup> See D.18-05-041, p. 128.

SW_UL_PA	Lighting (Upstream) - SCE Costs
<b>EXISTING PROGRAMS WITH ENHANCED BUDGETS (&gt;40% BUDGET INCREASE) TO CONTINUE IN 2021</b>	
SCE-13-TP-024	AB793 Residential Pay for Performance
SCE-13-SW-004C	Agriculture Deemed Energy Efficiency Program
SCE-13-SW-007C	New Finance Offerings
SCE-13-TP-003	Healthcare EE Program <sup>60</sup>
SCE-13-TP-004	Data Center Energy Efficiency <sup>61</sup>
SCE-13-TP-006	Food & Kindred Products <sup>62</sup>
<b>Codes and Standards</b>	
SCE-13-SW-008C	Compliance Improvement
SCE-13-SW-008E	Planning and Coordination
<b>Local Government Partnerships</b>	
SCE-13-L-002F	Gateway Cities Energy Leader Partnership
SCE-13-L-002L	Orange County Cities Energy Leader Partnership
SCE-13-L-002M	San Gabriel Valley Energy Leader Partnership
SCE-13-L-002P	South Santa Barbara County Energy Leader Partnership
SCE-13-L-003C	County of Los Angeles Energy Efficiency Partnership
<b>EXISTING PROGRAMS WITH REDUCED BUDGETS (&gt;40% BUDGET DECREASE) TO CONTINUE IN 2021</b>	
SCE-13-SW-001G	Residential Direct Install
SCE-13-SW-003E	Market Based Incentive
SCE-13-TP-001	Comprehensive Manufactured Homes
SCE-13-TP-005	Lodging EE Program <sup>63</sup>
SCE-13-TP-022	Waterwise Infrastructure Systems EE Program <sup>64</sup>
SCE-13-TP-025	Facility Assessment Service Program
<b>Local Government Partnerships</b>	
SCE-13-L-002B	City of Long Beach Energy Leader Partnership
SCE-13-L-002H	Eastern Sierra Energy Leader Partnership

<sup>60</sup> SCE was approved to close and stop accepting new enrollments for this program in the 2019 ABAL. The program continues to be funded to complete committed projects in the pipeline as of the end of 2018. See SCE Advice Letter 3859-E, p. 11 and 3859-E-A, p. 7.

<sup>61</sup> *Id.*

<sup>62</sup> *Id.*

<sup>63</sup> *Id.*

<sup>64</sup> SCE was approved to close and stop accepting new enrollments for this program in the 2020 ABAL. See SCE Advice Letter 4068-E, p. 17-18.

SCE-13-L-002J	Desert Cities Energy Leader Partnership
SCE-13-L-002K	Kern County Energy Leader Partnership
SCE-13-L-002N	San Joaquin Valley Energy Leader Partnership
SCE-13-L-002R	Western Riverside Energy Leader Partnership
SCE-13-L-003D	County of Riverside Energy Efficiency Partnership
SCE-13-L-003E	County of San Bernardino Energy Efficiency Partnership
SCE-13-L-002W	San Bernardino Association of Governments
SCE-13-L-002S	High Desert Regional Energy Leader Partnership
<b>Institutional Partnerships</b>	
SCE-13-L-003B	California Dept. of Corrections and Rehabilitation EE Partnership
SCE-13-L-003F	State of California Energy Efficiency Partnership
SCE-13-L-003G	UC/CSU Energy Efficiency Partnership
<b>Non-Resource Programs</b>	
SCE-13-SW-003A	Industrial Energy Advisor Program

### A. Program and Subprogram Closures

Proposed program closures are driven by cost-effectiveness considerations, opportunities to contract with third parties, and transition to statewide offerings. Further discussion and details of these programs are in Attachment E.

SCE requests Commission Staff approval to close the Multifamily Energy Efficiency Rebate Program as it is no longer cost effective because most of its measures moved to Codes and Standards, making them ineligible for savings. The program currently lacks sufficient electric measures to support keeping the program open. In addition, this market is available to be served in SCE's Residential solicitation occurring concurrent with this Advice Letter.

SCE requests Commission Staff approval to close Primary and Fabricated Metals, Nonmetallic Minerals and Products, and Comprehensive Petroleum Refining programs, none of which have proven to be cost effective. It is expected that these existing third-party implemented programs will be superseded by new program offerings obtained through SCE's third-party solicitation. These programs will stop accepting new enrollments at the end of 2020 but will honor committed projects submitted by year end.<sup>65</sup>

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<sup>65</sup> Industrial customers have three years to complete their projects under these three programs.

As discussed in Section IV.B, SCE is seeking approval to close several programs that will continue to operate through Q1 2021 or until new statewide or local third-party programs are launched in these markets. These programs include Plug Load and Appliances, Residential New Construction, Nonresidential HVAC, Savings by Design, Commercial Deemed, Industrial Calculated, Industrial Deemed, and Midstream Point of Purchase. SCE is requesting approval in this advice letter to close these programs to new enrollments once new provider(s) are in these markets, and if the request is granted, SCE will not file an additional advice letter to close these programs upon completion of commitments.

SCE requests to close the non-resource Energy Leader Partnership Strategic Support sub-program, also known as the Statewide Energy Efficiency Collaborative, of the Energy Leader Partnership Program. SCE collaborated with the other IOUs and statewide partners to improve the cost-effectiveness of the public sector by eliminating this non-resource cost. It is expected that the new third-party solicitations in this sector will yield cost-effective savings.

SCE also requests to close Agriculture Energy Advisor program as a result of removing all costs for the Pump Test sub-program, also referred to as Hydraulic Services. In its 2021 General Rate Case (GRC) SCE committed to eliminate funding for the sub-program in its 2021 ABAL because pump tests no longer produce claimable energy savings.<sup>66</sup>

## **B. New Programs and Sub-Programs**

As noted above in Section X, SCE will conclude its solicitations for third-party Residential, Commercial, and Industrial programs and Statewide Lighting programs by September 30, 2020.<sup>67</sup> SCE will continue to conduct solicitations and move towards at least 60 percent of SCE's EE budget being allocated to third-party contracts by the end of 2022. SCE is also responsible for funding a portion of new statewide programs where other IOUs are the lead PA. SCE's costs and savings from statewide programs used the funding share method approved in the Joint IOUs Supplemental Advice Letter of the Shared Funding Mechanism Proposal submitted on November 15, 2018.<sup>68</sup>

New local and statewide third-party programs contracted by SCE will provide cost-effective energy efficiency solutions to a broad range of customers. SCE plans to file a supplemental ABAL after contracts are executed, which will include third-party program

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<sup>66</sup> See A.19-08-013, SCE-03, Vol. 5, pp. 27-28 and SCE-19, p. 67, footnote 157.

<sup>67</sup> See D.18-01-004, OP1.

<sup>68</sup> See San Diego Gas and Electric Company (SDG&E) Advice 3268-E-A/2701-G-A; Southern California Gas Company (SoCal Gas) Advice 5346-G-A; Southern California Edison Company (SCE) Advice 3861-E-A; and Pacific Gas and Electric Company (PG&E) Advice 5373-E- A/4009-G-A).

descriptions and their forecast 2021 budget, savings, and cost effectiveness. The method for forecasting costs and savings of third-party programs is described in Section X below. SCE will include specific program descriptions for the new third-party programs with the supplemental ABAL.

The solicitation process and design of the new third-party programs is not intended to be a one-for-one replacement of existing programs. The new solicitations are intended to offer new programs to a broad range of customers. As such, SCE is closing certain non-cost-effective programs with the expectation that new third-party and statewide programs will support these customers. If SCE learns that certain customer groups are not being served by the new programs, SCE will consider maintaining existing programs in these markets or conducting targeted third-party solicitations to provide EE solutions to these customers.

### **C. Reduced and Expanded Programs**

Pursuant to D.18-05-041, the list set forth in Table 10 reflects reduced and expanded programs whose total budget is proposed to increase or decrease by more than 40 percent. Please see Attachment E for details of programs in Table 10. The continuation of these programs may be impacted by the next round of third-party EE solicitations, which is scheduled to be completed in Q4 2021.<sup>69</sup> If any third-party programs start earlier than expected, SCE will ramp-down and close existing programs or corresponding program offerings as needed.

SCE will prepare a new solicitation for AB793: Residential Pay for Performance programs, in consultation with SCE's PRG and IEs. This third-party implemented program did not attract customers under its former design. SCE plans to have a new third-party under contract in Q4 2021 for this compliance program.

The budget for the Agriculture Deemed EE Incentive Program increased due to a forecasted increase in customer incentive payments. The Agriculture Deemed program offers eligible agricultural customers rebates to upgrade their existing equipment to more efficient technologies. Deemed retrofit measures have fixed rebate amounts per measure unit and are intended for projects that have well-defined energy and demand savings.

The New Finance Offerings, which include the Residential Energy Efficiency Loan (REEL) program and other pilots, offer California customers attainable financing options for the installation of Energy Efficiency measures, particularly in under-served market sectors. The New Finance Offerings are administered by the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) in collaboration with California Hub for Energy Efficiency Financing (CHEEF), a public-private

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<sup>69</sup> See Attachment D, Appendix C for the SCE Third-Party Solicitation Schedule.



partnership among state agencies, utilities, lenders, contractors, and borrowers. Resolution E-5072 approved the transition of REEL from a pilot to a full-scale program in April 2020 and authorized the large IOUs to utilize the ABAL process by including funds for the program and pilots in the authorized annual energy efficiency budget.<sup>70</sup> This forecast includes SCE's portion of increased budget for the REEL program and pilots, which continues to be administered by the CHEEF, as well as allocation for SCE's portion of the IT and Marketing co-funding agreement with SCG for 2021. This allocation maintains the same level of funding received from 2017 through 2020.<sup>71</sup> SCG is the lead utility for the finance contract for ME&O to support the REEL program and EE finance pilots.

SCE expects the Plug Load and Appliances program to transition to the statewide program operating under San Diego Gas & Electric Company.<sup>72</sup> The 2021 program budget increased from 2020 due to the addition of cost-effective heat pump water heater and HVAC heat pump fuel substitution measures that became available in 2020. This addition leads to an increased budget of more than 40 percent even though the program is only forecast for Q1.

SCE was approved to close and stop accepting new enrollments for several programs in SCE's 2019 ABAL: Healthcare Energy Efficiency, Data Center Energy Efficiency, Lodging Energy Efficiency, and Food and Kindred Products.<sup>73</sup> 2021 is the last year for existing customers to submit for project completion, and the relatively small budgets for these programs increased or decreased based on the final estimated costs.<sup>74</sup>

SCE increased the budgets of two successful Codes & Standards sub-programs: Planning and Coordination and Compliance Improvement. Planning and Coordination has previously been identified by the CPUC as a vehicle to expand the coordination role of Codes & Standards in the market adoption cycle for energy efficiency technologies and practices.<sup>75</sup> The program accelerates market acceptance and ultimately the adoption of successful, cost-effective technologies or practices into code. In 2021, SCE

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<sup>70</sup> Resolution E-5072, OP 7.

<sup>71</sup> *Id.*, OP 5.

<sup>72</sup> The Plug Load and Appliances program is listed in Table 10 under "Incentive Programs Proposed to be Closed After Q1 2021," though it is also a program with an enhanced budget (>40% budget increase).

<sup>73</sup> See SCE Advice Letter 3859-E, p. 11 and 3859-E-A, p. 7.

<sup>74</sup> The programs will close out on March 31, 2022.

<sup>75</sup> A.17-01-013, Chapter IX includes an "outline of the relevant roles of each of the Codes and Standards sub-programs relative to other IOUs programs and non-IOUs initiatives" as required by D.12-05-015, OP 91.

will lead statewide collaboration in three main areas: (1) public programs modernization, (2) building energy modeling (BEM), and (3) building-grid harmonization.

Through Compliance Improvement, SCE leverages its experience and expertise to (1) develop proposed language so that new codes and standards are easier for local jurisdictions and implementers to understand and enforce and (2) develop and implement education and training resources for market actors, including designers, contractors, builders and building inspectors. In 2021, SCE plans to roll out a full catalog of all-electric design training for both residential and nonresidential sectors as the 2019 Energy Code provided the opportunity for moving the market towards decarbonization with the all-electric baseline modification. SCE will also be supporting the development of the multifamily Codes and Standards Enhancement (CASE) code language for the 2022 update to Title 24, Part 6. SCE will continue to engage with local chapters of Industry Organizations and support Energy Code Ace (ECA), which has become a lead resource for energy compliance support.

Local Government Partnerships (LGPs), through SCE's Energy Leadership Partnership (ELP) Program, support local governments in achieving their energy efficiency and sustainability goals. While SCE is transitioning away from the ELP program structure, and intends to replace it with new third-party implemented programs that target local governments, SCE is committed to continue supporting local governments through the ELP while being mindful of the impacts on the cost effectiveness of SCE's portfolio. In 2021, SCE will continue offering enhanced incentive amounts to assist local government customers to develop and complete EE projects at their facilities.<sup>76</sup> SCE realized additional cost-reductions in these programs, including for the programs with increasing budgets, by offering technical assistance through internal engineering resources and SoCalREN's Public Sector Programs. Additionally, SoCalREN has decided to use their Public Sector programs to continue to pay implementers of certain LGPs to continue to host meetings to discuss EE projects and programs. As shown in Table 10, budgets for SCE's LGPs increased or decreased to the extent that SCE expects projects with enhanced incentives to be installed or reserved in 2021. As described in Section VIII.D., this sector is expected to be served by new third-party programs following a Local Public third-party solicitation.

Like LGPs, Institutional Partnerships support large state-run institutions in achieving their energy efficiency and sustainability goals. As shown in Table 10, budgets for these programs decreased based on the projects in the pipeline. As described in Section VIII.D., this sector is expected to be served by new third-party programs following a Statewide Public third-party solicitation.

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<sup>76</sup> Incentive tiers will be based on final estimated tier levels from Q1 2020, which SCE communicated to ELP participants via email on 8/1/2019.

SCE was approved to close and stop accepting new enrollments for the Water Infrastructure Systems EE Program in SCE's 2020 ABAL.<sup>77</sup> SCE has decreased its budget forecast for 2021 in line with expected vendor performance payments for in-flight projects that were committed in prior program years.

Five additional incentive programs are forecast to have a budget reduction of more than 40 percent in 2021: Comprehensive Manufactured Homes, Residential Direct Install, Market Based Incentive (MBI) Pilot, Facility Assessment Service, and Lodging EE Program.

Comprehensive Manufactured Homes is a cost-effective program designed to provide no-cost EE measures to manufactured home parks and its residents. Funding for this program decreased due to the elimination of non-cost-effective HVAC measures from the program. HVAC measures have seen reductions in achievable energy savings due to dispositions and avoided costs updates, subsequently rendering them cost-prohibitive.

While Residential Direct Install remains cost-effective, HVAC measures have seen reductions in achievable energy savings due to dispositions and avoided costs updates, rendering them cost-prohibitive. The budget for this program decreased due to a relative reduction in the program's cost-effectiveness. SCE will continue to review this program and its measures for potential cost-effective improvements.

The MBI Pilot opened in 2020 to assess market-based opportunities to re-engage participants in the large Commercial & Industrial segment. Due to the expected timing of awarded bids in late 2020 and a two-year project development cycle, expected project savings and incentives are not expected until 2022 to 2023. As such, estimated budget needs are minimal during 2021.

SCE created the Facilities Assessment Service program pursuant to AB793 and the associated Commission Resolution E-4820. This third-party implemented program targets small-to-medium business (SMB) customers who modify practices and behaviors to reduce energy usage and meet energy savings goals under a pay-for-performance model. The forecasted budget for this program decreased due to a reduction in expected engineering support. In 2021, SCE will evaluate whether to continue with the current implementer or offer a new targeted solicitation.

SCE was approved to close and stop accepting new enrollments for the Lodging EE program in the 2019 ABAL.<sup>78</sup> No budget has been allocated for this program in 2021

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<sup>77</sup> See SCE Advice Letter 4068-E, p. 17-18.

<sup>78</sup> SCE Advice Letter 3859-E, p. 11 and 3859-E-A, p. 7.

and December 31, 2021 is the last date for existing customers to submit for project completion.

Finally, the Industrial and Commercial Energy Advisor non-resource programs offer building benchmarking and technical support in compliance with AB802 regulations for covered buildings within SCE territory. The program budgets are decreasing due to low participation by small-to-medium businesses in the Energy Efficiency Audit Tool, and the subsequent discontinuation of the tool.<sup>79</sup>

#### **D. Continuation of Non-Cost-Effective Programs**

As shown in Table 11, SCE is proposing to continue several non-cost-effective programs in 2021 in order to comply with various regulatory mandates, achieve 2021 savings goals, and/or support customers through the transition period to third-party programs. In addition, SCE will continue to evaluate its portfolio of programs in response to the competitive solicitations, cost-effectiveness, and the ability to achieve goals and metrics, as well as other factors, and may propose changing or eliminating programs in the future.

As described in Section VIII.C., SCE will conduct a new solicitation for AB793: Residential Pay for Performance, which is expected to launch in Q4 2021. While there will be expenditures for the program in 2021, SCE does not expect to realize savings until 2022 and beyond. This compliance program is historically non-cost-effective, and SCE hopes that the new solicitation will improve results.

Per the Commission's guidance in D.16-08-019, there should be no funding gaps for programs which have been identified as future statewide programs.<sup>80</sup> In addition, D.18-05-041 states that PAs cannot opt out of statewide programs and are required to fund all statewide programs.<sup>81</sup>

SCE will complete a third-party solicitation for Agricultural and Local Public Sector programs by October 31, 2021, and SCE will complete a third-party solicitation for Statewide Programs of Higher Education by January 31, 2022.<sup>82</sup> These solicitations are expected to serve the markets currently served by SCE's agricultural customized and deemed programs, Local Government Partnership (LGP) and Institutional Partnership

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<sup>79</sup> Commercial Energy Advisor's budget is forecast to decrease by 36 percent, and it is therefore not included in Table 10.

<sup>80</sup> See D.16-08-019, p.66.

<sup>81</sup> See D.18-05-041, OP 22.

<sup>82</sup> See Attachment D, Appendix C.

programs, as listed in Table 11.<sup>83</sup> SCE is continuing its customized and deemed agricultural programs in 2021, although they are not cost effective, to allow agricultural customers to submit energy efficiency projects without a gap in the market. LGP programs, while not cost-effective, will continue to receive enhanced incentives for submitted projects until new third-party programs are in place. As described in Section VIII.C., cost-reductions in LGP programs have led to increased cost-effectiveness. Largely, the measures associated with both LGP and Institutional Partnership programs are not cost-effective.

**Table 11 – Non-Cost-Effective Resource Programs  
Continuing in 2021**

<b>Program ID</b>	<b>Program Name</b>	<b>2021 TRC</b>
<b>Non-Cost-Effective Programs to Continue due to Regulatory Mandate</b>		
SCE-13-TP-024	AB793 Residential Pay for Performance	0.03
<b>Non-Cost-Effective Programs to Continue Until New Third-Party Programs Operate</b>		
SCE-13-SW-004B	Agriculture Calculated Energy Efficiency Program	0.40
SCE-13-SW-004C	Agriculture Deemed Energy Efficiency Program	0.80
<b>Local Government Partnerships<sup>84</sup></b>		
SCE-13-L-002B	City of Long Beach Energy Leader Partnership	0.58
SCE-13-L-002F	Gateway Cities Energy Leader Partnership	0.63
SCE-13-L-002L	Orange County Cities Energy Leader Partnership	0.50
SCE-13-L-002M	San Gabriel Valley Energy Leader Partnership	0.57
SCE-13-L-002O	South Bay Energy Leader Partnership	-
SCE-13-L-002P	South Santa Barbara County Energy Leader Partnership	0.86

<sup>83</sup> Institutional Partnerships are expected to be served by new third-party programs following a Statewide Public third-party solicitations led by PG&E for State of California Department of General Services and Dept. of Corrections and SCE for University of California, California State University and California Community Colleges.

<sup>84</sup> Local Government Partnership programs with no TRC value have limited projects planned for 2021.

SCE-13-L-002Q	Ventura County Energy Leader Partnership	0.77
SCE-13-L-002T	West Side Energy Leader Partnership	0.35
SCE-13-L-002V	North Orange County Cities	0.94
SCE-13-L-002W	San Bernardino Association of Governments	-
Institutional Partnerships		
SCE-13-L-003A	California Community Colleges Energy Efficiency Partnership	0.07
SCE-13-L-003B	California Dept. of Corrections and Rehabilitation EE Partnership	0.61
SCE-13-L-003F	State of California Energy Efficiency Partnership	0.32
SCE-13-L-003G	UC/CSU Energy Efficiency Partnership	0.07

## **IX. DISCUSSION OF SCE'S 2021 FORECASTED TRC RESULT**

### **A. Why SCE is Forecasting a TRC Below 1.25**

SCE continuously strives to enhance its EE portfolio to improve customer participation, optimize portfolio cost-effectiveness, and address long-term planning and near-term delivery objectives. In SCE's opening comments to the ALJ's ruling seeking comments on NRDC motion, also filed on September 1, 2020, SCE recommends that the Commission consider operational and policy changes that better align with the current state of energy efficiency in California and that will allow the IOUs to administer EE portfolios in a cost-effective manner and meet Commission-mandated goals.<sup>85</sup> Until any such changes are made by the Commission, SCE will continue to operate under the current 2018-2025 EE Business Plan and Commission requirements as set forth in Section III.

SCE is unable to forecast a portfolio that can reasonably meet a TRC above 1.25 for 2021 for the following reasons:

#### **1. 2021 is a transition year for third-party programs**

As discussed above, 2021 is the first year in which SCE will begin its transition from its role as a program administrator and implementer to one of an administrator of more than 40 percent of its portfolio.<sup>86</sup> SCE expects new statewide and third-party programs to drive sizable cost-effective savings contribution in 2022 and beyond once they are fully operational across all market sectors; however, SCE will continue to operate several non-cost-effective programs until the new third-party programs are available in the market to minimize gaps in program offerings for customers.

#### **2. The market opportunity for cost-effective savings is declining**

The Decision adopting the 2020 Potential Study<sup>87</sup> acknowledges a reduction in energy efficiency potential and correctly states, "we view this as a product of California's longstanding commitment to and actions to achieve energy efficiency

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<sup>85</sup> See R.13-11-005, Administrative Law Judge's Ruling Seeking Comments Regarding Natural Resource Defense Council Motion, dated 7/31/2020. SCE provided additional relevant recommendations on May 22, 2020 in comments on R.13-11-005 Administrative Law Judge's Ruling Inviting Responses to Potential and Goals Policy Questions dated March 12, 2020.

<sup>86</sup> See Potential and Goals Decision, p. 14. "...the IOUs are in a state of transitioning an increasing proportion of programs to third-party implementers, among other changes to their portfolios."

<sup>87</sup> See D.19-08-034, page 6.

savings...” Over the past ten years, the electrical grid has become significantly “cleaner” through rapidly increasing renewable sources and the transition of savings to building and appliance codes and standards. Additionally, as DEER peak shifted from 2pm – 6pm to 4pm – 9pm, savings opportunities shifted with it from commercial and industrial sectors to the residential sector. The residential sector, however, has limited potential because of cost effectiveness challenges overall and specifically because most plug load opportunities lie outside of the purview of the IOUs’ incentive programs and are driven by code requirements.

In line with declining market potential, SCE has experienced a decrease in customer participation in downstream programs. Specifically, there has been a significant decline in the participation of SCE’s large industrial and commercial customers. SCE’s primary EE program offerings for large business customers (Core Calculated and targeted Commercial and Industrial Third-Party programs) experienced a 90 percent decrease<sup>88</sup> in net energy savings from 2014 to 2018, despite these large customers representing 85 percent and 46 percent of the annual energy consumption of all industrial and commercial customers, respectively.<sup>89</sup> These declining participation rates are due to various factors, including changing and potentially ambiguous eligibility requirements, uncertainty about timing and amount of incentives, and rising codes and standards baselines, which reduce the availability of cost-effective measures.

### 3. Exclusion of codes and standards savings attribution creates a higher hurdle

Historically, SCE’s portfolio could support more non-cost-effective programs and non-resource costs because of the availability of highly cost-effective measures within other programs in the portfolio and the attribution of savings from Codes and Standards (C&S) Advocacy. However, elimination of C&S savings from portfolio goals has created savings pressure in other areas, namely in resource programs. While third-party implementation may help bridge the savings gap, without C&S savings attribution, achievement of a minimum 1.25 TRC will remain challenging, based on EE savings opportunities available today.

### 4. Commission directed requirements for non-cost-effective programs create additional challenges to meet TRC

The Commission has mandated the IOUs continue to fund non-resource programs that do not yield TRC benefits. For 2021, SCE budgeted \$15.51 million for WE&T, Commercial and Industrial Energy Advisor, On-Bill Financing, New Finance Offerings, and EM&V, which are non-resource program costs that require cost-

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<sup>88</sup> See Advice 3992-E

<sup>89</sup> See Southern California Edison Company’s Amended Energy Efficiency Rolling Portfolio Business Plan for 2018-2025, February 10, 2017, p. 89 and 121.



effective counter-balancing by resource programs. These programs represent approximately 10% of SCE's portfolio budget. SCE's forecasted 2021 TRC would be 1.12 without these non-resource programs.

SCE acknowledges the value of these non-resource programs and activities and agrees with the Commission that they often complement resource programs. But given their overall cost burden on the portfolio, they will continue to make achievement of a forecasted 1.25 TRC challenging, especially considering declining market potential for resource-based savings.

### **B. Ability to Achieve an Evaluated TRC of 1.0**

For 2021, SCE forecasts a 1.0 TRC. With no margin above 1.0, SCE expects achievement of an evaluated TRC of 1.0 will be possible but challenging, a sentiment echoed by the Commission in its scoping ruling issued in R.13-11-005 on July 3, 2020. Recognizing the difficulty in achieving an evaluated TRC of 1.0, SCE aims to minimize the potential for a widening gap between forecasted and evaluated TRC through interventions over which it has direct influence, namely those that drive cost-effective contributions from third-party contracts, labor and non-labor cost reductions, and program closures. Through these efforts, SCE is able to forecast a TRC above 1.0 for existing SCE resource programs, and new SCE-led local and statewide third-party programs. However, given the cost burden of non-resource programs, SCE is unable to forecast an overall TRC significantly greater than 1.0, thereby leaving no margin to buffer the risk of underperforming to an evaluated TRC of 1.0.

SCE believes that it is important to maintain some non-cost-effective programs until new third-party programs come on-line to ensure the relevant customers continue to be served by energy efficiency programs. SCE will also keep open non-cost-effective and non-resource programs as required by the Commission and State law. These non-cost-effective and non-resource programs lower the forecasted TRC and impact SCEs ability to achieve a TRC greater than 1.0. SCE will continue to look for ways to improve the cost-effectiveness of non-cost-effective programs and maintain reasonable costs in non-resource programs.

SCE expects that the following drivers will support SCE in achieving an evaluated TRC at or near 1.0:

#### **1. Third-party proposed, designed and delivered programs**

SCE supports the Commission's guidance to contract for third-party proposed, designed and implemented programs, primarily through pay-for-performance models, to deliver savings towards the energy efficiency goals of California, both through SCE local and the IOUs' statewide solicitations. By the end of 2020, SCE will have at least 40 percent of its portfolio budget under contract with third-parties. Even after allowing for ramp up and wind down contingencies, SCE remains

confident that these third-party administered programs will contribute meaningful savings to the portfolio.

## 2. Reduction in labor and non-labor costs

As SCE's program administrator and implementer role transitions to primarily a program administrator, SCE anticipates a 25 percent reduction in its 2021 labor costs versus its 2020 ABAL. This reduction is in addition to the reductions SCE implemented in past ABALs. These savings will contribute to the overall portfolio TRC.

To achieve SCE's cost-effectiveness goal for 2021, SCE reduced non-labor/non-incentive budgets across the board except for the Energy Advisor Program. Programs that do not contribute to TRC cost were excluded from this reduction and include the Emerging Technologies Program and the Codes and Standards Program.

## 3. Program closures and budget reductions

As detailed above, SCE proposes several program closures and significant budget reductions in non-cost-effective programs to improve overall portfolio cost effectiveness. By eliminating non-cost-effective programs in whole or as part of the third-party solicitation process, downside risk to an evaluated TRC decreases. Additionally, significant budget reductions in non-cost-effective programs still in the market will contribute to this risk reduction as well. These interventions will help optimize for cost-effectiveness overall.

### **C. Progress Towards Achieving A Forecasted TRC of 1.25**

SCE is on track to achieve at least 60 percent third-party implemented programs by December 31, 2022, which is a key component that will allow SCE to achieve a forecasted TRC at or above 1.25 for 2023. As SCE brings on new, cost-effective third-party and statewide programs, it will continue efforts to modernize its EE portfolio by proposing to close existing programs that are not cost effective. Furthermore, SCE expects third-party cost effectiveness to improve over time as the markets mature, achieve full scale operations, incorporate lessons learned and best practices, and become more efficient.

As mentioned above, SCE will continue to close non-cost-effective programs as new third-party programs come online following solicitations taking place through 2021 and into Q1 2022.<sup>90</sup> These new solicitations cover the Agricultural, Local Public Sector, Statewide UC/CSU/CCC Higher Education and Water/Wastewater sectors and Electric

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<sup>90</sup> <https://www.caeec.org/third-party-solicitation-process>

Emerging Technologies. It is expected that closing remaining non-cost-effective programs and replacing them with cost-effective third-party proposed, designed, and delivered programs will contribute to achieving a TRC above 1.25.

In addition, SCE is committed to modernizing its portfolio by supporting its customers with third-party implemented EE behavioral programs that require enhanced data and/or reporting functionality; however, such programs will need to launch after SCE completes key phases of the Customer Service Re-Platform Project (CSRP).<sup>91</sup> As a result, some new third-party proposals for large-scale behavioral programs will not be able to launch until late 2022. These programs are expected to contribute to a future forecasted TRC above 1.25.

SCE will continue to work under the current policy framework to optimize its portfolio in response to competitive solicitations, cost-effectiveness challenges, changes in the marketplace, and other factors, in order to maximize the TRC of its portfolio and make our best effort to achieve a forecasted TRC of 1.25. SCE appreciates the Commission's recognition of the difficulty of forecasting and achieving cost-effective portfolios, as well as the additional uncertainty introduced by COVID-19.<sup>92</sup> SCE looks forward to future policy guidance from the Commission, and SCE commits to filing recommendations in R. 13-11-005 for policies that better align and modernize the current EE landscape. In addition to all of the other efforts discussed above, SCE anticipates that additional policy guidance could provide a clearer path to portfolios that meet all of the goals of energy efficiency, including any non-resource goals, and allow the IOUs to reasonably forecast a TRC of 1.25 or greater.

## **X. THIRD-PARTY PROGRAM REQUIREMENTS**

SCE will have at least 25 percent of the EE program budget under contract with third-parties by September 30, 2020 and at least 40 percent programs under contract by December 31, 2020, as required by D.18-01-004.<sup>93</sup> SCE is in the process of conducting multiple solicitations for third-party energy efficiency programs, two of which – the local Residential, Commercial and Industrial (RCI) solicitation and the Statewide Lighting solicitation – are scheduled to result in executed contracts by September 30, 2020.

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<sup>91</sup> SCE is currently modernizing its enterprise billing infrastructure by replacing SCE's Customer Service System (CSS) with an SAP solution via SCE's Customer Service Re-Platform Project (CSRP). In 2019, SCE initiated a business freeze that limited enhancements made to CSS to ensure functionality would be successfully migrated to the SAP solution. New enhancements will be prioritized after CSRP stabilizes, which is anticipated to occur in early 2022.

<sup>92</sup> Ruling issued in R.13-11-005 on July 3, 2020 p.9-10.

<sup>93</sup> See D.18-01-004, OP1. Pursuant to D.18-01-004, the Energy Division extended the deadline for SCE to have at least 25% of the EE program budget under contract to September 30, 2020 in a letter from Alice Stebbins dated November 25, 2019.

SCE's portion of solicitations for new statewide third-party programs being conducted by other Investor-Owned Utilities (IOUs) in California also contribute to the goal.

SCE will meet the requirement that at least 60 percent of its EE budget be allocated to third-party programs by December 31, 2022 through additional solicitations, as well as through funding for statewide solicitations conducted by other California IOU statewide leads. Details of SCE's EE Third-Party solicitation activities are posted on the California Energy Efficiency Coordinating Committee (CAEECC) website.<sup>94</sup>

#### **A. Estimated Third-Party Forecast (Prior to Supplemental Filing)**

This ABAL includes estimated budgets, savings and cost effectiveness ratios for the Residential, Commercial, and Industrial solicitation and the Statewide Lighting solicitation as placeholders until the contracts for those solicitations are executed. These values were developed using actual bid data to inform reasonable assumptions pertaining to savings, budgets, and cost-effectiveness. The budget amount being requested in this ABAL, and in the supplemental, represents the full amount SCE will be obligated to pay under the executed third-party contracts, assuming an implementer maximizes their performance. To maintain anonymity of third parties and the confidentiality of sensitive market data during negotiations, these values were aggregated and evenly divided between the Residential, Commercial and Industrial sectors this Advice Letter. The Statewide Lighting estimate is also presented in aggregate, but the values are shown within the sector where applicable in this ABAL. SCE intends to file a supplemental ABAL to include actual forecasts for the programs broken out by contract within their appropriate sector.

As mentioned in Section II, SCE has received final offers from bidders but has not yet completed contract selection and execution. As such, the final savings, budgets, and cost-effectiveness values found in the supplemental ABAL may differ slightly depending on final selection.

On August 12, 2020, SCE received final offers from bidders that reflect up-to-date pricing and savings targets/forecasts. Bidders are not required to disclose the factors used to update their bids, but they may have considered factors, including, but not limited to, the final terms and conditions of the contracts, further refinement of forecasts, changed market conditions, and changed measure eligibility and workpapers. The aggregated third-party budget for the Residential, Commercial, and Industrial sectors included in this ABAL incorporates these final offers.<sup>95</sup> The estimate for budget and cost effectiveness for the third-party Statewide Lighting program used in this ABAL continues to be based on third-party proposals submitted in February 2020. This same estimate is

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<sup>94</sup> <https://www.caeccc.org/third-party-solicitation-process>

<sup>95</sup> Proposals are subject to final review and approval, therefore the third-party estimates used in this ABAL may vary slightly from the actual contracted values used in the supplemental ABAL filing.

also used by other IOUs in their ABALs for PY 2021. SCE did not update the Statewide Lighting estimate to maintain consistency with the estimates used across IOUs and in order to maintain the confidentiality of the solicitation process. In SCE's supplemental ABAL, SCE will provide the updated forecasts that reflect the various values based on final, executed contracts for the solicitations.

Taking into consideration the current estimate of SCE-led third-party proposals, the final statewide program metrics led by other IOUs, and additional updates to SCE labor and existing program measures, SCE optimized its portfolio in order to balance cost-effectiveness and market coverage through this transition year.

### **B. Third-Party Solicitation Process**

As directed by the Commission, the third-party solicitations provide market participants the flexibility to propose, design and deliver their programs, consistent with all applicable laws, rules and regulations. As a part of the solicitation process, SCE has been closely evaluating third-party offers and their forecasts as a part of the two-stage solicitation process. Additionally, during the RFP portion of the process, SCE has had multiple rounds of cost-effectiveness discussions and engineering feedback with bidders to support the necessary rigor for third-party assumptions. To complete the cost-effectiveness discussions, SCE worked closely with PRG members and IEs.

SCE's solicitation process is designed to comply with the necessary program inputs and support reasonable assumptions for third-party programs while allowing third-party program implementers to use their market knowledge to inform their program designs. SCE is supportive of the Commission's pay-for-performance preference to ensure that third-party compensation is commensurate with the performance of third-party programs and the forecasts associated with their programs.

### **C. Other IOU-Led Statewide Programs**

SCE's budget, savings, and cost effectiveness inputs from statewide third-party programs not led by SCE used the funding share method approved in the Joint IOUs Supplemental Advice Letter of the Shared Funding Mechanism Proposal submitted on November 15, 2018.<sup>96</sup>

## **TIER DESIGNATION**

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<sup>96</sup> See San Diego Gas and Electric Company (SDG&E) Advice 3268-E-A/2701-G-A; Southern California Gas Company (SoCal Gas) Advice 5346-G-A; Southern California Edison Company (SCE) Advice 3861-E-A; and Pacific Gas and Electric Company (PG&E) Advice 5373-E- A/4009-G-A).

Pursuant to General Order (GO) 96-B, Energy Industry Rule 5.2, this advice letter is submitted with a Tier 2 designation.

### **EFFECTIVE DATE**

This advice filing will become effective on October 1, 2020, the 30<sup>th</sup> calendar day after the date submitted.

### **NOTICE**

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be submitted to:

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, California 94102  
E-mail: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

Gary A. Stern, Ph.D.  
Managing Director, State Regulatory Operations  
Southern California Edison Company  
8631 Rush Street  
Rosemead, California 91770  
Telephone (626) 302-9645  
Facsimile: (626) 302-6396  
E-mail: [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com)

Laura Genao  
Managing Director, State Regulatory Affairs  
c/o Karyn Gansecki  
Southern California Edison Company  
601 Van Ness Avenue, Suite 2030  
San Francisco, California 94102  
Facsimile: (415) 929-5544  
E-mail: [Karyn.Gansecki@sce.com](mailto:Karyn.Gansecki@sce.com)

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and must be received by the deadline shown above.

In accordance with General Rule 4 of GO 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B, A.17-01-013 et al and R.13-11-005 service lists. Address change requests to the GO 96-B service list should be directed by electronic mail to [AdviceTariffManager@sce.com](mailto:AdviceTariffManager@sce.com) or at (626) 302-4039. For changes to all other service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at [Process\\_Office@cpuc.ca.gov](mailto:Process_Office@cpuc.ca.gov).

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <https://www.sce.com/wps/portal/home/regulatory/advice-letters>.

For questions, please contact Brandon Sanders at (626) 320-0949 or by electronic mail at [Brandon.Sanders@sce.com](mailto:Brandon.Sanders@sce.com)

**Southern California Edison Company**

/s/ Gary A. Stern, Ph.D.  
Gary A. Stern, Ph.D.

GAS:bs:jm  
Enclosures



# 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:

## ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtailable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	

## Attachment A

### Commission-Developed ABAL Table

## SCE PY 2021 Forecasted Budgets and Savings

PA Name: Southern California Edison  
Budget Year: 2021

Sector	Program Year (PY) Budget	PA PY FORECAST ENERGY		
		PA forecast kWh	PA forecast kW	PA forecast therms (MM)
Residential	\$45,822,420	215,355,684	40,104	-
Commercial	\$35,002,558	73,698,706	11,251	-
Industrial	\$19,706,340	55,999,916	4,058	-
Agriculture	\$942,323	1,316,156	358	-
Emerging Tech	\$7,797,985	na	na	na
Public	\$8,459,650	17,825,865	2,398	-
WE&T	\$4,931,915	na	na	na
Finance	\$1,776,045	na	na	na
OBF Loan Pool	\$15,000,000	na	na	na
<b>IOU Subtotal</b>	<b>\$139,439,238</b>	<b>364,196,327</b>	<b>58,170</b>	<b>-</b>
<b>CPUC Program Savings Goal</b>		<b>336,000,000</b>	<b>69,000</b>	<b>-</b>
<b>Forecast savings as % of CPUC Program Savings Goal</b>		<b>108%</b>	<b>84%</b>	<b>0%</b>
Codes and Standards	\$16,315,837	881,840,628	192,020	-
<b>IOU EM&amp;V</b>	<b>\$7,110,751</b>			
<b>IOU PY Spending Budget Request<sup>1</sup></b>	<b>\$162,865,826</b>			
<b>(LESS) IOU Uncommitted and Unspent Carryover Balance<sup>2</sup></b>	<b>\$80,070,024</b>			
<b>IOU PY Budget Recovery Request<sup>3</sup></b>	<b>\$82,795,802</b>			
<b>IOU Authorized PY Budget Cap (D.18-05-041)</b>	<b>\$266,803,000</b>			
<b>CCA PY Budget Recovery Request (excl. CCA Uncommitted/Unspent Carryover)<sup>4</sup></b>	<b>\$0</b>			
<b>SoCal REN PY Budget Recovery Request (excl. REN Uncommitted/Unspent Carryover)<sup>4</sup></b>	<b>\$17,799,526</b>			
<b>3CREN PY Budget Recovery Request (excl. REN Uncommitted/Unspent Carryover)<sup>4</sup></b>	<b>\$2,991,797</b>			
<b>Total PA (IOU+CCAs+RENs ) PY Recovery Budget<sup>5</sup></b>	<b>\$103,587,125</b>			
<b>IOU Forecast PY TRC</b>	<b>1.00</b>			
<b>IOU Forecast PY PAC</b>	<b>1.11</b>			

<sup>1</sup> This is amount by which Statewide 25% requirement will be measured, and what the IOU intends to spend in the PY, including carryovers.

<sup>2</sup> The balance of unspent uncommitted must reflect the total unspent uncommitted starting Jan 1 2018 through Dec 31 of current year (PY-1). Because each ABAL is filed in Q3, this unspent uncommitted amount will be an estimate for the year in which the ABAL is filed. Includes SoCalREN and 3CREN Unspent Uncommitted funds.

<sup>3</sup> The amount of funds to be collected (budget recovery) for the Program Year - Line 19 less line 20

<sup>4</sup> Add a separate row for each REN or CCA

<sup>5</sup> Line 25 is a mix of budget spending and budget recovery for all PAs in the IOU service area

Note that True-Up Tables 2a, 3.a.i, 3.a.ii, and 3.a.iii, provided via email from Amy Reardon on July 19, 2018, are not provided herein as they are unchanged from SCE's 2019 ABAL. See Advice Letter 3859-E for True-Up tables.

## SCE PY 2021 Energy Efficiency Cap and Target Expenditure Projections

2021 SCE Energy Efficiency Cap And Target Expenditure Projections							
Line	Budget Category	Expenditures			Cap & Target Performance		
		Non-Third Party Qualifying Costs (including PA costs and old-definition 3P/GP contracts that don't meet the new definition)	Third Party Qualifying Costs <sup>2</sup> (including SW)	Total Portfolio	Percent of Budget	Cap %	Target %
1	<b>Administrative Costs</b>	<b>\$4,181,464</b>	<b>\$8,123,502</b>	<b>\$12,304,966</b>			
2	IOU <sup>1,2</sup>	\$2,703,977	\$2,059,441	\$4,763,418	3.2%	10.0%	
3	Third Party & Partnership <sup>3</sup>	\$0	\$6,005,814	\$6,005,814			10.0%
4	Target Exempt Programs <sup>4</sup>	\$1,477,487	\$58,247	\$1,535,734			
5	<b>Marketing and Outreach Costs <sup>5</sup></b>	<b>\$721,752</b>	<b>\$3,889,477</b>	<b>\$4,611,228</b>			
6	Marketing & Outreach	\$721,752	\$3,889,477	\$4,611,228	3.1%		6.0%
7	Statewide Marketing & Outreach <sup>5 4</sup>	\$0	\$0	\$0			
8	<b>Direct Implementation Costs</b>	<b>\$70,601,816</b>	<b>\$53,237,065</b>	<b>\$123,838,881</b>			
9	Direct Implementation (Incentives and Rebates)	\$18,880,788	\$17,302,916	\$36,183,704			
10	Direct Implementation (Non Incentives and Non Rebates) <sup>6</sup>	\$25,898,988	\$31,218,930	\$57,117,917	38.6%		20.0%
11	Direct Implementation Target Exempt Programs <sup>3</sup>	\$25,822,040	\$4,715,220	\$30,537,260			
12	<b>EM&amp;V Costs (Investor Owned Utilities &amp; Energy Division) <sup>7,8</sup></b>	<b>\$7,110,751</b>	<b>\$0</b>	<b>\$7,110,751</b>	<b>4.8%</b>	<b>4.0%</b>	
13	<b>Total <sup>9</sup></b>	<b>\$82,615,782</b>	<b>\$65,250,043</b>	<b>\$147,865,826</b>			
14	<b>2021 Proposed Budget <sup>10</sup></b>	<b>\$97,615,782</b>	<b>\$86,041,366</b>	<b>\$183,657,149</b>			
15	<b>Third-Party Implementer Contracts/SW Programs (as defined per D.16-08-019, OP 10) <sup>11, 12</sup></b>	<b>\$0</b>	<b>\$78,859,336</b>	<b>\$78,859,336</b>	<b>53.3%</b>		

<sup>1</sup> 10% cap requirement based on D. 09-09-047 is set for IOU only.

<sup>2</sup> Excludes \$7,338,722 of PY 2021 Pension & Benefits (P&B), Admin P&B \$2,108,821, Marketing P&B \$72,941, Direct Implementation P&B \$4,978,602 and EM&V P&B \$178,358. For SCE, the P&B is funded outside of Energy Efficiency funding

- <sup>3</sup> New Third party program definition per D.16-08-019, OP 10. For Row 3 of this table, the "Third Party & Partnership" administrative costs under the "Non-Third Party Qualifying Costs" column are costs for programs that met the old Third Party definition prior to the transition to the new third party definition.
- <sup>4</sup> Target Exempt Programs are Non-Resource Programs which include: Emerging Technologies, Workforce Education & Training, Strategic Energy Resources (SER) program, 3P Placeholder for Public LGPs, and Codes & Standards programs (excluding Building Codes Advocacy, Appliance Standards Advocacy and National Standards Advocacy).
- <sup>5</sup> Statewide Marketing & Outreach (SW ME&O) is excluded from the Marketing and Outreach cost target calculation per D.13-12-038, at p. 82.
- <sup>6</sup> Non Incentive and Non Rebates Direct Implementation include the direct implementation budget for Residential Energy Advisor. Residential Energy Advisor is a "Resource" program that generates KWh. SCE does not pay any incentive or fee to customer who completes a survey. SCE pays the vendor, who processes the completed energy survey, for the implementation cost of the program.
- <sup>7</sup> EM&V costs include SCE, \$1,784,694 and CPUC, \$5,326,057, but excluded the EM&V cost for REN and 3C REN
- <sup>8</sup> The 4.8% EM&V budget ratio is based on the PA EM&V budget divided by the PA Total budget ( $\$7,110,751 / \$147,865,826 = 4.8\%$ ). The actual 4% of EM&V budget ratio is the sum of SCE, CPUC, 3C REN and REN EM&V budget divided by the 2021 proposed budget,  $4\% = ((\$1,784,694 + \$5,326,057 + \$33,893 + \$201,642) / \$183,657,149)$
- <sup>9</sup> As directed in the Energy Efficiency Policy Manual Version 5 July 2013, page 92, this total includes SW ME&O and excludes 3C-REN and REN budgets and is the denominator used to calculate the Admin, Marketing, and Direct Implementation Non-Incentives percentages. SCE also excluded the financing loan budget of \$15,000,000 from this total,
- <sup>10</sup> SCE's 2021 Proposed Budget of \$183,657,149 included the \$15,000,000 for financing loan program and the program and EM&V budget of \$2,991,797 ( $\$2,957,904 + \$33,893$ ) for 3C REN and \$17,799,526 ( $\$17,597,884 + \$201,642$ ) for REN.
- <sup>11</sup> SCE's percentage for Third-Party Implementer Contracts and SW Programs uses \$147,865,826 as its denominator, which is SCE's 2021 budget, excluding the financing loan budget of \$15,000,000, SWME&O, 3C REN and REN. This is the Total in line 13 minus, minus SWME&O in line 7.
- <sup>12</sup> SCE's Third-Party Implementer Contracts and SW Programs (as defined per D.16-08-019, OP 10) includes third-party contract and incentive budgets and statewide qualifying contract and incentive budgets. It also included SCE's Residential Energy Advisor Program

Attachment B

CEDARS Filing Confirmation

## **CEDARS FILING SUBMISSION RECEIPT**

### **CEDARS FILING SUBMISSION RECEIPT**

The SCE portfolio filing has been submitted and is now under review. A summary of the filing is provided below.

PA: Southern California Edison (SCE)

Filing Year: 2021

Submitted: 20:19:06 on 28 Aug 2020

By: Gary Golden

Advice Letter Number: 4285-E

#### **\* Portfolio Filing Summary \***

- TRC: 2.6026
- PAC: 8.6633
- TRC (no admin): 3.4198
- PAC (no admin): 42.3565
- RIM: 0.6496
- Budget: \$147,865,825.65

#### **\* Programs Included in the Filing \***

- SCE-13-ESA: Energy Savings Assistance Program
- SCE-13-ESPI: Energy Savings Performance Incentive
- SCE-13-L-002B: City of Long Beach Energy Leader Partnership
- SCE-13-L-002F: Gateway Cities Energy Leader Partnership
- SCE-13-L-002H: Eastern Sierra Energy Leader Partnership
- SCE-13-L-002I: Energy Leader Partnership Strategic Support
- SCE-13-L-002J: Desert Cities Energy Leader Partnership
- SCE-13-L-002K: Kern County Energy Leader Partnership
- SCE-13-L-002L: Orange County Cities Energy Leader Partnership
- SCE-13-L-002M: San Gabriel Valley Energy Leader Partnership
- SCE-13-L-002N: San Joaquin Valley Energy Leader Partnership
- SCE-13-L-002O: South Bay Energy Leader Partnership
- SCE-13-L-002P: South Santa Barbara County Energy Leader Partnership
- SCE-13-L-002Q: Ventura County Energy Leader Partnership
- SCE-13-L-002R: Western Riverside Energy Leader Partnership
- SCE-13-L-002S: High Desert Regional Energy Leader Partnership
- SCE-13-L-002T: West Side Community Energy Leader Partnership
- SCE-13-L-002U: Local Government Strategic Planning Pilot Program
- SCE-13-L-002V: North Orange County Cities
- SCE-13-L-002W: San Bernardino Association of Governments
- SCE-13-L-002Y: Grandfathered Street Lights
- SCE-13-L-003A: California Community Colleges Energy Efficiency Partnership



- SCE-13-L-003B: California Dept. of Corrections and Rehabilitation EE Partnership
- SCE-13-L-003C: County of Los Angeles Energy Efficiency Partnership
- SCE-13-L-003D: County of Riverside Energy Efficiency Partnership
- SCE-13-L-003E: County of San Bernardino Energy Efficiency Partnership
- SCE-13-L-003F: State of California Energy Efficiency Partnership
- SCE-13-L-003G: UC/CSU Energy Efficiency Partnership
- SCE-13-L-003I: Public Sector Performance-Based Retrofit High Opportunity Program
- SCE-13-PB: Pension and Benefits
- SCE-13-PB-TRCX: Pension & Benefits - TRC Exempt Programs
- SCE-13-RENAAdmin: IOU REN Administrative Costs
- SCE-13-SW-001A: Energy Advisor Program
- SCE-13-SW-001B: Plug Load and Appliances Program
- SCE-13-SW-001C: Multifamily Energy Efficiency Rebate Program
- SCE-13-SW-001F: Residential New Construction Program
- SCE-13-SW-001G: Residential Direct Install Program
- SCE-13-SW-002A: Commercial Energy Advisor Program
- SCE-13-SW-002B: Commercial Calculated Program
- SCE-13-SW-002C: Commercial Deemed Incentives Program
- SCE-13-SW-002F: Nonresidential HVAC Program
- SCE-13-SW-002G: Savings By Design
- SCE-13-SW-002H: Midstream Point of Purchase Program
- SCE-13-SW-002I: Market Based Incentive Program - Commercial
- SCE-13-SW-003A: Industrial Energy Advisor Program
- SCE-13-SW-003B: Industrial Calculated Energy Efficiency Program
- SCE-13-SW-003C: Industrial Deemed Energy Efficiency Program
- SCE-13-SW-003D: Strategic Energy Management Program
- SCE-13-SW-003E: Market Based Incentive Program
- SCE-13-SW-004A: Agriculture Energy Advisor Program
- SCE-13-SW-004B: Agriculture Calculated Energy Efficiency Program
- SCE-13-SW-004C: Agriculture Deemed Energy Efficiency Program
- SCE-13-SW-005C: Primary Lighting Program
- SCE-13-SW-007A: On-Bill Financing
- SCE-13-SW-007A1: On-Bill Financing Loan Pool
- SCE-13-SW-007C: New Finance Offerings
- SCE-13-SW-008A: Building Codes and Compliance Advocacy
- SCE-13-SW-008B: Appliance Standards Advocacy
- SCE-13-SW-008C: Compliance Improvement
- SCE-13-SW-008D: Reach Codes
- SCE-13-SW-008E: Planning and Coordination
- SCE-13-SW-008F: National and International Standards
- SCE-13-SW-009A: Technology Development Support
- SCE-13-SW-009B: Technology Assessments
- SCE-13-SW-009C: Technology Introduction Support
- SCE-13-SW-010A: WE&T Integrated Energy Education and Training
- SCE-13-SW-010B: WE&T Career Connections
- SCE-13-TP-001: Comprehensive Manufactured Homes
- SCE-13-TP-003: Healthcare EE Program
- SCE-13-TP-004: Data Center Energy Efficiency
- SCE-13-TP-006: Food & Kindred Products
- SCE-13-TP-007: Primary and Fabricated Metals
- SCE-13-TP-008: Nonmetallic Minerals and Products

- SCE-13-TP-009: Comprehensive Chemical Products
- SCE-13-TP-010: Comprehensive Petroleum Refining
- SCE-13-TP-011: Oil Production
- SCE-13-TP-021: Enhanced Retrocommissioning
- SCE-13-TP-022: Water Infrastructure Systems Energy Efficiency Program
- SCE-13-TP-023: Midsize Industrial Customer Program
- SCE-13-TP-024: AB793 Residential Pay for Performance
- SCE-13-TP-025: Facility Assessment Service Program
- SCE-13-TP-026: Residential 3P Solicitation
- SCE-13-TP-027: Commercial 3P Solicitation
- SCE-13-TP-028: Industrial 3P Solicitation
- SCE-13-TP-029: Local Government 3P Solicitation
- SCE-3OV0100: SCE EM&V
- SCE-3OV0200: CPUC EM&V
- SCE\_SW\_CSA\_Appl: Codes & Standards Advocacy - State Appliance Standards Advocacy
- SCE\_SW\_CSA\_Appl\_PA: Codes & Standards Advocacy - State Appliance Standards Advocacy - SCE Costs
- SCE\_SW\_CSA\_Bldg: Codes & Standards Advocacy - State Building Codes Advocacy
- SCE\_SW\_CSA\_Bldg\_PA: Codes & Standards Advocacy - State Building Codes Advocacy - SCE Costs
- SCE\_SW\_CSA\_Natl: Codes & Standards Advocacy - National Codes & Standards Advocacy
- SCE\_SW\_CSA\_Natl\_PA: Codes & Standards Advocacy - National Codes & Standards Advocacy - SCE Costs
- SCE\_SW\_FS: Food Service POS
- SCE\_SW\_FS\_PA: Food Service POS - SCE Costs
- SCE\_SW\_HVAC\_Up: Upstream HVAC (Comm + Res)
- SCE\_SW\_HVAC\_Up\_PA: Upstream HVAC (Comm + Res) - SCE Costs
- SCE\_SW\_IP\_Colleges: Institutional Partnerships, UC/CSU/CCC
- SCE\_SW\_IP\_Colleges\_PA: Institutional Partnerships, UC/CSU/CCC - SCE Costs
- SCE\_SW\_IP\_Gov: Institutional Partnerships: DGS & DoC
- SCE\_SW\_IP\_Gov\_PA: Institutional Partnerships: DGS & DoC - SCE Costs
- SCE\_SW\_MCWH: Midstream Comm Water Heating
- SCE\_SW\_MCWH\_PA: Midstream Comm Water Heating - SCE Costs
- SCE\_SW\_NC\_NonRes: NonRes New Construction
- SCE\_SW\_NC\_NonRes\_PA: NonRes New Construction - SCE Costs
- SCE\_SW\_NC\_Res: Res New Construction
- SCE\_SW\_NC\_Res\_PA: Res New Construction - SCE Costs
- SCE\_SW\_PLA: Plug Load and Appliance
- SCE\_SW\_PLA\_PA: Plug Load and Appliance - SCE Costs
- SCE\_SW\_UL: Lighting (Upstream)
- SCE\_SW\_UL\_PA: Lighting (Upstream) - SCE Costs
- SCE\_SW\_WET\_CC: WET Career Connections
- SCE\_SW\_WET\_CC\_PA: WET Career Connections - SCE Costs
- SCE\_SW\_WET\_Work: WE&T Career and Workforce Readiness
- SCE\_SW\_WET\_Work\_PA: WE&T Career and Workforce Readiness - SCE Costs

## Attachment C

### Historical Annual Budget Advice Letter Tables

<b>Table 1 - Bill Payer Impacts - Rates by Customer Class</b>				
	<b>Electric Average Rate (Res and Non-Res) \$/kwh</b>	<b>Gas Average Rate (Res and Non-Res) \$/therm</b>	<b>Total Average Bill Savings by Year<sup>1</sup> \$</b>	<b>Total Average Lifecycle Bill Savings<sup>2</sup> \$</b>
<b>Present Rates - System Average</b>				
2018	\$ 0.16	\$ -	\$ 88,065,105	\$ 840,561,019
2019	\$ 0.16	\$ -	\$ 82,884,915	\$ 749,337,796
2020	\$ 0.16	\$ -	\$ 52,664,852	\$ 198,714,193
2021	\$ 0.18	\$ -	\$ 63,734,357	\$ 288,617,078

<sup>1</sup> Based on 2020 ERRR rates

<sup>2</sup> Total Annual and Lifecycle Bill Savings excluded savings from Codes & Standards and ESA Programs

Consistent with Standard Practice Manual (SPM) Total Resource Cost (TRC)/ Program Administrator Cost (PAC)/ Ratepayer Impact Measure (RIM) tests, all savings used from actuals and forecasts in this table are NET.

**Notes:**

- 1) Average first year electric bill savings is calculated by multiplying an average electric rate with first year net kWh energy savings.
- 2) Average first year gas bill savings is calculated by multiplying an average gas rate with first year net therm energy savings.
- 3) Total average first year bill savings is the sum of Notes 1 and 2.
- 4) Average lifecycle electric bill savings is calculated by multiplying an average electric rate with lifecycle net kWh energy savings.
- 5) Average lifecycle gas bill savings is calculated by multiplying an average gas rate with lifecycle net therm energy savings.
- 6) Total average lifecycle bill savings is the sum of Notes 4 and 5.
- 7) Total Annual and Lifecycle Bill Savings excluded savings from Codes & Standards and ESA Programs.

**Table 2a - Electric Bill Payer Impacts - Current and Proposed Revenues and Rates, Total and Energy Efficiency, by Customer Class**

2021 Total Electric Annual Revenue \$000	2019 Total Electric Annual Revenue \$000	2019 Energy Efficiency Portion of Total Electric Annual Revenue \$000	2020 Energy Efficiency Portion of Total Electric Annual Revenue \$000	2021 Proposed Energy Efficiency Electric Annual Revenue Change \$000	2021 Proposed Percentage Change In Electric Revenue and Rates	2019 Electric Average Rate \$/kwh	2019 Energy Efficiency Portion of Electric Average Rate \$/kwh	2020 Electric Average Rate \$/kwh	2020 Energy Efficiency Portion of Electric Average Rate \$/kwh	2021 Proposed Electric Average Rate Change \$/kwh	2021 Proposed Percentage Change In Electric Revenue and Rates
<u>Bundled</u>											
Domestic	\$ 3,951,694	\$ 31,344	\$ 15,636	\$ 19,558	125.09%	\$ 0.189	0.0037	\$ 0.198	\$ 0.0008	\$ 0.0017	125.09%
Lighting SM Med Power	\$ 3,486,968	\$ 27,658	\$ 12,836	\$ 16,057	125.09%	\$ 0.173	0.0035	\$ 0.187	\$ 0.0007	\$ 0.0016	125.09%
Large Power	\$ 1,815,773	\$ 14,402	\$ 6,442	\$ 8,058	125.09%	\$ 0.122	0.0024	\$ 0.128	\$ 0.0005	\$ 0.0011	125.09%
Agricultural & Pumping	\$ 402,282	\$ 3,191	\$ 1,593	\$ 1,993	125.09%	\$ 0.139	0.0028	\$ 0.151	\$ 0.0006	\$ 0.0013	125.09%
Street & Area Lighting	\$ 118,264	\$ 938	\$ 281	\$ 351	125.09%	\$ 0.203	0.0038	\$ 0.188	\$ 0.0007	\$ 0.0016	125.09%
<u>Direct Access Service</u>											
Residential	\$ 784,771	\$ 6,225	\$ 3,261	\$ 4,079	125.09%	\$ 0.128	0.0022	\$ 0.131	\$ 0.0005	\$ 0.0011	125.09%
Commercial - Small	\$ 641,767	\$ 5,090	\$ 3,360	\$ 4,203	125.09%	\$ 0.097	0.0017	\$ 0.099	\$ 0.0004	\$ 0.0009	125.09%
Commercial - Medium	\$ 470,373	\$ 3,731	\$ 2,282	\$ 2,854	125.09%	\$ 0.061	0.0012	\$ 0.061	\$ 0.0002	\$ 0.0005	125.09%
Commercial - Large	\$ 29,348	\$ 233	\$ 170	\$ 213	125.09%	\$ 0.083	0.0013	\$ 0.085	\$ 0.0003	\$ 0.0007	125.09%
Agricultural	\$ 9,955	\$ 79	\$ 161	\$ 201	125.09%	\$ 0.086	0.0021	\$ 0.216	\$ 0.0008	\$ 0.0019	125.09%

**Table 2b - Gas Bill Payer Impacts - Current and Proposed Revenues and Rates, Total and Energy Efficiency, by Customer Class**

Customer Classes	2019 Total Electric Annual Revenue \$000	2019 Energy Efficiency Portion of Total Electric Annual Revenue \$000	2020 Energy Efficiency Portion of Total Electric Annual Revenue \$000	2021 Proposed Energy Efficiency Electric Annual Revenue Change \$000	2021 Proposed Percentage Change In Electric Revenue and Rates	2019 Electric Average Rate \$/kwh	2019 Energy Efficiency Portion of Electric Average Rate \$/kwh	2020 Electric Average Rate \$/kwh	2020 Energy Efficiency Portion of Electric Average Rate \$/kwh	2021 Proposed Electric Average Rate Change \$/kwh	2021 Proposed Percentage Change In Electric Revenue and Rates
<u>Bundled</u>											
Domestic											
Lighting SM Med Power											
Large Power											
Agricultural & Pumping											
Street & Area Lighting											
<u>Direct Access Service</u>											
Residential											
Commercial - Small											
Commercial - Medium											
Commercial - Large											
Agricultural											

Table 3a - Budget and Cost Recovery by Funding Source	
	2021
2021 EE Portfolio Budget	\$ 183,657,149
Unspent/Uncommitted Program Carryover Funds from Pre-2020	\$ 80,070,024
<b>Total Funding Request for 2021 EE Portfolio</b>	<b>\$ 103,587,125</b>

Table 3b - Budget by Funding Source		
2021 Proposed (Before Carryover)	2021 Budget	Allocation
Electric Procurement EE Funds	\$ 183,657,149	100%
Gas PPP Surcharge Funds	\$ -	0%
<b>Total Funds</b>	<b>\$ 183,657,149</b>	

Table 3c - Revenue Requirement for Cost Recovery by Funding Source		
2021 Proposed Funding in Rates (including carryover )	2021 Revenue Requirement	Allocation after Carryover adjustment
Electric Procurement EE Funds	\$ 103,587,125	100%
Gas PPP Surcharge Funds	\$ -	0%
<b>Total Funds</b>	<b>\$ 103,587,125</b>	

Table 3d - Unspent/Uncommitted Carryover Funds (in positive \$)					
Total Unspent/Uncommitted Funds	Electric PGC	Electric Procurement	Total Electric	Gas	Total
2020	\$ -	\$ 16,923,000	\$ 16,923,000	\$ -	\$16,923,000
Pre-2020	\$ -	\$ 63,147,024	\$ 63,147,024	\$ -	\$63,147,024
<b>Total Pre-2021</b>	<b>\$ -</b>	<b>\$ 80,070,024</b>	<b>\$ 80,070,024</b>	<b>\$ -</b>	<b>\$80,070,024</b>

EM&V Unspent/Uncommitted Funds	Electric PGC	Electric Procurement	Total Electric	Gas	Total
2020	\$ -	\$ -	\$ -	\$ -	\$ -
Pre-2020	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Pre-2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Program Unspent/Uncommitted Funds	Electric PGC	Electric Procurement	Total Electric	Gas	Total
2020	\$ -	\$ 16,923,000	\$ 16,923,000	\$ -	\$16,923,000
Pre-2020	\$ -	\$ 63,147,024	\$ 63,147,024	\$ -	\$63,147,024
<b>Total Pre-2021</b>	<b>\$ -</b>	<b>\$ 80,070,024</b>	<b>\$ 80,070,024</b>	<b>\$ -</b>	<b>\$80,070,024</b>

**Table 4 – Budget, Spent, Unspent, Carryover Details**

New/Existing Program #	Discontinued Program #	Main Program Name / Sub-Program Name	2020 Budget Spent as of 06/30/2020	2021 Proposed Budget	2021 Budget Offset (Expected 2020 Unspent/ Uncommitted and Any Remaining Pre- 2020 Unspent/ Uncommitted Funding) <sup>2</sup>	2021 Funds Requested	Program Type	New Business Sector
<b>SCE-13-SW-001</b>		<b>California Statewide Program for Residential Energy Efficiency</b>	<b>\$ 9,471,455</b>	<b>\$ 23,590,585</b>	<b>\$ -</b>	<b>\$ 23,590,585</b>		
<b>SCE-13-SW-001A</b>		Energy Advisor Program	\$ 8,600,260	\$ 16,082,726		\$ 16,082,726	IOU Core/Statewide	Residential
<b>SCE-13-SW-001B</b>		Plug Load and Appliances Program	\$ 1,138,312	\$ 3,877,122		\$ 3,877,122	IOU Core/Statewide	Residential
	<b>SCE-13-SW-001C</b>	Multifamily Energy Efficiency Rebate Program	\$ 166,571	\$ 49,272		\$ 49,272	IOU Core/Statewide	N/A
	<b>SCE-13-SW-001D</b>	Energy Upgrade California	\$ -	\$ -		\$ -	IOU Core/Statewide	N/A
	<b>SCE-13-SW-001E</b>	Residential HVAC Program	\$ -	\$ -		\$ -	IOU Core/Statewide	N/A
<b>SCE-13-SW-001F</b>		Residential New Construction Program	\$ 2,537	\$ 570,565		\$ 570,565	IOU Core/Statewide	Residential
<b>SCE-13-SW-001G</b>		Residential Direct Install Program	\$ (436,225)	\$ 3,010,901		\$ 3,010,901	IOU Core/Statewide	Residential
<b>SCE-13-SW-002</b>		<b>Statewide Commercial Energy Efficiency Program</b>	<b>\$ 3,839,502</b>	<b>\$ 8,518,250</b>	<b>\$ -</b>	<b>\$ 8,518,250</b>		
<b>SCE-13-SW-002A</b>		Commercial Energy Advisor Program	\$ 157,235	\$ 662,910		\$ 662,910	IOU Core/Statewide	Commercial
<b>SCE-13-SW-002B</b>		Commercial Calculated Program	\$ 1,120,781	\$ 4,576,768		\$ 4,576,768	IOU Core/Statewide	Commercial
<b>SCE-13-SW-002C</b>		Commercial Deemed Incentives Program	\$ 1,415,089	\$ 802,733		\$ 802,733	IOU Core/Statewide	Commercial
	<b>SCE-13-SW-002D</b>	Commercial Direct Install Program	\$ 52,849	\$ -		\$ -	IOU Core/Statewide	N/A
	<b>SCE-13-SW-002E</b>	Commercial Continuous Energy Improvement Program	\$ -	\$ -		\$ -	IOU Core/Statewide	N/A
<b>SCE-13-SW-002F</b>		Nonresidential HVAC Program	\$ 713,984	\$ 1,330,428		\$ 1,330,428	IOU Core/Statewide	Commercial
<b>SCE-13-SW-002G</b>		Savings By Design	\$ 358,200	\$ 686,180		\$ 686,180	IOU Core/Statewide	Commercial
<b>SCE-13-SW-002H</b>		Midstream Point of Purchase Program	\$ 21,363	\$ 459,230		\$ 459,230	IOU Core/Statewide	Commercial
<b>SCE-13-SW-003</b>		<b>Statewide Industrial Energy Efficiency Program</b>	<b>\$ 2,058,803</b>	<b>\$ 4,248,123</b>	<b>\$ -</b>	<b>\$ 4,248,123</b>		
<b>SCE-13-SW-003A</b>		Industrial Energy Advisor Program	\$ 102,622	\$ 236,558		\$ 236,558	IOU Core/Statewide	Industrial
<b>SCE-13-SW-003B</b>		Industrial Calculated Energy Efficiency Program	\$ 504,576	\$ 697,098		\$ 697,098	IOU Core/Statewide	Industrial
<b>SCE-13-SW-003C</b>		Industrial Deemed Energy Efficiency Program	\$ 283,124	\$ 236,727		\$ 236,727	IOU Core/Statewide	Industrial
<b>SCE-13-SW-003D</b>		Strategic Energy Management Program	\$ 1,168,098	\$ 3,077,740		\$ 3,077,740	IOU Core/Statewide	Industrial
<b>SCE-13-SW-003E</b>		Market Base Incentive	\$ 383	\$ -		\$ -	IOU Core/Statewide	Industrial
<b>SCE-13-SW-004</b>		<b>Statewide Agriculture Energy Efficiency Program</b>	<b>\$ 901,768</b>	<b>\$ 942,323</b>	<b>\$ -</b>	<b>\$ 942,323</b>		
	<b>SCE-13-SW-004A</b>	Agriculture Energy Advisor Program	\$ 391,574	\$ -		\$ -	IOU Core/Statewide	N/A
<b>SCE-13-SW-004B</b>		Agriculture Calculated Energy Efficiency Program	\$ 252,580	\$ 579,358		\$ 579,358	IOU Core/Statewide	Agricultural
<b>SCE-13-SW-004C</b>		Agriculture Deemed Energy Efficiency Program	\$ 257,613	\$ 362,965		\$ 362,965	IOU Core/Statewide	Agricultural
	<b>SCE-13-SW-004D</b>	Agriculture Continuous Energy Improvement Program	\$ -	\$ -		\$ -	IOU Core/Statewide	N/A
<b>SCE-13-SW-005</b>		<b>Lighting Program</b>	<b>\$ 111,413</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
	<b>SCE-13-SW-005A</b>	Lighting Market Transformation Program	\$ -	\$ -		\$ -	IOU Core/Statewide	N/A
	<b>SCE-13-SW-005B</b>	Lighting Innovation Program	\$ 7,649	\$ -		\$ -	IOU Core/Statewide	N/A
<b>SCE-13-SW-005C</b>		Primary Lighting Program	\$ 103,764	\$ -		\$ -	IOU Core/Statewide	Residential
	<b>SCE-13-SW-006</b>	<b>Integrated Demand Side Management Program</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	IOU Core/Statewide	N/A
<b>SCE-13-SW-007</b>		<b>Statewide Finance Program</b>	<b>\$ 764,718</b>	<b>\$ 17,571,760</b>	<b>\$ -</b>	<b>\$ 17,571,760</b>		
<b>SCE-13-SW-007A</b>		On-Bill Financing	\$ 298,371	\$ 795,715		\$ 795,715	IOU Core/Statewide	Commercial
<b>SCE-13-SW-007A1</b>		Finance Revolving Loan	\$ -	\$ 15,000,000		\$ 15,000,000	IOU Core/Statewide	OBF Loan Pool
	<b>SCE-13-SW-007B</b>	ARRA-Originated Financing	\$ -	\$ -		\$ -	IOU Core/Statewide	N/A
<b>SCE-13-SW-007C</b>		New Finance Offerings	\$ 466,347	\$ 1,776,045		\$ 1,776,045	IOU Core/Statewide	Finance
<b>SCE-13-SW-008</b>		<b>Codes and Standards Program</b>	<b>\$ 2,407,501</b>	<b>\$ 12,095,713</b>	<b>\$ -</b>	<b>\$ 12,095,713</b>		
<b>SCE-13-SW-008A</b>		Building Codes and Compliance Advocacy	\$ 37,786	\$ -		\$ -	IOU Core/Statewide	Codes & Standards
<b>SCE-13-SW-008B</b>		Appliance Standards Advocacy	\$ 19,222	\$ -		\$ -	IOU Core/Statewide	Codes & Standards
<b>SCE-13-SW-008C</b>		Compliance Improvement	\$ 834,164	\$ 2,600,930		\$ 2,600,930	IOU Core/Statewide	Codes & Standards
<b>SCE-13-SW-008D</b>		Reach Codes	\$ 346,928	\$ 1,071,712		\$ 1,071,712	IOU Core/Statewide	Codes & Standards
<b>SCE-13-SW-008E</b>		Planning and Coordination	\$ 1,169,401	\$ 8,423,071		\$ 8,423,071	IOU Core/Statewide	Codes & Standards
<b>SCE-13-SW-008F</b>		National and International Standards	\$ -	\$ -		\$ -	IOU Core/Statewide	Codes & Standards
<b>SCE-13-SW-009</b>		<b>Emerging Technologies Program</b>	<b>\$ 3,761,094</b>	<b>\$ 7,797,985</b>	<b>\$ -</b>	<b>\$ 7,797,985</b>		
<b>SCE-13-SW-009A</b>		Technology Development Support	\$ 1,355,044	\$ 813,283		\$ 813,283	IOU Core/Statewide	Emerging Tech
<b>SCE-13-SW-009B</b>		Technology Assessments	\$ 1,528,709	\$ 3,932,477		\$ 3,932,477	IOU Core/Statewide	Emerging Tech
<b>SCE-13-SW-009C</b>		Technology Introduction Support	\$ 877,341	\$ 3,052,224		\$ 3,052,224	IOU Core/Statewide	Emerging Tech
<b>SCE-13-SW-010</b>		<b>Workforce Education &amp; Training</b>	<b>\$ 2,284,319</b>	<b>\$ 4,349,450</b>	<b>\$ -</b>	<b>\$ 4,349,450</b>		
<b>SCE-13-SW-010A</b>		WE&T Integrated Energy Education and Training (IEET)	\$ 1,944,646	\$ 3,850,187		\$ 3,850,187	IOU Core/Statewide	WE&T
<b>SCE-13-SW-010B</b>		WE&T Career Connections	\$ 339,673	\$ 499,263		\$ 499,263	IOU Core/Statewide	WE&T
	<b>SCE-13-SW-010C</b>	WE&T Planning	\$ -	\$ -		\$ -	IOU Core/Statewide	N/A
	<b>SCE-13-L-001</b>	<b>Integrated Demand Side Management Pilot for Food Processing</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	Third/Local Party	N/A
<b>SCE-13-REAdmin</b>		<b>IOU REN Administration Costs</b>	<b>\$ -</b>	<b>\$ 73,953</b>	<b>\$ -</b>	<b>\$ 73,953</b>	Non-Program	Public

**Table 4 (continued) – Budget, Spent, Unspent, Carryover Details**

New/Existing Program #	Discontinued Program #	Main Program Name / Sub-Program Name	2020 Budget Spent as of 06/30/2020	2021 Proposed Budget	2021 Budget Offset (Expected 2020 Unspent/ Uncommitted and Any Remaining Pre- 2020 Unspent/ Uncommitted Funding) <sup>2</sup>	2021 Funds Requested	Program Type	New Business Sector
<b>SCE-13-L-002</b>		<b>Energy Leader Partnership Program</b>	<b>\$ 2,187,840</b>	<b>\$ 5,834,056</b>	<b>\$ -</b>	<b>\$ 5,834,056</b>		
	<b>SCE-13-L-002Rollup</b>	Energy Leader Partnership Program	\$ 12,290	\$ -		\$ -	Local Government Partnership	N/A
	<b>SCE-13-L-002A</b>	City of Beaumont Energy Leader Partnership	\$ -	\$ -		\$ -	Local Government Partnership	N/A
<b>SCE-13-L-002B</b>		City of Long Beach Energy Leader Partnership	\$ 4,775	\$ 44,528		\$ 44,528	Local Government Partnership	Public
	<b>SCE-13-L-002C</b>	City of Redlands Energy Leader Partnership	\$ -	\$ -		\$ -	Local Government Partnership	N/A
	<b>SCE-13-L-002D</b>	City of Santa Ana Energy Leader Partnership	\$ -	\$ -		\$ -	Local Government Partnership	N/A
	<b>SCE-13-L-002E</b>	City of Simi Valley Energy Leader Partnership	\$ -	\$ -		\$ -	Local Government Partnership	N/A
<b>SCE-13-L-002F</b>		Gateway Cities Energy Leader Partnership	\$ 65,988	\$ 227,909		\$ 227,909	Local Government Partnership	Public
	<b>SCE-13-L-002G</b>	Community Energy Leader Partnership	\$ -	\$ -		\$ -	Local Government Partnership	N/A
<b>SCE-13-L-002H</b>		Eastern Sierra Energy Leader Partnership	\$ 17,457	\$ -		\$ -	Local Government Partnership	Public
	<b>SCE-13-L-002I</b>	Energy Leader Partnership Strategic Support	\$ 191,473	\$ -		\$ -	Local Government Partnership	N/A
<b>SCE-13-L-002J</b>		Desert Cities Energy Leader Partnership	\$ 37,642	\$ -		\$ -	Local Government Partnership	Public
<b>SCE-13-L-002K</b>		Kern County Energy Leader Partnership	\$ 10,852	\$ -		\$ -	Local Government Partnership	Public
<b>SCE-13-L-002L</b>		Orange County Cities Energy Leader Partnership	\$ 59,897	\$ 96,305		\$ 96,305	Local Government Partnership	Public
<b>SCE-13-L-002M</b>		San Gabriel Valley Energy Leader Partnership	\$ 50,657	\$ 75,244		\$ 75,244	Local Government Partnership	Public
<b>SCE-13-L-002N</b>		San Joaquin Valley Energy Leader Partnership	\$ 41,908	\$ -		\$ -	Local Government Partnership	Public
<b>SCE-13-L-002O</b>		South Bay Energy Leader Partnership	\$ 120,045	\$ 37,365		\$ 37,365	Local Government Partnership	Public
<b>SCE-13-L-002P</b>		South Santa Barbara County Energy Leader Partnership	\$ 75,862	\$ 154,045		\$ 154,045	Local Government Partnership	Public
<b>SCE-13-L-002Q</b>		Ventura County Energy Leader Partnership	\$ 49,715	\$ 180,402		\$ 180,402	Local Government Partnership	Public
<b>SCE-13-L-002R</b>		Western Riverside Energy Leader Partnership	\$ 69,823	\$ -		\$ -	Local Government Partnership	Public
<b>SCE-13-L-002S</b>		High Desert Regional Energy Leader Partnership	\$ 40,312	\$ -		\$ -	Local Government Partnership	Public
<b>SCE-13-L-002T</b>		West Side Community Energy Leader Partnership	\$ 180,611	\$ 54,601		\$ 54,601	Local Government Partnership	Public
	<b>SCE-13-L-002U</b>	Local Government Strategic Planning Pilot Program	\$ 46,309	\$ -		\$ -	Local Government Partnership	N/A
<b>SCE-13-L-002V</b>		North Orange County Cities	\$ 7,896	\$ 40,113		\$ 40,113	Local Government Partnership	Public
<b>SCE-13-L-002W</b>		San Bernardino Association of Governments	\$ 98,342	\$ -		\$ -	Local Government Partnership	Public
	<b>SCE-13-L-002X</b>	Water Energy Nexus Program	\$ -	\$ -		\$ -	Local Government Partnership	N/A
<b>SCE-13-L-002Y</b>		Grandfathered Street Lights	\$ 921,434	\$ 3,308,182		\$ 3,308,182	Local Government Partnership	Public
<b>SCE-13-L-003C</b>		County of Los Angeles Energy Efficiency Partnership	\$ 60,438	\$ 1,615,362		\$ 1,615,362	State Institutional Partnership	Public
<b>SCE-13-L-003D</b>		County of Riverside Energy Efficiency Partnership	\$ 11,930	\$ -		\$ -	State Institutional Partnership	Public
<b>SCE-13-L-003E</b>		County of San Bernardino Energy Efficiency Partnership	\$ 12,182	\$ -		\$ -	State Institutional Partnership	Public
<b>SCE-13-L-003</b>		<b>Institutional and Government Core Energy Efficiency Partnership</b>	<b>\$ 898,594</b>	<b>\$ 2,354,058</b>	<b>\$ -</b>	<b>\$ 2,354,058</b>		
<b>SCE-13-L-003A</b>		California Community Colleges Energy Efficiency Partnership	\$ 177,350	\$ 282,314		\$ 282,314	State Institutional Partnership	Public
<b>SCE-13-L-003B</b>		California Dept. of Corrections and Rehabilitation EE Partnership	\$ 236,387	\$ 273,123		\$ 273,123	State Institutional Partnership	Public
<b>SCE-13-L-003F</b>		State of California Energy Efficiency Partnership	\$ 51,885	\$ 64,650		\$ 64,650	State Institutional Partnership	Public
<b>SCE-13-L-003G</b>		UC/CSU Energy Efficiency Partnership	\$ 266,448	\$ 307,428		\$ 307,428	State Institutional Partnership	Public
	<b>SCE-13-L-003H</b>	Federals Energy Efficiency Partnership	\$ -	\$ -		\$ -	State Institutional Partnership	N/A
<b>SCE-13-L-003I</b>		Public Sector Performance-Based Retrofit High Opportunity Program	\$ 166,525	\$ 1,426,542		\$ 1,426,542	Local Government Partnership	Public
		<b>Residential Third Party Programs</b>	<b>\$ 133,322</b>	<b>\$ 18,141,916</b>	<b>\$ -</b>	<b>\$ 18,141,916</b>		
<b>SCE-13-TP-001</b>		Comprehensive Manufactured Homes	\$ 93,897	\$ 2,281,556		\$ 2,281,556	Third/Local Party	Residential
<b>SCE-13-TP-024</b>		AB793 Residential Pay for Performance	\$ 39,425	\$ 534,880		\$ 534,880	IOU Core/Statewide	Residential
<b>SCE-13-TP-026</b>		Residential 3P Solicitation	\$ -	\$ 15,325,480		\$ 15,325,480	IOU Core/Statewide	Residential
		<b>Commercial Third Party Programs</b>	<b>\$ (246,942)</b>	<b>\$ 15,538,244</b>	<b>\$ -</b>	<b>\$ 15,538,244</b>		
	<b>SCE-13-TP-002</b>	Cool Planet	\$ -	\$ -		\$ -	Third/Local Party	N/A
	<b>SCE-13-TP-003</b>	Healthcare EE Program	\$ (150,281)	\$ 81,321		\$ 81,321	Third/Local Party	N/A
	<b>SCE-13-TP-004</b>	Data Center Energy Efficiency	\$ 9,525	\$ 34,903		\$ 34,903	Third/Local Party	N/A
	<b>SCE-13-TP-005</b>	Lodging EE Program	\$ 32,827	\$ -		\$ -	Third/Local Party	N/A
	<b>SCE-13-TP-013</b>	Cool Schools	\$ 1,391	\$ -		\$ -	Third/Local Party	N/A
	<b>SCE-13-TP-014</b>	Commercial Utility Building Efficiency	\$ 1,391	\$ -		\$ -	Third/Local Party	N/A
	<b>SCE-13-TP-017</b>	Energy Efficiency for Entertainment Centers	\$ -	\$ -		\$ -	Third/Local Party	N/A
	<b>SCE-13-TP-018</b>	School Energy Efficiency Program	\$ (168,658)	\$ -		\$ -	Third/Local Party	N/A
	<b>SCE-13-TP-021</b>	Enhanced Retrocommissioning	\$ 26,864	\$ 10,152		\$ 10,152	Third/Local Party	N/A
<b>SCE-13-TP-027</b>		Commercial 3P Solicitation	\$ -	\$ 15,325,480		\$ 15,325,480	IOU Core/Statewide	Commercial
<b>SCE-13-TP-025</b>		Facility Assessment Program	\$ -	\$ 86,389		\$ 86,389	Third/Local Party	Commercial



Table 4 (continued) – Budget, Spent, Unspent, Carryover Details

New/Existing Program #	Discontinued Program #	Main Program Name / Sub-Program Name	2020 Budget Spent as of 06/30/2020	2021 Proposed Budget	2021 Budget Offset (Expected 2020 Unspent/ Uncommitted and Any Remaining Pre- 2020 Unspent/ Uncommitted Funding) <sup>2</sup>	2021 Funds Requested	Program Type	New Business Sector
		<b>Industrial Third Party Programs</b>	\$ 473,167	\$ 15,458,217	\$ -	\$ 15,458,217		
	SCE-13-TP-006	Food & Kindred Products	\$ 64,204	\$ 84,042		\$ 84,042	Third/Local Party	N/A
	SCE-13-TP-007	Primary and Fabricated Metals	\$ 117,378	\$ 48,695		\$ 48,695	Third/Local Party	N/A
	SCE-13-TP-008	Nonmetallic Minerals and Products	\$ 144,843	\$ -		\$ -	Third/Local Party	N/A
	SCE-13-TP-009	Comprehensive Chemical Products	\$ 41,565	\$ -		\$ -	Third/Local Party	N/A
	SCE-13-TP-010	Comprehensive Petroleum Refining	\$ 41,328	\$ -		\$ -	Third/Local Party	N/A
	SCE-13-TP-011	Oil Production	\$ 58,919	\$ -		\$ -	Third/Local Party	N/A
	SCE-13-TP-012	Refinery Energy Efficiency Program	\$ -	\$ -		\$ -	Third/Local Party	N/A
	SCE-13-TP-023	Midsize Industrial Customer Program	\$ 4,929	\$ -		\$ -	Third/Local Party	N/A
SCE-13-TP-028		Industrial 3P Solicitation	\$ -	\$ 15,325,480		\$ 15,325,480	IOU Core/Statewide	Industrial
		<b>Cross Cutting Third Party Programs</b>	\$ 531,051	\$ 44,849	\$ -	\$ 44,849		
SCE-13-TP-019	SCE-13-TP-019	Sustainable Communities	\$ -	\$ -		\$ -	Third/Local PartyThird/Local Party	N/A
SCE-13-TP-020	SCE-13-TP-020	IDEEA365 Program	\$ -	\$ -		\$ -	Third/Local PartyThird/Local Party	N/A
SCE-13-TP-022		Water Infrastructure Systems Energy Efficiency Program	\$ 531,051	\$ 44,849		\$ 44,849	Third/Local Party	Public
SCE-13-TP-029		Local Government 3P Solicitation	\$ -	\$ -		\$ -	IOU Core/Statewide	Public
		<b>Statewide Program</b>	\$ -	\$ 19,195,591	\$ -	\$ 19,195,591		
SCE_SW_NC_Res		SW Residential New Construction	\$ -	\$ 1,697,674		\$ 1,697,674	IOU Core/Statewide	Residential
SCE_SW_NC_Res_PA		Res New Construction - SCE Costs	\$ -	\$ 16,998		\$ 16,998	IOU Core/Statewide	Residential
SCE_SW_NC_NonRes		Non-Res New Construction	\$ -	\$ 641,600		\$ 641,600	IOU Core/Statewide	Commercial
SCE_SW_NC_NonRes_PA		NonRes New Construction - SCE Costs	\$ -	\$ 87,734		\$ 87,734	IOU Core/Statewide	Commercial
SCE_SW_UL		Lighting (Upstream)	\$ -	\$ 3,208,000		\$ 3,208,000	IOU Core/Statewide	Commercial
SCE_SW_UL_PA		Lighting (Upstream) - SCE Costs	\$ -	\$ 52,720		\$ 52,720	IOU Core/Statewide	Commercial
SCE_SW_IP_Colleges		UC/CSU/CCC	\$ -	\$ -		\$ -	State Institutional Partnership	Public
SCE_SW_IP_Colleges_PA		UC/CSU/CCC - SCE Costs	\$ -	\$ 24,724		\$ 24,724	State Institutional Partnership	Public
SCE_SW_IP_Gov		Department of General Services	\$ -	\$ 133,667		\$ 133,667	State Institutional Partnership	Public
SCE_SW_IP_Gov_PA		Department of General Services - SCE Costs	\$ -	\$ 68,296		\$ 68,296	State Institutional Partnership	Public
SCE_SW_FS		Food Service POS	\$ -	\$ 1,386,469		\$ 1,386,469	IOU Core/Statewide	Commercial
SCE_SW_FS_PA		Food Service POS - SCE Costs	\$ -	\$ -		\$ -	IOU Core/Statewide	Commercial
SCE_SW_MCWH		Midstream Comm Water Heating	\$ -	\$ 1,297,299		\$ 1,297,299	IOU Core/Statewide	Commercial
SCE_SW_MCWH_PA		Midstream Comm Water Heating - SCE Costs	\$ -	\$ -		\$ -	IOU Core/Statewide	Commercial
SCE_SW_PLA		Plug Load and Appliance	\$ -	\$ 2,325,800		\$ 2,325,800	IOU Core/Statewide	Residential
SCE_SW_PLA_PA		Plug Load and Appliance - SCE Costs	\$ -	\$ 49,448		\$ 49,448	IOU Core/Statewide	Residential
SCE_SW_HVAC_Up		Upstream HVAC (Comm + Res)	\$ -	\$ 3,317,691		\$ 3,317,691	IOU Core/Statewide	Commercial
SCE_SW_HVAC_Up_PA		Upstream HVAC (Comm + Res) - SCE Costs	\$ -	\$ 84,883		\$ 84,883	IOU Core/Statewide	Commercial
SCE_SW_WET_Work		WE&T Career and Workforce Readiness	\$ -	\$ 395,332		\$ 395,332	IOU Core/Statewide	WE&T
SCE_SW_WET_Work_PA		WE&T Career and Workforce Readiness - SCE Costs	\$ -	\$ -		\$ -	IOU Core/Statewide	WE&T
SCE_SW_WET_K12		WE&T K-12 Connections	\$ -	\$ 187,133		\$ 187,133	IOU Core/Statewide	WE&T
SCE_SW_WET_K12_PA		WE&T K-12 Connections - SCE Costs	\$ -	\$ -		\$ -	IOU Core/Statewide	WE&T
SCE_SW_CSA_Appl		Codes & Standards Advocacy - State Appliance Standards Advocacy	\$ -	\$ 1,270,243		\$ 1,270,243	IOU Core/Statewide	Codes & Standards
SCE_SW_CSA_Appl_PA		Codes & Standards Advocacy - State Appliance Standards Advocacy - SCE Costs	\$ -	\$ -		\$ -	IOU Core/Statewide	Codes & Standards
SCE_SW_CSA_Bldg		Codes & Standards Advocacy - State Building Codes Advocacy	\$ -	\$ 1,804,407		\$ 1,804,407	IOU Core/Statewide	Codes & Standards
SCE_SW_CSA_Bldg_PA		Codes & Standards Advocacy - State Building Codes Advocacy - SCE Costs	\$ -	\$ -		\$ -	IOU Core/Statewide	Codes & Standards
SCE_SW_CSA_Natl		Codes & Standards Advocacy - National Codes & Standards Advocacy	\$ -	\$ 1,145,474		\$ 1,145,474	IOU Core/Statewide	Codes & Standards
SCE_SW_CSA_Natl_PA		Codes & Standards Advocacy - National Codes & Standards Advocacy - SCE Costs	\$ -	\$ -		\$ -	IOU Core/Statewide	Codes & Standards
		<b>PA Sub-Total</b>	\$ 29,577,606	\$ 155,755,075	\$ 76,308,000	\$ 79,447,075		
		<b>EM&amp;V (PA &amp; CPUC Portions) Total</b>	\$ 329,486	\$ 7,110,751	\$ -	\$ 7,110,751		
SCE-3OV0100		EM&V - SCE	\$ 329,486	\$ 1,784,694	\$ -	\$ 1,784,694	EM&V	
SCE-3OV0200		EM&V - CPUC	\$ -	\$ 5,326,057	\$ -	\$ 5,326,057	EM&V	
		<b>Total SCE Portfolio</b>	\$ 29,907,091	\$ 162,865,826	\$ 76,308,000	\$ 86,557,826		
SCE-13-LCE		Lancaster Choice Energy <sup>1</sup>	\$ 401,318	\$ -	\$ -	\$ -	N/A	
SCE-13-3CREN		3CREN <sup>1</sup>	\$ 1,021,668	\$ 2,991,797	\$ 1,542,094	\$ 1,449,703	REN/CCA	
SCE-13-REN		SoCalREN <sup>1</sup>	\$ 8,814,067	\$ 17,799,526	\$ 2,219,930	\$ 15,579,596	REN/CCA	
		<b>Total EE Portfolio</b>	\$ 40,144,143	\$ 183,657,149	\$ 80,070,024	\$ 103,587,125		

<sup>1</sup> Includes EM&V budget

<sup>2</sup> Includes the accrued interest in the Energy Efficiency Program Balancing Account

**Table 5 - Total 2021 Requested and 2017-2020 Authorized Budgets (\$000)**

Category (2017-20 Authorized <sup>1</sup> and 2021 Request)	Electric Demand Response Funds	Electric Energy Efficiency Funds	Natural Gas Public Purpose Funds	Total Energy Efficiency Funds
2017 Program Funds - Utility <sup>2</sup>	\$ 10,137	\$ 302,725	\$ -	\$ 312,862
2017 Program Funds - REN	\$ -	\$ 17,262	\$ -	\$ 17,262
2017 Program Funds - CCA	\$ -		\$ -	\$ -
2017 PA EM&V <sup>4</sup>	\$ -	\$ 13,333	\$ -	\$ 13,333
<b>2017 Annualized Total</b>	<b>\$ 10,137</b>	<b>\$ 333,320</b>	<b>\$ -</b>	<b>\$ 343,457</b>
2018 Program Funds - Utility <sup>2</sup>	\$ 8,780	\$ 222,643	\$ -	\$ 231,423
2018 Program Funds - LCE	\$ -	\$ 372	\$ -	\$ 372
2018 Program Funds - 3CREN	\$ -	\$ -	\$ -	\$ -
2020 Program Funds - REN	\$ -	\$ 15,536	\$ -	\$ 15,536
2018 Program Funds - CCA	\$ -	\$ -	\$ -	\$ -
2018 PA EM&V <sup>4</sup>	\$ -	\$ 10,012	\$ -	\$ 10,012
<b>2018 Annualized Total</b>	<b>\$ 8,780</b>	<b>\$ 248,563</b>	<b>\$ -</b>	<b>\$ 257,343</b>
2019 Program Funds - Utility <sup>2</sup>	\$ 9,360	\$ 220,178	\$ -	\$ 229,538
2019 Program Funds - LCE <sup>3</sup>	\$ -	\$ 406	\$ -	\$ 406
2019 Program Funds - 3CREN <sup>3</sup>	\$ -	\$ 2,075	\$ -	\$ 2,075
2019 Program Funds - REN <sup>3</sup>	\$ -	\$ 17,467	\$ -	\$ 17,467
2019 Program Funds - CCA	\$ -	\$ -	\$ -	\$ -
2019 PA EM&V <sup>4</sup>	\$ -	\$ 9,770	\$ -	\$ 9,770
<b>2019 Annualized Total</b>	<b>\$ 9,360</b>	<b>\$ 249,896</b>	<b>\$ -</b>	<b>\$ 259,256</b>
2020 Program Funds - Utility <sup>2</sup>	\$ 9,871	\$ 140,918	\$ -	\$ 150,789
2020 Program Funds - LCE <sup>3</sup>	\$ -	\$ 406	\$ -	\$ 406
2020 Program Funds - 3CREN <sup>3</sup>	\$ -	\$ 2,179	\$ -	\$ 2,179
2020 Program Funds - REN <sup>3</sup>	\$ -	\$ 17,713	\$ -	\$ 17,713
2020 Program Funds - CCA	\$ -	\$ -	\$ -	\$ -
2020 PA EM&V <sup>4</sup>	\$ -	\$ 6,478	\$ -	\$ 6,478
<b>2020 Annualized Total</b>	<b>\$ 9,871</b>	<b>\$ 167,693</b>	<b>\$ -</b>	<b>\$ 177,564</b>
2021 Program Funds - Utility <sup>2</sup>	\$ 9,678	\$ 155,755	\$ -	\$ 165,433
2021 Program Funds - LCE <sup>3</sup>	\$ -	\$ -	\$ -	\$ -
2021 Program Funds - 3CREN <sup>3</sup>	\$ -	\$ 2,992	\$ -	\$ 2,992
2021 Program Funds - REN <sup>3</sup>	\$ -	\$ 17,800	\$ -	\$ 17,800
2021 Program Funds - CCA	\$ -	\$ -	\$ -	\$ -
2021 PA EM&V <sup>4</sup>	\$ -	\$ 7,111	\$ -	\$ 7,111
<b>2021 Annualized Total</b>	<b>\$ 9,678</b>	<b>\$ 183,657</b>	<b>\$ -</b>	<b>\$ 193,335</b>
<b>2017-2020 Total Portfolio Request</b>	<b>\$ 47,826</b>	<b>\$ 1,183,129</b>	<b>\$ -</b>	<b>\$ 1,230,955</b>

<sup>1</sup> Authorized budget excludes reductions from past unspent funds, carryover and is consistent with funding approved in D. 09-09-047, D. 12-11-015, D.14-10-046 and D.15-10-028.

<sup>2</sup> Includes On-Bill Finance Loan program budget

<sup>3</sup> Includes EM&V budget

<sup>4</sup> Includes SCE and CPUC EM&V budget

<b>Table 6 - Committed Energy Efficiency Program Funding - Funds Not Yet Spent as of 6/30/2020</b>			
<b>Accrued funds not yet spent (\$000)</b>	<b>Procurement Funds</b>	<b>Public Purpose Funds</b>	<b>Total</b>
<b>Category</b>			
2017 to date EM&V Funds <sup>1</sup>	\$ 12,242	\$ -	\$ 12,242
2017 to date Program Funds - Utility <sup>2</sup>	\$ 19,155	\$ -	\$ 19,155
2017 to date Program Funds - REN	\$ -	\$ -	\$ -
2017 to date Program Funds - CCA	\$ -	\$ -	\$ -
2018 to date EM&V Funds <sup>1</sup>	\$ 9,038	\$ -	\$ 9,038
2018 to date Program Funds - Utility <sup>2</sup>	\$ 14,014	\$ -	\$ 14,014
2018 to date Program Funds - REN <sup>3</sup>	\$ -	\$ -	\$ -
2018 to date Program Funds - CCA	\$ -	\$ -	\$ -
2019 to date EM&V Funds <sup>1</sup>	\$ 9,044	\$ -	\$ 9,044
2019 to date Program Funds - Utility <sup>2</sup>	\$ 29,871	\$ -	\$ 29,871
2019 to date Program Funds - REN <sup>3</sup>	\$ 3,501	\$ -	\$ 3,501
2019 to date Program Funds - CCA	\$ -	\$ -	\$ -
2020 to date EM&V Funds <sup>1</sup>	\$ 6,148	\$ -	\$ 6,148
2020 to date Program Funds - Utility <sup>2</sup>	\$ 78,755	\$ -	\$ 78,755
2020 to date Program Funds - REN <sup>3</sup>	\$ 10,060	\$ -	\$ 10,060
2020 to date Program Funds - CCA	\$ -	\$ -	\$ -

<sup>1</sup> Includes both PA and CPUC ME&V commitment

<sup>2</sup> Excludes PA On-Bill Finance Loan program

<sup>3</sup> Includes LCE, 3CREN and REN

<b>Table 7 - 2020 Authorized and Spent/Unspent Detail</b>			
<b>Authorized, spent and unspent program funds (excludes EM&amp;V) (\$000)<sup>1</sup></b>	<b>Electric Procurement Funds</b>	<b>Public Purpose Funds</b>	
<b>Category</b>			<b>Total</b>
2020 Annualized Authorized Program Budget	\$ 143,985	\$ -	\$ 143,985
2020 Actual Spent <sup>2</sup>	\$ 39,814	\$ -	\$ 39,814
2020 Unspent			
2020 Committed funds <sup>3</sup>	\$ 88,586	\$ -	\$ 88,586
2020 Unspent/uncommitted - estimated available for 2021	\$ 15,585	\$ -	\$ 15,585

Authorized and Actual Spent includes the budget and spent for LCE, 3CREN and REN, but excludes Finance Revolving Loan.

<sup>1</sup> Actual Spent means funds expensed, including accruals and payments made on previous year commitments as of June 30, 2020.

<sup>2</sup> 2020 Commitments funds as of June 2020.

<sup>3</sup> Funds to be amortized in 2021 rate

## Attachment D

Supplemental Budget Information Pursuant  
to D.18-05-041, OP #44  
(Meet and Confer Budget Tables)

I.  
**NARRATIVE DESCRIPTION OF SCE'S ORGANIZATIONS  
SUPPORTING ITS EE PORTFOLIO**

**A. Description of SCE's Organizations Supporting Its EE Portfolio**

Pursuant to D.18-05-041, Ordering Paragraph 44, the Commission directs Program Administrators (PAs) to include updated budget estimates, starting with the PAs' 2020 Annual Budget Advice Letter (ABAL), in the same format as the supplemental budget information filed in the Business Plan Proceeding.<sup>1</sup> The following sections and responses were provided in SCE's Business Plan Supplemental Budget Filing, including functions conducted by each organization, organization charts, staffing needs by organization, non-program functions performed by contractors, anticipated cost drivers, and explanation of forecasting cost method. SCE has updated its information and responses and provides its supplemental budget information below.

**1. Functions Conducted by Each Organization**

Multiple functions are performed to support SCE's EE portfolio, including program management; engineering services; marketing; planning; compliance; contract management; and evaluation, measurement, and verification (EM&V). These functions are performed by employees in various SCE organizations as well as contractors to those organizations (discussed in Section 4 hereof). To aid parties' understanding of the functions performed by each SCE organization, SCE has included in Appendix B of this Attachment D the function descriptions performed by each respective organization that supports its EE portfolio. As SCE shifts funding and programs to third-parties, SCE's labor will adjust to meet the portfolio and third-party needs. While SCE has realized a reduction in overall staffing levels, SCE will retain its role in overseeing administration of the portfolio, manage the close-out of previous program commitments, and manage the necessary labor for the remaining IOU operated programs.

**2. Management Structure and Organization Charts**

As described above, multiple internal organizations support SCE's EE portfolio, including SCE's Customer Programs and Services organization (CP&S), Business Customer Division (BCD), Customer Service Operations Division (CSOD), and Regulatory Affairs. SCE provides its organization chart for those organizations in Appendix A of this Attachment D. In general, SCE's chief executive officer, president, and vice-presidents do not directly charge the EE balancing account. However, these positions have been included in the organization charts to show line-of-sight from SCE employees to executive management. In addition, certain other support organizations do not charge to the EE balancing account and have therefore been excluded. These organizations include Finance, Legal, and Information Technology. The positions

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<sup>1</sup> The supplemental budget information was filed in A.17-01-013 et al. on June 12, 2017.

included in SCE's organization charts in Appendix A include SCE employees that charged to the EE balancing account as of August 2020. The organization charts exclude contingent workers, vacancies, and employees on leave of absence, interns, and service maintenance providers.

### **3. Staffing Needs by Organization**

Full Time Equivalents (FTEs) are a unit of measure showing how many employees SCE has performing work on a full-time schedule. In 2018, 296 FTEs supported SCE's EE portfolio. In 2021, SCE forecasts 163 FTEs to support its EE portfolio. Note that forecasting FTEs that will support SCE's EE portfolio has some uncertainty because solicitations for new third-party programs are not complete at this time.

The headcount amounts provided in the organization charts provided in Appendix A will not reconcile to FTE amounts provided in Appendix B of this Attachment D. Headcount is different than FTE. The headcount information in the organization charts represents SCE employees only and does not include contingent workers, supplemental workers, vacancies, employees on leave of absence, interns, and service maintenance providers. The organization charts also show positions that charge a portion of their time to EE.

### **4. Non-Program Functions Performed by Contractors**

Currently, contractors (e.g., advisory consultants) perform the functions listed below. However, none of the following functions are fully "outsourced" to contractors; rather, contractors supplement SCE employees in performing such functions.

1. Strategic planning support
2. Program and portfolio support
3. Regulatory, legal, and compliance support
4. Policy support
5. Project management support
6. Program or pilot planning and support
7. Engineering support or other technical services

SCE anticipates that in 2021 contractors (e.g., advisory consultants) will perform similar functions to those described above; however, contractors' work may shift (i.e., away from program planning) or decrease as more programs are proposed, designed, and implemented by third parties.

### **5. Anticipated Cost Drivers of In-House Cost Changes by Organization**

The primary drivers of administrative and implementation costs for programs are the number and type of programs offered. SCE currently offers and reports on dozens of programs in its EE portfolio. Each program requires a certain level of staffing based

on the program delivery method. For example, an upstream program that targets large manufacturers will have minimal administrative and implementation costs. However, a downstream program that targets many customers that require a high level of interaction between program staff, engineers, vendors and other program administrators will have high administrative and implementation costs. Other more complex programs, or those that involve mass market, will require more significant sales and marketing support.

SCE has incorporated significant efficiencies in its portfolio over the last several years (see Table 8: Administrative Cost Comparison in the ABAL). SCE will continue to refine its labor needs to achieve efficiencies based on experience with new and innovative programs offered by third parties in the marketplace. Additionally, SCE anticipates that the new Statewide Administration of EE programs may yield additional efficiencies; however, because the new Statewide Administration model is in its first operational year, SCE does not yet know how administrative costs for these programs will be affected.

SCE will be transitioning as much of its portfolio as possible to third-party implementers to achieve the requirement that at least 60 percent of the portfolio be proposed, designed, and delivered by third parties by the end of 2022. Without knowing the specific programs and delivery channels third parties will propose and SCE will select, it is difficult to forecast exactly how administrative and implementation costs will vary over time. SCE is also aware there are significant cost impacts in the marketplace that could place upward pressure on costs. For example, increasing review costs and declining measures have made it harder for vendors to deliver results. However, given the recent reduction in goals and associated budget, SCE anticipates that its overall staffing level will also decrease over the course of 2021.

The anticipated major cost drivers of in-house cost changes are:

1. Number and type of programs funded;
2. SCE-implemented compared to third-party-implemented programs;
3. New 2021 savings and demand reduction goals based on Commission Decision 19-08-034 Decision Adopting Energy Efficiency Goals for 2020-2030;
4. Cost for new programs launched through the third-party solicitation process;
5. Cost to administer statewide programs;
6. Legislative mandates that require new or increased funding to implement; and
7. Number of data requests or need for additional reporting requirements.

## **6. Explanation of Method for Forecasting Costs**

To arrive at its 2021 budget forecast, SCE adjusted its 2020 proposed budget and savings to reflect the decrease in savings goals assigned by the Commission in



D.19-08-034 and to incorporate the updated avoided costs in D.19-05-019. This was accomplished by using data, by sector, from the 2019 Potential and Goals Study to evaluate a sector's savings potential and adjusting the sector's corresponding budget needed to accomplish the projected savings values. Cost-effectiveness tests (Total Resource Cost (TRC), Program Administrator Cost (PAC), and Ratepayer Impact Measure (RIM)) for 2020 were calculated using the Commission-approved Cost Effectiveness Tool by modifying the inputs to reflect portfolio measure optimization.

In addition, SCE optimized its demand-side management portfolio. SCE's portfolio optimization process included activities such as: optimizing all measures and programs to maximize savings and cost-effectiveness, eliminating or reducing non-cost-effective programs, and reducing SCE administrative costs.

**B. "Full-Time Equivalents" (FTEs) by Organization**

SCE's FTEs supporting its EE portfolio by organization for 2019 recorded and 2021 forecasted is provided in Appendix B.

**C. Costs by Functional Area of Management Structure**

Expenses broken out by functional area of management structure are provided in Appendix B.

**D. Cost Drivers Across the EE Organization**

Cost drivers across SCE's EE organization are included in the discussion in Section A.5. of this Attachment D.

**E. Allocation of Labor and O&M Costs**

All EE-related time for employees working on EE is tracked through internal orders or distributed cost centers (EE cost objects) that settle costs to internal orders, which are assigned to an account grouping for EE. The portion of an employee's time is allocated to those orders, and therefore to the Public Purpose Programs, based on the time spent by the employee working on tasks related to the EE portfolio of programs. All time sheets for hourly employees and some salaried employees are approved by the employee's manager. For other salaried employees, their time is allocated to EE cost objects on a pre-established basis determined by their manager based on the expected time to be spent on tasks related to EE for the year. These allocations are reviewed periodically and when employee's positions and responsibilities change. SCE's SAP system allows for timekeeping increments of 15 minutes. Time sheets and pre-established accounting for EE-related tasks described above are the basis for determining the appropriate EE and non-EE labor costs.

SCE labor costs charged against EE rates include paid time off but are not loaded with benefits. SCE's benefits burden is collected through General Rate Case

(GRC) rates; however, SCE does include employee benefits cost in its cost-effectiveness calculations. They are currently reported and filed in the CPUC's California Energy Data and Reporting System (CEDARS) as a separate program.

Non-labor resource costs are allocated to EE and non-EE activity similarly to labor costs, by time for tasks completed. Non-labor resources such as events, conferences, or marketing campaigns may be allocated based on the agenda or topics covered. These costs may include activities that are supported through GRC or other rates.

All costs related to EE rates are recorded separately from those related to GRC rates and are not included in determining the forecasts for the GRC.

## **II.**

### **UPDATED BUDGET TABLES PROVIDED IN SCE'S JUNE 12, 2017 SUPPLEMENTAL BUDGET INFORMATION**

On June 12, 2017, SCE provided certain information regarding SCE's proposed budgets in its Business Plan Application (A.17-01-013 et al). SCE provides updates to that information identified below:

#### **A. Energy Savings Targets and Expenditures**

See Attachment A of SCE's PY 2021 ABAL which contains the table summarizing energy savings targets and expenditures by sector.

#### **B. In-House Budget by Sector and Cross-Cutting Program**

Using the agreed upon template, SCE provides information pertaining to how much of each year's budget SCE anticipates spending "in-house" (e.g., for administration, non-outsourced direct implementation, other non-incentive costs, marketing), by sector and by cross-cutting program in Appendix B of this Attachment D.

#### **C. Solicitation Schedule**

In Appendix C, SCE provides its anticipated solicitation schedule by calendar year and quarter. Consistent with the Commission's direction, statewide program budgets will be determined by the funding PAs based on the savings potential in their respective service territories, Commission-approved goals, historical budgets, and their influence on overall portfolio cost-effectiveness. For existing statewide programs, the Lead-PA uses their historic program budget levels to conduct statewide program solicitations. For new statewide programs, the budget will be determined based on each PA's overall portfolio cost-effectiveness analysis and the Commission-approved goals. These budgets will be adjusted and finalized by each PA, based on the results of the solicitations, to arrive at the annual statewide program budgets. Consistent with the

Rolling Portfolio approach, the statewide program budgets may change over the life of the Business Plan. Any budget updates will be presented in the ABAL.

**D. Statewide Aggregate Budgets for Each Statewide Program**

See Attachment F for the requested information.

**AL 4068-E Attachment D – Appendix A**  
**SCE Organizational Charts**

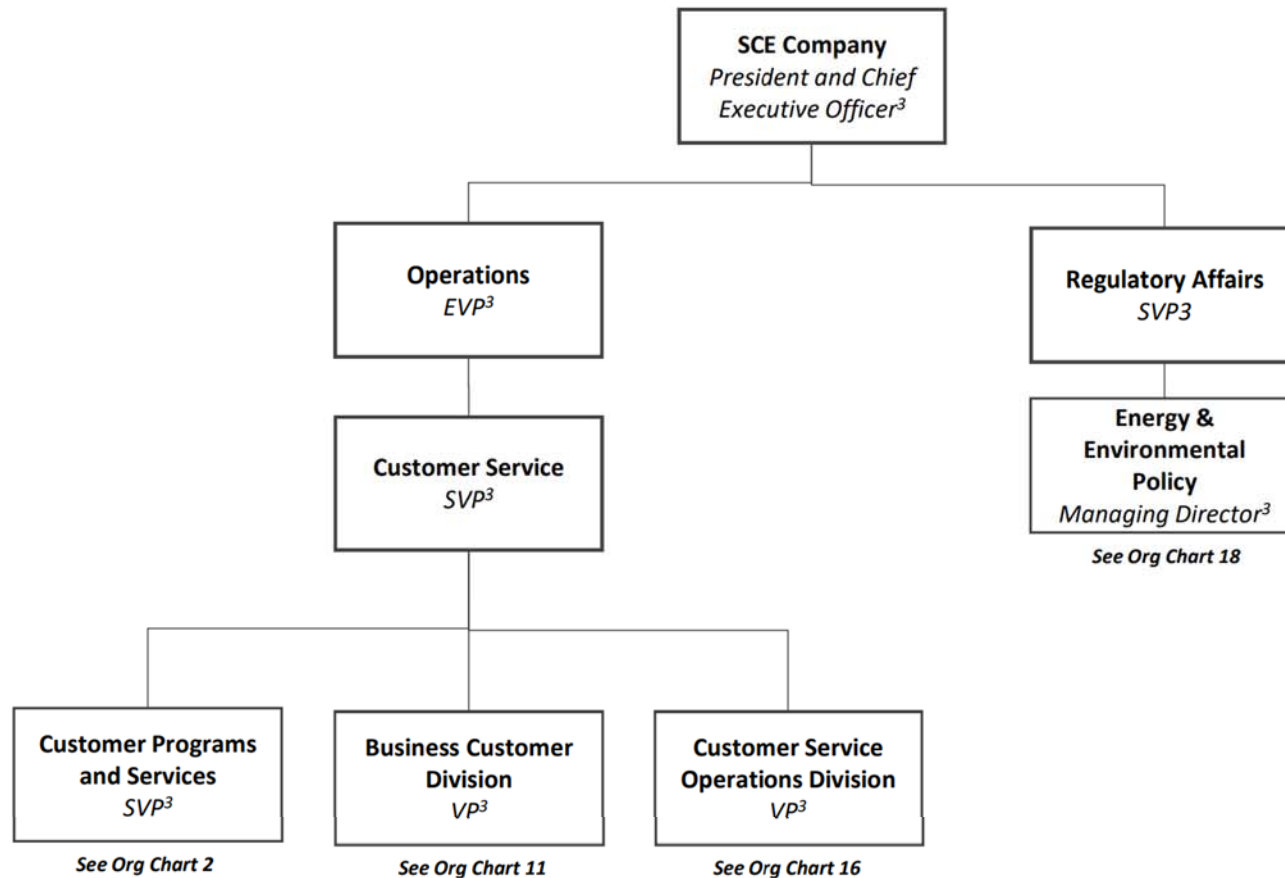
# SCE Energy Efficiency Organization Charts

Org Chart #	Organization Chart Description
1	Southern California Edison Company
2	Customer Programs and Services
3	Customer Programs and Services – DSM Program Management
4	Customer Programs and Services – DSM Program Management – Energy Efficiency Products
5	Customer Programs and Services – DSM Program Management – Solicitation PMO & Operational Support
6	Customer Programs and Services – DSM Program Management – DSM Operational & Technical Support
7	Customer Programs and Services – DSM Program Management – Engineering Services
8	Customer Programs and Services – Product Management
9	Customer Programs and Services – Customer Experience
10	Customer Programs and Services – Information Governance & Analytics, Measurement & Evaluation
11	Business Customer Division
12	Business Customer Division – Commercial and Industrial
13	Business Customer Division – Government, Institution, Agriculture, & Water
14	Business Customer Division – Energy Analysis & Customer Outreach
15	Business Customer Division – BCD Operations
16	Customer Service Operations Division
17	Customer Service Operations Division – Customer Contact Center
18	Regulatory Affairs

# Southern California Edison Company

## SCE EE Organization Chart 1

Organization Chart Headcount: 290<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

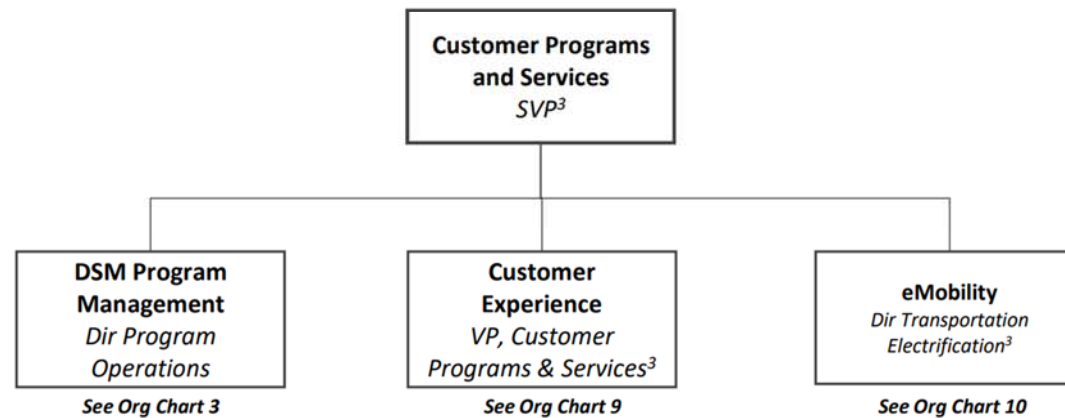
Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Customer Programs & Services

## SCE EE Organization Chart 2

Summary Function Description: Manages the DSM Program Management, Business DSM Programs, Product Development and Division Management, Customer Insights and Measurement & Evaluation, Customer Engagement, and Information Governance & Analytics, Measurement and Evaluation groups.

Organization Chart Headcount: 132<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Customer Programs & Services

## SCE EE Organization Chart 3

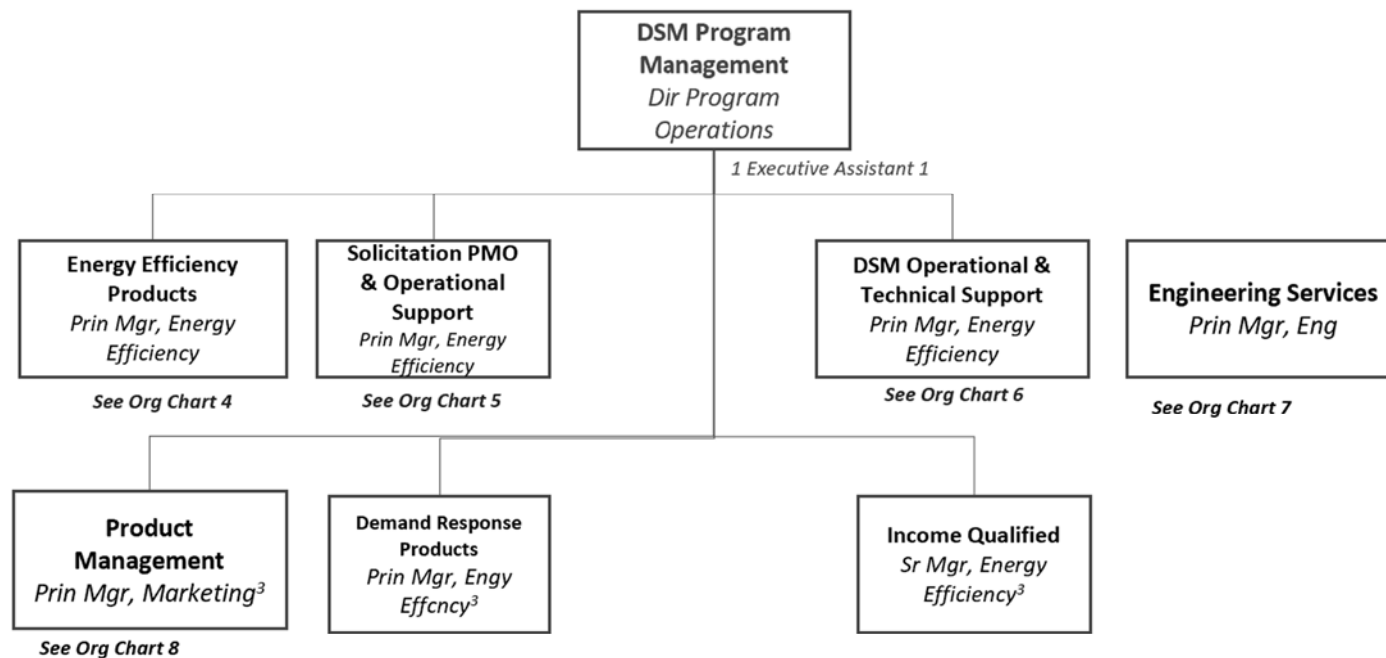
### DSM Program Management

Functional Category: Program Management and Delivery

Detailed Definition: Market Segment & Locational Resource programs; Business Core & Finance Programs; Large Power DR Programs; Program Integration & Optimization; Residential EE & DR Programs; IQP & Economic Assistance Programs; Mass Market DR Programs; Education & Information Products & Services; Energy Leader Partnerships; Institutional & Federal Partnerships; REN Coordination; Strategic Plan Support; Energy/Water Program Mgt; Service Level Agreement Tracking

Summary Function Description: Provides DSM program management, including program planning, design, implementation, compliance, reporting and technical operations/support.

Organization Chart Headcount: 112<sup>1, 2,3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".



# Customer Programs & Services

## Energy Efficiency Products

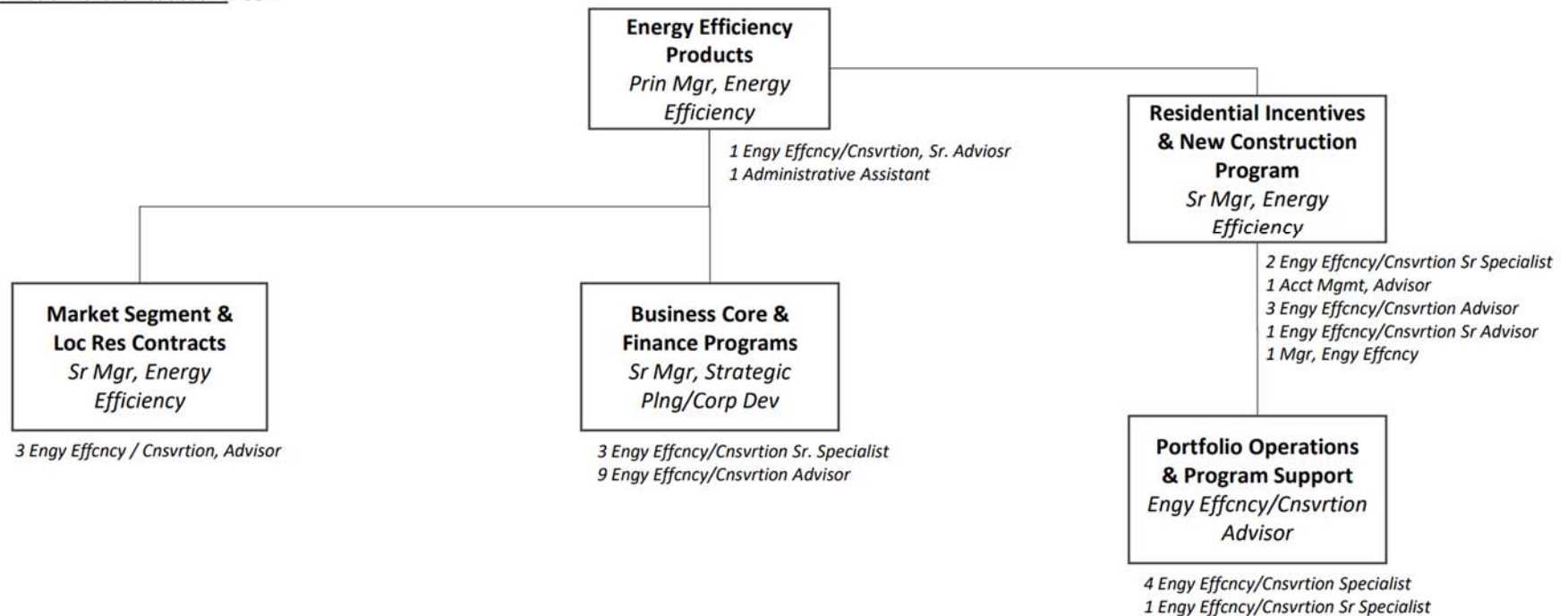
## SCE EE Organization Chart 4

Functional Category: Program Management and Delivery

Detailed Definition: Market Segment & Locational Resource programs; Business Core & Finance Programs; Large Power DR Programs; Non-Res HVAC & Technical Services; Program Integration & Optimization; Residential EE & DR Programs (incl. Res HVAC QI); IQP & Economic Assistance Programs; Mass Market DR Programs; Education & Information Products & Services; Energy Leader Partnerships; Institutional & Federal Partnerships; REN Coordination; Strategic Plan Support; Energy/Water Program Mgt; Service Level Agreement Tracking

Summary Function Description:

Organization Chart Headcount: 35<sup>1, 2</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

# Customer Programs & Services

## SCE EE Organization Chart 5

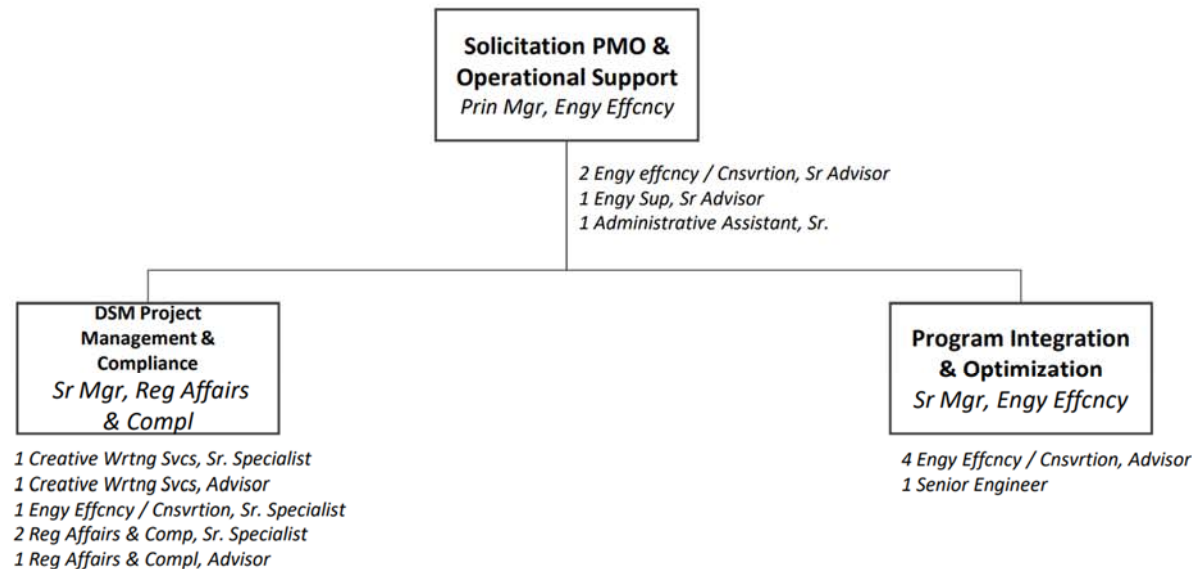
### Solicitation PMO & Operational Support

Functional Category: Program Management and Delivery

Detailed Definition: Market Segment & Locational Resource programs; Business Core & Finance Programs; Large Power DR Programs; Non-Res HVAC & Technical Services; Program Integration & Optimization; Residential EE & DR Programs (incl. Res HVAC QI); IQP & Economic Assistance Programs; Mass Market DR Programs; Education & Information Products & Services; Energy Leader Partnerships; Institutional & Federal Partnerships; REN Coordination; Strategic Plan Support; Energy/Water Program Mgt; Service Level Agreement Tracking

Summary Function Description:

Organization Chart Headcount: 18<sup>1, 2</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

# Customer Programs & Services

## SCE EE Organization Chart 6

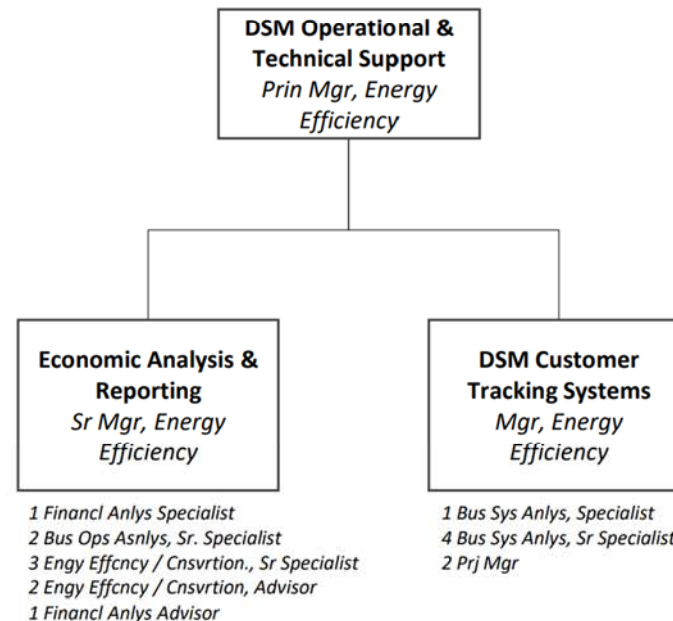
### DSM Operational & Technical Support

Functional Category: Program Management and Delivery

Detailed Definition: Market Segment & Locational Resource programs; Business Core & Finance Programs; Large Power DR Programs; Non-Res HVAC & Technical Services; Program Integration & Optimization; Residential EE & DR Programs (incl. Res HVAC QI); IQP & Economic Assistance Programs; Mass Market DR Programs; Education & Information Products & Services; Energy Leader Partnerships; Institutional & Federal Partnerships; REN Coordination; Strategic Plan Support; Energy/Water Program Mgt; Service Level Agreement Tracking

Summary Function Description:

Organization Chart Headcount: 19<sup>1, 2</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

# Customer Programs & Services

## SCE EE Organization Chart 7

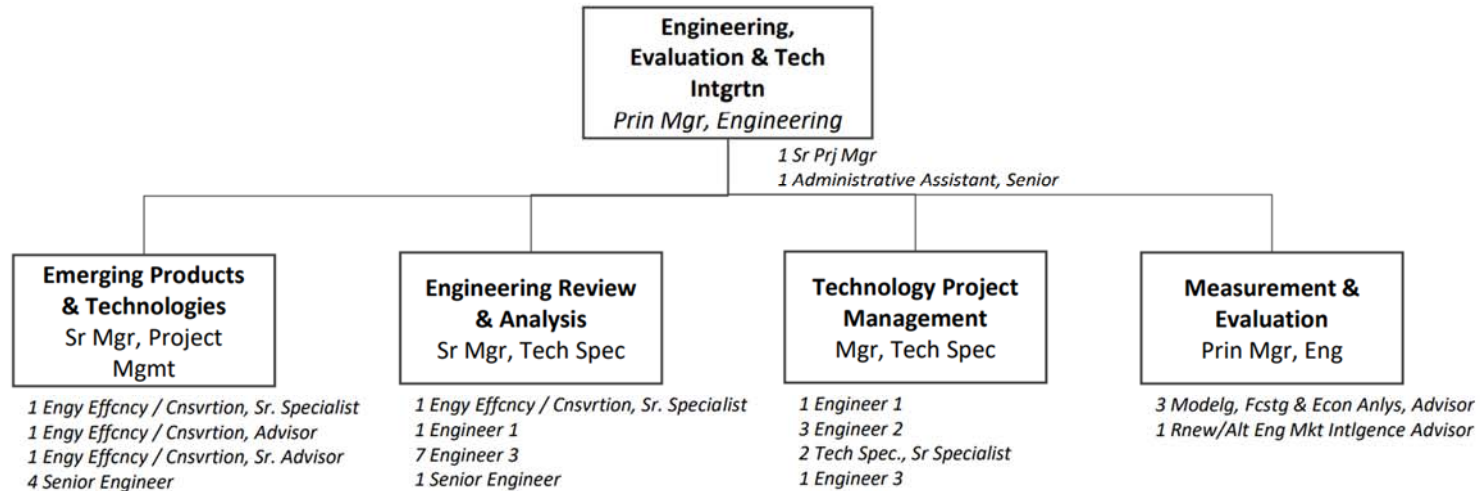
### Engineering Services

Functional Category: Program Management and Delivery

Detailed Definition: Market Segment & Locational Resource programs; Business Core & Finance Programs; Large Power DR Programs; Non-Res HVAC & Technical Services; Program Integration & Optimization; Residential EE & DR Programs (incl. Res HVAC QI); IQP & Economic Assistance Programs; Mass Market DR Programs; Education & Information Products & Services; Energy Leader Partnerships; Institutional & Federal Partnerships; REN Coordination; Strategic Plan Support; Energy/Water Program Mgt; Service Level Agreement Tracking

Summary Function Description: Manages and operates SCE's business EE programs, including SCE's Core and Finance Programs, HVAC & Technical Services, and Market Segment & Local Resource Contracts.

Organization Chart Headcount: 34<sup>1,2</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.



# Customer Programs & Services

## SCE EE Organization Chart 8

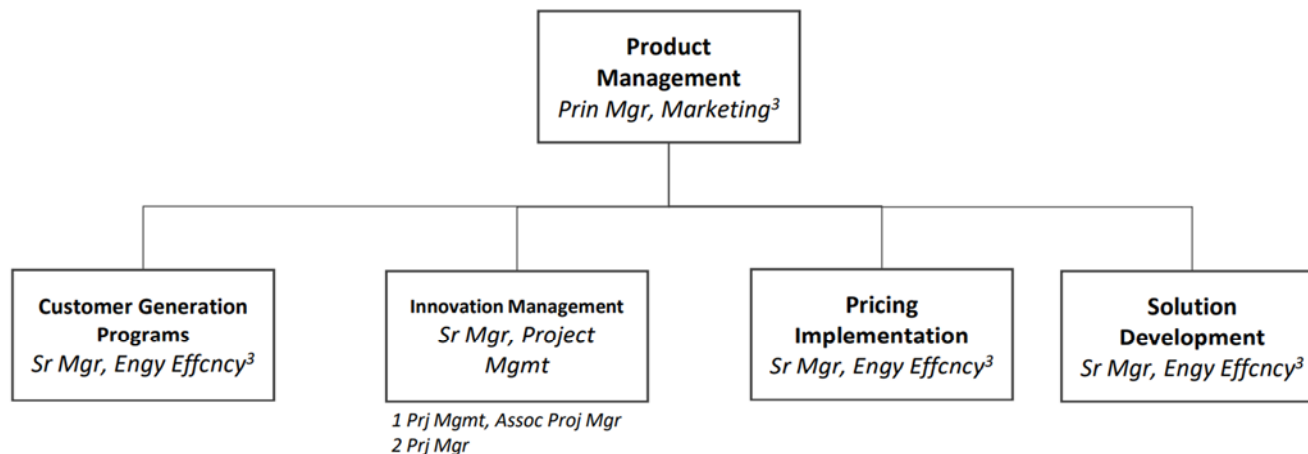
### Product Management

Functional Category: Product Management

Detailed Definition: Manage end-to-end new products and services (P&S) intake, evaluation, and launch process; develop and facilitate P&S governance teams, coordination of all sub-process owners, stakeholders, and technical resources required to evaluate and launch new products; evaluate and launch new services and OOR opportunities; develop external partnerships & strategic alliances; work with various companies and associations to help advance standards, products, and tech.; work with external experts to help reduce SCE costs to deliver new prog. and products; develop and launch new customer technologies, products, services for residential and business customers; conduct customer pilots of new technologies and programs; lead customer field demonstrations of new technologies and products; align new P&S to savings programs/incentives; develop new programs/incentives in support of savings goals

Summary Function Description: Manages EE, DR, DG, and non-DSM product development, including solicitations and contracts, solutions development, new product opportunities, demonstration & pilots, and product governance & innovation management.

Organization Chart Headcount: 4<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Customer Programs & Services

SCE EE Organization Chart 9

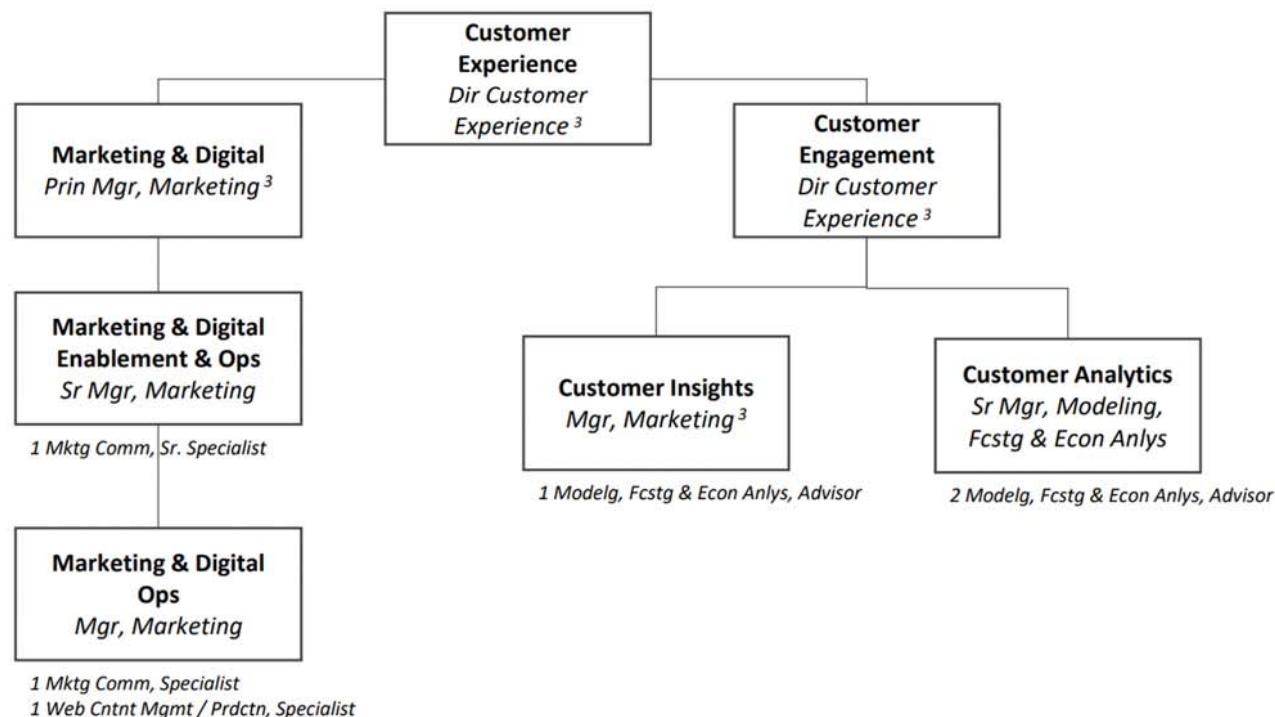
## Customer Experience

Functional Category: Marketing

Detailed Definition: Customer Programs, Products, and Services Marketing; Digital Product Development; Digital Content & Optimization

Summary Function Description: Engages customers with information related to EE programs using a mix of delivery channels and marketing communication campaigns.

Organization Chart Headcount: 9<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Customer Programs & Services

SCE EE Organization Chart 10

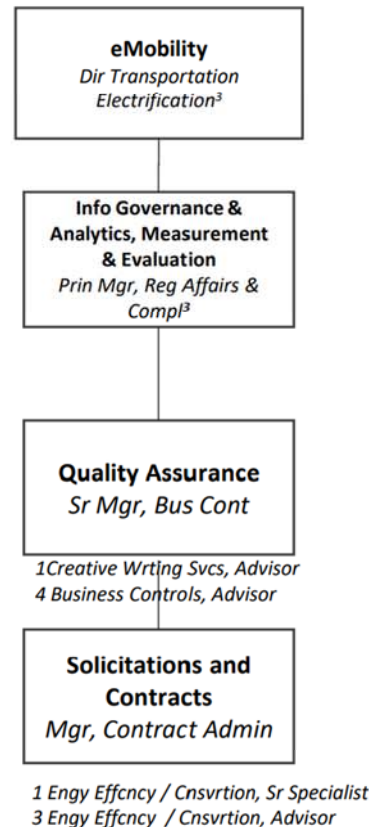
## Information Governance & Analytics, Measurement & Evaluation

Functional Category: Data Analytics

Detailed Definition: Data development for programs, products and services; Standard and ad hoc data extracts for internal and external clients ; Database management; CPUC, CAISO reporting; Data reconciliation; E3 support ; Compliance filing support; Funding Oversight; ESPI support; Program Results Data & Performance

Summary Function Description: Manages information governance, analytics, measurement and evaluation.

Organization Chart Headcount: 11<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

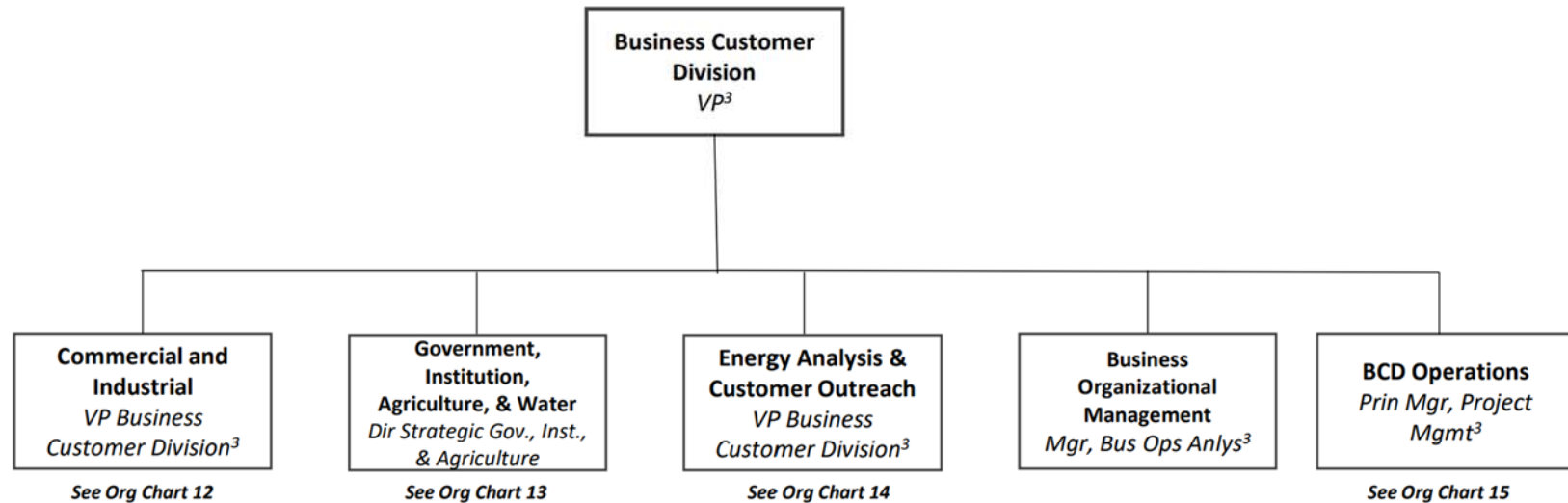
Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Business Customer Division

SCE EE Organization Chart 11

Summary Function Description: Provides account management and other support to SCE's business customers, meeting their needs by leveraging strategic relationships to safely delivery quality programs, provide exceptional customer engagement and enhance business value.

Organization Chart Headcount: 106<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".



# Business Customer Division

## Commercial and Industrial

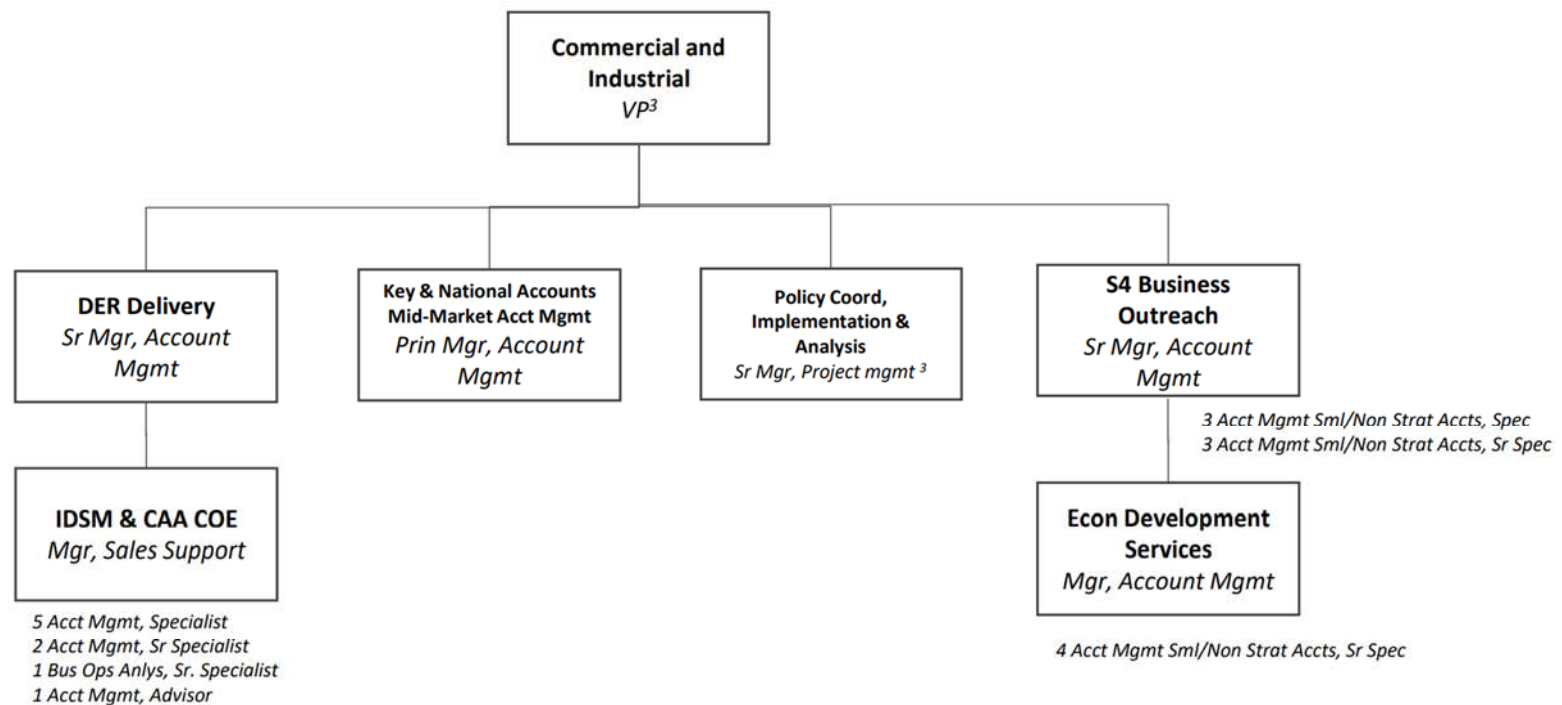
## SCE EE Organization Chart 12

Functional Category: Account Management

Detailed Definition: Represents the Company by delivering consultative sales and marketing of electric energy, services, and products to ensure the attainment of revenue goals. Consults with customers to assess their business needs and requirements, and identifies value added Company products, services, and/or innovative solutions to address their needs.

Summary Function Description: Provides client account management support to commercial and industrial (C&I) customers, including engaging with customers by serving as their Trusted Energy Advisors and advocate. The C&I segment assists this diverse group of customers with energy efficiency, demand response, and distributed energy resource offerings, while also providing value through a variety of customer care issues.

Organization Chart Headcount: 24<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Business Customer Division

## SCE EE Organization Chart 13

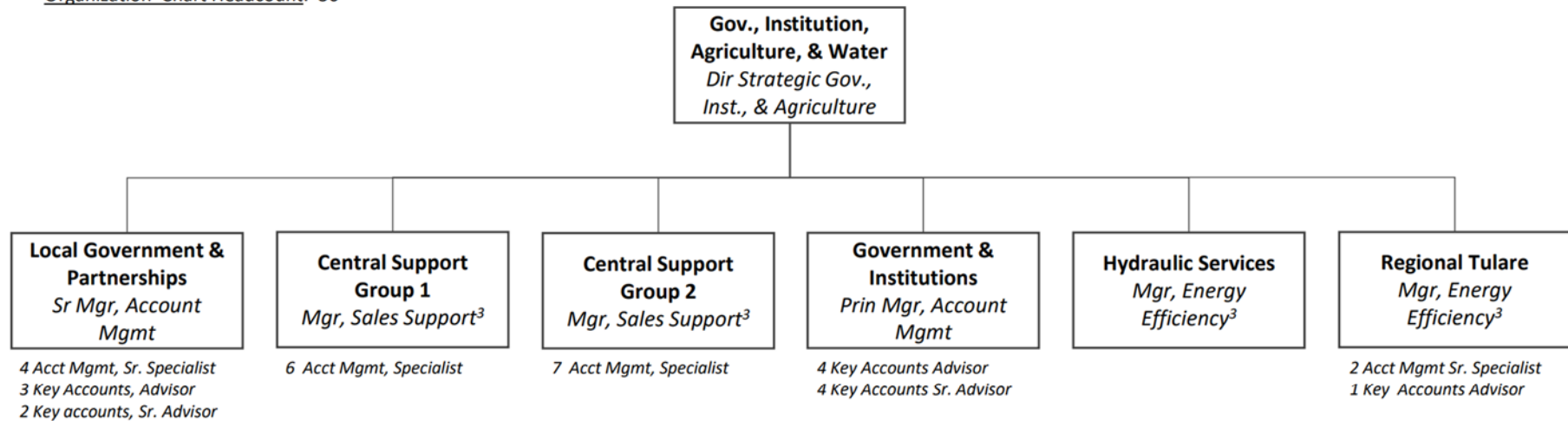
### Government, Institution, Agriculture, & Water

Functional Category: Account Management

Detailed Definition: Represents the Company by delivering consultative sales and marketing of electric energy, services, and products to ensure the attainment of revenue goals. Consults with customers to assess their business needs and requirements, and identifies value added Company products, services, and/or innovative solutions to address their needs.

Summary Function Description: Provides client account management support to government, institutions, agriculture and water (GIA&W) customers, including delivering cost effective and creative customer solutions to exceed expectations for delivering programs and customer care. The GIA&W segment assists this diverse, complex, and political customer base with emerging issues and technologies.

Organization Chart Headcount: 36,<sup>1,2,3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Business Customer Division

## SCE EE Organization Chart 14

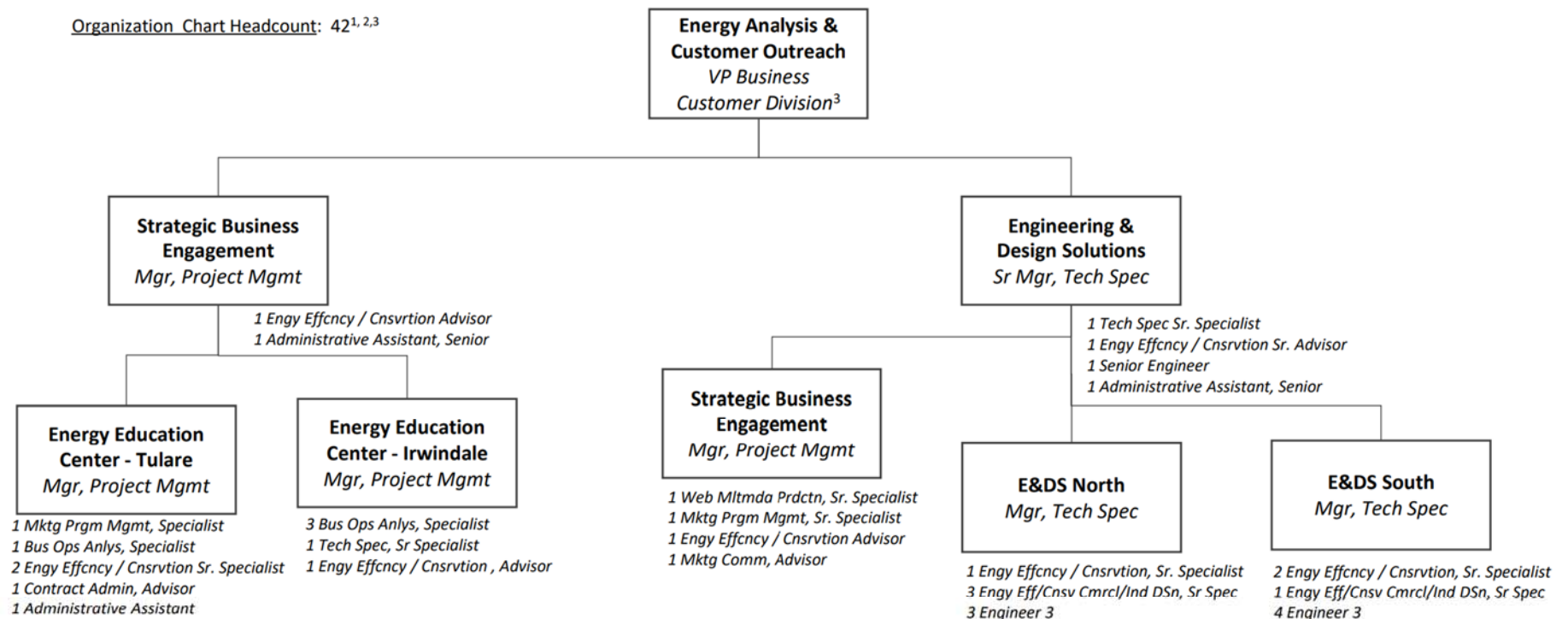
### Energy Analysis & Customer Outreach

Functional Category: Marketing

Detailed Definition: Customer Programs, Products, and Services Marketing; Digital Product Development; Digital Content & Optimization

Summary Function Description: Energy Analysis and Customer Outreach (EA&CO) provides cutting-edge solutions to help customers make energy-related decisions that save energy and money, while helping create a smarter, safer, and reliable energy future. Provides integrated demand-side management Engineering & Design Solutions; Workforce Education and Training through instruction of energy related workshops and seminars, and utilization of displays and tools offered through our Energy Education Centers; and Outreach through Strategic Business Engagement events.

Organization Chart Headcount: 42<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Business Customer Division

## BCD Operations

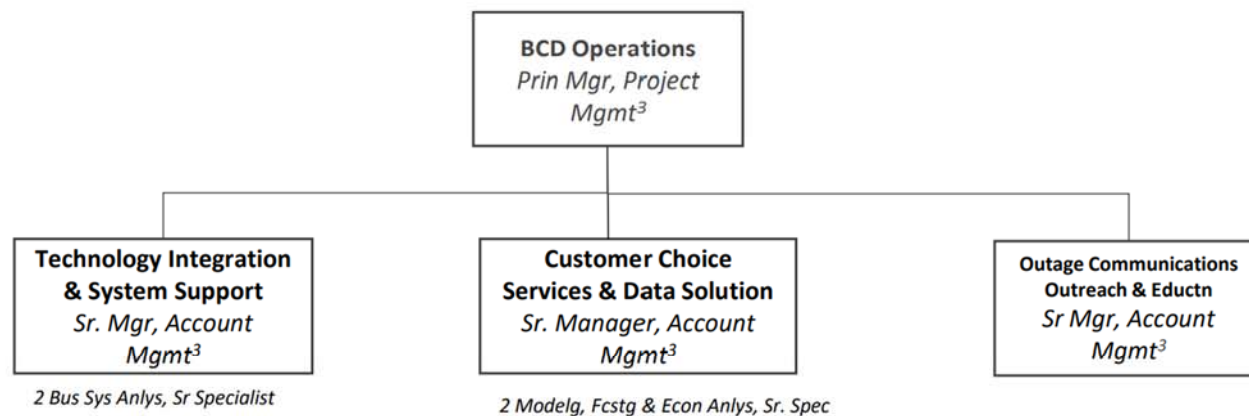
### SCE EE Organization Chart 15

Functional Category: Account Management

Detailed Definition: Represents the Company by delivering consultative sales and marketing of electric energy, services, and products to ensure the attainment of revenue goals. Consults with customers to assess their business needs and requirements, and identifies value added Company products, services, and/or innovative solutions to address their needs.

Summary Function Description: Partner with organizations within SCE to build and improve process and measures to positively impact service to customers in the specialties of outage management and communication, energy efficiency programs and tools, as well as data accuracy and business readiness. Provide experience and expertise in a wide variety of customer care services, project management, and Integrated Demand Side Management support and services.

Organization Chart Headcount: 4<sup>1,2,3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

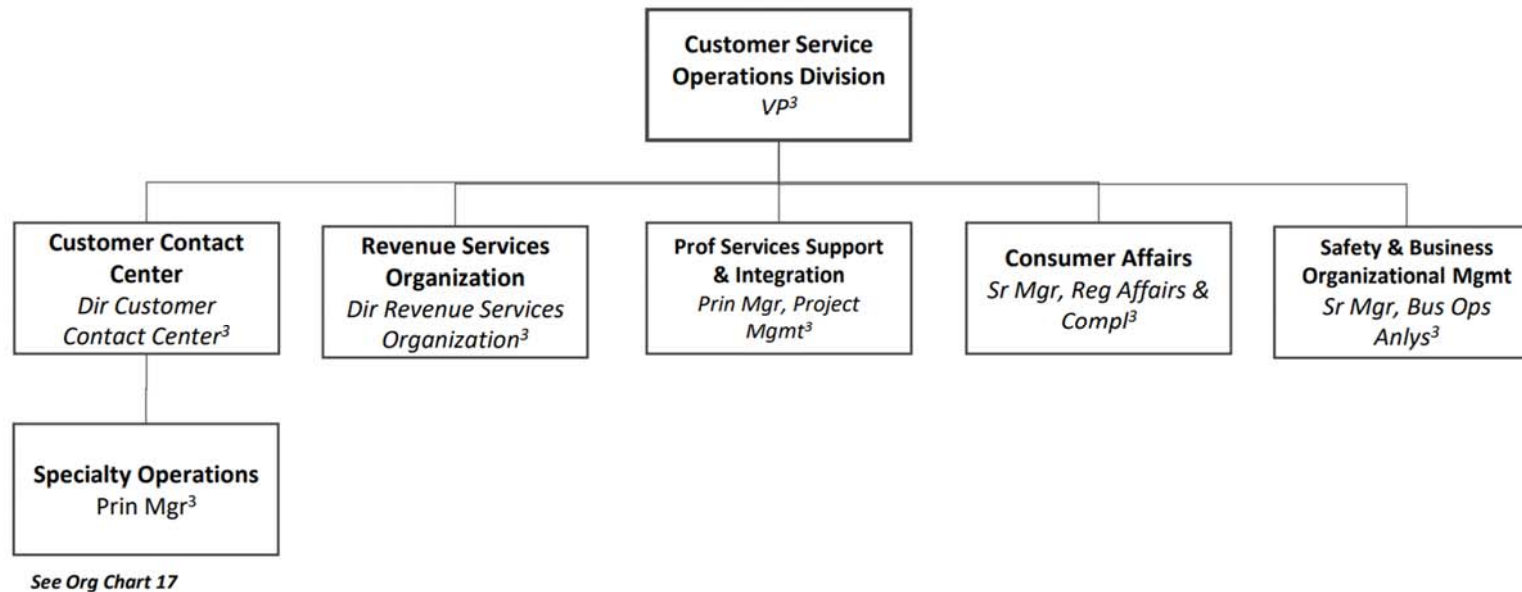


# Customer Service Operations Division

SCE EE Organization Chart 16

Summary Function Description: This group is responsible for customer operations to support EE programs, including call center support and processing program sign-ups.

Organization Chart Headcount: 46<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Customer Service Operations Division

## Customer Contact Center

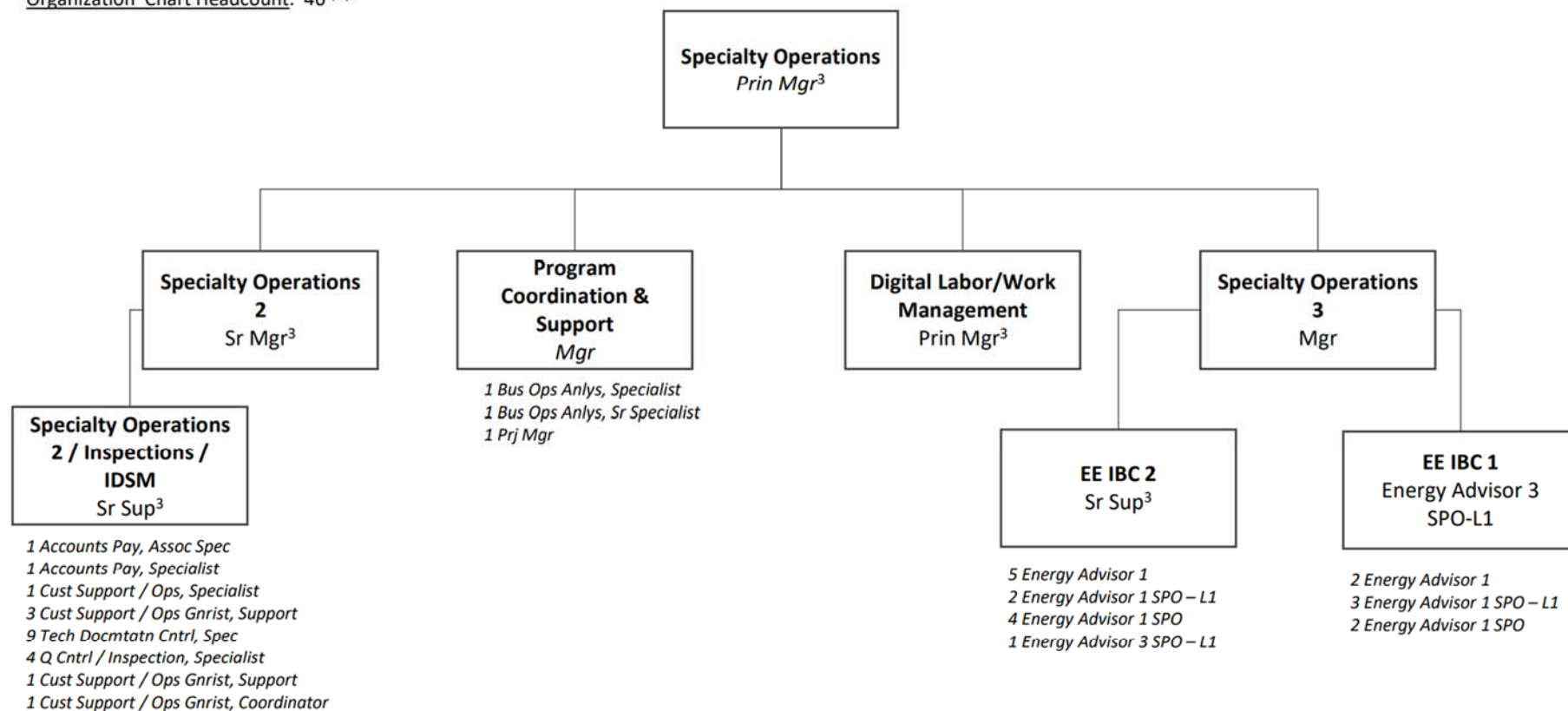
SCE EE Organization Chart 17

Functional Category: Call Center

Detailed Definition: Evaluates and resolves customer inquiries, issues, and problems, and ensures that appropriate action is taken to the satisfaction of the customer, Company, and/or CPUC in compliance with policies, procedures, tariff rules and rates. Designs, coordinates, implements, and manages programs designed to meet and/or address special needs.

Summary Function Description: Provides call center and other support for EE programs.

Organization Chart Headcount: 46<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

# Regulatory Affairs

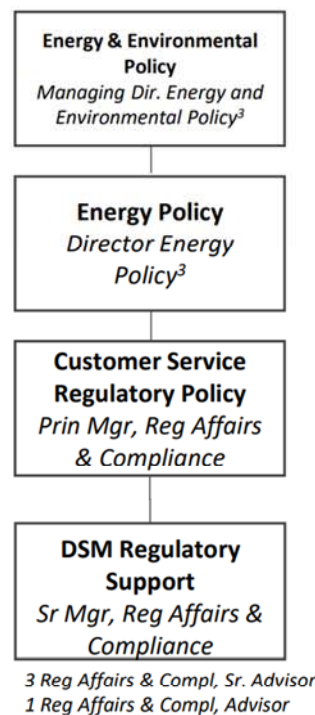
## SCE EE Organization Chart 18

Functional Category: Company Regulatory Support

Detailed Definition: Case management for EE proceedings

Summary Function Description: Provides case management and other regulatory support for EE proceedings.

Organization Chart Headcount: 6<sup>1, 2, 3</sup>



Note 1: Data current as of June 30, 2020. Excludes contingent workers, vacancies, employees on leave of absence, interns, and service maintenance providers.

Note 2: This organization chart uses "Organizational Chart Headcount" which includes any individuals that charged Energy Efficiency Balancing Account. FTEs are a unit of measure showing how many employees SCE has assuming all employees work a full-time schedule.

Note 3: Individual did not charge Energy Efficiency Balancing Account and has been excluded from "Organization Chart Headcount".

**AL 4068-E Attachment D – Appendix B**  
**Supplemental Budget Tables**



## **Function Definitions**

<b>Aggregated Category</b>	<b>Definition</b>	<b>Functional Category</b>	<b>Detailed Definition</b>
Policy, Strategy, and Regulatory Reporting Compliance	Includes policy, strategy, compliance, audits and regulatory support	Planning & Compliance	DSM Goal Planning; lead legislative review/positioning; policy support on reg proceedings; portfolio optimization; end use-market strategy; DSM lead for PRP, DRP, ES; locational targeting; audit support; SOX certifications; developing control plans; developing action plans; continuous monitoring; inspections; program/product QA/QC; decision compliance oversight/tracking; data requests; policies & procedures
		Company Regulatory Support	Case management for EE proceedings
Program management	Includes labor, contracts, admin costs for program design, program implementation, product and channel management for all sectors	Program Management & Delivery	Market Segment & Locational Resource programs; Business Core & Finance Programs; Large Power DR Programs; Non-Res HVAC & Technical Services; Program Integration & Optimization; Residential EE & DR Programs (incl. Res HVAC QI); IQP & Economic Assistance Programs; Mass Market DR Programs; Education & Information Products & Services; Energy Leader Partnerships; Institutional & Federal Partnerships; REN Coordination; Strategic Plan Support; Energy/Water Program Mgt; Service Level Agreement Tracking
		Product Management	Manage end-to-end new products and services (P&S) intake, evaluation, and launch process; develop and facilitate P&S governance teams, coordination of all sub-process owners, stakeholders, and technical resources required to evaluate and launch new products; evaluate and launch new services and OOR opportunities; develop external partnerships & strategic alliances; work with various companies and associations to help advance standards, products, and tech.; work with external experts to help reduce SCE costs to deliver new prog. and products; develop and launch new customer technologies, products, services for residential and business customers; conduct customer pilots of new technologies and programs; lead customer field demonstrations of new technologies and products; align new P&S to savings programs/incentives; develop new programs/incentives in support of savings goals
		Channel Management	
		Contract Management	Budget forecasting, spend tracking, invoice processing, and contract management with vendors and suppliers; Regulatory support for ME&O activities

Aggregated Category	Definition	Functional Category	Detailed Definition
Engineering Services	Includes engineering, project management, and contracts associated with workpaper development and pre/post sales project technical reviews and design assistance	Custom project support	Management of Emerging Products projects; Customized reviews; LCR/RFO support; Ex-ante review management; Technical policy support; Technical assessments; Workpapers; Tool development; End use subject matter expertise
		Deemed workpapers	
		Project management	
Customer Application/Rebate and Incentive Processing	Costs associated with application management and rebate and incentive processing (deemed and custom)	Rebate & Application Processing	
Inspections	Costs associated with project inspections	Inspections	
Portfolio Analytics	Includes analytics support, including internal performance reporting and external reporting	Data analytics	Data development for programs, products and services; Standard and ad hoc data extracts for internal and external clients ; Database management; CPUC, CAISO reporting; Data reconciliation; E3 support ; Compliance filing support; Funding Oversight; ESPI support; Program Results Data & Performance
EM&V	EM&V expenditures	EM&V Studies	Program and product review; manage evaluation studies
		EM&V Forecasting	EE lead for LTPP and IEPR; market potential study; integration w/ procurement planning; CPUC Demand Analysis Working Group
ME&O	Costs associated with utility EE marketing; no statewide; focus on outsourced portion	Marketing	Customer Programs, Products, and Services Marketing; Digital Product Development; Digital Content & Optimization
		Customer insights	Voice of the Customer; Customer satisfaction study measurement and analysis (JD Power, SDS); Customer testing/research
Account Management / Sales	Costs associated with account rep energy efficiency sales functions	Account Management	

Aggregated Category	Definition	Functional Category	Detailed Definition
IT	IT project specific costs and regular O&M	IT - project specific	Projects and minor enhancements. Includes project management/business integration ("PMO/BID"). Excluded: maintenance (which SCE defines as when something goes down, normal batch processing, verifying interfaces, etc.).
		IT - regular O&M	
Call Center	Costs associated with call center staff fielding EE program questions	Call Center	
Incentives	Costs of rebate and incentive payments to customers	Incentives	

## **EE Full Time Equivalent (FTE) Headcount by Functional Group**

Functional Group	2019 EE Portfolio FTE (1)	2021 EE Portfolio FTE (1)
Policy, Strategy, and Regulatory Reporting Compliance	18.78	22.37
Program Management	101.07	45.00
Engineering Services	52.98	26.58
Customer Application/Rebate/Incentive Processing	22.32	13.41
Customer Project Inspections	6.90	3.13
Portfolio Analytics	10.72	8.55
EM&V	4.50	3.56
ME&O (Local)	4.02	1.70
Account Management / Sales	31.71	29.02
IT	7.23	5.79
Call Center	6.41	4.06
<b>Total</b>	<b>266.64</b>	<b>163.15</b>

(1) FTE is equal to productive labor of 2,080 hour per year.

## Energy Efficiency Costs by Functional Group

Sector	Cost Element	Functional Group	2019 EE Portfolio Expenditures (\$Million)	2021 EE Portfolio Budget (\$Million)
Residential	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 1.10	\$ 1.01
		Program Management	\$ 1.97	\$ 1.12
		Engineering services	\$ 0.85	\$ 0.39
		Customer Application/Rebate/Incentive Processing	\$ 0.55	\$ 0.20
		Customer Project Inspections	\$ 0.19	\$ 0.04
		Portfolio Analytics	\$ 0.54	\$ 0.36
		ME&O (Local)	\$ 0.18	\$ 0.06
		Account Management / Sales	\$ 0.03	\$ 0.05
		IT	\$ 0.35	\$ 0.24
		Call Center	\$ 0.26	\$ 0.19
		<b>Labor Total</b>	<b>\$ 6.02</b>	<b>\$ 3.68</b>
	Non-Labor	Third-Party Implementer (as defined per D.16-08-019, OP 10) (5)	\$ 14.26	\$ 27.49
		Local/Government Partnerships Contracts (3)	\$ -	
		Other Contracts	\$ -	
		Program Implementation	\$ 14.26	\$ -
		Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.78	\$ 0.71
		Program Management	\$ 0.04	
		Engineering services	\$ (0.00)	\$ 0.25
		Customer Application/Rebate/Incentive Processing	\$ 0.03	
		Customer Project Inspections	\$ 0.01	
		Portfolio Analytics	\$ 0.00	
		ME&O (Local)	\$ 0.02	
		Account Management / Sales	\$ 0.00	
		IT (4)	\$ 0.19	\$ 0.13
		Call Center	\$ 0.01	
		Facilities	\$ -	
		Incentives--(PA-implemented and Other Contracts Program Implementation) Prog	\$ 37.46	\$ 7.96
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)	\$ -	\$ 5.59
		<b>Non-Labor Total</b>	<b>\$ 67.05</b>	<b>\$ 42.13</b>
	<b>Residential Total</b>		<b>\$ 73.08</b>	<b>\$ 45.81</b>
	Other (collected through GRC) (2)	Labor Overheads	\$ 2.80	\$ 1.42

- (1) Labor costs are already loaded with (state loaders covered by EE)  
(2) These costs are collected through GRC D.16-06-054  
(3) LGP contracts that directly support the sector is included/not included in this item  
(4) IT Costs are included in " Policy, Strategy, and Regulatory Reporting Compliance".  
(5) Included SCE's Residential Energy Advisor Program

Sector	Cost Element	Functional Group	2019 EE Portfolio Expenditures (\$Million)	2021 EE Portfolio Budget (\$Million)
Commercial	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.65	\$ 0.55
		Program Management	\$ 3.56	\$ 1.80
		Engineering services	\$ 1.59	\$ 0.46
		Customer Application/Rebate/Incentive Processing	\$ 0.58	\$ 0.36
		Customer Project Inspections	\$ 0.24	\$ 0.13
		Portfolio Analytics	\$ 0.32	\$ 0.19
		ME&O (Local)	\$ 0.02	\$ 0.03
		Account Management / Sales	\$ 1.60	\$ 1.60
		IT	\$ 0.21	\$ 0.13
		Call Center	\$ 0.15	\$ 0.07
	Labor Total		\$ 8.91	\$ 5.31
	Non-Labor	Third-Party Implementers Contracts (as defined per D.16-08-019, OP 10)	\$ -	\$ 15.83
		Local/Government Partnerships Contracts (3)	\$ -	
		Other Contracts	\$ -	
		Program Implementation	\$ 1.10	\$ 0.50
		Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.46	\$ 0.23
		Program Management	\$ 0.02	
		Engineering services	\$ 0.05	\$ 0.08
		Customer Application/Rebate/Incentive Processing	\$ 0.04	
		Customer Project Inspections	\$ 0.01	
		Portfolio Analytics	\$ 0.00	
		ME&O (Local)	\$ 0.00	
		Account Management / Sales	\$ 0.03	
		IT (4)	\$ 0.11	\$ 0.04
		Call Center	\$ 0.01	
		Facilities		
		Incentives--(PA-implemented and Other Contracts Program Implementation) Prog	\$ 20.90	\$ 3.67
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)	\$ -	\$ 8.48
	Non-Labor Total		\$ 22.73	\$ 28.84
<b>Commercial Total (5)</b>			<b>\$ 31.64</b>	<b>\$ 34.15</b>
	Other (collected through GRC) (2)	Labor Overheads	\$ 4.18	\$ 2.00

(1) Labor costs are already loaded with (state loaders covered by EE)

(2) These costs are collected through GRC D.16-06-054

(3) LGP contracts that directly support the sector is included/not included in this item

(4) IT Costs are included in " Policy, Strategy, and Regulatory Reporting Compliance".

(5) Under the previous program categories the following programs were classified as Cross Cutting: 3P-IDEEA, Local-IDSM-ME&O-Local Marketing (EE), SW-IDSM-IDSM. These are included in Table 16 Cross Cutting. These three programs are now classified as Commercial with the elimination of Cross Cutting programs.

Sector	Cost Element	Functional Group	2019 EE Portfolio Expenditures (\$Million)	2021 EE Portfolio Budget (\$Million)
Industrial	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.11	\$ 0.40
		Program Management	\$ 1.62	\$ 0.68
		Engineering services	\$ 0.48	\$ 0.22
		Customer Application/Rebate/Incentive Processing	\$ 0.16	\$ 0.21
		Customer Project Inspections	\$ 0.03	\$ 0.04
		Portfolio Analytics	\$ 0.05	\$ 0.14
		ME&O (Local)	\$ 0.00	\$ 0.03
		Account Management / Sales	\$ 0.57	\$ 0.45
		IT	\$ 0.03	\$ 0.09
		Call Center	\$ 0.01	\$ 0.01
	Labor Total		\$ 3.06	\$ 2.28
	Non-Labor	Third-Party Implementers Contracts (as defined per D.16-08-019, OP 10)		\$ 11.23
		Local/Government Partnerships Contracts (3)	\$ -	
		Other Contracts	\$ 0.50	
		Program Implementation	\$ 0.08	\$ 2.14
		Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.00	\$ 0.12
		Program Management	\$ 0.02	
		Engineering services	\$ 0.00	\$ 0.04
		Customer Application/Rebate/Incentive Processing	\$ 0.00	
		Customer Project Inspections	\$ 0.00	
		Portfolio Analytics	\$ 0.00	
		ME&O (Local)	\$ 0.01	
		Account Management / Sales	\$ 0.02	
		IT (4)	\$ 0.00	\$ 0.02
		Call Center	\$ 0.00	
		Facilities	\$ -	
		Incentives--(PA-implemented and Other Contracts Program Implementation) Prog	\$ 2.25	\$ 0.65
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)	\$ -	\$ 3.23
	Non-Labor Total		\$ 2.87	\$ 17.43
<b>Industrial Total</b>			<b>\$ 5.94</b>	<b>\$ 19.71</b>
	Other (collected through GRC) (2)	Labor Overheads	\$ 1.46	\$ 0.89

(1) Labor costs are already loaded with (state loaders covered by EE)

(2) These costs are collected through GRC D.16-06-054

(3) LGP contracts that directly support the sector is included/not included in this item

(4) IT Costs are included in " Policy, Strategy, and Regulatory Reporting Compliance."

Sector	Cost Element	Functional Group	2019 EE Portfolio Expenditures (\$Million)	2021 EE Portfolio Budget (\$Million)
Agricultural	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.05	\$ 0.03
		Program Management	\$ 0.62	\$ 0.20
		Engineering services	\$ 0.33	\$ 0.04
		Customer Application/Rebate/Incentive Processing	\$ 0.06	\$ 0.07
		Customer Project Inspections	\$ -	
		Portfolio Analytics	\$ 0.02	\$ 0.01
		ME&O (Local)	\$ -	\$ 0.00
		Account Management / Sales	\$ 0.43	\$ 0.21
		IT	\$ 0.01	\$ 0.01
		Call Center	\$ 0.00	
		Labor Total	\$ 1.53	\$ 0.56
	Non-Labor	Third-Party Implementers Contracts (as defined per D.16-08-019, OP 10)	\$ -	
		Local/Government Partnerships Contracts (3)	\$ -	
		Other Contracts	\$ -	
		Program Implementation	\$ 0.33	
		Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.03	\$ 0.03
		Program Management	\$ 0.00	
		Engineering services	\$ 0.01	\$ 0.01
		Customer Application/Rebate/Incentive Processing	\$ -	
		Customer Project Inspections	\$ -	
		Portfolio Analytics	\$ 0.00	
		ME&O (Local)	\$ -	
		Account Management / Sales	\$ 0.01	
		IT (4)	\$ 0.01	\$ 0.00
		Call Center	\$ -	
		Facilities	\$ -	
		Incentives--(PA-implemented and Other Contracts Program Implementation) Prog	\$ 0.41	\$ 0.34
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)	\$ -	
		Non-Labor Total	\$ 0.80	\$ 0.38
	<b>Agricultural Total</b>		<b>\$ 2.33</b>	<b>\$ 0.94</b>
	Other (collected through GRC) (2)	Labor Overheads	\$ 0.73	\$ 0.19

(1) Labor costs are already loaded with (state loaders covered by EE)

(2) These costs are collected through GRC D.16-06-054

(3) LGP contracts that directly support the sector is included/not included in this item

(4) IT Costs are included in " Policy, Strategy, and Regulatory Reporting Compliance."



Sector	Cost Element	Functional Group	2019 EE Portfolio Expenditures (\$Million)	2021 EE Portfolio Budget (\$Million)
Public Sector	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.13	\$ 0.15
		Program Management	\$ 1.38	\$ 0.64
		Engineering services	\$ 0.19	\$ 0.06
		Customer Application/Rebate/Incentive Processing	\$ 0.12	\$ 0.15
		Customer Project Inspections	\$ -	
		Portfolio Analytics	\$ 0.06	\$ 0.05
		ME&O (Local)	\$ 0.06	\$ 0.01
		Account Management / Sales	\$ 0.14	\$ 0.03
		IT	\$ 0.04	\$ 0.03
		Call Center	\$ -	
		Labor Total	\$ 2.13	\$ 1.10
	Non-Labor	Third-Party Implementers Contracts (as defined per D.16-08-019, OP 10)	\$ -	\$ 0.13
		Local/Government Partnerships Contracts (3)	\$ 1.94	\$ 0.84
		Other Contracts	\$ -	
		Program Implementation	\$ -	
		Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.09	\$ 0.13
		Program Management	\$ (0.01)	
		Engineering services	\$ 0.00	\$ 0.05
		Customer Application/Rebate/Incentive Processing	\$ -	
		Customer Project Inspections	\$ -	
		Portfolio Analytics	\$ 0.00	
		ME&O (Local)	\$ 0.01	
		Account Management / Sales	\$ 0.00	
		IT (4)	\$ 0.02	\$ 0.02
		Call Center	\$ -	
		Facilities	\$ -	
		Incentives--(PA-impleneted and Other Contracts Program Implementation) Programs	\$ 11.63	\$ 6.26
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)	\$ -	
		Non-Labor Total	\$ 13.68	\$ 7.43
	<b>Public Sector Total</b>		<b>\$ 15.81</b>	<b>\$ 8.53</b>
	Other (collected through GRC) (2)	Labor Overheads	\$ 0.99	\$ 0.36

- (1) Labor costs are already loaded with (state loaders covered by EE)
- (2) These costs are collected through GRC D.16-06-054
- (3) LGP contracts that directly support the sector is included/not included in this item
- (4) IT Costs are included in " Policy, Strategy, and Regulatory Reporting Compliance."

Sector	Cost Element	Functional Group	2019 EE Portfolio Expenditures (\$Million)	2021 EE Portfolio Budget (\$Million)
Cross Cutting	Labor(1)	Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.40	\$ 0.67
		Program Management	\$ 1.79	\$ 1.50
		Engineering services	\$ 3.89	\$ 2.17
		Customer Application/Rebate/Incentive Processing	\$ 0.08	\$ 0.07
		Customer Project Inspections	\$ 0.02	\$ 0.04
		Portfolio Analytics	\$ 0.20	\$ 0.21
		ME&O (Local)	\$ 0.18	\$ 0.05
		Account Management / Sales	\$ 1.11	\$ 1.06
		IT	\$ 0.13	\$ 0.14
		Call Center	\$ 0.01	\$ -
	Labor Total		\$ 7.81	\$ 5.91
	Non-Labor	Third-Party Implementers Contracts (as defined per D.16-08-019, OP 10)	\$ -	\$ 4.80
		Local/Government Partnerships Contracts (3)	\$ -	
		Other Contracts	\$ -	
		Program Implementation	\$ 15.06	\$ 19.80
		Policy, Strategy, and Regulatory Reporting Compliance	\$ 0.29	\$ 0.73
		Program Management	\$ 0.01	
		Engineering services	\$ 0.07	\$ 0.25
		Customer Application/Rebate/Incentive Processing	\$ 0.01	
		Customer Project Inspections	\$ 0.00	
		Portfolio Analytics	\$ 0.00	
		ME&O (Local)	\$ 0.02	
		Account Management / Sales	\$ 0.01	
		IT(4)	\$ 0.07	\$ 0.13
		Call Center	\$ 0.00	
		Facilities	\$ -	
		Incentives--(PA-implemented and Other Contracts Program Implementation) Prog	\$ -	
		Incentives--Third Party Program (as defined per D.16-08-019, OP 10)	\$ -	
	Non-Labor Total		\$ 15.53	\$ 25.71
Cross Cutting	Total (5)		\$ 23.34	\$ 31.62
	Other (collected through GRC) (2)	Labor Overheads	\$ 3.49	\$ 2.30

(1) Labor costs are already loaded with (state loaders covered by EE)

(2) These costs are collected through GRC D.16-06-054

(3) LGP contracts that directly support the sector is included/not included in this item

(4) IT Costs are included in " Policy, Strategy, and Regulatory Reporting Compliance".

(5) Under the previous program categories the following programs were classified as Cross Cutting: 3P-IDEEA, Local-IDSM-ME&O-Local Marketing (EE), SW-IDSM-IDSM. These are included in Table 16 Cross Cutting. These three programs are now classified as Commercial with the elimination of Cross Cutting programs.

**Energy Efficiency Costs and Savings Forecast by Sector**

	2019 EE Portfolio Expenditures (\$Million)				2021 EE Portfolio Budget (\$Million)				2019 EE Portfolio Savings			2021 EE Portfolio Forecasted Savings		
Sector	Labor	Non-Labor (excl. Incentives)	Incentives	Total	Labor	Non-Labor (excl. Incentives)	Incentives	Total	KWH	KW	MTHERMS	KWH	KW	MTHERMS
Residential	\$ 6.02	\$ 15.34	\$ 37.46	\$ 58.82	\$ 3.68	\$ 28.58	\$ 13.55	\$ 45.81	292,425,115	55,937		215,355,684	40,104	
Commercial	\$ 8.91	\$ 1.83	\$ 20.90	\$ 31.64	\$ 5.31	\$ 20.35	\$ 8.48	\$ 34.15	37,443,572	8,997		73,698,706	11,251	
Agricultural	\$ 1.53	\$ 0.39	\$ 0.41	\$ 2.33	\$ 0.56	\$ 0.04	\$ 0.34	\$ 0.94	1,951,945	327		1,316,156	358	
Industrial	\$ 3.06	\$ 0.62	\$ 2.25	\$ 5.94	\$ 2.28	\$ 13.55	\$ 3.88	\$ 19.71	22,239,932	1,786		55,999,916	4,058	
Public (GP)	\$ 2.13	\$ 2.06	\$ 11.63	\$ 15.81	\$ 1.10	\$ 1.18	\$ 6.26	\$ 8.53	19,314,332	493		17,825,865	2,398	
Cross Cutting*	\$ 7.81	\$ 15.53	\$ -	\$ 23.34	\$ 5.91	\$ 25.71	\$ -	\$ 31.62	736,340,744	161,892		881,840,628	192,020	
<b>Total Sector Budget</b>	<b>\$ 29.46</b>	<b>\$ 35.77</b>	<b>\$ 72.65</b>	<b>\$ 137.88</b>	<b>\$ 18.84</b>	<b>\$ 89.41</b>	<b>\$ 32.51</b>	<b>\$ 140.76</b>	<b>1,109,715,640</b>	<b>229,432</b>	<b>-</b>	<b>1,246,036,955</b>	<b>250,190</b>	<b>-</b>
EM&V-PA	\$ 0.57	\$ (0.04)	\$ -	\$ 0.53	\$ -	\$ -	\$ -	\$ 1.78	-	-	-	-	-	-
EM&V-ED	\$ -	\$ 4.10	\$ -	\$ 4.10	\$ -	\$ -	\$ -	\$ 5.33	-	-	-	-	-	-
OBF - Loan Pool**	\$ -	\$ 1.44	\$ -	\$ 1.44	\$ -	\$ 15.00	\$ -	\$ 15.00	-	-	-	-	-	-
<b>EE Total***</b>	<b>\$ 30.03</b>	<b>\$ 41.28</b>	<b>\$ 72.65</b>	<b>\$ 143.95</b>	<b>\$ 18.84</b>	<b>\$ 104.41</b>	<b>\$ 32.51</b>	<b>\$ 162.87</b>	<b>1,109,715,640</b>	<b>229,432</b>	<b>-</b>	<b>1,246,036,955</b>	<b>250,190</b>	<b>-</b>

\* Cross Cutting Sector includes Codes & Standards, Emerging Technologies, Workforce Education & Training, OBF admin and 365 IDEA

\*\* For SDG&E and SCG the loan pool is not part of the authorized EE portfolio budget and is collected and tracked through a separate balancing account.

\*\*\* Rounding Differences

**AL 4068-E Attachment D – Appendix C**

**SCE Third-Party Solicitations/Programs and Estimated Budgets**

Solicitation Schedule

IOU	Year		2019												2020												2021												2022																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
	Quarter		Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4			Q1		Q2		Q3																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
	Month		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
SCE	Local Customer Programs	Commercial				RFP Prep								RFP			Contract Negotiation																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														

**Note:** Solicitation schedule is current as of August 1, 2020 posted on the California Energy Efficiency Coordinating Committee website (<https://www.caeecc.org/third-party-solicitation-process>). Schedules and budgets are subject to change.

## Attachment E

### Description of Program Changes

## Description of Program Changes

SCE is seeking Commission Staff approval for program closures only. All other information in this attachment is for informational purposes only as required in D.18-05-041.<sup>1</sup> Proposed program closures are to improve cost-effectiveness, to reduce spending on non-resource activities, or because the local or statewide third-party program solicitation process will replace the program. Some programs are forecast through Q1 2021 to ensure continuity in the program prior to the third-party transition. SCE may extend individual programs beyond Q1 2021 or shorten their time in market to correspond with third-party program launch dates and to ensure market coverage.

### Programs and Subprograms Proposed to be Closed

**SCE proposes to close this program immediately:**

#### **1. Multifamily Energy Efficiency Rebate Program (SCE-13-SW-001C)**

The Multifamily Energy Efficiency Rebate (MFEER) program offers a variety of incentives for energy efficient products and services to motivate multifamily property owners or managers to install energy efficient products in both common and dwelling areas of multifamily complexes, common areas of mobile home parks, and condominiums. The program objective is to offer cost-effective offerings or rebates to authorized contractors, property owners, and property managers. SCE is ending the MFEER program due to the absence of any future cost-effective electric measures for the multifamily property segment. SCE expects the residential sector to be served with more cost-effective solutions through the local Residential third-party solicitation expected to conclude on September 30, 2020.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-001C	Multifamily Energy Efficiency Rebate Program	1.51	1.49	0.77

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

**SCE proposes to close these programs to new enrollments (no new applications will be accepted in 2021) and close the programs fully after commitments are completed and paid:**

#### **1. Primary and Fabricated Metals (SCE-13-TP-007)**

The Primary and Fabricated Metals Program delivers energy savings and reduces energy demand through program offerings including, but not limited to: EE facility audits, project design and engineering support, project implementation support, vendor review, measurement and verification, and incentives for the installation of EE measures. The program targets qualifying customer businesses and facilities in the primary and fabricated metals and industrial gas manufacturing industries across

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<sup>1</sup> See D.18-05-041, p. 128.

SCE's service territory to produce long-term, cost-effective electrical energy savings. The program achieves these savings by implementing a comprehensive set of calculated and deemed approaches to address every major electrical operation within the primary and fabricated metals and industrial gas manufacturing industries.

Historical TRC performances have been lower than 1.0 for the 2019 and 2018 program years. Starting January 1, 2021, SCE plans to not process any new applications and will work to close out existing pipeline projects. SCE anticipates there will be several projects that may need to be completed and paid thru 2023. Once remaining committed projects are completed and paid, SCE will close the program. SCE expects the industrial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-TP-007	Primary and Fabricated Metals	1.12	0.65	0.40

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

## **2. Nonmetallic Minerals and Products (SCE-13-TP-008)**

The Nonmetallic Minerals and Products Program delivers energy savings and reduces energy demand through program offerings including, but not limited to: EE facility audits, project design and engineering support, project implementation support, vendor review, measurement and verification, and incentives for the installation of EE measures. The program targets qualifying large industrial customers, among which are cement production plants and other non-metallic mineral miners or processors, aerospace and other transportation vehicle manufacturing, and wood and paper manufacturing. These industries within SCE's service territory produce long-term, cost-effective electrical energy savings. The program achieves these savings by implementing a comprehensive set of calculated and deemed approaches that address every major electrical operation for large industrial customers.

Historical TRC performances have been lower than 1.0 for the 2019 and 2018 program years. Starting January 1, 2021, SCE plans to not process any new applications and will work to close out existing pipeline projects. SCE anticipates there will be several projects that may need to be completed and paid thru 2023. Once the remaining committed projects are completed and paid, SCE will close the program. SCE expects the industrial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-TP-008	Nonmetallic Minerals and Products	3.55	(0.25)	0.75

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.



### 3. **Comprehensive Petroleum Refining (SCE-13-TP-010)**

The Comprehensive Petroleum Refining program targets all the major petroleum refineries and petroleum product manufacturers in SCE's service territory to produce long-term, cost-effective electrical energy savings. The program achieves these savings by implementing a comprehensive set of calculated and deemed approaches to address every major electrical operation within the oil refining and petroleum manufacturing industry.

Historical TRC performances have been lower than 1.0 for the 2019 and 2018 program years. Starting January 1, 2021, SCE plans to not process any new applications and will work to close out existing pipeline projects. SCE anticipates there will be several projects that may need to be completed and paid thru 2023. Once the remaining committed projects are completed and paid, SCE will close the program. SCE expects the industrial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-TP-010	Comprehensive Petroleum Refining	2.59	0.17	(0.28)

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

**SCE proposes to close these programs to new enrollments after Q1 2021 and close the programs fully after commitments are completed and paid:**

#### 1. **Industrial Calculated Energy Efficiency Program (SCE-13-SW-003B)**

SCE's Industrial Calculated offering is geared towards large customers with high energy usage (kWh) and large peak demands (kW). This segment has unique energy efficiency project opportunities that require significant engineering support and detailed cost and savings analyses that can only be supported through a customized offering.

SCE expects the industrial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020. SCE will maintain this program in 2021 until new program(s) are launching in the market. Upon launch of new program(s) in this market, SCE will assess the market coverage and remove measures or program(s) with overlap.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-003B	Industrial Calculated Energy Efficiency Program	0.40	0.23	0.39

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

## **2. Industrial Deemed Energy Efficiency Program (SCE-13-SW-003C)**

The Industrial Deemed program (advertised to customers as “Energy Efficiency Express Solutions”) offers eligible industrial customers rebates to upgrade their existing equipment to more efficient technologies. Deemed retrofit measures have fixed rebate amounts per measure unit and are intended for projects that have well-defined energy and demand savings. Payments are made on a per-unit basis, with up to 100% of the project’s equipment cost covered for qualified improvements to food-service equipment, refrigeration, HVAC, lighting, and other technologies. The program has historically low TRC values and has seen reduced energy savings. SCE expects the industrial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020. SCE will maintain this program in 2021 until new program(s) are launching in the market. Upon launch of new program(s) in this market, SCE will assess the market coverage and remove measures or program(s) with overlap.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-003C	Industrial Deemed Energy Efficiency Program	0.44	0.01	0.03

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

## **3. Commercial Deemed Incentives Program (SCE-13-SW-002C)**

The Commercial Deemed program (advertised to customers as “Energy Efficiency Express Solutions”) offers eligible commercial customers rebates to upgrade their existing equipment to more efficient technologies offered in the program. Deemed retrofit measures have fixed rebate amounts per measure unit and are intended for projects that have well-defined energy and demand savings. Payments are made on a per-unit basis, with up to 100% of the project’s equipment cost covered for qualified improvements to food-service equipment, refrigeration, HVAC, lighting, and other technologies. The program has historically low TRC values for 2018 and 2019. SCE expects the commercial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020. SCE will maintain this program in 2021 until new program(s) are launching in the market. Upon launch of new program(s) in this market, SCE will assess the market coverage and remove measures or program(s) with overlap.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-002C	Commercial Deemed Incentives Program	1.55	0.61	0.51

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

#### **4. Midstream Point of Purchase (SCE-13-SW-002H)**

The primary objective of the Midstream Point of Purchase (MPOP) program is to provide point-of-purchase incentives on qualified LED lighting and food service products to eligible business customers through a midstream distributor delivery channel. SCE reimburses the participating distributor a pre-authorized incentive amount for each qualifying product sold to an eligible business customer. The goal of the program is to achieve cost-effective energy savings and to offer nonresidential customers an instant point-of-purchase incentive. The distributor collects the customer information at the point of purchase and provides product data to SCE through an online tool for invoice processing. While this program is historically cost-effective, it will be replaced through the Statewide Lighting and Food Service solicitations concluding on September 30, 2020. SCE will maintain this program in 2021 until new program(s) are launching in the market. Upon launch of new program(s) in this market, SCE will assess the market coverage and remove measures or program(s) with overlap.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-002H	Midstream Point of Purchase	1.18	1.37	1.45

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

#### **5. Savings by Design (SCE-13-SW-002G)**

The goal of the Savings by Design program (SBD) is to serve the needs of the nonresidential new construction community throughout SCE's service territory. SBD encourages energy efficient building design and new construction practices. It encourages customers interested in participating in the program to meet California's short- and long-term energy savings and sustainability goals through: (1) offerings of technical design assistance early in the design phase of the project and (2) performance-based financial incentives. This program will transition to the new statewide nonresidential new construction program assigned to PG&E. SCE will maintain this program in 2021 until new program(s) are launching in the market. Upon launch of new program(s) in this market, SCE will assess the market coverage and remove measures or program(s) with overlap.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-002G	Savings By Design	2.97	1.80	1.35

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

#### **6. Plug Load and Appliances Program – SW (SW-13-SW-001B)**

The Plug Load and Appliances (PLA) program works with manufacturers, distributors, and retailers to offer rebates or incentives for residential customers. Measures include heat pump water heaters and HVAC heat pump measures and

appliances, where measures are cost effective. The PLA program objectives are to develop cost-effective incentives and rebates that support energy reduction for residential customers. While only forecasted for Q1 2021, the 2021 PLA program budget increased >40% from the 2020 ABAL due to the addition of cost-effective heat pump water heater and HVAC heat pump fuel substitution measures that became available in 2020. The PLA program will transition to the statewide PLA program operating under SDG&E. SCE will maintain this program in 2021 until new program(s) are launching in the market. Upon launch of new program(s) in this market, SCE will assess the market coverage and remove measures or program(s) with overlap.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-001B	Plug Load and Appliances Program	1.00	0.59	0.44

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

## 7. **Residential New Construction Program – SW (SCE-13-SW-001F)**

The Residential New Construction Program encourages single-family and multifamily builders of all production volumes to construct homes that exceed California's Building Energy Efficiency Standards. The program supports California's goals to significantly decarbonize the building sector by transforming the market through the promotion of energy efficient, all-electric new construction and avoiding the construction of new fossil fuel infrastructure. This program will transition to a third-party implemented statewide program led by PG&E. SCE will maintain this program in 2021 until new program(s) are launching in the market. Upon launch of new program(s) in this market, SCE will assess the market coverage and remove measures or program(s) with overlap.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-001F	Residential New Construction Program	1.30	1.40	0.82

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

## 8. **Nonresidential HVAC (Upstream HVAC Equipment Incentive Program) (SCE-13-SW-002F)**

The Upstream HVAC Equipment Incentive Program, a subprogram under Nonresidential HVAC, offers incentives to manufacturers and distributors to sell qualifying high-efficiency HVAC units to eligible SCE non-residential customers. HVAC manufacturers and distributors are able to impact hundreds of thousands of customers and influence their choice by promoting the energy and non-energy benefits of higher efficiency HVAC equipment. The program leverages this market structure to improve and increase the market penetration. The program will be ramping down its existing program in Q1 2021 and transitioning to the Upstream HVAC statewide program led by SDG&E. SCE will maintain this program in 2021

until new program(s) are launching in the market. Upon launch of new program(s) in this market, SCE will assess the market coverage and remove measures or program(s) with overlap.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-002F	Nonresidential HVAC Program	0.31	0.45	0.76

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

## **SCE proposes to close these non-resource programs immediately:**

### **1. Agriculture Energy Advisor Program (SCE-13-SW-004A)**

The Pump Test sub-program under the Agriculture Energy Advisor program offers free hydraulic service (pump efficiency services) and fee-based hydraulic service to Commercial, Industrial and Agricultural customers. The sub-program provides customer service and technical support to customers with hydraulic operations and provides a pathway for customers to participate in other SCE incentive programs. In its 2021 General Rate Case (GRC) SCE committed to eliminate funding for the sub-program in its 2021 ABAL because pump tests no longer produce claimable energy savings.<sup>2</sup> SCE requests to close the Agriculture Energy Advisor program because the Pump-Test sub-program is the only activity in the program.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-SW-004A	Agriculture Energy Advisor Program (including Pump Test sub-program)	N/A	N/A	N/A

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

### **2. Energy Leader Partnership Strategic Support (SCE-13-L-002I)**

The Energy Leader Partnership Strategic Support sub-program is also known as the Statewide Energy Efficiency Collaborative (SEEC) of the Energy Leader Partnership Program. The SEEC is between three statewide non-profit organizations and California's four Investor Owned Utilities (IOUs), funded through the California Public Utilities Commission's energy efficiency programs. The Beacon Program under SEEC provides cities and counties with a comprehensive framework and ongoing support to implement effective climate action and energy efficiency practices.

The IOUs collaborated to improve the cost-effectiveness of the Energy Leadership Partnership Program (ELPP) and continue to offer enhanced energy efficiency incentives. As a result, non-resource activities such as the SEEC program are ending. It is hoped that new third-party programs will yield cost-effective savings that can support new non-resource activities similar to the Beacon Program.

<sup>2</sup> See A.19-08-013, SCE-03, Vol. 5, pp. 27-28 and SCE-19, p. 67, footnote 157.

Program ID	Program Name	Historic TRC <sup>[1]</sup>		
		2017	2018	2019
SCE-13-L-002I	Energy Leader Partnership Strategic Support	N/A	N/A	N/A

[1] 2017-2019 TRC calculation is based on actual claimed savings and includes 5% market effects.

## **New Programs and Pilots**

The information below is provided as a compliance item and is for informational purposes only. SCE is not requesting Commission Staff to approve the new third-party programs in this advice letter. The programs with budgets at or exceeding \$5 million or a contract term longer than three years will be submitted to the Commission for approval via Tier 2 advice letters.<sup>3</sup>

### **Resource Programs:**

**1. Residential Third-Party Programs (SCE-13-TP-026)**

SCE will update this section with descriptions of new third-party programs in the supplemental update to this ABAL.

**2. Commercial Third-Party Programs (SCE-13-TP-027)**

SCE will update this section with descriptions of new third-party programs in the supplemental update to this ABAL.

**3. Industrial Third-Party Programs (SCE-13-TP-028)**

SCE will update this section with descriptions of new third-party programs in the supplemental update to this ABAL.

**4. Statewide Lighting (Upstream) (SW UL and SW UL PA)**

SCE will update this section with descriptions of new third-party programs in the supplemental update to this ABAL.

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<sup>3</sup> See D.18-01-004, OP2

**Existing Expanded Programs  
(2021 budget increased by more than 40 percent from  
its 2020 budget)**

SCE is not requesting Commission Staff to approve the programs below. The information below is provided as a compliance item and is for informational purposes only.

**1. AB793 Residential Pay for Performance (SCE-13-TP-024)**

The Residential AB793 program is a mandated program pursuant to AB 793 and the associated Commission Resolution E-4820. The program's services allow residential customers to quickly and accurately understand their home energy usage and implement cost-effective kWh savings. The objectives of the program are: (1) to establish a scalable pay-for-performance program model for residential EE to dramatically increase customer participation and measurable energy savings, and (2) to effectively leverage a set of meter-based energy savings calculation methods to measure NMEC savings across a pool of participating customers.

The previous implementer found it difficult to recruit customers to join the program without any type of incentive and was not successful. SCE will prepare a new solicitation for AB793-compliant residential programs in consultation with SCE's PRG and IEs. SCE expects the third-party to implement the new program in Q4 2021.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-TP-024	AB793 Residential Pay for Performance	\$11,485	\$534,880	4557.11%	0.03

**2. Agricultural Deemed Energy Efficiency Program (SCE-13-SW-004C)**

The Agricultural Deemed program (advertised to customers as "Energy Efficiency Express Solutions") offers eligible agricultural customers rebates to upgrade their existing equipment to more efficient technologies offered in the program. Deemed retrofit measures have fixed rebate amounts per measure unit and are intended for projects that have well defined energy and demand savings. Payments are made on a per-unit basis, with up to 100% of the project's equipment cost covered for qualified improvements to eligible technologies. The budget for the Agricultural Deemed EE Incentive Program increased due to a forecasted increase in customer incentive payments. SCE will continue to offer this non-cost-effective program until a new third-party incentive program for the agriculture sector is in place.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-SW-004C	Agriculture Deemed Energy Efficiency Program	\$219,991	\$362,965	64.99%	0.80



### 3. **New Finance Offerings (SCE-13-SW-007C)**

The New Finance Offerings offer California customers attainable financing options for the installation of Energy Efficiency measures, particularly in under-served market sectors. The New Finance Offerings are administered by the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) in collaboration with California Hub for Energy Efficiency Financing (CHEEF), a public-private partnership among state agencies, utilities, lenders, contractors, and borrowers. Resolution E-5073 approved the transition of Residential Energy Efficiency Loan (REEL) from a pilot to a full-scale program in April 2020, and authorized the large IOUs to utilize the ABAL process by including funds for the program and pilots in the authorized annual energy efficiency budget. This forecast includes SCE's portion of increased budget for the REEL program, which continues to be administered by the CHEEF, as well as allocation to the IT and Marketing co-funding agreements with SCG for 2021, which maintains the same level of funding received from 2017 through 2020.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-SW-007C	New Finance Offerings	\$148,260	\$1,776,045	1097.93%	-

### 4. **Healthcare Energy Efficiency Program (SCE-13-TP-003)**

The Healthcare EE Program targeted existing medical facilities, including hospitals, acute care facilities, medical office buildings, service buildings, and central plants. The program targeted energy efficiency opportunities, such as HVAC upgrades, variable frequency drive motor use on VAV fans, and other applicable measures.

SCE was approved to stop accepting new applications and close the program on December 31, 2018 due to the program's lack of cost effectiveness and poor performance.<sup>4</sup> SCE continues to fund committed projects in the pipeline, and December 31, 2021 is the last date for customers to submit for project completion. The program will close by March 31, 2022 following final reports and invoices. SCE expects the commercial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-TP-003	Healthcare Energy Efficiency Program	\$23,817	\$81,321	241.44%	-

### 5. **Data Center Energy Efficiency (SCE-13-TP-004)**

The Data Center Energy Efficiency program provided a comprehensive solution for the growing needs of data centers. It provided a wide range of energy-saving activities to data centers including HVAC/mechanical, controls, and lighting load

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<sup>4</sup> See SCE Advice Letter 3859-E, p. 11

reduction. The program used a combination of traditional technologies combined with emerging technologies to offer comprehensive solutions. The program took a holistic approach towards influencing behavior in data center management, including establishing industry metrics for data center energy intensity, creating tools and guidelines to drive continuous improvement, supporting third-party certification processes, and providing recognition for data centers to achieve a high level of energy savings and demand reduction.

SCE was approved to stop accepting new applications and close the program on December 31, 2018 due to the program's lack of cost effectiveness and poor performance.<sup>5</sup> SCE continues to fund committed projects in the pipeline, and December 31, 2021 is the last date for customers to submit for project completion. The program will close by March 31, 2022 following final reports and invoices. SCE expects the commercial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-TP-004	Data Center Energy Efficiency	\$10,979	\$34,903	217.90%	-

## **6. Food & Kindred Products (SCE-13-TP-006)**

The Food & Kindred Products Program delivered energy savings and reduced energy demand through program offerings including, but not limited to, EE facility audits, project design and engineering support, project implementation support, vendor review, measurement and verification, and payment of incentives for the installation of EE measures. The program targeted qualifying customers in SCE territory in small to large food industry-related companies, such as producers of bread, breakfast cereals, and sugar, as well as providers of cold storage. The program achieved long-term, cost effective electrical energy savings by implementing a comprehensive set of calculated and deemed approaches to address every major electrical operation within small to large food industry-related companies. The program achieved long-term, cost-effective electrical energy savings by implementing a comprehensive set of calculated and deemed approaches to address every major electrical operation within small to large food industry-related companies.

SCE was approved to stop accepting new applications and close the program on December 31, 2018 due to the program's lack of cost effectiveness and poor performance.<sup>6</sup> SCE continues to fund committed projects in the pipeline, and December 31, 2021 is the last date for customers to submit for project completion. The program will close by March 31, 2022 following final reports and invoices. SCE expects the commercial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020.

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<sup>5</sup> See SCE Advice Letter 3859-E, p. 11

<sup>6</sup> See SCE Advice Letter 3859-E, p. 11

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-TP-006	Food & Kindred Products	-	\$84,042	1000%	-

## 7. Codes & Standards:

### a) Compliance Improvement (SCE-13-SW-008C)

Energy Code Ace (ECA), an offering under the Compliance Improvement subprogram, is the lead resource that the California Energy Commission looks to for energy code compliance support. The program has a wealth of resources and trainings to support all impacted market actors — from design teams to building departments. The number of ECA offerings and event participation continues to expand. Additionally, as the Energy Code compliance approaches and compliance software updates continue to evolve and align with the state's decarbonization goals, Compliance Improvement will also need to evolve its resources and offerings.

The 2019 Energy Code introduced new requirements focusing on healthcare facilities, and it imposed a level playing field for compliance between dual fuel and all-electric buildings. The current standard practice in residential design is dual fuel, which creates a substantial gap in familiarity with and skill in all-electric design. In 2021, SCE plans to roll out a full catalog of all-electric design training for both residential and nonresidential sectors.

SCE is also engaged with the local International Code Council chapters, helping to bridge the knowledge gap within compliance enforcement agencies. There is currently a disparity in the code language used for the energy and building codes. SCE plans to develop a resource to link both of those code sections together, which will make compliance easier and enforcement more successful.

The program further supports the development of proposed language so that new codes are easier for local jurisdictions and implementers to understand and enforce. The CEC is expected to propose a restructure to the Multifamily chapter<sup>7</sup> in the 2022 Title 24, part 6 code. SCE will provide knowledge and technical support to the development of the proposed multifamily code language, which requires additional resources. Once the code language is adopted in the first part of 2021, the Compliance Improvement team will begin to develop the support resources for this new chapter, as well as for the nonresidential sections that will have gone through the first major update since 2013.

Finally, as Title 20 appliance standards continue to become more stringent, compliance support is critical to ensure that all stakeholders conform with the standards. In 2021, the Compliance Improvement team will develop and

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<sup>7</sup> 2022 Code, Title 24, Part 6

execute an in-depth plan to educate retailers and consumers on compliant equipment, requiring additional resources.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-SW-008C	Compliance Improvement	\$1,639,518	\$2,600,930	58.64%	-

#### **b) Planning and Coordination (SCE-13-SW-008E)**

SCE's Planning and Coordination subprogram is similar to PG&E's Statewide Code Readiness Subprogram; together, they function as a vehicle to accelerate market acceptance and adoption of cost-effective technologies and practices into code. In 2021, SCE will bolster the statewide subprogram to facilitate the urgent integration of Title 24 and Title 20 with all other energy efficiency and building decarbonization programs, proceedings, and activities. The Planning & Coordination subprogram is well-suited to support this transition, consistent with previous Commission discussion and orders<sup>8</sup>.

In addition to critical code updates, this transition comes at a time when the CEC and the state's energy code are shifting focus from residential buildings to a significantly more complex nonresidential buildings sector,<sup>9</sup> which has not had a major code update since the 2013 Title 24 code adoption. Leading up to, and immediately following the adoption of 2022 Title 24 in the first part of 2021, there will be a substantial increase in the amount of effort that will be required to plan and coordinate the updated code requirements with various internal and external stakeholders. For the nonresidential building sector, these stakeholders would include the architectural & engineering design community that focus on commercial buildings, large equipment manufacturers, commercial building developers and owners, national retail and food service chains, etc. The restructuring of the multifamily Title 24 requirements will also require substantial planning and coordination with stakeholders that are involved in multifamily development, with specific emphasis on low-income and disadvantaged communities multifamily housing projects.

In 2021, SCE plans to lead statewide collaboration in three main areas: (1) modernize programs to prepare the market for future codes with a carbon baseline, (2) expand building energy modeling (BEM) capabilities, and (3) ensure building-grid harmonization. Programmatically, SCE will leverage learnings and extensive market intelligence to overhaul energy efficiency programs that use code as a baseline to be more directly aligned with California's greenhouse gas reduction goals. Coordination activities will also involve the various new EE and decarbonization programs that will unfold in 2021 to include the BUILD and TECH (SB 1477) programs, updated SGIP

<sup>8</sup> See D.12-05-015, p. 247-250 and OP 91

<sup>9</sup> For example, there are only two building prototypes in CEC's residential compliance software compared to 10 building prototypes in non-residential sectors. Also, there are several more types of heating/cooling systems, plug loads, controls, lighting requirements, ventilation requirements, grid integration issues, etc.

program, updated line extension impacts, etc. SCE's Planning and Coordination subprogram will support the expansion of existing BEM efforts in 2021 to accommodate the CEC's shift to a more GHG-based metric, support all-electric pathways to compliance, and to support the restructuring and major updates to the multifamily and commercial sectors. Similar to what the Planning & Coordination subprogram has accomplished for BEM, SCE proposes to expand its own internal Transmission & Distribution (T&D) collaboration to a model that includes electric T&D expert stakeholders from across the state, helping to actualize in earnest the state's long-term goal of grid harmonization and flexible demand.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-SW-008E	Planning and Coordination	\$4,022,228	\$8,423,071	109.41%	-

## 8. Local Government Partnerships

Local Government Partnerships (LGPs), through SCE's Energy Leadership Partnership (ELP) Program, support local governments in achieving their energy efficiency and sustainability goals. LGPs identify and address energy efficiency opportunities in municipal facilities, take actions that support the California Long-Term Energy Efficiency Strategic Plan, and increase community awareness of, and participation in, demand-side management opportunities. A key goal of SCE's LGPs is to help cities and counties lead by example by addressing energy efficiency first in their own municipal facilities.

Because the landscape in energy efficiency is evolving and the focus on improving the cost effectiveness of SCE's portfolio is paramount, SCE discontinued funding for all non-resource-related work that occurs through the LGP programs, partners, and implementers in 2020. SCE realized additional cost-reductions in these programs, including for the programs with increasing budgets, by offering technical assistance through internal engineering resources and SoCalREN's Public Sector Programs. Additionally, SoCalREN has decided to use its Public Sector programs to continue to pay implementers of certain LGPs to continue to host meetings to discuss EE projects and programs.

While SCE is transitioning away from the ELP program structure, replacing it in approximately Q4 2021 through a new third-party solicitation, SCE is committed to continue supporting local governments through the ELP in 2021. Budgets for SCE's LGP programs increased to the extent that SCE expects projects with enhanced incentives to be installed or reserved in 2021.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-L-002F	Gateway Cities Energy Leader Partnership	\$58,798	\$227,909	287.62	0.63
SCE-13-L-002L	Orange County Cities Energy Leader Partnership	\$51,584	\$96,305	86.70%	0.50
SCE-13-L-002M	San Gabriel Valley Energy Leader Partnership	\$53,551	\$75,244	40.51%	0.57
SCE-13-L-002P	South Santa Barbara County Energy Leader Partnership	\$85,461	\$154,045	80.25%	0.86
SCE-13-L-003C	County of Los Angeles Energy Efficiency Partnership	\$774,164	\$1,615,362	108.66%	1.18

## **Existing Reduced Programs (2021 budget decreased by more than 40 percent from its 2020 budget)**

SCE is not requesting Commission Staff's approval of the information below. This information is provided as a compliance item and is for informational purposes only.

### **Resource Programs:**

#### **1. Residential Direct Install (SCE-13-SW-001G)**

Residential Direct Install has historically been a cost-effective program designed to drive deeper EE activities and retrofits by providing comprehensive EE measures to residential customers and enhancing the EE knowledge and program participation of the residential market segment. The budget for this program decreased due to a reduction in the number of cost-effective measures that could be delivered by the program. HVAC tune-up measures were removed from the program as they have seen reductions in achievable energy savings due to workpaper updates and because avoided costs updates further reduced the benefits. SCE believes the program provides enhanced EE knowledge to residential customers and will continue to review this program and its measures for potential cost-effective improvements.

<b>Program ID</b>	<b>Program Name</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>Change</b>	<b>TRC</b>
SCE-13-SW-001G	Residential Direct Install	\$10,032,846	\$3,010,901	-69.99%	1.37

#### **2. Market-Based Incentive (SCE-13-SW-003E)**

The objective of the MBI Pilot (Pilot) is to assess market-based opportunities to re-engage participants in the large Commercial & Industrial segments via an innovative market-driven auction mechanism. This will determine the EE incentive levels needed by customers to complete projects, reduce influence requirements, and provide an efficient, timely, and predictable project eligibility review process to re-engage qualified participants.

The 2021 budget is limited to support ongoing project development and support costs, as qualified bidders complete installation of accepted projects within their approved two-year project development cycle. Due to the expected timing of awarded bids in late 2020 and a two-year project development cycle, expected project savings and incentives are not expected until 2022 to 2023. As such, estimated budget needs are minimal during 2021.

<b>Program ID</b>	<b>Program Name</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>Change</b>	<b>TRC</b>
SCE-13-SW-003E	Market Based Incentive	\$5,388,495	\$ -	-100%	-

### **3. Facilities Assessment Services Program (SCE-13-TP-025)**

SCE created the Facilities Assessment Services Program pursuant to AB793 and the associated Commission Resolution E-4820. This third-party implemented program targets small-to-medium business (SMB) customers who modify practices and behaviors to reduce energy usage and meet energy savings goals under a pay-for-performance model. On average, the savings for qualifying participants range from 5-10 percent. The forecasted budget for this program decreased due to a reduction in expected engineering support. In 2021 SCE will evaluate whether to continue with the current implementer or offer a new targeted solicitation.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-TP-025	Facilities Assessment Services Program	\$207,962	\$86,389	-58.46%	1.15

### **4. Lodging EE Program (SCE-13-TP-005)**

The Lodging EE Program was a comprehensive energy efficiency retrofit program that delivered multi-measure Integrated Demand Side Management retrofits and retro-commissioning to small, medium and large lodging facilities. Target facilities included existing hotels and motels as well as spas and resorts, especially those with central plants and in-house laundry service.

SCE was approved to stop accepting new applications and close the program on December 31, 2018 due to the program's lack of cost effectiveness and poor performance.<sup>10</sup> SCE continues to fund committed projects in the pipeline, and December 31, 2021 is the last date for customers to submit for project completion. The program will close by March 31, 2022 following final reports and invoices. SCE expects the commercial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-TP-005	Lodging EE Program	\$26,208	\$-	-100%	-

### **5. Comprehensive Manufactured Homes**

Comprehensive Manufactured Homes is a cost-effective program designed to provide no-cost EE measures to manufactured home parks and its residents. The program aims to enhance the EE knowledge and program participation of the manufactured home market segment in an effort to drive them to undertake deeper EE activities and retrofits. Funding for this program decreased due to the elimination of non-cost-effective HVAC measures from the program. HVAC measures have seen reductions in achievable energy savings due to dispositions and avoided costs updates, subsequently rendering them cost-prohibitive. SCE will continue to review this program and its measures for potential cost-effective improvements.

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<sup>10</sup> See SCE Advice Letter 3859-E, p. 11



Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-TP-001	Comprehensive Manufactured Homes	\$3,840,512	\$2,281,556	-40.59%	1.44

## 6. Water Infrastructure Systems EE Program (SCE-13-TP-022)

The Water Infrastructure and System Efficiency program was designed specifically to assist water purveyor and wastewater customers in identifying energy efficiency projects and securing incentives to help offset installation costs and engineering services. This program was designed and delivered by a third-party implementer on a pay-for-performance contract. Commission staff approved closing this program in SCE's 2020 ABAL; however, SCE has decreased its budget forecast for 2021 in line with vendor performance payments for in-flight projects that were committed in prior program years. The vendor is responsible for seeing the current portfolio of projects to completion. SCE will close the program once remaining committed projects are completed and paid.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-TP-022	Water Infrastructure Systems EE Program	\$475,681	\$44,849	-90.57%	-

## 7. Local Government Partnerships

Local Government Partnerships (LGPs), through SCE's Energy Leadership Partnership (ELP) Program, support local governments in achieving their energy efficiency and sustainability goals. LGPs identify and address energy efficiency opportunities in municipal facilities, take actions that support the California Long-Term Energy Efficiency Strategic Plan, and increase community awareness of, and participation in, demand-side management opportunities. A key goal of SCE's LGPs is to help cities and counties lead by example by addressing energy efficiency in their own municipal facilities.

Because the landscape in energy efficiency is evolving and the focus on improving the cost effectiveness of SCE's portfolio is paramount, SCE discontinued funding for all non-resource-related work that occurred through the LGP programs, partners, and implementers in 2020. SCE realized additional cost-reductions in these programs, including for the programs with increasing budgets, by offering technical assistance through internal engineering resources and SoCalREN's Public Sector Programs. Additionally, SoCalREN has decided to use its Public Sector programs to continue to pay implementers of certain LGPs to continue to host meetings to discuss EE projects and programs.

While SCE is transitioning away from the ELP program structure, replacing it in approximately Q4 2021 via a new third-party solicitation, SCE is committed to continue supporting local governments through the ELP in 2021. Budgets for SCE's LGP programs decreased to the extent that SCE expects projects with enhanced

incentives to be installed or reserved in 2021.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-L-002B	City of Long Beach Energy Leader Partnership	\$260,202	\$44,528	-82.89%	0.58
SCE-13-L-002H	Eastern Sierra Energy Leader Partnership	\$38,579	\$-	-100%	-
SCE-13-L-002J	Desert Cities Energy Leader Partnership	\$36,391	\$-	-100 %	-
SCE-13-L-002K	Kern County Energy Leader Partnership	\$71,930	\$-	-100 %	-
SCE-13-L-002N	San Joaquin Valley Energy Leader Partnership	\$18,806	\$-	-100 %	-
SCE-13-L-002R	Western Riverside Energy Leader Partnership	\$41,038	\$-	-100 %	-
SCE-13-L-003D	County of Riverside Energy Efficiency Partnership	\$24,102	\$-	-100 %	-
SCE-13-L-003E	County of San Bernardino Energy Efficiency Partnership	\$58,106	\$-	-100 %	-
SCE-13-L-002W	San Bernardino Association of Governments	\$27,097	\$-	-100 %	-
SCE-13-L-002S	High Desert Regional Energy Leader Partnership	\$25,026	\$-	-100 %	-

## 8. Institutional Partnerships

Institutional Partnerships support large state-run institutions in achieving their energy efficiency and sustainability goals. Budgets for these programs decreased based on the projects in the pipeline. This sector is expected to be served by new third-party programs following a Statewide Public third-party solicitations lead by PG&E for State of California Department of General Services and Dept. of Corrections and SCE for University of California, California State University and California Community Colleges.

Program ID	Program Name	2020 Budget	2021 Budget	Change	TRC
SCE-13-L-003B	California Dept. of Corrections and Rehabilitation EE Partnership	\$1,603,842	\$273,123	-82.97%	0.61
SCE-13-L-003F	State of California Energy Efficiency Partnership	\$150,556	\$64,650	-57.06%	0.32
SCE-13-L-003G	UC/CSU Energy Efficiency Partnership	\$523,385	\$307,428	-41.26%	0.07

## **Non-Resource Programs:**

### **1. Industrial Energy Advisor Program**

The Business Energy Advisor programs, which includes the Industrial Energy Advisor Program, focus on building benchmarking and technical support in compliance with AB802 regulations for covered buildings within SCE territory. The program budget is decreasing due to low participation by small-to-medium businesses in the Energy Efficiency Audit Tool, and the subsequent discontinuation of the tool.

<b>Program ID</b>	<b>Program Name</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>Change</b>	<b>TRC</b>
SCE-13-SW-003A	Industrial Energy Advisor Program	\$725,091	\$236,558	-67.38%	-

## Attachment F

### Joint IOUs Shared Funding Allocations for Statewide Programs

Joint IOUs Shared Funding Allocations for Statewide Programs

Table 8a: Statewide Programs																						
Statewide Program*	Lead IOU	2021 Program Budget (Total for all contributing IOUs)**	2022 Program Budget (Total for all contributing IOUs)**	Maximum Annual Program Budget (Total for all contributing IOUs)****	Expected or Actual Launch Date (MM/YYYY)***	Percent Electric	Combined (Electric & Gas) Proportional Contribution per Load-Share (Target share. Actual funding may be within +/-20%)				2021 Program Forecast by IOU**				2022 Program Budget by IOU**				Maximum Annual Budget After Launch			
							PG&E	SDG&E	SCE	SCG	PG&E	SDG&E	SCE	SCG	PG&E	SDG&E	SCE	SCG	PG&E	SDG&E	SCE	SCG
Workforce education, and training: Career and workforce readiness	PG&E	\$ 1,232,332	\$2,112,569	\$ 2,112,569	Jul-2021	80%	45.60%	13.96%	32.08%	8.36%	\$ 561,943	\$ 172,034	\$ 395,332	\$ 103,023	\$ 963,331	\$ 294,915	\$ 677,712	\$ 176,611	\$ 963,331	\$ 294,915	\$ 677,712	\$ 176,611
Res New Construction		\$ 5,292,000	\$8,862,000	\$ 12,000,000	Jun-2021	80%	45.60%	13.96%	32.08%	8.36%	\$ 2,413,152	\$ 738,763	\$ 1,697,674	\$ 442,411	\$ 4,041,072	\$ 1,237,135	\$ 2,842,930	\$ 740,863	\$ 5,472,000	\$ 1,675,200	\$ 3,849,600	\$ 1,003,200
NonRes New Construction		\$ 2,000,000	\$14,000,000	\$ 20,000,000	Jun-2021	80%	45.60%	13.96%	32.08%	8.36%	\$ 912,000	\$ 279,200	\$ 641,600	\$ 167,200	\$ 6,384,000	\$ 1,954,400	\$ 4,491,200	\$ 1,170,400	\$ 9,120,000	\$ 2,792,000	\$ 6,416,000	\$ 1,672,000
Codes and Standards Advocacy		\$ 13,155,000	\$13,155,000	\$ 13,155,000	Feb-2020	80%	45.60%	13.96%	32.08%	8.36%	\$ 5,998,680	\$ 1,836,438	\$ 4,220,124	\$ 1,099,758	\$ 5,998,680	\$ 1,836,438	\$ 4,220,124	\$ 1,099,758	\$ 5,998,680	\$ 1,836,438	\$ 4,220,124	\$ 1,099,758
Institutional Partnerships, DGS & Dept of Corrections		\$ 416,667	\$2,500,000	\$ 5,000,000	Aug-2021	80%	45.60%	13.96%	32.08%	8.36%	\$ 190,000	\$ 58,167	\$ 133,667	\$ 34,833	\$ 1,140,000	\$ 349,000	\$ 802,000	\$ 209,000	\$ 2,280,000	\$ 698,000	\$ 1,604,000	\$ 418,000
WE&T Career Connections	SCE	\$ 583,333	\$1,000,000	\$ 1,000,000	Jul-2021	80%	45.60%	13.96%	32.08%	8.36%	\$ 266,000	\$ 81,433	\$ 187,133	\$ 48,767	\$ 456,000	\$ 139,600	\$ 320,800	\$ 83,600	\$ 456,000	\$ 139,600	\$ 320,800	\$ 83,600
Water/wastewater pumping		\$ -	\$1,846,970	\$ 5,300,000	Sep-2022	80%	45.60%	13.96%	32.08%	8.36%	\$ -	\$ -	\$ -	\$ -	\$ 842,218	\$ 257,837	\$ 592,508	\$ 154,407	\$ 2,416,800	\$ 739,880	\$ 1,700,240	\$ 443,080
Lighting (Upstream)		\$ 8,000,000	\$12,000,000	\$ 12,000,000	May-2021	100%	44.40%	15.50%	40.10%	0.00%	\$ 3,552,000	\$ 1,240,000	\$ 3,208,000	\$ -	\$ 5,328,000	\$ 1,860,000	\$ 4,812,000	\$ -	\$ 5,328,000	\$ 1,860,000	\$ 4,812,000	\$ -
ETP, electric		\$ -	\$14,032,875	\$ 17,897,000	Apr-2022	100%	44.40%	15.50%	40.10%	0.00%	\$ -	\$ -	\$ -	\$ -	\$ 6,230,597	\$ 2,175,096	\$ 5,627,183	\$ -	\$ 7,946,268	\$ 2,774,035	\$ 7,176,697	\$ -
Institutional Partnerships, UC/CSU/CCC		\$ -	\$1,393,939	\$ 4,000,000	Sep-2022	80%	45.60%	13.96%	32.08%	8.36%	\$ -	\$ -	\$ -	\$ -	\$ 635,636	\$ 194,594	\$ 447,176	\$ 116,533	\$ 1,824,000	\$ 558,400	\$ 1,283,200	\$ 334,400
ETP, gas	SCG	\$3,000,000	\$3,000,000	\$ 3,000,000	Jul-2021	0%	50.40%	7.80%	0.00%	41.80%	\$ 1,512,000	\$ 234,000	\$ -	\$ 1,254,000	\$ 1,512,000	\$ 234,000	\$ -	\$ 1,254,000	\$ 1,512,000	\$ 234,000	\$ -	\$ 1,254,000
Food Service POS		\$8,643,819	\$10,877,696	\$ 12,227,068	Apr-2021	40%	48.00%	10.88%	16.04%	25.08%	\$ 4,149,033	\$ 940,448	\$ 1,386,469	\$ 2,167,870	\$ 5,221,294	\$ 1,183,493	\$ 1,744,782	\$ 2,728,126	\$ 5,868,993	\$ 1,330,305	\$ 1,961,222	\$ 3,066,549
Midstream Comm Water Heating		\$8,087,900	\$9,640,241	\$ 11,192,583	Apr-2021	40%	48.00%	10.88%	16.04%	25.08%	\$ 3,882,192	\$ 879,964	\$ 1,297,299	\$ 2,028,445	\$ 4,627,316	\$ 1,048,858	\$ 1,546,295	\$ 2,417,772	\$ 5,372,440	\$ 1,217,753	\$ 1,795,290	\$ 2,807,100
Res HVAC QI/QM	SDG&E	\$ -	\$0	\$ 6,900,000	Apr-2023	80%	45.60%	13.96%	32.08%	8.36%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,146,400	\$ 963,240	\$ 2,213,520	\$ 576,840
Plug Load and Appliance		\$ 7,250,000	\$29,356,559	\$ 29,356,559	Sep-2021	80%	45.60%	13.96%	32.08%	8.36%	\$ 3,306,000	\$ 1,012,100	\$ 2,325,800	\$ 606,100	\$13,386,591	\$ 4,098,176	\$ 9,417,584	\$ 2,454,208	\$13,386,591	\$ 4,098,176	\$ 9,417,584	\$ 2,454,208
Upstream HVAC (Comm + Res)		\$ 10,341,930	\$12,652,339	\$ 12,652,339	Jan-2021	80%	45.60%	13.96%	32.08%	8.36%	\$ 4,715,920	\$ 1,443,733	\$ 3,317,691	\$ 864,585	\$ 5,769,467	\$ 1,766,267	\$ 4,058,870	\$ 1,057,736	\$ 5,769,467	\$ 1,766,267	\$ 4,058,870	\$ 1,057,736
Total		\$ 68,002,981	\$ 136,430,188	\$ 167,793,118							\$ 31,458,921	\$ 8,916,279	\$ 18,810,789	\$ 8,816,993	\$ 62,536,202	\$ 18,629,808	\$ 41,601,164	\$ 13,663,014	\$ 76,860,970	\$ 22,978,208	\$ 51,506,860	\$ 16,447,081

\* Modify rows as needed to reflect consolidation or division of a program category per solicitation approach or contracts. Ultimately there should be one line per executed 3P contract.

\*\* The budget is proportional to the anticipated launch date of the program.

\*\*\* Launch date assumes that the signed contracts filed via AL are approved by ED in 90-days, where applicable.

\*\*\*\* Maximum annual program budget subject to change with consensus across IOUs

BP Decision (D.18-05-041): OP 23. The 25 percent requirement for statewide funding articulated in D.16-08-019 shall be calculated as a proportion of the utility program administrator's total portfolio budget, including evaluation, measurement, and verification funding, but excluding funding allocated to other program administrators for other (non-statewide) programs. The percentage requirement for statewide program funding for the Southern California Gas Company shall be reduced to 15 percent, but remain 25 percent for the other utility program administrators consistent with D.16-08-019.

INPUT TABLE					
IOU	Percent PPP Electric	Percent PPP Gas		Electric Proportional Share	Gas Proportiona l Share
PG&E	80%	20%		44.4%	50.4%
SDG&E	90%	10%		15.5%	7.8%
SCE	100%	0%		40.1%	0.0%
SoCalGas	0%	100%		0.0%	41.8%

## Attachment G

### Program-Level Explanation

Program-Level Explanation

PA justification	Third party implementer or Core	Statewide or Local	Programs to be closed with the disposition of 2021 ABAL	% change	2019 Claimed TRC	2020(Q1) Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	Year program started*	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts' ramp up
SCE is ending the MFEER program due to the absence of any future cost-effective electric measures for the multifamily property segment. SCE expects the residential sector to be served with more cost-effective solutions through the local Residential third-party solicitation expected to conclude on September 30, 2020.	Core	Statewide	Multifamily Energy Efficiency Rebate Program	-99%	0.77	-	-	49,272	4,947,899	2016	n/a	n/a
In its 2021 General Rate Case (GRC) SCE committed to eliminate funding for the sub-program in its 2021 ABAL because pump tests no longer produce claimable energy savings. SCE requests to close the Agriculture Energy Advisor program because the Pump-Test sub-program is the only activity in the program.	Core	Statewide	Agriculture Energy Advisor Program	-100%	-	-	-	-	1,243,436	2016	n/a	n/a
The Energy Leader Partnership Strategic Support sub-program is also known as the Statewide Energy Efficiency Collaborative (SEEC) of the Energy Leader Partnership Program. SCE collaborated with the other IOUs and statewide partners to improve the cost-effectiveness of the public sector by eliminating this non-resource cost.	Core	Local	Energy Leader Partnership Strategic Support	-100%	-	-	-	-	291,310	2016	n/a	n/a

PA justification	Third party implementer or Core	Statewide or Local	Programs to be closed upon completion of commitments	% change	2019 Claimed TRC	2020(Q1) Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	Year program started*	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts' ramp up
SCE expects the industrial sector to be served with more cost-effective solutions through the local third-party solicitations concluding on September 30, 2020. SCE will continue to process commitments in accordance with each program's commitment timeline.	Third party implementer	Local	Primary and Fabricated Metals	-98%	0.40	-	-	48,695	2,203,755	2016	12/20	no change
	Third party implementer	Local	Nonmetallic Minerals and Products	-100%	0.75	-	-	-	5,198,553	2016		
	Third party implementer	Local	Comprehensive Petroleum Refining	-100%	(0.28)	-	-	-	1,028,077	2016		

PA justification	Third party implementer or Core	Statewide or Local	Programs to be closed to new enrollments after Q1 2020	% change	2019 Claimed TRC	2020(Q1) Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	Year program started*	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts ramp up , or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004
SCE expects these sectors to be served with more cost-effective solutions through the local and statewide third-party solicitations. SCE will maintain these programs in 2021 until new program(s) launch in the market. Upon launch of new program(s) in these markets, SCE will assess the market coverage and remove measures or program(s) with overlap. SCE will continue to process commitments in accordance with each program's commitment timeline.	Core	Statewide	Industrial Calculated Energy Efficiency Program	-72%	0.39	-	0.44	697,098	2,529,024	2016	n/a	
	Core	Statewide	Industrial Deemed Energy Efficiency Program	-68%	0.03	0.04	0.05	236,727	739,052	2016	n/a	
	Core	Statewide	Commercial Deemed Incentives Program	-73%	0.51	0.26	0.72	802,733	3,028,919	2016	n/a	
	Core	Statewide	Midstream Point of Purchase	-91%	1.45	(0.05)	1.13	459,230	5,083,952	2016	n/a	
	Core	Statewide	Savings By Design	-56%	1.35	-	0.76	686,180	1,571,154	2016	n/a	
	Core	Statewide	Plug Load and Appliances Program	139%	0.44	0.03	1.41	3,877,122	1,624,370	2016	n/a	
	Core	Statewide	Residential New Construction Program	-69%	0.82	2.31	0.36	570,565	1,835,070	2016	n/a	
	Core	Statewide	Nonresidential HVAC Program	-70%	0.76	0.01	0.88	1,330,428	4,431,261	2016	n/a	

PA justification	Third party implementer or Core	Statewide or Local	Programs with reduced budgets (>40% budget decrease), to continue in 2021	% change	2019 Claimed TRC	2020(Q1) Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	Year program started*	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts' ramp up
The budget for this program decreased due to a reduction in the program's cost-effectiveness. HVAC measures have seen reductions in achievable energy savings due to dispositions and avoided costs updates, rendering them cost-prohibitive. SCE will continue to review this program and its measures for potential cost-effective improvements.	Core	Statewide	Residential Direct Install	-70%	0.94	0.21	1.37	3,010,901	10,032,846	2016	n/a	n/a
The 2021 budget is limited to support ongoing project development and support costs, as qualified bidders complete installation of accepted projects within their approved two-year project development cycle. Due to the expected timing of awarded bids in late 2020 and a two-year project development cycle, expected project savings and incentives are not expected until 2022 to 2023. As such, estimated budget needs are minimal during 2021.	Core	Statewide	Market Based Incentive	-100%	-	-	-	-	5,388,495	2020	n/a	n/a
The forecasted budget for this program decreased due to a reduction in expected engineering support.	Third party implementer	Local	Facility Assessment Service Program	-58%	-	-	1.15	86,389	207,962	2016	Program remains open for compliance with AB793 and E-4820.	In 2021 SCE will evaluate whether to continue with the current implementer or offer a new targeted solicitation.
SCE was approved to stop accepting new applications and close the program on December 31, 2018 due to the program's lack of cost effectiveness and poor performance. No budget has been allocated for this program in 2021 and December 31, 2021 is the last date for existing customers to submit for project completion.	Third party implementer	Local	Lodging EE Program	-100%	0.23	-	-	-	26,208	2016	Closed to new enrollments in 2019 ABAL	n/a
Funding for this program decreased due to the elimination of non-cost-effective HVAC measures from the program. HVAC measures have seen reductions in achievable energy savings due to dispositions and avoided costs updates, subsequently rendering them cost-prohibitive. SCE will continue to review this program and its measures for potential cost-effective improvements.	Core	Local	Comprehensive Manufactured Homes	-41%	0.94	1.15	1.44	2,281,556	3,840,512	2016	n/a	n/a
SCE was approved to stop accepting new applications on December 31, 2019 and close the program in the 2020 ABAL. SCE decreased its budget forecast for 2021 in line with vendor performance payments for in-flight projects that were committed in prior program years. The vendor is responsible for seeing the current portfolio of projects to completion. SCE will close the program once remaining committed projects are completed and paid.	Third party implementer	Local	Water Infrastructure Systems EE Program	-91%	0.35	-	-	44,849	475,681	2017	Closed to new enrollments in 2020 ABAL	n/a
Budgets for SCE's LGP programs decreased to the extent that SCE expects projects with enhanced incentives to be installed or reserved in 2021. While SCE is transitioning away from the ELP program structure, replacing it in approximately Q4 2021 via a new third-party solicitation, SCE is committed to continue supporting local governments through the ELP in 2021.	Core	Local	City of Long Beach Energy Leader Partnership	-83%	0.48	-	0.58	44,528	260,202	2016	n/a	n/a
	Core	Local	Eastern Sierra Energy Leader Partnership	-100%	0.02	-	-	-	38,579	2016	n/a	n/a
	Core	Local	Kern County Energy Leader Partnership	-100%	-	-	-	-	71,930	2016	n/a	n/a
	Core	Local	San Joaquin Valley Energy Leader Partnership	-100%	0.01	-	-	-	18,806	2016	n/a	n/a
	Core	Local	Western Riverside Energy Leader Partnership	-100%	0.02	-	-	-	41,038	2016	n/a	n/a
	Core	Local	County of Riverside Energy Efficiency Partnership	-100%	-	-	-	-	24,102	2016	n/a	n/a
	Core	Local	County of San Bernardino Energy Efficiency Partnership	-100%	-	-	-	-	58,106	2016	n/a	n/a
	Core	Local	San Bernardino Association of Governments	-100%	0.20	0.07	-	-	27,097	2016	n/a	n/a
	Core	Local	High Desert Regional Energy Leader Partnership	-100%	0.13	-	-	-	25,026	2016	n/a	n/a
Budgets for these programs decreased based on the projects in the pipeline. This sector is expected to be served by new third-party programs.	Core	Local	California Dept. of Corrections and Rehabilitation EE Partnership	-83%	0.28	(0.02)	0.61	273,123	1,603,842	2016	n/a	n/a
	Core	Local	State of California Energy Efficiency Partnership	-57%	0.06	-	0.32	64,650	150,556	2016	n/a	n/a
	Core	Local	UC/CSU Energy Efficiency Partnership	-41%	0.30	-	0.07	307,428	523,385	2016	n/a	n/a
The program budget is decreasing due to low participation in the Energy Efficiency Audit Tool, and the subsequent discontinuation of the tool.	Core	Local	Industrial Energy Advisor Program	-67%	-	-	-	236,558	725,091	2016	n/a	n/a



PA justification	Third party implementer or Core	Statewide or Local	Programs with enhanced budgets (>40% budget increase)	% change	2019 Claimed TRC	2020(Q1) Claimed TRC	2021 Filed TRC	2021 Budget	2020 Budget	Year program started*	For existing third party implemented programs, MM/YY Program was due to sunset prior to PY 2021 ABAL planning and new 3P contracting, or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004	For existing third party implemented programs, MM/YY Program is extended to as a result of PY 2021 ABAL planning and timing for new 3P contracts ramp up , or mark "NEW 3P" program if program is result of 3P solicitation process per D1801004.
The previous implementer found it difficult to recruit customers to join the program without any type of incentive and was not successful. SCE will prepare a new solicitation for AB793-compliant residential programs in consultation with SCE's PRG and IEs. SCE expects the third-party to implement the new program in Q4 2021.	Third party implementer	Local	AB793 Residential Pay for Performance	4557%	-	-	0.03	534,880	11,485	2016	Program remains open for compliance with AB793 and E-4820. 2020 ABAL states that existing third-party program was not cost-effective. (See 4068-E, Attachment E-9)	NEW 3P
The budget for the Agricultural Deemed EE Incentive Program increased due to a forecasted increase in customer incentive payments. SCE will continue to offer this non-cost-effective program until a new third-party program for the agriculture sector is in place.	Core	Statewide	Agriculture Deemed Energy Efficiency Program	65%	0.45	0.05	0.80	362,965	219,991	2016	n/a	n/a
Resolution E-5073 approved the transition of Residential Energy Efficiency Loan (REEL) from a pilot to a full-scale program in April 2020, and authorized the large IOUs to utilize the ABAL process by including funds for the program and pilots in the authorized annual energy efficiency budget. This forecast includes SCE's portion of increased budget for the REEL program, which continues to be administered by the CHEEF, as well as allocation to the IT and Marketing co-funding agreements with SCG for 2021, which maintains the same level of funding received from 2017 through 2020.	Core	Statewide	New Finance Offerings	1098%	-	-	-	1,776,045	148,260	2016	n/a	n/a
2021 costs are related to support for final commitments in these programs. SCE was approved to stop accepting new applications and close the programs on December 31, 2018 due to lack of program cost effectiveness. SCE continues to fund committed projects in the pipeline, and December 31, 2021 is the last date for existing customers to submit for project completion.	Third party implementer	Local	Healthcare EE Program	241%	1.26	-	-	81,321	23,817	2016	Closed to new enrollments in 2019 ABAL	n/a
	Third party implementer	Local	Data Center Energy Efficiency	218%	-	-	-	34,903	10,979	2016	Closed to new enrollments in 2019 ABAL	n/a
	Third party implementer	Local	Food & Kindred Products	>40%	1.47	-	-	84,042	-	2016	Closed to new enrollments in 2019 ABAL	n/a
In 2021, SCE plans to roll out a full catalog of all-electric design training for both residential and nonresidential sectors as the 2019 Energy Code provided the opportunity for moving the market towards decarbonization with the all-electric baseline modification. SCE will also be supporting the development of the multifamily Codes and Standards Enhancement (CASE) code language for the 2022 update to Title 24, Part 6. SCE will continue to engage with local chapters of Industry Organizations and support Energy Code Ace (ECA), which has become a lead resource for energy compliance support.	Core	Statewide	Compliance Improvement	59%	-	-	-	2,600,930	1,639,518	2016	n/a	n/a
In 2021, SCE will bolster the statewide subprogram led by PG&E to facilitate the urgent integration of Title 24 and Title 20 with all other energy efficiency and building decarbonization programs, proceedings, and activities. SCE will lead statewide collaboration in three main areas: (1) public programs modernization, (2) building energy modeling (BEM), and (3) building-grid harmonization. Programmatically, SCE will leverage learnings and extensive market intelligence to overhaul energy efficiency programs that use code as a baseline to be more directly aligned with California's greenhouse gas reduction goals.	Core	Statewide	Planning and Coordination	109%	-	-	-	8,423,071	4,022,228	2016	n/a	n/a
Budgets for SCE's LGP programs increased to the extent that SCE expects projects with enhanced incentives to be installed or reserved in 2021. While SCE is transitioning away from the ELP program structure, replacing it in Q4 2021 through a new third-party solicitation, SCE is committed to continue supporting local governments through the ELP in 2021.	Core	Local	Gateway Cities Energy Leader Partnership	288%	0.12	-	0.63	227,909	58,798	2016	n/a	n/a
	Core	Local	Orange County Cities Energy Leader Partnership	87%	0.46	-	0.50	96,305	51,584	2016	n/a	n/a
	Core	Local	San Gabriel Valley Energy Leader Partnership	41%	(0.02)	0.06	0.57	75,244	53,551	2016	n/a	n/a
	Core	Local	South Santa Barbara County Energy Leader Partnership	80%	0.05	-	0.86	154,045	85,461	2016	n/a	n/a
	Core	Local	County of Los Angeles Energy Efficiency Partnership	109%	0.64	-	1.18	1,615,362	774,164	2016	n/a	n/a

\* Year program was added to CEDARS.