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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Southern California Edison Company (U338E) for Approval of its 2012- 2014 California Alternate Rates for Energy (CARE) and Energy Savings Assistance Programs and Budgets.

Application 11-05-017  
(Filed May 16, 2011)

And Related Matters.

Application 11-05-018  
Application 11-05-019  
Application 11-05-020

**ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE'S  
JOINT AMENDED SCOPING MEMO AND RULING**

This Amended Scoping Memo and Ruling updates the schedule set forth in the scoping memo ruling issued on September 26, 2011 in the above captioned consolidated proceeding (Consolidated Proceeding). The Consolidated Proceeding relates to the 2012–2014 Energy Savings Assistance Program (ESAP) (formerly referred to as Low Income Energy Efficiency (LIEE)) and California Alternate Rates for Energy (CARE) Program budget applications of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) (collectively, IOUs or Utilities).

**1. Background**

A scoping memo and ruling was issued on September 26, 2011 (Scoping Memo). The Scoping Memo determined the following issues to be within the scope of the Consolidated Proceeding:

## **Overview of Lessons Learned**

- A. Review of major ESAP and CARE Program related studies, pilots and reports since Decision (D.) 08-11-031, including (a) Final Report on Low Income Energy Efficiency Program, 2009–2010 Process Evaluation, and (b) Final Report on Impact Evaluation of the 2009 California Low Income Energy Efficiency Program.

## **Review of ESAP (including Measure Level)**

- B. Review of overall effectiveness of the ESAP at the programmatic level in reaching the energy savings Strategic Plan goals and cost effectiveness of ESAP as a program, including examination of potential barriers to energy savings, methods of removing barriers to energy savings, and review of delivery models.
- C. Review of cost effectiveness at the measure level, including review of cost effectiveness methodology and what and how measures are added, deleted, etc.
- D. Consider whether the Commission should retire and approve certain measures proposed by the IOUs from their 2012–2014 approved measures list.
- E. Consider how the Commission should categorize homes that receive only energy education from an IOU under the ESAP program (treated, untreated, ineligible or other).

## **Multi-Family Sector**

- F. Review of multi-family sector needs, proposals, and any related operational and legal concerns.

## **Workforce, Education, and Training**

- G. Review of workforce, education, and training issues, including review of current contractor selection and bidding process.
- H. Consider whether the Commission should examine the current ESAP contractors' bidding process and other different delivery models.

### **Outreach, Education, and Enrollment**

- I. Review of current ESAP outreach and enrollment practices/efforts and explore ways to improve them to reach the Commission's Strategic Plan goals, including any energy education proposal.
- J. Consider whether the Commission should authorize a study and evaluation of the IOUs' energy education programs under the ESAP program to determine if there are ways to optimize or otherwise improve the educational component of the ESAP program.

### **Review of CARE Program including Enrollment Issues**

- K. Review of current CARE program, including recertification, post enrollment verification, categorical eligibility, and high usage customers.
- L. Review of CARE penetration level – where it is and should be.
- M. Review of CARE administration, including complaint and oversight mechanisms.

### **Working Groups, Pilots, and Studies**

- N. Review of potential ongoing working groups, pilots, and studies to improve the ESAP and CARE programs in the near-term and longer term.

### **Other Overall Programmatic Review**

- O. Consider whether the Commission should authorize IOUs to conduct another joint 2012–2014 Impact Evaluation Study to capture more accurate energy savings accomplishments in the ESAP program or consider a different evaluation approach that more closely aligns with the non-low income, or mainstream energy efficiency evaluations.

- P. Consider whether the Commission should review the methodology adopted in D.08-11-031 in estimating and calculating eligible low-income population.
- Q. Consider whether the Commission should review the existing refrigerator replacement rules.
- R. Review and clarify, if necessary, the Commission's Fund Shifting rules.
- S. Consider IOUs' proposed CARE budgets, and underlying assumptions and estimates.
- T. Consider IOUs' proposed ESAP budgets, and underlying assumptions and estimates.
- U. Consider how the Commission should continue its coordination with the Department of Community Services and Development (CSD) to increase most effectively the number of overall homes treated in California pursuant to programs administered by the Commission and CSD.
- V. Review of IOUs' strategies and programs for the budget years 2012-2014 toward accomplishing the long-term and enduring energy savings, ways to leverage the resources of other entities, and ways to coordinate ESAP with other demand-side programs, especially energy efficiency programs.
- W. Review of effective methods of tracking costs for each ESAP and CARE program elements and participation in each that will permit cost-benefit analysis for each program element and that are consistent for all Utilities.
- X. Review how the Commission should and will track and oversee the IOUs' performance of their ESAP and CARE programs during the 2012-2014 timeframe, and any midcourse audit or review that the Commission should conduct.
- Y. Review of any issue we asked the IOUs to address in our March 30, 2011 guidance ruling, <http://docs.cpuc.ca.gov/efile/RULINGS/132944.pdf>.

- Z. Review of any other issue expressly added by the assigned ALJ or Assigned Commissioner in the final scoping memo ruling, to be issued following the herein prehearing conference.

After two prehearing conferences in the Consolidated Proceeding, several workshops, service of voluminous number of testimonies, and a ruling by the assigned Administrative Law Judge seeking comments from parties on several critical issues requiring further review and exploration, we find that additional time beyond April 2012 will be necessary to thoughtfully review at least one or more currently incomplete and pending pilot program (CHANGES Pilot Program), as well as those issues concerning cost effectiveness methodology and multifamily sector.

Therefore, while April 2012 was the previously anticipated timeframe to consider and adopt a proposed decision to resolve all of the issues raised in the Consolidated Proceeding, that projection is now updated and proposed decision which is projected to be before the Commission for consideration in April 2012 is expected to address and resolve all issues within the scope of the proceeding with the exception of decisions concerning (1) review of any pilot program which is not yet completed in advance of April 2012 timeframe such as CHANGES Pilot Program, and (2) issues concerning cost effectiveness methodology and multifamily sector. A subsequent scoping memo and ruling will further outline the issues and detailed schedule for those remainder of issues in the Consolidated Proceeding.

Parties have been advised and are reminded that issues as deemed within the scope of the Consolidated Proceeding may be examined but may also be set for further or ongoing examination (e.g., studies, working groups, etc.) beyond the timeframe for the upcoming decision on the 2012-2014 ESAP and CARE budget decision. Likewise, parties have been advised and are also reminded that

some issues of general relevance to the ESAP and CARE programs that are noncontroversial, minor or otherwise uncontested and not listed above may still be addressed in the upcoming decision on the 2012–2014 ESAP and CARE budget decision in less detailed manner, if supported by necessary record.

This ruling incorporates the September 26, 2011 Scoping Memo and Ruling with the exception of the proceeding schedule.

## 2. Updated Proceeding Schedule

The following is the updated proceeding schedule for the Consolidated Proceeding:

Date	Event
December 2011	Ruling Seeking Comments.
January 2012	Amended Scoping Memo.
January 2012	Comments to Ruling.
February 2, 2012	Opening Briefs.
February 16, 2012	Reply Briefs.
February 16, 2012	Request for Final Oral Argument (on all issues with the exception of (1) pending pilot review, and (2) issues of cost effectiveness methodology, multifamily sector).
February 16, 2012	Submission Date (Close of record for all issues with the exception of (1) pending pilot review, and (2) issues of cost effectiveness methodology, multifamily sector).
February 2012	Ruling setting schedule and framework for further review of cost effectiveness methodology and multifamily sector.
March 2012	<i>Projected</i> Mailing of Proposed Decision.

April 2012	<i>Projected</i> Adoption Date of Final Decision (on all issues except issues relating to CHANGES Pilot Program, cost effectiveness methodology and multifamily sector.
March 2012 - July 2013	Further review of CHANGES pilot program, cost effectiveness methodology and multifamily sector.

**3. Discovery Issues**

Discovery on the issues relating to cost effectiveness methodology and multi-family sector may resume and will remain open for further direction by the assigned Administrative Law Judge (ALJ).

If the parties experience discovery disputes they are unable to resolve by meeting and conferring, they shall contact the assigned ALJ Kimberly H. Kim to determine whether a written or oral motion is required.

**4. Communications with Decision Makers (*Ex Parte* Communication)**

Pursuant to Pub. Util. Code § 1701.1, *ex parte* communications are prohibited in this proceeding except under the following circumstances. Oral *ex parte* communications may be permitted at any time by any Commissioner if all interested parties are invited and given not less than three days' notice.

Written *ex parte* communications are permitted by any party provided that copies of the communication are transmitted to all parties on the same day.

Commission Rule 8.1 et seq. explains the *ex parte* rules in more detail. The Commission's rules are available on the [www.cpuc.ca.gov](http://www.cpuc.ca.gov) website at [http://docs.cpuc.ca.gov/published/RULES\\_PRAC\\_PROC/70731.htm](http://docs.cpuc.ca.gov/published/RULES_PRAC_PROC/70731.htm).

**IT IS RULED** that:

1. The schedule for the Consolidated Proceeding is as set forth in Section 2 of this ruling, unless subsequently modified by assigned Commissioner or assigned Administrative Law Judge (ALJ) directive.

2. The categorization of this Consolidated Proceeding is ratesetting and hearings do not appear to be necessary.

3. Pursuant to Pub. Util. Code § 1701.1, *ex parte* communications are prohibited except as set forth above and in Commission Rule 8.1 et seq.

4. If the parties experience any discovery dispute they are unable to resolve by meeting and conferring, they shall contact ALJ Kimberly H. Kim to determine whether a written or oral motion is required.

Dated January 26, 2012, at San Francisco, California.

/s/ TIMOTHY ALAN SIMON  
Timothy Alan Simon  
Assigned Commissioner

/s/ KIMBERLY H. KIM  
Kimberly H. Kim  
Administrative Law Judge