



FILED

07-16-08

08:44 AM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of the 2009-2011 Low Income Energy Efficiency and California Alternate Rates for Energy Programs and Budget (U39M).

Application 08-05-022
(Filed May 15, 2008)

Application of San Diego Gas & Electric Company (U902M) for Approval of Low-Income Assistance Programs and Budgets for Program Years 2009-2011.

Application 08-05-024
(Filed May 15, 2008)

Application of Southern California Gas Company (U904G) for Approval of Low-Income Assistance Programs and Budgets for Program Years 2009-2011.

Application 08-05-025
(Filed May 15, 2008)

Application of Southern California Edison Company (U338E) for Approval of Low-Income Assistance Programs and Budgets for Program Years 2009, 2010 and 2011.

Application 08-05-026
(Filed May 15, 2008)

ADMINISTRATIVE LAW JUDGE'S THIRD RULING SEEKING FURTHER INFORMATION ON LARGE INVESTOR-OWNED UTILITIES' 2009-2011 LOW INCOME ENERGY EFFICIENCY/CARE APPLICATIONS

To Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company (collectively, investor-owned utilities (IOUs)), and other parties to this proceeding:

Within 10 days of issuance of this ruling, please file and serve responses in response to the questions in Appendix A about your 2009-2011 Low Income Energy Efficiency and California Alternate Rates for Energy applications. If you need clarification of any question in this ruling, please email the Administrative Law Judge and the service lists in advance of the due date rather than trying to guess at what the question means. Repeat the question before giving each response.

Other non-IOU parties may respond to this ruling at their discretion.

IT IS SO RULED.

Dated July 16, 2008, at San Francisco, California.

/s/ SARAH R. THOMAS

Sarah R. Thomas
Administrative Law Judge

APPENDIX A

Page 1

QUESTIONS FOR LARGE INVESTOR-OWNED UTILITIES (IOUS) AS APPLICABLE; ALL OTHER PARTIES MAY RESPOND AS WELL

1. What is the quality of the CFLs you distribute through the LIEE program in terms of expected useful lives, actual useful lives, manufacturer name, or any other data you have discussing CFL quality/longevity?
2. PG&E, SoCalGas and SDG&E propose the elimination of the “3 Measure Minimum” as referenced in Section 2.9 of the California Statewide LIEE Policy and Procedure Manual. Will the elimination of this provision result in more leveraging with LIHEAP providers? If so, how? If this provision is eliminated, what percentage of LIEE customers are likely to receive fewer than 3 measures? How will this impact program delivery?
3. The IOUs propose to include the following revision to Section 2.8 of the LIEE California Statewide Policy and Procedures Manual: “In the event a key program eligibility requirement now makes a customer eligible for measures previously not offered at the time the utility treated the home, the utility shall make available those cost effective measures for qualified customers.” Please provide examples of “key program eligibility requirements” that would make a customer eligible for measures previously not offered when the utility treated the home. Please explain how this revision would impact program delivery.
4. PG&E proposes a “hardship override mechanism” as part of its tiered approach to program delivery. Please provide more information on what this mechanism entails.
5. Have you calculated how to measure the actual cost effectiveness/energy savings of measures whose Expected Useful Lives (EULs) differ? For example, a CFL may have an 8-year EUL, and an EE washer a 20-year EUL. Do you have anything that equalizes this calculation across measures so you're not comparing apples and oranges? For example,
 - A bulb costs \$5 and lasts 3 years and saves X amount of energy per year
 - A washer costs \$600 and lasts 20 years and saves X amount of energy per year

APPENDIX A

Page 2

Compare how the energy savings of the two measures compare on an annual basis. Provide calculations comparing each of your LIEE measures in this fashion.

6. In Attachment 1 hereto, Energy Division has made energy savings calculations by measure. Please answer the following questions about the information in Attachment 1:
 - a) Overall: Why are the energy savings per dollar spent different among IOUS for the same measures?
 - b) PG&E and SDG&E seem to be spending a good percentage of the budget on Envelope and Sealing, whereas the energy savings seem to be very minimal in these measures. Explain.
 - c) SCE spends the greatest amount of its budget on refrigerators and air conditioner (AC) replacements. ACs yield the lowest amount of energy savings per dollar, not taking into account the EUL of the measure. How does including the EUL change this calculus?
 - d) SoCalGas spends the greatest amount of its budget on envelope and sealing measure and furnaces, which yield the lowest amount of energy savings per dollar, not taking into account the EUL of the measures. How does including the EUL change this calculus?
7. Integration for purposes of your LIEE programs should include efforts by you to coordinate internally with other demand side management programs and should not result in additional costs. Under each utility's general energy efficiency program, "Local Government Partnerships" are carried out throughout California. Please examine these partnerships in your service territory, consider the opportunities, and present ideas on how to integrate these partnerships with LIEE program offerings and/or infrastructure.

(On June 25, the assigned ALJ's Ruling asked the utilities the following question:

The Energy Efficiency program funds "Local Government Partnerships" throughout California. Have the IOUs looked at each of these partnerships as an opportunity to integrate the

APPENDIX A

Page 3

Energy Efficiency and LIEE programs, and to leverage local government resources in carrying out the LIEE program? Explain.

The utilities responded to this question but did not address how they plan to integrate with existing Local Government Partnerships funded through EE.)

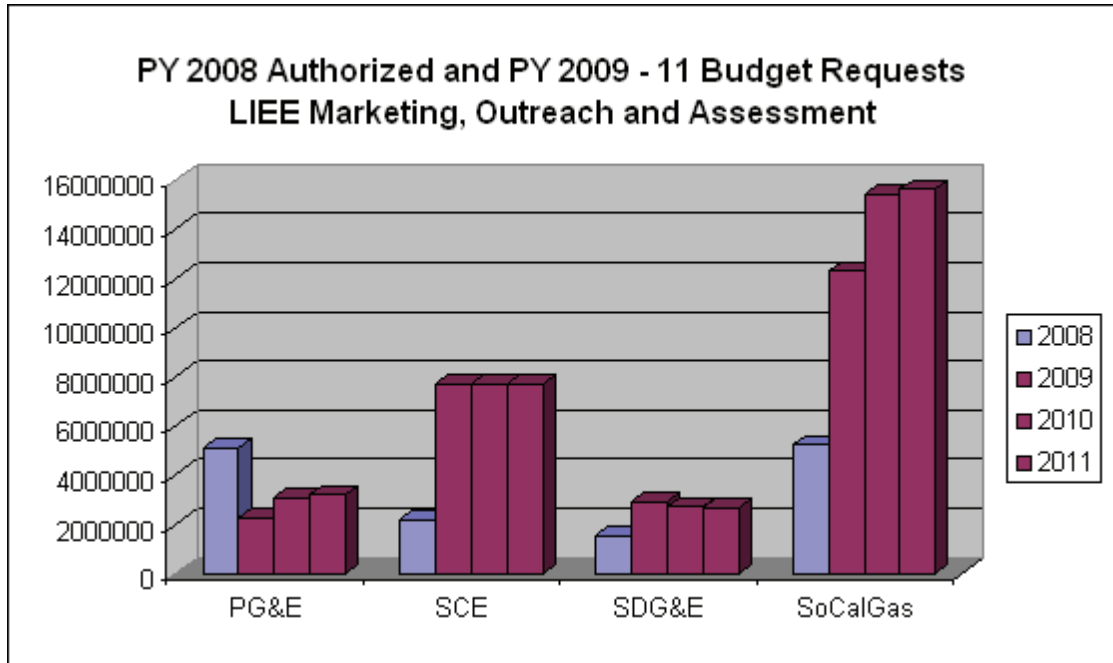
8. Why did PG&E request less funding than in previous years for LIEE Marketing, Outreach and Assessment whereas SCE, SoCalGas, and SDG&E request substantially more funding? Please see attached the graphical representation of the IOUs' spreadsheets in Attachment 2. Under the LIEE Program subcategory "Outreach and Assessment" (or "Outreach and Assessment/Marketing" in the case of PG&E), please explain what assessment entails and how much of the funding requested under this subcategory will be spent on assessment.

(END OF APPENDIX A)

ATTACHMENT 1

PY 2009 - 2011 LEE Planning Assumptions PG&E Company												
	PY 2007 Actuals ³			PY 2009 Planned			PY 2010 Planned			PY 2011 Planned		
	Savings/Coat of Measure (Kwh)	Savings/Coat of Measure (Therms)	% Overall Budget	Savings/Coat of Measure (Kwh)	Savings/Coat of Measure (Therms)	% Overall Budget	Savings/Coat of Measure (Kwh)	Savings/Coat of Measure (Therms)	% Overall Budget	Savings/Coat of Measure (Kwh)	Savings/Coat of Measure (Therms)	% Overall Budget
Measures 1												
Heating Systems												
Furnaces Repair & Replacement	0.00	0.04	3.93%	0.00	0.00	4.24%	0.00	0.00	4.30%	0.00	0.00	4.34%
Cooling Measures												
A/C Replacement - Room	0.29	0.00	1.34%	0.10	0.00	1.44%	0.09	0.00	1.44%	0.09	0.00	1.44%
A/C Replacement - Central	0.14	0.00	0.34%	0.06	0.00	0.40%	0.06	0.00	0.41%	0.06	0.00	0.41%
A/C Tune-up - Central	0.93	0.00	0.25%	0.38	0.00	2.75%	0.37	0.00	2.77%	0.36	0.00	2.77%
A/C Services - Central												
Heat Pump												
Expirate Coolers	0.54	0.00	2.25%	0.23	0.00	1.66%	0.22	0.00	1.66%	0.21	0.00	1.65%
Refrigerate Cooler												
Maintenance Measures												
Lighting & Space Utilization												
Conditioning												
Envelope and Air Sealing Measures	0.03	0.03	22.87%	0.00	0.03	17.34%	0.00	0.03	17.33%	0.00	0.03	17.27%
Duct Sealing	0.00	0.01	1.85%	0.10	0.03	2.06%	0.10	0.03	2.07%	0.10	0.03	2.07%
Attic Insulation	0.03	0.05	5.35%	0.00	0.04	6.64%	0.00	0.04	6.64%	0.00	0.04	6.64%
Water Heating Measures												
Water Heater	0.13	0.20	3.47%	0.00	0.26	3.33%	0.00	0.25	3.33%	0.00	0.25	3.32%
Conservation Measures												
Water Heater	0.00	0.00	1.67%	0.00	0.01	1.91%	0.00	0.01	1.94%	0.00	0.01	1.96%
Water Heater Replacement - Gas												
Water Heater Replacement - Electric												
Tankless Water Heater - Tankless Water Heater - Electric	0.00	0.00	0.06%									
Lighting Measures												
CFLs	2.14	0.00	6.09%	1.35	0.00	7.57%	1.31	0.00	7.57%	1.26	0.00	7.54%
Ext. Porchlights Fixture Replacement	0.46	0.00	4.09%	0.20	0.00	3.07%	0.20	0.00	3.07%	0.19	0.00	3.05%
Interior Hard wired CFL												
Fixtures	0.90	0.00	4.84%	0.73	0.00	5.22%	0.70	0.00	5.22%	0.68	0.00	5.20%
Refrigerators												
Refrigerators	0.83	0.00	24.11%	0.75	0.00	28.71%	0.72	0.00	28.69%	0.70	0.00	28.58%
Pool Pumps												
Pool Pumps												
New Measures												
Torchiers												
Occupancy Sensor												
Pilots												
Clothes Washer	0.38	0.02	0.95%	0.37	0.02	0.87%	0.37	0.02	0.87%	0.35	0.02	1.05%
Microwave	1.46	0.48	0.11%	1.46	0.48	0.11%	1.46	0.48	0.08%	1.46	0.48	0.10%
Ceiling Fans	0.00	0.00	0.31%									
Customer Enrollment												
Outreach & Assessment	0.00	0.00	17.17%	0.00	0.00	11.34%	0.00	0.00	11.39%	0.00	0.00	11.40%
In-Home Education												
Education Workshops												
Total	0.43	0.02	100.00%	0.41	0.02	100.00%	0.40	0.02	100.00%	0.38	0.02	100.00%

ATTACHMENT 2



(END OF ATTACHMENT 2)

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a Notice of Availability of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the Notice of Availability of the filed document is current as of today's date.

Dated July 16, 2008, at San Francisco, California.

/s/ TERESITA C. GALLARDO
Teresita C. Gallardo