BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the)	
Commission's Proposed Policies and Programs)	Rulemaking 04-01-006
Governing post-2003 Low Income Assistance)	(Filed January 8, 2004)
Programs.)	
)	A.05-06-005, A.05-06-009
And Related Matters	_)	A.05-06-012, A.05-06-013

REPLY OF SOUTHERN CALIFORNIA EDISON COMPANY (U-338-E) TO COMMENTS ON THE NOVEMBER 15, 2005 DRAFT "OPINION APPROVING 20062007 LOW-INCOME PROGRAMS AND FUNDING FOR THE LARGER ENERGY UTILITIES AND APPROVING NEW LOW INCOME ENERGY EFFICIENCY PROGRAM MEASURES FOR 2006"

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Dated: December 12, 2005

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PROGRAM MEASURES FOR 2006"

I.

INTRODUCTION

In accordance with Rules 77.2 and 77.5 of the California Public Utilities Commission's (Commission) Rules of Practice and Procedure, Southern California Edison Company (SCE) hereby submits its reply in response to comments submitted by PG&E, Sempra and DRA on the November 15, 2005 draft "Opinion Approving 2006-2007 Low Income Programs and Funding for the Larger Energy Utilities and Approving New Low Income Energy Efficiency Program Measures for 2006" (Draft Decision).

A. Combustion Appliance Testing and Weatherization in Homes Heated with Non-Investor Owned Utility Fuels

PG&E states that it is the only utility required to conduct the Combustion Appliance Safety (CAS) Pre-Test in customer homes that have utility space-heating and also have nonutility-fueled combustion appliances, in addition to conducting the Natural Gas Appliance Test (NGAT) in the homes of customers that have utility-fueled combustion appliances. PG&E requests that it be permitted to conduct only the NGAT in homes that have utility-fueled appliances and not provide weatherization measures to customers whose homes contain non-utility-fueled combustion appliances.

PG&E's request is valid. However, regardless of how the Commission ultimately decides on PG&E's request, SCE requests that its own current policies and practices regarding testing and weatherization remain in effect. SCE urges the Commission to refer to Decision 01-12-020, where the Commission considered the issue of cross-subsidization (page 24) if SCE were required to weatherize and perform CAS testing for homes receiving SCE cooling measures and gas service for heating measures from the City of Long Beach – a non-IOU. Most of the savings in Long Beach from weatherization would accrue to customers' gas bills, since Long Beach as a coastal city has relatively small demand for cooling. The Commission does not have the authority to require the City of Long Beach to perform the testing as would be the case in homes served by SCE and receiving gas service from SoCalGas. Moreover, as noted in the decision, SCE, as an electric utility, does not have the expertise in place to perform CAS testing in its service area, whether the home is heated with propane or natural gas supplied by a non-IOU. As discussed on pages 26 and 27 of D01-12-020, in situations where non-IOU fuels are used for heating, SCE refers the homes to LIHEAP contractors for service through the LIHEAP program. SCE requests that this policy remain in effect for SCE.

SCE is in a unique position when assessing low-income customer homes that have electric space heating and some type of combustible appliance. Unlike every other major IOU, SCE does not provide testing of combustible appliances as part of a turn-on service or through a legislative or regulatory mandate. The policy changes required to initiate NGAT testing are not in the best interest of the customer or the ratepayer. SCE's working agreements with CBO's to service customers with the above fuel mix, ensures that a qualified, experienced contractor performs NGAT. Further, SCE has offered each LIHEAP agency the opportunity to obtain

refrigerators at "no cost" thereby freeing up State LIHEAP funds to perform more weatherization.

B. <u>Cool Centers</u>

SCE acknowledges Sempra's comment that there are significant differences in the design and structure of SCE's Cool Center program and the design and structure of San Diego County's Cool Zones program, and that San Diego County's Cool Zones program continues to operate.

SCE appreciates DRA's support for SCE's Cool Center program and will work with stakeholders, including DRA and LIOB, to bring forward a proposal to operate a 2006 Cool Center program.

C. 2006 Funding

PG&E requests explicit authority to file a budget augmentation request prior to submittal of the July 1, 2006 applications if necessary. PG&E also requests explicit permission to shift funding among LIEE categories. SCE believes it has authority to request additional funding prior to July 1, 2006 if this should become necessary. In fact, the Commission has always requested that utilities inform the Commission if funding appears to be running low. Further, the Commission consistently has provided the utilities with authority to manage their overall LIEE program budgets and move funding among measures and program categories to reflect actual program delivery of comprehensive services to customers.

D. LIEE Standardization

Sempra and PG&E request that the Commission approve the Standardization Team's recommendations for policies and procedures related to the installation of new measures in 2006 in order to prevent delay in their implementation. SCE recognizes the Commission is in the process of transitioning standardization activities in ways that are still to be determined. In the interim, SCE will use the policies and procedures as contained in the November 1, 2005 Standardization Team filing as the basis for the new measures in 2006. Further, SCE will seek

input from other stakeholders as appropriate, while recognizing the urgent need and opportunity to implement the new measures as quickly as possible.

II.

CONCLUSION

SCE appreciates the opportunity to submit these reply comments.

Respectfully submitted,

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December 12, 2005

CERTIFICATE OF SERVICE

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of REPLY OF SOUTHERN CALIFORNIA EDISON COMPANY (U-338-E) TO COMMENTS ON THE NOVEMBER 15, 2005 DRAFT "OPINION APPROVING 2006-2007 LOW INCOME PROGRAMS AND FUNDING FOR THE LARGER ENERGY UTILITIES AND APPROVING NEW LOW INCOME ENERGY EFFICIENCY PROGRAM MEASURES FOR 2006" on all parties identified on the attached service list(s). Service was effected by one or more means indicated below:

Ц	Transmitting the copies via e-mail to all parties who have provided an e-mail address. First class mail will be used if electronic service cannot be effectuated.
	Placing the copies in sealed envelopes and causing such envelopes to be delivered by hand or by overnight courier to the offices of the Commission or other addressee(s).
	Placing copies in properly addressed sealed envelopes and depositing such copies in the United States mail with first-class postage prepaid to all parties.
	Directing Prographics to place the copies in properly addressed sealed envelopes and to deposit such envelopes in the United States mail with first-class postage prepaid to all parties.

Executed this 12th day of December, 2005, at Rosemead, California.

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