June 15, 2018

Advice Letter 3654-E/3654-E-A

Russell G. Worden
Director, State Regulatory Operations
Southern California Edison Company
8631 Rush Street
Rosemead, CA 91770

SUBJECT: Southern California Edison Company’s 2018 Energy Efficiency Program and Portfolio Annual Budget

Dear Mr. Worden:

Advice Letter 3654-E and supplemental 3654-E-A are rejected.

Sincerely,

Edward Randolph
Director, Energy Division
November 22, 2017

ADVICE 3654-E-A
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Supplemental Filing to Advice 3654-E, Southern California Edison Company’s 2018 Energy Efficiency Program and Portfolio Annual Budget

In response to the Energy Division’s (ED) Supplemental Request Letter dated October 30, 2017 (ED Letter)\(^1\), Southern California Edison Company (SCE) hereby submits this supplemental information to its 2018 Energy Efficiency Program and Portfolio Annual Budget Advice Letter (Advice 3654-E), filed on September 1, 2017. This advice filing supplements in part.

PURPOSE

The purpose of this Advice Letter is to provide supplemental information regarding SCE’s Energy Efficiency Program and Portfolio Annual Budget Advice Letter, filed on September 1, 2017, as requested in the ED Letter. SCE submits this supplemental information to make certain updates to Advice 3654-E as contained in the ED Letter. SCE’s proposed portfolio and budget included herein is fundamentally unchanged from Advice Letter 3654-E filed on September 1, 2017 with the exception of implementing the following updates as requested in the ED Letter:

1. Updates on Cost Effectiveness using Costs Effectiveness Tool (CET) version 18.1 that includes greenhouse gas (GHG) adder adopted in D.17-08-022;

\(^1\) See Attachment E, Memo 1 (ED Letter).
2. Updates reflecting 2018 savings goals as established in D.17-09-025; and
3. Various portfolio scenarios as discussed with the Energy Division on November 3, 2017.

In addition, as requested in the ED Letter, this Advice Letter provides two portfolio scenarios that achieve a 1.25 TRC threshold. As further explained below, these illustrative scenarios are provided for informational purposes only. SCE is not requesting or recommending that the portfolio scenarios be adopted herein.

**Background**

On September 1, 2017, SCE submitted Advice Letter 3654-E in compliance with the Administrative Law Judges’ Ruling Modifying Schedule, issued on June 9, 2017 (ALJ Ruling). The EE portfolio and budget filed in Advice Letter 3654-E represents SCE’s base case portfolio budget (Base Case) and did not include the new 2018 savings goals or the interim greenhouse gas adder that the CPUC approved in D.17-08-022 on August 24, 2017. Subsequently, on October 30, 2017, SCE received the ED Letter directing SCE to file a supplement to Advice Letter 3645-E that shows:

- the cost effectiveness using the Cost Effectiveness Tool (CET) version 18.1 that includes the interim GHG adder;
- the use of the 2018 savings goals established in D.17-09-025; and
- a "requested portfolio and budget, plus any alternative scenarios SCE may wish to propose."

The EE portfolio and budget filed in this Supplemental Advice Letter (Updated Base Case), modifies the Base Case in compliance with direction provided in the ED Letter. The Base Case provided in Advice 3654-E produced a TRC value of 1.00. As shown in Table 3 below, the Updated Base Case results in a TRC value of 1.13.

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2 On November 8, 2017, ED sent email instructing IOUs to disregard September 1, 2017 request to “classify all ME&O as a separate Non-Resource program”, see Attachment E, Memo 2
5 See Attachment E, Memo 1.
2018 EE Portfolio Budget

In Advice 3654-E, Table 1 has been revised to reflect the updated Commission goals approved in D.17-09-025. No other changes to this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

Table 1: 2018 EE Portfolio Budget Criteria, Descriptions, and Authority

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Applicable to 2018 Budget</th>
<th>Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cost Effectiveness</td>
<td>• Statutory requirement to provide cost-effective portfolio 7</td>
<td>• California P.U. Code, Section 454.5(b)(9)(c)</td>
</tr>
<tr>
<td></td>
<td>• Portfolio Total Resource Cost (TRC) greater or equal to 1.00 without codes and standards 8</td>
<td>• D.16-08-019</td>
</tr>
<tr>
<td>2. Energy Savings</td>
<td>Energy Savings</td>
<td>D.17-09-025</td>
</tr>
<tr>
<td></td>
<td>• 961 GWh 9</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• 206 MW 10</td>
<td></td>
</tr>
<tr>
<td>3. Portfolio Budget</td>
<td>Budget</td>
<td>D.15-01-002</td>
</tr>
<tr>
<td></td>
<td>• $333.320 million 11</td>
<td></td>
</tr>
</tbody>
</table>

7 Per California P.U. Code, Section 454.5(b)(9)(c): “The electrical corporation shall first meet its unmet resource needs through all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible.”

8 Per D.16-08-019, pages 30-31, “Since D.12-11-015, the costs and benefits of the utilities’ codes and standards work have not been used to meet the cost-effectiveness requirements that benefits exceed costs in the utility portfolios, specifically using the total resource cost test. Instead, the costs and benefits of the codes and standards programs are used as a “cushion” or a “hedge” when added to the rest of the portfolio, to ensure that the overall portfolio will remain cost effective as implemented, and not just as planned. However, the rest of the utility portfolio is required to be cost-effective on its own, prior to consideration of the costs and benefits of the codes and standards activities. These requirements are not altered by this decision.”

9 See D.17-09-025, p.37, Reflects net savings for resource programs and codes & standards.

10 See D.17.09-025, p.38, Reflects net savings for resource programs and codes & standards.

11 SCE’s 2018 proposed budget is based on SCE’s 2015 Total Approved Budget adopted in D.14-10-046 and modified in D.15-01-002. The Decision approved an annual authorized budget level for 2015 which is to remain in place (less carry-forward of unspent funds from prior portfolio cycles) until the earlier of 2025 or when the Commission issues a superseding decision on funding. See OP 21.
2018 EE Portfolio Savings

In Advice 3654-E, Table 2 has been revised to reflect the updated Commission goals approved in D.17-09-025. No other changes to this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

### Table 2: EE Portfolio Energy Savings

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>CPUC Goal</th>
<th>% of 2018 Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Savings (Gross GWh)</td>
<td>1,466</td>
<td>961</td>
<td>153%</td>
</tr>
<tr>
<td>Demand Reduction (Gross MW)</td>
<td>268</td>
<td>206</td>
<td>130%</td>
</tr>
<tr>
<td>Gas Savings (Gross MMth)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Portfolio Cost-Effectiveness Table

In Advice 3654-E, Tables 3 and 4 have been revised to reflect the Updated Base Case portfolio cost-effectiveness forecasted results. No other changes to this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

### Table 3: TRC Cost-Effectiveness Scenario Results

<table>
<thead>
<tr>
<th></th>
<th>2018 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resource and Non-Resource Portfolios, without C&amp;S</td>
<td>1.13</td>
</tr>
<tr>
<td>Resource and Non-Resource Portfolios, with C&amp;S</td>
<td>1.49</td>
</tr>
</tbody>
</table>

### Table 4: PAC Cost-Effectiveness Scenario Results

<table>
<thead>
<tr>
<th></th>
<th>2018 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resource and Non-Resource Portfolios, without C&amp;S</td>
<td>1.49</td>
</tr>
</tbody>
</table>

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12 The forecasts in Tables 3 & 4 include statewide marketing, education & outreach ($6.7 million), Energy Savings Performance Incentive (ESPI) earnings ($17.6 million), and estimated pension and benefit costs ($16.5 million). Also, includes 5% spillover (market effects) for resource programs. Excludes Emerging Technology, On-Bill Financing revolving loan pool, credit enhancements, and SoCalREN.

13 Excludes benefits and costs associated with the Codes and Standards Program.
In Advice 3654-E, Table 5 has been revised to provide a breakdown of the Direct Implementation Non-Incentive Exempt and Non-Exempt costs. SCE also provides additional information regarding the calculations in the footnotes. No other changes to this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

### Table 5: Cap & Targets Forecast

<table>
<thead>
<tr>
<th>IOU Caps/Targets Forecast</th>
<th>IOU Admin Cap</th>
<th>IOU Marketing Target</th>
<th>IOU Direct Impl. Target</th>
<th>IOU Incentive Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCE Programs</td>
<td>$15,067,527</td>
<td>$9,139,777</td>
<td>$58,223,989</td>
<td>$65,320,905</td>
</tr>
<tr>
<td>SoCal REN</td>
<td>$1,558,260</td>
<td>$865,700</td>
<td>$8,772,443</td>
<td>$6,117,597</td>
</tr>
<tr>
<td>EM&amp;V</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Total Requested Budget</td>
<td>$16,625,787</td>
<td>$10,005,477</td>
<td>$66,996,432</td>
<td>$128,703,072</td>
</tr>
</tbody>
</table>

**Items Outside of EE Funding**

| Statewide ME&O | $ - | $6,703,611 | $ - | $ - | $ - | $ - | $ - | $6,703,611 |
| GRC Labor Adders (Pension and Benefits) | $16,045,171 | $ - | $ - | $ - | $ - | $ - | $343,360 | $16,388,531 |

**Footnotes**

- Excludes benefits and costs associated with the Codes and Standards Program.
- Cap and Target calculation excludes REN's budget.
- 10% admin cap requirement based on D. 09-09-047 applies to IOU labor only. Cap calculated using: (SCE Programs Admin + Pension & Benefits) / (Total Requested Budget + SWME&O Budget + Pension & Benefits)
- 6% marketing target calculated using SCE Programs Marketing: / (Total Requested Budget + SWME&O Budget + Pension & Benefits)
- 20% DINI Target calculating using: (DINI Non-Exempt SCE Programs Budget) / (SCE Programs Budget + EM&V + SWME&O Budget + Pension & Benefits)
- IOU Incentive Percentage of Budget calculated using: SCE Program Incentive / (Total Requested Budget + SWME&O Budget + Pension & Benefits)
Budget Variance

No changes to Table 6 or to other parts of this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

Expanded and New Programs

No changes to Table 7 or to other parts of this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

Program Phase Outs

No changes to Table 8 or to other parts of this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

Portfolio Optimization

No changes to this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

Evaluation, Measurement, and Verification (EM&V)

No changes to this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

Program Realignments

No changes to Table 9 or to other parts of this section are being made from Advice 3654-E filing as submitted on September 1, 2017.

Discussion

1. SCE’s EE Portfolio is Currently Cost Effective with a TRC of Above 1.0 (without C&S) Which is Consistent with Current Commission Policy

The ED Letter observes that SCE’s forecasted TRC value of 1.00 for its Base Case “falls significantly short of the 1.25 value and indicates the portfolio does not meet the
Commission’s minimal requirements for cost effectiveness.” To support this observation, the ED Letter cites to D.14-10-046 as setting the minimum requirements for the TRC value.

The ED Letter is incorrect that SCE’s Base Case does not meet the minimum threshold for cost effectiveness. As discussed in SCE’s Final Comments and Reply Comments regarding its Business Plan, SCE’s forecast portfolio TRC of 1.00 achieves the currently authorized Commission minimum requirements for cost effectiveness. In D.14-10-046, the Commission noted that corrections to the cost-effectiveness calculations “will materially lower TRCs” and that “to the extent they drop below 1.0 we will require portfolio adjustments to exceed that minimum threshold.” Subsequently in D.16-08-019, the Commission did not address this tension but referred generally to the requirement that the “utility portfolio…be cost-effective on its own, prior to consideration of the costs and benefits of the codes and standards activities.” Further, the Commission’s Energy Efficiency Policy Manual, states that “a portfolio is said to have “passed” a test if the benefit cost ratio is greater than 1.” As such, the current Commission threshold forecast TRC requirement is 1.0 which SCE’s Base Case achieves.

Because a Commission decision has not been issued that defines a compliant cost-effective threshold as 1.25, it is premature to state that SCE’s portfolio cost-effectiveness is below Commission requirements. SCE recognizes that the determination of the appropriate threshold TRC value above the currently authorized 1.0 value is an issue that will be resolved in the Business Plan application proceeding which is the appropriate regulatory venue to determine this issue. Pending any Commission decision to deviate from the existing TRC threshold requirement, SCE will continue to offer a cost-effective portfolio above 1.0 that delivers value and energy savings.

2. The Updated Base Case Reflects Changes Required in the Request, but SCE’s Proposed Budget Amount and Portfolio Remain Unchanged

As described in Advice 3654-E, to develop the EE portfolio and budget (Base Case), SCE “optimized its portfolio and measures to reflect current market projections by performing a bottoms-up analysis for labor, non-labor, and measures offered for each program.” SCE maintains that its Base Case represents an optimized portfolio based
on realistic assumptions and market forecasts that maximize savings and meets the TRC threshold of 1.0. As discussed earlier, SCE’s Updated Base Case reflects two modifications to the Base Case to incorporate the new savings goals and the GHG adder adopted in D. 17-09-025. With exception of these updates, SCE’s proposed portfolio and budget is fundamentally unchanged from Advice 3654-E.

Consistent with recent Commission guidance issued in A.17-01-013,24 ED’s guidance,25 and the fact that a final decision in SCE’s amended business plan application is pending, SCE notes that this supplement to Advice 3654-E should be considered an “interim” budget filing as SCE expects to file a “true-up” advice letter on March 1, 2018.26 At that time, SCE’s portfolio may be adjusted to meet the portfolio requirements adopted in the A.17-01-013 Decision, as well as additional guidance received from Commission staff since the filing of Advice 3654-E. For example, SCE expects it may be necessary to account for ED guidance received related to SCE’s streetlight program on October 10, 2017 and October 31, 2017.27 SCE anticipates the impact of implementing this guidance on SCE’s streetlighting program may increase the EE budget and portfolio costs from SCE’s Updated Base Case, resulting in a negative impact on SCE’s TRC value.28

ALTERNATE SCENARIOS

As discussed above, SCE disagrees with ED’s conclusion that SCE’s Base Case EE portfolio and budget are not cost-effective. SCE maintains this issue is pending before the Commission in A.17-01-013, and should be resolved in that proceeding with an issuance of a Commission decision. Accordingly, SCE’s TRC value (without codes and standards) of 1.0 is appropriate.

24 See September 25, 2017 Email Ruling denying September 25, 2017 SoCalGas motion to file amended business plan, which states “While the timing of these events is unfortunate, it was always anticipated as part of the structure adopted in D.15-10-028 that periodic updates to the business plans would be necessary. I anticipate that at the time the Commission renders a decision on the business plans of all of the utility program administrators, that decision will include direction on the need to update the business plans of all utility program administrators to be consistent with the new energy efficiency savings goals adopted in D.17-09-025.”
25 See Advice 3654-E, p. 6
27 See Attachment E, Memo 3 and Memo 4 (Streetlight Incentives).
28 While SCE expects that implementation of this adjustment to result in an increased budget and lower TRC, SCE does not anticipate for it to result in SCE seeking a budget increase above the $333.3 million currently authorized by D.15-01-002 or a TRC less than 1.0.
While SCE is providing two scenarios that result in a TRC value of 1.25, SCE does not recommend that either of these scenarios be adopted. In the ED Letter, Energy Division also provides the following guidance regarding alternate scenarios:

In order to reach portfolio savings goals and cost-effectiveness requirements, trade-offs will be required between expanding programs with high cost-effectiveness and reducing programs with low cost effectiveness. SCE’s supplemental filing should include a requested portfolio and budget, plus alternate scenarios SCE may wish to propose. Alternate scenarios could offer viable options such as portfolios that may exceed current budget limits.

While Energy Division acknowledges that trade-offs may be required, SCE maintains that the Base Case budget as filed on September 1, 2017 represents an optimized portfolio whereby SCE has already considered expanding programs with high cost-effectiveness and reducing programs with low cost effectiveness in order to achieve a 1.0 TRC value. Therefore, allocating additional funds to programs with high cost-effectiveness is not expected to result in incremental savings. As a result, Scenarios 1 and 2 include the elimination of some non cost-effective EE programs as shown in Tables 10 and 14 below. Table 10 below provides a high level comparison of the base case and updated base case to the two alternate 1.25 TRC scenarios. Table 14 shows a comparison of the program budget amount across the scenarios. Attachment G provides the CET v. 18.1 output for the Base Cases and Scenarios.

**Table 10: Summary of Differences between Base Cases and Scenarios**

<table>
<thead>
<tr>
<th></th>
<th>Base Case (as of Sept. 1, 2017 filing)</th>
<th>Updated Base Case (as of Nov. 22, 2017)</th>
<th>Scenario 1 (1.25 TRC, w/ LED)</th>
<th>Scenario 2 (1.25 TRC, w/o LED)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Summary</strong></td>
<td>September 1, 2017 Advice Letter</td>
<td>The budget remains same as in Sept. 1, 2017 Budget AL filing. GHG adder was included.</td>
<td>Targeted 1.25 TRC (w/o C&amp;S) by eliminated lowest impact programs. CFLs/A lamp LEDs remain.</td>
<td>Targeted 1.25 TRC (w/o C&amp;S) by eliminated lowest impact programs. CFLs/A lamp LEDs removed.</td>
</tr>
<tr>
<td><strong>Reflect D.17-09-025 Net Savings Goals</strong></td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
</tbody>
</table>

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29 See Advice 3654-E, p. 6
## Description of SCENARIO 1

In the first alternate scenario to achieve the 1.25 TRC, SCE eliminated lowest impact programs and retained the CFL/LED A-lamps lighting measures. In order to construct Scenario 1, SCE started with the Updated Base Case, and then SCE made operational adjustments to the portfolio including adding in the streetlights program cost\(^{31}\) and removing programs providing incentives for residential smart thermostats, demand-controlled ventilation hoods, and high/low bay LEDs. Budgets for the Codes & Standards program, the Emerging Technologies program, and the Southern California Regional Energy Network were not changed. SCE then ranked every program by its positive contribution to the portfolio TRC. Those with the highest portfolio TRC contribution remained in the portfolio, and those that contributed to reducing the TRC below 1.25 were generally eliminated, with the exception to those that had significant contributions to savings goals.

Relative to the Updated Base Case, Scenario 1 results in a portfolio that achieves a TRC of 1.25, but a reduction of 45 GWh in program energy savings and a reduction of 10 MW in program demand savings. This is achieved by a reduction of $40 million in budget and the elimination of 40 programs.

### Table

<table>
<thead>
<tr>
<th>Includes Market Effects</th>
<th>Updated Base Case (as of Sept. 1, 2017 filing)</th>
<th>Scenario 1 (1.25 TRC, w/ LED)</th>
<th>Scenario 2 (1.25 TRC, w/o LED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>YES</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Includes ESPI</td>
<td>YES</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>GHG Benefits adder</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>included</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFLs &amp; A-Lamp LEDs</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>included</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Includes Streetlight</td>
<td>NO</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Incentives(^{30})</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Portfolio</td>
<td>N/A</td>
<td>40 Programs Eliminated</td>
<td>63 Programs Eliminated</td>
</tr>
<tr>
<td>Adjustment</td>
<td>None</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor $</td>
<td>N/A</td>
<td>Decreased $7.82M</td>
<td>Decreased $20.68M</td>
</tr>
</tbody>
</table>

\(^{30}\) See Attachment E, Memo 3 and Memo 4.

\(^{31}\) See Attachment E, Memo 3 and Memo 4.
Description of SCENARIO 2

In second alternate scenario to achieve the 1.25 TRC, SCE eliminated the remaining low TRC programs and eliminated the CFL/LED A-lamps lighting programs. The primary difference between the two alternate scenarios is due to the removal of CFL and LED A-Lamps. This illustrates the impact of these Primary Lighting measures on SCE’s EE portfolio cost effectiveness as explained in Advice 3654-E.\textsuperscript{32} To construct Scenario 2, SCE built upon Scenario 1 to achieve a goal of 1.25 TRC without C&S. In order to achieve a portfolio TRC of 1.25 given this constraint required an additional round of program cuts. As with Scenario 1, programs with the lowest portfolio TRCs contribution were generally cut.

Relative to the Updated Base Case, Scenario 2 results in a portfolio with a TRC of 1.25, but a reduction in program energy savings of 310 GWh and a reduction of program demand savings of 47 MW. Under this scenario, SCE would no longer meet either the Energy Savings or Demand Reduction goal set by the Commission. In this scenario, the program budget was reduced by $138 million and 63 programs were eliminated.

Scenario Comparisons

The following comparison tables show the operational differences between the Base Cases and Scenarios.

Table 11: Budgets Summary Table

<table>
<thead>
<tr>
<th></th>
<th>Base Case (as of Sept. 1, 2017 filing)</th>
<th>Updated Base Case (as of Nov. 22, 2017)</th>
<th>Scenario 1 (1.25 TRC, w/ LED)</th>
<th>Scenario 2 (1.25 TRC, w/o LED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCE Resource and Non-Resource Programs</td>
<td>$240,400,279</td>
<td>$240,400,279</td>
<td>$201,733,963</td>
<td>$122,138,406</td>
</tr>
<tr>
<td>Finance Program Loan Pools\textsuperscript{33}</td>
<td>$15,050,000</td>
<td>$15,050,000</td>
<td>$15,000,000</td>
<td>$0</td>
</tr>
<tr>
<td>Codes &amp; Standards Programs</td>
<td>$6,039,256</td>
<td>$6,039,256</td>
<td>$6,039,256</td>
<td>$6,039,256</td>
</tr>
</tbody>
</table>

\textsuperscript{32} See Advice 3654-E, pp. 6-7.
\textsuperscript{33} Scenario 1 removed the American Recovery Reinvestment Act (ARRA) program, so the $50,000 in loan pool funds were removed from the budget. Scenario 2 removed the On-Bill Financing (OBF) program, so $15 million in loan pool were removed from the budget.
Table 12: Metrics Summary Table

<table>
<thead>
<tr>
<th></th>
<th>Base Case (as of Sept. 1, 2017 filing)</th>
<th>Updated Base Case (as of Nov. 22, 2017)</th>
<th>Scenario 1 (1.25 TRC, w/ LED)</th>
<th>Scenario 2 (1.25 TRC, w/o LED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emerging Technology Programs</td>
<td>$8,848,137</td>
<td>$8,848,137</td>
<td>$8,848,137</td>
<td>$8,848,137</td>
</tr>
<tr>
<td>SoCal REN</td>
<td>$17,314,000</td>
<td>$17,314,000</td>
<td>$17,314,000</td>
<td>$17,314,000</td>
</tr>
<tr>
<td>Total Requested Budget</td>
<td>$299,637,159</td>
<td>$299,637,159</td>
<td>$259,307,663</td>
<td>$160,770,624</td>
</tr>
</tbody>
</table>

Reference Attachment F to see Table 14 that shows the budget amount at the program level.
### PROPOSED TARIFF CHANGES

Except as noted above, this filing will not increase any rate or charge, conflict with any other schedule or rule, or cause the withdrawal of service.

### TIER DESIGNATION

Pursuant to GO 96-B, Energy Industry Rule 5.2, this advice letter is submitted with a Tier 2 designation, which is the same Tier designation as the original filing, Advice 3654-E.

### EFFECTIVE DATE

This supplemental advice filing will become effective on the same day as the original filing, Advice 3654-E, which is October 1, 2017.

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35 All SCE forecasted savings numbers include GWh and MW from ESA but does not include savings associated with SoCalREN.
36 Removed 5% ME in calculation of Net Savings.
37 Removed 5% ME in calculation of Net Savings.
PROTESTS

As indicated above, this Advice Letter is to provide supplemental information as specifically requested by the Energy Division. Thus, SCE asks that the Commission, pursuant to GO 96-B, General Rules 7.5.1, maintain the original protest and comment period designated in Advice 3654-E and not reopen the protest period. The modifications included in this supplemental advice filing do not make substantive changes that would affect the overall evaluation of the filing.

NOTICE

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 service list and R.13-11-005. Address change requests to the GO 96-B service list should be directed by electronic mail to 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.

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 Paul Kubasek at (626) 302-3323 or by electronic mail at Paul.Kubasek@sce.com.

Southern California Edison Company

/s/ Russell G. Worden
Russell G. Worden

RGW:do/pk:jm
Enclosures
Attachment A

CEDARS Filing Confirmation
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: 2018

Submitted: 20:14:43 on 16 Nov 2017

By: Eric Lee

Advice Letter Number: 3654-E-A

* Portfolio Filing Summary *

- TRC: 1.4865
- PAC: 3.9612
- TRC (no admin): 1.9262
- PAC (no admin): 10.1148
- RIM: 3.9612
- Budget: $282,323,157.53

* 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-002C: City of Redlands Energy Leader Partnership
- SCE-13-L-002D: City of Santa Ana Energy Leader Partnership
- SCE-13-L-002F: Gateway Cities Energy Leader Partnership
- SCE-13-L-002G: Community 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-002Rollup: Energy Leader Partnership Program
- 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-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-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-001D: Energy Upgrade California
- SCE-13-SW-001E: Residential HVAC 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-002D: Commercial Direct Install 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-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-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-005A: Lighting Market Transformation Program
- SCE-13-SW-005B: Lighting Innovation Program
- SCE-13-SW-005C: Primary Lighting Program
- SCE-13-SW-006: Integrated Demand Side Management Program
- SCE-13-SW-007A: On-Bill Financing
- SCE-13-SW-007A1: On-Bill Financing Loan Pool
- SCE-13-SW-007B: ARRA-Originated Financing
- SCE-13-SW-007B1: ARRA-Originated 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-009A: Technology Development Support
- SCE-13-SW-009B: Technology Assessments
- SCE-13-SW-009C: Technology Introduction Support
- SCE-13-SW-010A: WE&T; Centegies
- SCE-13-SW-010B: WE&T; Connections
- SCE-13-SW-010C: WE&T; Planning
- SCE-13-SWMO: Statewide Marketing, Education & Outreach
- SCE-13-TP-001: Comprehensive Manufactured Homes
- SCE-13-TP-002: Cool Planet
- SCE-13-TP-003: Healthcare EE Program
- SCE-13-TP-004: Data Center Energy Efficiency
- SCE-13-TP-005: Lodging EE Program
- 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-013: Cool Schools
- SCE-13-TP-014: Commercial Utility Building Efficiency
- SCE-13-TP-018: School Energy Efficiency Program
- SCE-13-TP-019: Sustainable Communities
- SCE-13-TP-020: IDEEA365 Program
- 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-30VO100: SCE EM&V;
- SCE-30V0200: CPUC EM&V;
Attachment E
Energy Division - Memo and Email Guidances
Memo 1: Energy Division October 30, 2017 Letter (Request)
October 30, 2017
Advice Letter
SCE 3654-E

Laura Genao
Director, Regulatory Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Ave, Suite 2030
San Francisco, CA 94102

Russell G. Worden
Director, Regulatory Operations
Southern California Edison Company
8631 Rush Street
Rosemead, CA 91770

Ms. Genao and Mr. Worden:


SCE’s cost-effectiveness results as presented in Table 3 of the advice letter included a TRC value of 1.32 that with savings from Codes and Standards, market effects, and ESPI considerations exceeds the Commission’s 1.25 threshold for portfolio cost-effectiveness. However, additional review of SCE’s advice letter filings on the CEDARS website reveal that SCE’s 2018 portfolio cost-effectiveness, when including only resource and non-resource programs and excluding savings from Codes and Standards, market effects and ESPI, has a forecasted TRC of 1.00, which falls significantly short of the 1.25 value and indicates the portfolio does not meet the Commission’s minimal requirements for cost effectiveness.¹

Of particular note when considering portfolio cost-effectiveness is that SCE’s advice letter filing does not include the GHG adder adopted in D.17-08-022 for use in the avoided costs calculator when analyzing the cost-effectiveness of distributed energy resources. In addition, subsequent to filing Advice Letter 3654-E, the Commission adopted D.17-09-025 that established 2018 energy savings goals. Consequently, the advice letter presents an incomplete picture of portfolio cost-effectiveness for 2018.

In order to gain a better understanding of portfolio cost-effectiveness for 2018, Energy Division asks SCE to file a supplemental to Advice Letter 3645-E, which will include:

¹ See D.14-10-046 Section 3.9.1 Summary of Budgets (pp. 104-109): “The TRC and PAC estimates are to exceed a 1.0 cost-effectiveness threshold for 2015; rather than the 1.25 we usually require, and will require for subsequent years.”
• New cost effectiveness showings using Cost Effectiveness Tool (CET) version 18.1, released September 25, 2017 and includes interim GHG adder
• 2018 goals as established in D.17-09-025.²

In order to reach portfolio saving goals and cost-effectiveness requirements, trade-offs will be required between expanding programs with high cost-effectiveness and reducing programs with low cost-effectiveness. SCE’s supplemental filing should include a requested portfolio and budget, plus any alternative scenarios SCE may wish to propose. Alternative scenarios could offer viable options such as portfolios that may exceed current budget limits. All portfolios and budgets shall be supported by outputs from the Cost Effectiveness Tool version 18.1, in order to demonstrate possible approaches to improving and realizing portfolio cost-effectiveness. In instances where SCE proposes to increase a program budget, it will provide related evidence of whether and how the budget increase will lead to increased savings from that program. D.14-10-046 sets a maximum annual budget and to exceed that budget requires commission approval. A tier 3 advice letter, properly noticed, is an appropriate vehicle to request an increase in the budget limit.

Please file the supplemental advice letter by no later than November 22, 2017.

If you have any questions, please contact Nils B. Strindberg at nils.strindberg@cpuc.ca.gov.

Thank you.

Robert L. Strauss
Energy Efficiency Branch Manager
Energy Division

cc:
Hayley Goodson, TURN
Dan Buch, CPUC Office of Ratepayer Advocates
Sudip Kundu, Kundu PLLC (for Green Fan and Verified Inc.)

² The Commission considers Marketing, Education and Outreach as non-resource activities. Previously the IOUs have been submitting ME&O costs as a component of the resource programs costs. The conflating of Non-Resource activities costs with Resource programs creates unnecessary complexity for budget approvals. We therefore ask the IOUs to classify all ME&O as a separate Non-Resource program and submit all ME&O costs (in both forecasted budgets and actual expenditures) within that specific non-resource ME&O program.
From: Strindberg, Niels [mailto:Nils.Strindberg@cpuc.ca.gov]
Sent: Wednesday, November 08, 2017 11:38 AM
To: Karyn Gansecki <Karyn.Gansecki@sce.com>; Laura Genao <Laura.Genao@sce.com>
AdviceTariffManager <AdviceTariffManager@sce.com>
Cc: Buch, Daniel <Daniel.Buch@cpuc.ca.gov>; hayley@turn.org; sudip.kundu@kunduplc.com; ED Tariff
Unit <edtariffunit@cpuc.ca.gov>
Subject: (External):RE: Request for a supplementa to SCE's AL 3654-E

SCE Tariffs, et al.,

Please see the following note from Robert Strauss, Energy Efficiency Branch Manager, regarding the supplemental filing request of 10/30/17

---------------------------------------------------------------

Dear Ms. Genao and Mr. Worden:

On September 1, 2017, SCE filed Advice Letter 3654-E “SCE’s 2018 energy efficiency annual budget advice letter in Compliance with Decision 15-10-028, Ordering Paragraph 4”, in which it sought “Dear X,

On October 30, 2017, Energy Division asked the Program Administrators (PAs) to file a supplemental advice letter that would provide staff and stakeholders with a better understanding of portfolio cost-effectiveness for 2018 budgets by including new cost effectiveness showings using CET version 18.1 as well as updated 2018 goals established in D.17-09-025.

The letter, in footnote 2 also included a request that the IOU PAs in their supplemental filing “classify all ME&O as a separate Non-Resource program and submit all ME&O costs (in both forecasted budgets and actual expenditures) within that specific non-resource ME&O program.”

Subsequent discussions with the IOU PAs regarding the foundation of this request reveal it to be a larger policy matter that is not relevant to the more specific matter of filing supplemental 2018 energy efficiency budget advice letters. Consequently, the PAs may ignore the request in footnote 2 and exert all efforts to respond in a timely manner with the updated information pursuant to D.17-09-025.

Respectfully yours,

Robert Strauss, Program Manager
Energy Efficiency Branch
In a meeting on August 4, 2017 and a follow-up telephone meeting on August 10, 2017, SCE discussed with CPUC staff its proposal for street lighting savings and requesting to “grandfather” a set of historical customers in the SCE acquisition pipeline who entered the purchase and asset transfer process prior to September 2013, and to establish CPUC support for an acceptable multi-year framework for savings claims in 2018 and beyond.

Specifically, SCE requests that a specific set of customers in its territory who entered the acquisition pipeline in 2015 remain eligible for LED street lighting incentives through 2020 using its submitted 2017 workpaper savings values. SCE’s request is based on the understanding of the following customer types for SCE-owned street lights:

**Acquisition Customers:** Customers in the process of purchasing SCE-owned (LS-1) street lighting. This asset transfer process takes approximately three or four years to complete before any retrofits can begin.¹

**LS-1 Option E (AB-719) Customers:** Customers of SCE-owned street lights and pay the capital cost to retrofit to LED over a period of 20 years.² Customers typically face a one-year turnaround time from application submission to retrofit completion.

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¹ Customers submitted deposits prior to Sept 2015 to enter the acquisition queue.
² SCE has submitted a capital request of $30M per year in its 2018-2020 GRC filing to support retrofits for these customers.
Program Participation:

It has been identified that there is no currently approved workpaper under which savings resulting from this program activity can be claimed. In order to provide for any program participation in 2018 and beyond, SCE must first resolve the following issues in its workpaper SCE 17LG097 Revision 1, dated June 30, 2017, submitted for 2017 program year. The applicable workpaper defines all measures as Replace-on-Burnout (now referred to as Normal Replacement or “NR”), however, the baselines for all measures covered by that workpaper are comprised of older, HID technologies, which are representative of a pre-existing technology. Therefore, the measures defined in the workpaper are, in practice, Accelerated Replacement (AR) measures. This workpaper does not follow CPUC policy that has been in place long before 2015. AR measures are required to include a standard practice second baseline. The DEER 2016 updated directed that all AR exterior lighting measures have a second baseline of LED technologies. The projects proposed appear to be all Accelerated Replacement (AR). As a way to address these inconsistencies between the proposed projects and the proposed applicable workpaper, SCE shall revise the applicable workpaper for the 2018 program year as such:

- The measure application type must be corrected from Normal Replacement to Accelerated Replacement.
- SCE shall establish Preponderance of Evidence criteria that demonstrate that the customers, absent the incentive support, would more likely than not undertake the retrofits. This analysis must take into account the acquisition decision as well as the retrofit. All supporting data must be submitted via the normal workpaper submission process prior to any incentives being paid as with all deemed incentive offerings.
- Since the directed second baselines are LED technologies, the second period gross savings for the proposed projects shall be zero. Gross savings above the workpaper defined baselines shall be claimed for the RUL period only. The 2nd baseline is LED. Therefore the 2nd baseline savings is zero for the Accelerated Replacement.
- SCE shall apply the default net-to-gross value of 0.6 to the gross savings of these grandfather street lighting retrofits.

Acquisition Customers:

CPUC staff understands that there are 53 cities that entered the acquisition queue prior to September 2015 who remain in the process of purchasing and upgrading their street lighting, and that SCE is no longer entertaining new customers looking to purchase street lights.

CPUC staff does not object to maintaining program eligibility requirements, rules, and incentive for these 53 cities that entered the acquisition queue in 2015. Therefore, customers in this cohort shall be exempt from POE requirements in lieu of the eligibility requirements and other program rules in effect prior to September 2015. Incentives should also be maintained at the same levels as they were prior to September 2015.

LS-1 Option E (AB-719) Customers:

CPUC staff understands that these customers entered into agreements with SCE at varying times after AB-719 legislation was adopted and that program eligibility requirements, rules, and incentive levels tend to evolve. Therefore, customers in this cohort shall be exempt from POE requirements in lieu of the eligibility requirements and other program rules in effect at the time of customer application submittal. Incentives should also be maintained as the same levels as they were at the time of customer application submittal.
For future LS-1 Option E (AB-719) Customers and other potential program participants during 2018 and beyond, Commission staff sees no reason to allow the use of past program eligibility requirements, rules, and incentive levels. These customers shall follow all requirements imposed in the revised workpaper for the 2018 program year.

2019 Program Year:

Notwithstanding the above treatments for specific classes of customers, SCE shall conduct a standard practice study to examine the most current purchasing practices for LED street lighting retrofits, present its data and analysis, as well as propose findings to CPUC staff for review. CPUC considers that there is wide range of efficacy and performance in available LED products and that an ISP study would serve as a basis to establish deemed savings above the 2nd baseline. The results of any standard practice study, along with proposed workpaper revisions, should be submitted in a revised workpaper for the next Phase 1 workpaper review period for an effective date of January 1, 2019.

Commission staff appreciates SCE staff bringing this to our attention, and the opportunity for an open discussion of the issues.
Hi Cassie,

Below are the responses to your discussion points document.

Provided here is a clarification for how claims should be handled program year 2017, but otherwise is a general reiteration of the guidance first provided in the Memo. There is also a clarification that the changes to the workpaper required by the Memo should be submitted during the current Phase 1 submission period (Sep-Dec ’17) or the next Phase 1 submission period (Sep-Dec ’18).

(1) SCE#1:0697 Revision 1, dated June 30, 2017 should be used for full-year 2017 claims. This revision of the workpaper was the ultimate result of the Phase 1 lighting disposition issued in March 1, 2017, then revised June 2, 2017. Phase 1 dispositions are retroactive to the beginning of the programs year in which they are issued. Past December 31, 2017, claims shall not be made referencing this workpaper until the workpaper changes required by the Memo dated October 10, 2017, are completed.

(2) The above reference workpaper does not require POE, therefore projects completed in 2017 do not require POE.

(3) Based on the notes in the Discussion Points document prepared by SCE, LED Street Lighting Measures will not be offered until external LED market assessment study is available and results incorporated into the workpaper. The memo states that the changes to the workpaper from NA/ROB to RET+POE are required for program year 2018. Alternatively, if SCE choses to delay these revisions, then changes to the workpaper from NA/ROB to RET+POE can be submitted during the next Phase 1 review cycle for implementation at the start of program year 2019 (Jan 1, 2019).

(4) (5) Savings determination (also referred to as workpaper parameters) is based on the workpaper in effect, having been subjected to the full workpaper review policy, at the time of equipment installation completion. The full workpaper review policy refers to either a Phase 1 review and retrospective application of outcomes or Phase 2 review and prospective application of outcomes, whichever is applicable. See example in (1) above.

CPUC provides conservative direction for incentive levels primarily due to the lack of specific information provided by SCE regarding how these incentive levels may or may not have changed, as well as the basis for the changes, since the initial agreements with the municipalities (referring to both customer sets). Therefore, a clarification is made here consistent with the expectations first provided in the Memo dated October 10, 2017. For Acquisition Customers, rebate levels are maintained at 2015 levels. For AB-719 Customers (2017 and prior years only), rebate levels are maintained at the same levels in effect at the time of the initial agreement (as opposed to the time of customer rebate application submittal).

(6) Thank you for the correction, Commission staff notes that there were 48 cities that entered the acquisition que prior to September 2015, not 53 cities.

Thank You,

Bryan Pena, P.E.
Utilities Engineer
Energy Division
520 W. 4th Street, Suite 500 | Los Angeles, CA 90013
(213) 620-2680
Attachment F
Program Budget Changes
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<th>Updated Base Case (Supplemental)</th>
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<td>SCE-13-SW-001B</td>
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<td>Updated Base Case (Supplemental)</td>
<td>Scenario 1</td>
<td>Scenario 2</td>
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<td>SCE-13-SW-008B</td>
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<td>SCE-13-TP-023</td>
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<td>SCE-13-SW-009C</td>
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<td>Midstream Point of Purchase</td>
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<td>Residential Direct Install</td>
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<td>SCE-13-SW-002G</td>
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<td>Primary Lighting Program</td>
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<td>SCE-13-DINI</td>
<td>DINI Labor for Processing of Past Commitments</td>
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38 Scenario 1 & 2 includes 16.7 million for Streetlights program.

39 To account for significant program closures under this scenario, SCE created a new program to process past commitments for closed programs by taking $1.16 million out of
<table>
<thead>
<tr>
<th>Program ID</th>
<th>Program Name</th>
<th>Base Case</th>
<th>Updated Base Case (Supplemental)</th>
<th>Scenario 1</th>
<th>Scenario 2</th>
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<td>SoCalREN</td>
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<td>Requested Budget Total</td>
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<td>$259,307,663</td>
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**Items Outside of EE Funding, Only Included for C/E Calculations**

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<th>Program ID</th>
<th>Program Name</th>
<th>Budget</th>
<th>Budget</th>
<th>Budget</th>
<th>Budget</th>
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<td>SCE-13-SWMEO</td>
<td>Statewide Marketing, Education &amp; Outreach</td>
<td>$6,703,611</td>
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<td>$6,703,611</td>
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<td>SCE-13-PB</td>
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the Marketing and Outreach budget. This resulted in an $800,000 increase in DINI and $360,000 in additional P&B.

40 Budget for the New Finance Pilot filed in Advice 3692-E (November 13, 2017)

41 The ED Letter requested that SCE remove ESPI from Scenario 1 and Scenario 2.
Attachment G

CET Version 18.1 Output Summaries
CET Version 18.1 Outputs

CET Output Excel files submitted with Supplemental Filing. These files are available upon request. Please email advicetariffmanager@sce.com or fax telephone number (626) 302-6396.

1. 9.1 Filing Rerun for GHG Adder No ME.xlsx
2. 9.1 Filing C&S rerun for GHG Adder No ME.xlsx
3. Scenario 1.xlsx
4. Scenario 2.xlsx

Program costs for Emerging Technologies program and Financing Loan pools are not factored into CE calculation and have been removed. Therefore, Total Cost will not reflect budget total. SoCalIREN is also not included in any of the calculations.
ADVICE LETTER FILING SUMMARY
ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Southern California Edison Company (U 338-E)

Utility type:  ☑ ELC  ☐ GAS  ☐ PLC  ☐ HEAT  ☐ WATER  
Contact Person: Darrah Morgan
Phone #: (626) 302-2086
E-mail: Darrah.Morgan@sce.com
E-mail Disposition Notice to: AdviceTariffManager@sce.com

<table>
<thead>
<tr>
<th>EXPLANATION OF UTILITY TYPE</th>
<th>(Date Filed/ Received Stamp by CPUC)</th>
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<tbody>
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<td>ELC = Electric</td>
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</tr>
<tr>
<td>GAS = Gas</td>
<td></td>
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<tr>
<td>PLC = Pipeline</td>
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<tr>
<td>HEAT = Heat</td>
<td></td>
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<tr>
<td>WATER = Water</td>
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Advice Letter (AL) #: 3654-E-A  
Tier Designation: 2

Subject of AL: Supplemental Filing to 3654-E, Southern California Edison Company’s 2018 Energy Efficiency Program and Portfolio Annual Budget

Keywords (choose from CPUC listing): Compliance, Energy Efficiency

AL filing type:  ☑ Monthly  ☐ Quarterly  ☐ Annual  ☐ One-Time  ☐ Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: Decision 15-10-028

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: 10/1/17  
No. of tariff sheets: -0-

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: N/A

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets: None

¹ Discuss in AL if more space is needed.
All correspondence regarding this AL filing shall be sent to:

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

Russell G. Worden
Managing Director, State Regulatory Operations
Southern California Edison Company
8631 Rush Street
Rosemead, California 91770
Telephone: (626) 302-4177
Facsimile: (626) 302-6396
E-mail: 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