

L/PSW:lz

Decision 82 08 139

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN CALIFORNIA GAS COMPANY)
 for Authority to Implement a)
 Residential Conservation Service)
 (RCS) Program and to Increase Rates)
 to Recover the First Year's Cost of)
 the Program, and to Include the RCS)
 Program Costs in the Conservation)
 Cost Adjustment Procedure.)

ORIGINAL

Application 60446
(Filed April 14, 1981)

In the Matter of the Application of)
 SOUTHERN CALIFORNIA GAS COMPANY)
 for Authority to Implement a Zero)
 Interest Weatherization Financing)
 and Credits Program and to Increase)
 Rates to Recover the First Year's)
 Cost of the Program, and to Include)
 the Weatherization Program Costs in)
 the Conservation Cost Adjustment)
 Procedure.)

Application 60447
(Filed April 14, 1981)

ORDER MODIFYING DECISION 82-02-135
AND DECISION 82-05-043

On February 17, 1982, this Commission issued Decision (D.) 82-02-135 which approved the implementation of a Residential Conservation Service (RCS) program and a Weatherization Financing and Credits Program (WFCP) by the Southern California Gas Company (SoCal). It established the scope of the programs' activities, the conservation measures which would qualify, and the manner in which customers, lender, suppliers, and installers could participate in the programs. The details of all aspects of the RCS and WFCP programs are described in that decision and need not be repeated here.

Subsequent to the issuance of D.82-02-135, a Petition for Modification was filed by SoCal. As a result of that Petition, D.82-05-043 was issued on May 4, 1982 which modified certain items in D.82-02-135. (A Petition for Rehearing by another party was denied at the same time.)

Two specific items from these prior decisions should be noted, however. They are the items necessitating this decision. First, Ordering Paragraph No. 12 of D.82-02-135 states:

"12. On October 31, 1982, SoCal shall file an advice letter in accordance with General Order No. 96-A to convert WFCP from an optional program of measure installations to a mandatory one along the lines adopted for PG&E's ZIP in D.93891." (Mimeo at 127.)

This was modified by D.82-05-043 by adding an additional sentence: "Credits may continue to be offered for individual measures." (Mimeo at 7.)

The purpose of this directive was to ensure that by October 31, 1982, SoCal's programs would ensure the greatest level of installation of energy efficient measures. The Commission has been advised that SoCal wishes to change the implementation date of this program expansion to September 1, 1982, and the participating contractors have been informed of this date. We are very pleased with this request.

Second, Ordering Paragraph No. 1.c.(20) of D.82-02-135 reads as follows:

"All work financed under WFCP shall be installed in accordance with California RCS standards and by a California RCS listed contractor or the customer. Customers contracting with state licensed contractors, who may or may not be included on the master RCS list, shall qualify for utility credits if the conservation measures installed meet RCS standards." (Mimeo at 121, emphasis added)

As discussed in D.82-02-135, the RCS program is an energy conservation program established pursuant to federal law and regulation and mandated to each of the states for implementation. The California Energy Commission (CEC) was designated by the Governor to be the California lead agency for this program. In this role, the CEC established the State Plan for the RCS program which set forth various program standards and established a "master list" of contractors. It is this master list of contractors which is referred to in Ordering Paragraph No. 1.c.(20) quoted above.

While the exclusive use of RCS listed contractors is mandatory for referrals pursuant to the RCS program (See 10 CFR 456.308), it is not mandatory for the WFCP except as was established by order of this Commission in D.82-02-135. It has recently been brought to the Commission's attention that various difficulties currently exist in the RCS master list of contractors and due to acknowledged inaccuracies, exclusive reliance on the list is not appropriate. This may prove to be merely a temporary situation.

For this reason the Commission, at SoCal's request, believes it appropriate to modify Ordering Paragraph No. 1.c.(20) so as to allow the measures being installed in the WFCP to be installed by any contractor licensed in good standing with the State of California, rather than limited to those on the RCS master list. Customers can continue to make the installations themselves. In all other respects, the program remains unchanged.

Findings of Fact

1. SoCal, in cooperation with the Commission staff, is advancing its date for complete implementation of its WFCP programs from October 31, 1982 to September 1, 1982.

2. The RCS master list of contractors currently has known inaccuracies which make its mandatory use in the WFCP program inappropriate.

3. It is appropriate to require that installers of program measures, other than the customers themselves, be state licensed contractors.

4. It is appropriate to continue all other program requirements and standards in effect.

Conclusions of Law

1. The use of the RCS master list of contractors is not required by law in conjunction with the WFCP.

O R D E R

IT IS ORDERED that:

1. Ordering Paragraph No. 1.c.(20) of Decision 82-02-135 is modified to read as follows:

"All work financed under WFCP, whether through loans or credits shall be installed in accordance with California RCS standards and by a state licensed contractor or the customer.

2. In all other respects Decision 82-02-135, as previously modified by Decision 82-05-043, shall remain in effect until further order of the Commission.

This order is effective today.

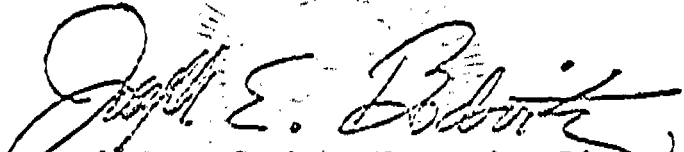
Dated AUG 31 1982, at San Francisco, California.

RICHARD D GRAVELLE
LEONARD M. GRIMES, JR.
PRISCILLA C. CREW
Commissioners

Commissioner John E. Bryson,
being necessarily absent, did
not participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.

Commissioner Victor Calvo,
being necessarily absent, did
not participate


Joseph E. Bodovitz, Executive Director