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Decision 98-01-020 January 7, 1998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's
Proposed Policies Governing Restructuring
California's Electric Services Industry and Reforming
Regulation.

Rulemaking 94-04-031
(Filed April 20, 1994)

ORIGINAL

Order Instituting Investigation on the Commission's
Proposed Policies Governing Restructuring
California's Electric Services Industry and Reforming
Regulation.

Investigation 94-04-032
(Filed April 20, 1994)

**OPINION REGARDING A TEMPORARY FUNDING
FOR THE ELECTRIC EDUCATION TRUST**

Summary

The Electric Education Trust (EET) was first authorized in Decision (D.) 97-03-069. The responsibilities of the EET were subsequently broadened in D.97-08-064 to include the design and oversight of community-based outreach and education efforts in connection with the statewide Customer Education Program (CEP).

Expenses have been incurred by the members of the EET's Administrative Committee for which they have not yet received reimbursement. Although the Commission previously authorized funding for the EET, there is no specific mechanism in place for the EET members to be paid. Today's decision designates San Diego Gas & Electric Company (SDG&E) as the utility that will pay the EET-approved expenses. These payments shall be recorded and tracked in SDG&E's previously authorized memorandum accounts.

The "Proposed Work Plan and Budget of the Electric Education Trust Administrative Committee" (Proposed Work Plan) will be addressed in an upcoming decision.

Funding

The EET effort was initially funded at \$3 million. Pacific Gas and Electric Company (PG&E), SDG&E and Southern California Edison Company (Edison) were authorized to establish memorandum accounts to track their expenditures related to the EET. (D.97-03-069, p. 41.) We recognized in D.97-03-069 that the EET's efforts did not have to begin immediately.

After the EET was authorized, the Commission issued D.97-09-117. That decision discussed the Low Income Governing Board (LIGB) and the California Board for Energy Efficiency (CBEE). The Commission, like the EET, had established the LIGB and the CBEE as advisory boards to the Commission. D.97-09-117 clarified the role of advisory boards to the Commission and how those kinds of boards are to function. D.97-09-117 designated PG&E to pay the bills for the CBEE, and Edison to pay the bills for the LIGB.

In an October 17, 1997 letter to Commissioner Jessie J. Knight, Jr. from the former Chairperson of the Administrative Committee of the EET, William R. Schulte,¹ Commissioner Knight was advised that the Commission's staff attorneys had informed the EET that although the Commission had authorized funding for the EET, "the EET does not currently have legal standing to manage those funds or to enter into contracts for services." The EET's letter seeks an order that would designate and order a utility to pay the EET members' claims for authorized per diem and expenses, and for the utility to enter into contracts on the EET's behalf.

In D.97-09-117, PG&E and Edison were designated as the utilities to pay the expenses of the CBEE and the LIGB, respectively. Since the EET is an advisory board, the operating procedures which apply to the LIGB and the CBEE should also apply to the EET. Since SDG&E was not designated to pay the expenses of the CBEE or the LIGB,

¹ D.97-03-069 named the Director of the Commission's Consumer Services Division (CSD), William Schulte, as one of the EET's Administrative Committee members. Due to a possible overlap in the CSD Director's responsibilities, the Commission decided to remove the CSD Director as a member of the EET's Administrative Committee in D.97-10-060.

SDG&E should be designated as the utility to pay the EET-approved expenses. Before SDG&E pays these expenses, the Administrative Committee of the EET shall approve the expense claims. The EET-approved expense claims will then be sent to SDG&E for payment from the previously established accounts for recording and tracking EET-related costs. The approved expense claims shall be paid by SDG&E within ten days from their receipt. This funding mechanism shall remain in effect until the Commission reexamines this issue in conjunction with the Proposed Work Plan.

We decline at the present time to address the issue of who should enter into a contract on behalf of the EET. That issue will be addressed when we review the Proposed Work Plan.

Findings of Fact

1. D.97-03-069 funded the EET at \$3 million.
2. PG&E, SDG&E and Edison were authorized in D.97-03-069 to establish memorandum accounts to track their expenditures related to the EET.
3. D.97-09-117 clarified the role of advisory boards to the Commission, and how those kinds of boards are to function.
4. The EET was informed that it did not have current legal standing to manage the EET funds or to enter into a contract for services.
5. D.97-09-117 designated PG&E and Edison to pay the expenses of the CBEE and the LIGB, respectively.

Conclusions of Law

1. Since the EET is an advisory board, the operating procedures which apply to the LIGB and the CBEE should also apply to the EET.
2. SDG&E should be designated as the utility to pay the EET-approved expenses.
3. The issue of who should enter into a contract on behalf of the EET will be addressed in a future decision.

O R D E R

1. Until the Electric Education Trust (EET) is formally created as a legal entity, San Diego Gas & Electric Company (SDG&E) shall pay all of the authorized expenses incurred in connection with the operation of the EET.

- a. SDG&E shall record and track its payments of these authorized expenses in the memorandum accounts that were previously authorized in Decision 97-03-069.

This order is effective today.

Dated January 7, 1998, at San Francisco, California.

P. GREGORY CONLON

President

JESSIE J. KNIGHT, JR.

HENRY M. DUQUE

JOSIAH L. NEEPER

RICHARD A. BILAS

Commissioners