BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of its 2009-2011 Energy Efficiency Program Plans And Associated Public Goods Charge (PGC) And Procurement Funding Requests.	Application 08-07-021 (Filed July 21, 2008)
Application of Southern California Gas Company (U904G) for Approval of Natural Gas energy Efficiency Programs and Budgets for Years 2009 through 2011.	Application 08-07-022 (Filed July 21, 2008)
Application of San Diego Gas & Electric Company (U902M) for Approval of Electric and Natural Gas Energy Efficiency Programs and Budgets for Years 2009 through 2011.	Application 08-07-023 (Filed July 21, 2008)
Application of Pacific Gas and Electric Company for Approval of the 2009-2011 Energy Efficiency Programs and Budget. (U39M).	Application 08-07-031 (Filed July 21, 2008)

WOMEN'S ENERGY MATTERS
REPLY TO SCE RESPONSE TO WEM'S REQUEST

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Women's Energy Matters (WEM) appreciates this opportunity to reply to So. Cal. Edison (SCE)'s November 28, 2011 Response to WEM's Request for Intervenor Compensation (Response), for substantial contribution to D1109020.

Note: we modify our Request to include the time we had to spend preparing this reply, adding 4 hours in 2011 for Barbara George, at half of our requested 2011 compensation rate of $180, i.e. $270 dollars. This increases the total amount of our request to $6015.00.

Discussion

The Response charged that WEM raised issues that wasted time and were out of scope. It argued that WEM reargued positions that were "unfounded and had previously been addressed" and which were "rejected" during the proceeding. Response, pp. 1-2.

First of all, ethics violations, anti-trust violations, misuse of public funds, and bribery — issues that WEM raised concerning PG&E's administration of EE funds in Marin and possibly elsewhere, are serious matters that are never out of scope. WEM believed that the Commission's minimal response in D0909047 was inadequate to end the violations. We appealed in order to protect ratepayers from such abuse.

Many of our positions raised in the Appeal were not in fact rejected during the proceeding. They were not addressed, or not sufficiently addressed. For example the decision never mentioned the voluminous evidence of misuse that WEM filed during the proceeding — for example the offers to Novato and Marin County. (See our discussion in the AFR, e.g. p. 13, 17, 28.) It only mentioned the concerns expressed by people at the PPH, and stated "we have no clear evidence in the record on this point…" D0909047, p. 262. Then it dismissed the issue as follows:

> While we have no clear evidence in the record on this point, we will require utilities not to use energy efficiency funds in any way which would discourage or interefere with a local government's efforts to consider to become a Community Choice Aggregator. D0909047, p. 262.

Evidence of the Novato problems that WEM filed in D0909047 were finally recognized in Resolution E-4250 in the CCA proceeding, which was voted out April 13, 2010. See pp. 11-13, Res. E-4250).

Our AFR charged that the language in D0909047 was insufficient to prevent further misuse, and subsequent events proved us correct, since PG&E continued to negotiate its "special EE partnership" with Novato throughout the winter of 2009-10, and made improper EE calls to Marin residents in the lead up to the launch of Marin Clean Energy. WEM continued to raise these issues in PG&E's General Rate Case, and was able to obtain settlement language prohibiting ratepayer funding for such efforts. See settlement, D1105018 (A0912020), Att. 1, §3.5.2(b) and 3.6.2(c), which reads:

> (2) Below-the-line accounting for certain PG&E activities, including all marketing and lobbying activities, in response to initiatives or proposals of local agencies for municipalization or for the formation or ongoing activities of CCAs, not just activities in response to ballot measures.

Thus, SCE's charge that WEM "raised a number of unsubstantiated allegations of misconduct that required considerable time and effort" is false. Response, p. 2. Likewise, SCE's allegation that the Commission rejected WEM's positions, is also false.

SCE's Response alleged that it was somehow wrong that we raised issues in the proceeding and also in the Application for Rehearing (AFR). It is impossible to file an AFR without raising the issues that are being appealed. By definition, an Application for Rehearing is supposed to be used to appeal issues that the applicant believes were not properly disposed of in the decision, because of legal and factual errors and omissions. Accordingly, WEM described those legal and factual errors, and why they were relevant.

A party filing an AFR must also demonstrate that their work in the proceeding provided the basis for the Commission to come to a different conclusion. To do this it is necessary to discuss how our arguments about those issues in the proceeding should have led to a different outcome in the decision, but were not, and therefore caused us to file for rehearing.

Regarding SCE's claim that issues of independent administration were out of scope, it is clear that this issue was intimately entwined with the issue of misuse of funds, because PG&E was and still is the monopoly administrator of EE funds. Response, p. 3. Furthermore, it is WEM's responsibility as a ratepayer advocate to represent our

constituents' concerns. The public in many jurisdictions, including but not limited to those that are exploring Community Choice, were very concerned about the independent administration of EE funds. They were writing letters to Commissioners and also attended and spoke out at Public Participation Hearings in A0807021 et seq. WEM was doing its job by keeping those matters before the Commission.

And in fact, a year into the program cycle for which D0909047 approved utility monopolies over EE, the Commission began to reconsider, in R0911014, by holding a workshop and two rounds of comments on EE administration by CCAs, in the fall of 2010. When this remained unresolved, the CCAs ultimately had to get a new law passed in 2011 (SB790), which strengthens their claims to administer EE funds. Now, two years into the cycle, the Commission is beginning to consider modifications of utility administration on behalf of *all* local governments and third parties.

These procedural developments show that WEM's efforts in its AFR (and throughout the A0807021 proceeding) to protect the rights of local governments in relation to the 2010-12 energy efficiency programs were both appropriate and timely.

The modifications that were made to D0909047 obliquely illustrate that the utility monopoly is beginning to be curtailed – in this case, the Commission is letting the utilities know that they do not have unfettered ability to determine EE funding levels for local governments, and have no authority to eliminate Local Government Partnership funds based on a utility "assessment."

That was an issue that came up over and over again in relation to PG&E's offers of EE funds in its attempts to manipulate Marin County, cities and towns to reject Community Choice. For example, PG&E suggested that money for their proposed "partnership" with Novato would be obtained from the LGP funds for the County, i.e. reducing funds for the Marin Energy Watch.

The Marin Energy Watch program staff lived for years in fear that their funds would be cut or even discontinued if Marin Clean Energy was ever established, or if the Marin Energy Authority requested to administer EE funds as it was entitled to do under AB117. This was one reason why the MEA waited so long to make its request.

At the time of D0909047, PG&E was viciously opposing Marin's progress towards setting up its CCA program, and redoubling its efforts to intimidate local

governments into leaving the Marin Energy Authority. Signature gathering for PG&E-funded Proposition 16 was under way. From September 2009 to June, 2010 Marin ratepayers endured a blizzard of PG&E mailers, ads, phone calls and utility-friendly stories in the media touting PG&E's supposed "green" programs, including EE.

Under the circumstances, it would have been derelict for WEM not to file an AFR.

For SCE to say that our compensation is burdensome to ratepayers, and argue that it's wrong for WEM to represent ratepayers' interests on such important matters is an interesting surprising allegation for a corporation that made off with nearly a hundred million dollars of undeserved bonuses for the last EE cycle, even though it provided so little energy savings that it should have received penalties — and in spite of that mediocre performance, D0909047 awarded it sole authority over many hundreds of million dollars *more* of energy efficiency funds.

Lastly, WEM would like to know why SCE is putting its attorneys' time and efforts into opposing WEM's compensation on issues that arose primarily in PG&E territory. Why should SCE ratepayer pay for it to try to defend PG&E's indefensible behavior? Do the utilities have a "gentleman's agreement" to operate as a tag team to mount attacks on WEM's compensation? Is PG&E paying SCE to do its dirty work, since PG&E has lost all credibility in the last few years?

The Commission should ignore SCE's Response as without merit, and order them to refrain from trying to undermine intervenors who are simply doing the job envisioned for them in federal and state intervenor compensation statutes.

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Respectfully Submitted,

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