

**Status Report on the Results of Energy Division's Review
of the Utilities' Senate Bill 695 Implementation for 2012 per D.10-03-022
May 14, 2012**

Summary

March 26, 2012 Ruling granted the motion for a Direct Access (DA) Status Report and directed the utilities to post on their web sites the date of the most recent evaluation/update of direct access load.

On February 23, 2012, the Retail Energy Supply Association, Alliance for Retail Energy Markets, and Direct Access Customer Coalition (collectively, the Joint Parties) submitted a motion requesting a status report on the DA implementation adopted in Decision (D.) 10-03-022 to implement the limited reopening of DA per Senate Bill (SB) 695, signed into law on October 11, 2009. The Joint Parties also requested that the Commission direct the utilities to comply with the web posting requirements in D.10-03-022.

On March 26, 2012, the Administrative Law Judge issued a ruling (Ruling) that granted the motion for an updated status report and specified the information to be provided.

The Ruling directed the Energy Division to:

“... produce a status report on the 2012 direct access enrollment process to include (1) the results of the enrollment process for Years 3 [2012] and 4 [2013] that occurred on January 13, 2012 (including numbers of customers and amount of load associated with accepted NOIs [6-month notices of intent to switch to DA service]; the numbers of rejected NOIs broken down by before and after 9 AM on the first day; and the time that elapsed to fill the Year 3 and Year 4 caps) and thereafter; and (2) the number of customers that submitted an accepted notice to switch for Years 1 [2010], 2 [2011] and 3 [2012], but failed to complete the Direct Access Service Request process and were placed on Transitional Bundled Service.¹ The Report on the processing of the rejected NOIs only requires the utilities to provide numbers of rejected notices (not associated numbers of customers or load) broken out by numbers of rejected notices just prior to 9 AM and after for the first day. The due date for Energy Division to provide the updated status report is May 14, 2012.” (Ruling, Ordering Paragraph [OP] 2).

The Ruling also directed the electric utilities subject to the requirements of D.10-03-022 to “promptly update their respective web sites to maintain current data regarding the date of the most recent evaluation/update of direct access load”² so that one can clearly see that utility information about room under the cap is current. To provide information sufficient to inform customers and ESPs whether there is room available under the

¹ Due to the SB 695 timing requirements, the adopted procedures for Year 1 (2010) differed from the DA Switching Rules applicable at the time. Customers with accepted NOIs that did not timely switch to DA service remained on bundled service.

² See Ruling, OP 3.

annual limits during the phase-in or the overall cap after the phase-in, the Commission in D.10-03-022 requires the utilities to indicate on their public web sites whether 6-month advance NOIs are being accepted, and to update this information regularly, as reasonably necessary, but in no event less frequently than monthly.³

In response to the direction provided in the Ruling, the Energy Division serves this status report electronically on parties to the Direct Access Rulemaking (R.) 07-05-025.⁴

Background

The Commission authorized limited additional DA transactions pursuant to Senate Bill (SB) 695.

In D.10-03-022, the Commission authorized limited additional DA transactions within the service territories of California's three largest investor-owned utilities, Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E)—in accordance with the provisions of SB 695. As part of that authorization, the Commission adopted procedures for phasing in new DA load, up to a maximum load cap in each Utility's service territory. Appendix 2 of that decision established detailed procedures for phasing in the new DA load over four calendar years: Year 1 (Y1-2010) through Year 4 (Y4-2013). The adopted procedures require a customer to submit a six-month notice (of intent to switch to DA service) to the customer's utility six months in advance of the switch date.

Status Report for 2012

The most recent January 2012 enrollment period completes the final phase-in of direct access ordered in D.10-03-022.

Customers or their agents submitted six-month notices on January 13, 2012 to switch to direct access service in either 2012 (if room becomes available under the Year 3 load limit) or in 2013 up to the Year 4 overall cap. PG&E, SCE, and SDG&E, according to the procedures adopted in D.10-03-022 were to accept Six-Month Notices for the final (Year 4 or 2013) phase-in of additional DA load allowed under SB 695.

The table below shows the information as directed in Ordering Paragraph (OP) 2 of the Ruling.

³ See D.10-03-022, OP 5, which states, "5. The procedures for enrollment of new direct access load pursuant to SB 695, as set forth in Appendix 2 of this decision, are hereby adopted."; and item 9 of Appendix 2, which states in relevant part, "9. During the phase-in period, the IOU will indicate on its public website whether NOIs (during OEW) or 6-month advance NOIs are being accepted, and update this information regularly, as reasonably necessary, but in no event less frequently than monthly. This information should be sufficient to inform customers and ESPs whether there is room available under the annual limits during the phase-in or the overall cap after the phase-in."

⁴ The Energy Division is making data provided by the utilities public about the six-month notice results for Year 3 and Year 4 per Ordering Paragraph 1 of D.10-03-022, which states in pertinent part: "The Energy Division is authorized to post each utility's monthly baseline amount of direct access load, as reported in their Direct Access Implementation Activities Reports [DASR Reports], on the Commission's public website." On this authority and per the directive in the March 26 Ruling, the Energy Division releases the included information about the six-month notice results for Year 3 and Year 4.

Following the table is a line by line explanation of the results of the January 13, 2012 DA Enrollment as shown on the table.

Results of the January 13, 2012 DA Enrollment
All load in annual GWh

Ln #		PG&E	SCE	SDG&E
1	No. of Accepted Customers	22	74	45
2	Accepted Load (annual GWh)	356	680	220
3	DA Load as of 3/31/2012	9,128	10,683	3,344
4	Overall 2013 Load Cap	9,520	11,710	3,562
5	Line 4 - Line 3	392	1,027	218
6	No. of Rejected Notices Before 9 AM	7,806	2,713	2,211
7	No. of Rejected Notices After 9 AM	13,059	15,521	402
8	Time to Fill Year 3 Cap (min/sec)	0/5	0/47	0/18
9	Time to Fill Year 4 Cap (min/sec)	< 0/1	0/45	0/6
10	No. of Accepted Customers - no DASR Y1	37	115	9
11	Accepted Load - no DASR Y1	128	581	17
12	No. of Accepted Customers to TBS Y2	38	78	2
13	Accepted Load to TBS Y2	55	208	1
14	No. of Accepted Customers to TBS Y3	18	29	3
15	Accepted Load to TBS Y3	37	162	1
	Note 1: In the numbers of customers, one customer may include multiple accounts.			

	Note 2: Except as indicated, the numbers of "Notices," (or the 6-month Notice of Intent to switch to direct access service) includes duplications, e.g., customers submitting multiple notices.
	Note 3: SDG&E's numbers of notices received after 9 AM does not include duplicates.

- **Line 1** shows the number of customers whose 6-month notices were accepted by the utility, because at the time the utility received those notices, room existed under the 2013 overall cap to accommodate the associated load.
- **Line 2** shows the load associated with accepted 6-month notices in annual gigawatt-hours (GWh).
- **Line 3** shows DA load in annual GWh as of March 31, 2012, which approximates the information that the utilities would have had in determining how many 6-month notices to accept during the January 2012 enrollment. Pursuant to the DA enrollment procedures adopted in D.10-03-022, customers who were eligible to switch under the Year 3 (2012) load limit, but failed to submit a Direct Access Service Request (DASR) by their earliest possible switch date had an opportunity to do so during the sixty-day Transition Bundled Service (TBS) period. For those customers whose earliest possible switch date was in January 2012, the completion of their respective sixty-day TBS periods would be in March.
- **Line 4** shows the overall (2013) load cap, up to which the utilities were to accept load during the January 2012 enrollment.
- **Line 5 is the difference between lines 4 and 3, which approximates the amount of load the utilities should have accepted during the January 2012 enrollment (necessarily assuming all customers that submitted accepted 6-month notices ultimately switch to DA).**
- **Line 6** shows the numbers of rejected notices received before 9 AM on the due date.
- **Line 7** shows the numbers of rejected notices received after 9 AM on the first day they were due.
- **Line 8** shows the amount of time to the second that it took to fill the Year 3 (2012) cap.
- **Line 9** shows the amount of time to the second that it took to fill the Year 4 (2013) cap.
- **Lines 10 and 11** show the numbers of customers and their associated load that submitted accepted notices, but did not complete the DA enrollment process (by ESP's submitting a timely Direct Access Service Request [DASR]) for Year 1 (2010) when Notice was not binding, so instead of being transferred to Transitional Bundled Service (TBS), customers remained on bundled service.
- **Lines 12 and 13** show the numbers of customers and their associated load that submitted accepted notices for Year 2 (2011), but did not complete the DA enrollment process and were transferred to TBS.
- **Lines 14 and 15** show the same as Lines 12 and 13 but for Year 3 (2012).

Status of Compliance on Utility Web Sites

D.10-03-022 required the utilities to regularly update the information on their web sites about room under the annual caps and overall cap on DA load, “as reasonably necessary, but in no event less frequently than monthly”. (See footnote 3.) The Ruling further required the utilities to promptly update their respective web sites to maintain current data regarding the date of the most recent evaluation/update of direct access load.” That is, the date of the most recent evaluation/update of direct access load needs to be posted, and each time the utility re-evaluates the availability of DA load under the cap, the date posted on the web page needs to be updated to reflect that evaluation at least monthly, even if the status of DA load availability (room under the cap) has not changed.

PG&E’s web site,⁵ as of May 11, 2012, includes a specific date that is within a month of the current date and thus complies.

PG&E’s DA web page states:

“DA Open Enrollment Status
May 1, 2012

Pacific Gas and Electric Company (PG&E) is not currently accepting Six-Month Notices to Transfer to Direct Access Service (Six-Month Notice), but will provide monthly, updated enrollment information on this website should space become available.

PG&E has completed its evaluation of the Six-Month Notices that were submitted during the Year 4 (2013 DA Load) Open Enrollment Window (OEW) which began on January 13, 2012, and notified all submitters by February 28, 2012, regarding whether their Six-Month Notice was "Accepted" or "Rejected".”

SCE’s web site,⁶ as of May 10, 2012, has detailed information about the 2012 enrollment and requirements with more specific (and compliant) current status information provided on a “dedicated web page”.

“To view full Partial Reopening of DA details for program duration, phase-in schedule, future participation opportunities, metering requirements, and contact information please visit our dedicated web page at <http://www.sce.com/b-db/esp/SB695.htm>.”

At this dedicated web page, SCE provides the information required in OP 2 of the Ruling as follows:

“April 30, 2012

SCE's 2013 DA Load Cap has been reached.

There is no additional DA load available at this time.

SCE will update this information as soon as additional load becomes available but not less than monthly.”

SDG&E’s web site⁷ is clear about the date of the last evaluation, but it is out of

⁵ <http://www.pge.com/mybusiness/customerservice/energychoice/directaccesselectricity/>

⁶ <http://www.sce.com/CustomerService/direct-access-switching/direct-access-switching.htm>

⁷ <http://sdge.com/customer-choice/electricity/notice-intent>

date since the date is more than a month old.

SDG&E's DA web page states:

"Notice of Intent

Updated 4/1/2012

Currently, SDG&E is not accepting 6-Month Notices to Transfer to Direct Access.

The Y2010, Y2011, Y2012 and Y2013 Electric Load Allowances are fully subscribed."

Conclusion

An up-to-date statement on utility DA web pages about the date of the last evaluation/update of DA load would provide customers with the assurance intended in the monthly web page update requirement adopted in D.10-03-022 and Required in the Ruling. The Energy Division will continue to monitor the utilities' compliance with the SB 695 implementation, as adopted in D.10-03-022.