

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own Motion to Conduct a Comprehensive Examination of Investor Owned Electric Utilities' Residential Rate Structures, the Transition to Time Varying and Dynamic Rates, and Other Statutory Obligations.

Rulemaking 12-06-013
(Filed June 21, 2012)

ADMINISTRATIVE LAW JUDGES' RULING INVITING COMMENTS ON RATE ELEMENT INVENTORY FOR BOTH PHASE 1 AND PHASE 2

1. Summary

On February 14, 2014, at the direction of the assigned Administrative Law Judge (Judge), the three large utilities (San Diego Gas & Electric Company (SDG&E), Pacific Gas & Electric Company (PG&E), and Southern California Edison (SCE)) served Rate Element Inventories to be used to identify and clarify which residential rate design issues will be addressed in this proceeding and which aspects would be addressed by the Commission separately. Attachment A to this Ruling contains a consolidated inventory for the three utilities. This Ruling invites the parties to submit comments on the Rate Element Inventory by no later than March 13, 2014.

2. Discussion

The purpose of the Rate Element Inventory is multifold. It is intended to:

- (1) ensure that the same issue is not litigated in multiple proceedings;
- (2) ensure that rate cases addressing similar issues are not in conflict;
- (3) assist in planning future phases of this proceeding or new proceedings;

- (4) minimize the number of proceedings in which an issue is addressed so that intervenors can appropriately allocate their resources; and
- (5) promote fair and efficient resolution of rate issues.

The Attachment A Rate Element Inventory includes all items identified by the utilities. It also includes some additional issues. And, it has been reorganized for consistency. For most inventory items, we kept the same proceeding assignment as indicated by the utility with only minor revisions.

We are interested in hearing from parties on whether it is necessary to include Baseline Allowance Reduction proposals in R.12-06013. Currently, (a) SDG&E's proposed Baseline Allowance Reduction is being heard in SDG&E's 2014 rate design window (A.14-02-027), (b) proposals for a PG&E Baseline Allowance Reduction have been heard in rate design window (A.14-01-027) and are part of the proposed settlement filed by PG&E, Office of Ratepayer Advocates, and The Utility Reform Network on March 5, 2014; and (c) SCE does not currently have a Baseline Allowance Reduction proposal but SCE does have a general rate case filing expected in June 2014.

We ask that all parties, including the utilities, review the matrix and provide comments no later than March 17, 2014. Comments may address the following:

- (1) Any rate element that should be added to the list;
- (2) Any changes necessary to the assigned proceeding, and why;
- (3) Any language that should be changed for clarity.

Note that the Rate Element Inventory is intended to capture rate elements relevant to residential rates at a high level in order to provide guidance sufficient to meet the goals set forth above. In the future, we expect that additional rate elements will come up in this and other proceedings.

IT IS RULED that:

1. Parties may file comments on the Attachment A by no later than March 13, 2014.

Dated March [], 2014, at San Francisco, California.

Julie Halligan
Administrative Law Judge

Jeanne M. McKinney
Administrative Law Judge

**Attachment A
Rate Element Inventory**

	IOU	Rate Element	Litigate in Phase 1 or Phase 2 of R1206013	Litigate in different proceeding or phase	IOU	Rate Element	Litigate in Phase 1 or Phase 2 of R1206013	Litigate in different proceeding or phase	IOU	Rate Element	Litigate in Phase 1 or Phase 2 of R1206013	Litigate in different proceeding or phase
1.	PG&E	Updated load data for electric baseline quantities (by climate zone)	Phase 2									
2.	PG&E	Summer 2014 Rate Change Proposal to reduce tiers and tier differentials	Phase 2		SCE	4 tier rate proposal for non-CARE and 3-tiered rate proposal for CARE for summer 2014 w/ revised differentials	Phase 2		SDG&E	Summer 2014 tiered rate proposal for non-CARE rates with revised tier differentials	Phase 2	
3.	PG&E	Formula for allocation of future revenue requirement increases and decreases (until Phase 1 decision)	Phase 2		SCE	Allocation of revenue requirement changes until Phase 1 decision	Phase 2		SDG&E	Allocation of future revenue requirement changes until Phase 1 decision	Phase 2	
4.	PG&E	Gradual decrease of CARE discount to between 30% and 35% as mandated by AB 327	Phase 2 <u>and</u> Phase 1		SCE	If necessary, decreases to CARE discount to maintain 30% and 35% effective discount raise as mandated by AB 327	Phase 1		SDG&E	Summer 2014 Revisions to CARE discount consistent with AB 327 effective discount	Phase 2 <u>and</u> Phase 1	
5.	PG&E	Basic Service Fee for all residential schedules	Phase 1		SCE	Fixed charges	Phase 1		SDG&E	Fixed Charge through 2018	Phase 1	

6.					SCE	Establish formulaic approach to reduce tier differentials and to escalate fixed charges in the future	Phase 1		SDG&E	Formula to reduce tier differentials and to escalate fixed charges in the future	Phase 1	
7.	PG&E	Revisions to tiered rate structure and reduction in tier differentials	Phase 1		SCE	Revised tiered rate structure	Phase 1		SDG&E	Revised tiered rate structure through 2018	Phase 1	
8.	PG&E	Un-tiered optional TOU rate	Phase 1		SCE	Default and opt-in TOU rates	Phase 1		SDG&E	Default and opt-in TOU rates	Phase 1	
9.	PG&E	Medical Baseline proposal	Phase 1		SCE	Changes to Medical Baseline from tier redefinitions	Phase 1		SDG&E	Medical baseline (to reflect changes to tier rate structure)	Phase 1	
10.	PG&E	FERA proposal – Schedule E-FERA revisions (to reflect changes to tier rate structure)	Phase 1		SCE	Changes to FERA from tier redefinitions.	Phase 1		SDG&E	FERA (to reflect changes to tier rate structure)	Phase 1	
11.	PG&E	Smart Rate incentive Schedule E-RSMART (to reflect changes to tier rate structure)	Phase 1									
12.									SDG&E	Coordination of rate design changes with CPUC demand-side management programs	Phase 1	
13.	PG&E	Formula for allocation of future revenue requirement increases and decreases after	Phase 1		SCE	Formula for allocation of future revenue requirement increases and decreases after	Phase 1		SDG&E	Formula for allocation of future revenue requirement increases and decreases after	Phase 1	

		Phase 2				Phase 2				Phase 2		
14.	PG&E	Tier changes and basic service fees for voluntary TOU rate schedules	Phase 1									
15.	PG&E	Revenue neutrality for optional schedules E-7, E-8	Phase 1									
16.	PG&E	Revise Existing TOU rate design for optional tiered TOU rates (including revising rates where generation rate exceeds total rate for Schedules E-7, EL-7, E-8 and EL-8) – LONG TERM	Phase 1									
17.	PG&E	EV Rate Review in compliance with D.11-07-029		Expected to be part of A.13-04-012 (GRC Phase II) Settlement	SCE	Opt-in residential EV rates for whole house and separately metered		A1312015 RDW				
18.					SCE	Whole house EV rate (TOU-EV-D) for all residential customers		A1312015 RDW				
19.									SDG&E	TOU period changes		RDW A1401027 (filed 1/31/14 to be effective 1/1/15)
20.									SDG&E	Analysis of rates by season and	Phase 1	

										geographic region		
21.	PG&E	Revise Existing TOU rate design for optional tiered TOU rates (including revising rates where generation rate exceeds total rate for Schedules E-7, EL-7, E-8 and EL-8) – SHORT TERM	Phase 1, if not included in GRC Phase II settlement	Expected to be part of GRC Phase II Settlement								
22.	PG&E	Baseline Quantity Reduction	Should this item be moved from A.12-02-020 to R.12-06013 to Phase 2 and Phase 1?	Currently part of A.12-02-020 (2012 RDW)					SDG&E	Baseline allowance reductions	Should this item be moved from A.12-02-020 to R.12-06013 to Phase 2 and Phase 1?	Currently part of RDW A1401027 (filed 1/31/14 to be effective 1/1/15)
23.	PG&E	Modify Minimum Bill Methodology and Charge		A.12-02-020 (2012 RDW)								
24.	PG&E	Modify SmartRate Peak Day Pricing (PDP)		A.12-02-020 (2012 RDW)								
25.	PG&E	Electric Master Meter Rate		GRC Phase II								
26.	PG&E	Meter Charge for Schedule NEM MT		2015 RDW (to be filed November 2014)								
27.	PG&E	CARE/ESA Low Income Programs		Application to be filed July 2014								
28.	PG&E	PTR (A1002028) Default		2010 RDWs A1002028								

		Residential TVP (A1008005)		and A1008005								
29.	PG&E	Including GHG costs and revenues in residential rates pursuant to D12-12-033	Phase 1		SCE	Including GHG costs and revenues in residential rates pursuant to D12-12-033	Phase 1		SDG&E	Including GHG costs and revenues in residential rates pursuant to D12-12-033	Phase 1	
30.	PG&E	CARE restructuring		Later phase of R.12-06-013 or new proceeding	SCE	CARE Restructuring		Later phase of R.12-06-013 or new proceeding	SDG&E	CARE restructuring		Later phase of R.12-06-013 or new proceeding
31.					SCE	Long Term FERA program changes, remaining exemptions for medical baseline customers (e.g., DWR bond charge)		Low-Income proceeding to be filed June 2014, effective January 2016				
32.					SCE	Other medical baseline allowance issues (appropriateness of current allowance structure)		Low-Income proceeding to be filed June 2014, effective January 2016				
33.	PG&E	Customer education and outreach, bill simplification	Short-Term Plan: Phase 2 and Phase 1	Long-Term Plan: Later phase of R1206013	SCE	Customer education and outreach, bill simplification	Short-Term Plan: Phase 2 and Phase 1	Long-Term Plan: Later phase of R1206013	SDG&E	Customer education and outreach, bill simplification	Short-Term Plan: Phase 2 and Phase 1	Long-Term Plan: Later phase of R1206013
34.	PG&E	NEM-specific rate design issues		NEM-specific proceeding	SCE	NEM-specific rate design issues		NEM-specific proceeding	SDG&E	NEM rate design issues		NEM-specific proceeding
35.					SCE	Submetering discounts and differentiation of single- and multi-		GRC Phase 2				

						family baseline allowance for all-electric customers						
36.					SCE	Residential rate design issues not included in R.12-06-013 or A.13.12-015		GRC Phase 2				
37.									SDG&E	Move recovery of CSI and SGIP costs from distribution to PPP rate component		RDW A1401027 (filed 1/31/14 to be effective 1/1/15)