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March 14, 2014

ADVICE LETTER 2584-E

(U902-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: ESTABLISHMENT OF ALTERNATIVE FUEL VEHICLE MEMORANDUM ACCOUNT (AFVMA) PURSUANT TO DECISION 13-11-002

San Diego Gas & Electric Company (SDG&E) hereby submits for approval the following modifications to its electric tariffs as shown in enclosed Attachment A.

PURPOSE

In compliance with Ordering Paragraph (OP) 7 of Decision (D.) 13-11-002, this filing establishes the AFV Memorandum Account (AFVMA).

DISCUSSION

On November 19, 2013, the Commission issued D.13-11-002, which modified the Plug-In Electric Vehicle Submetering Protocol requirements set forth in D.11-07-029 by adopting the Energy Division Staff Roadmap for a two-phase pilot project and extended the deadline to submit a final proposal on the Submetering Protocol. D.13-11-002 authorizes utilities to recover all or the majority of costs for the submetering pilot program through the Electric Program Investment Charge (EPIC) Program, as established in D.11-12-035, D.12-05-037, and D.13-11-025.¹

¹ While the recent EPIC decision, D.13-11-025, allows SDG&E to use EPIC funds for the submetering pilot ("SDG&E is not required but is encouraged to support this project with EPIC funds"), it is unclear whether D.13-11-025 requires SDG&E to consider the submetering pilot part of its EPIC portfolio for reporting purposes if it funds the submetering pilot with EPIC funds. SDG&E has recently filed a Petition for Modification of D.13-11-025 requesting clarification; during its pendency, SDG&E will post submetering pilot costs to the EPIC Balancing Account (EPICBA). The EPIC decision's ambiguity does not concern this advice letter or the AFVMA.

Additionally, because of the uncertainty of total costs for the submetering pilots and to ensure timely implementation of the pilot program, D.13-11-002 authorized SDG&E to establish the AFVMA. The purpose of the AFVMA is to record expenses related to implementation of the submetering pilots (including, but not limited to labor, incentives, equipment, manual billing and service operations) that are above what could reasonably be recovered through EPIC. Costs recorded in the AFVMA shall not exceed \$2 million per utility in the case of co-funding from EPIC.²

According to D.13-11-002, "EPIC funding for submetering pilots . . . shall be subtracted from memorandum accounts."³ Costs recorded in the AFVMA in excess of what could be recovered through EPIC may be recovered later through an "appropriate ratemaking proceeding".⁴

In the event that the Commission rejects SDG&E's recording of submetering pilot costs in the EPICBA, SDG&E requests that it be allowed to transfer any submetering pilot funds booked in the EPICBA to the AFVMA. In that situation, costs recorded in the AFVMA shall not exceed \$5 million.⁵

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any other schedule or rule.

EFFECTIVE DATE

SDG&E believes this filing is subject to Energy Division disposition and should be classified as Tier 1 (effective after staff approval) pursuant to GO 96-B. SDG&E respectfully requests that this filing become effective on March 14, 2014, the date filed.

<u>PROTEST</u>

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and must be received no later than April 3, 2014, which is 20 days of the date this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division Attention: Tariff Unit 505 Van Ness Avenue San Francisco, CA 94102

Copies of the protest should also be sent via e-mail to the attention of the Energy Division at <u>EDTariffUnit@cpuc.ca.gov</u>. A copy of the protest should also be sent via both e-mail <u>and</u>

² D.13-11-002 at OP7.

³ D.13-11-002 at 43.

⁴ D.13-11-002 at 43.

⁵ D.13-11-002 at OP7.

facsimile to the address shown below on the same date it is mailed or delivered to the Commission.

Attn: Megan Caulson Regulatory Tariff Manager 8330 Century Park Court, Room 32C San Diego, CA 92123-1548 Facsimile No. (858) 654-1879 E-mail: MCaulson@semprautilities.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list, including interested parties in R.09-08-009, R.13-11-007 and A.12-11-001, by providing them a copy hereof either electronically or via the U.S. mail, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by facsimile at (858) 654-1879 or by email to SDG&ETariffs@semprautilities.com.

CLAY FABER Director – Regulatory Affairs

Attachments

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CALIFORNIA PUBLIC UTILITIES COMMISSION ADVICE LETTER FILING SUMMARY

ENERGY UTILITY MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)				
	Company name/CPUC Utility No. SAN DIEGO GAS & ELECTRIC (U 902)			
Utility type:	Contact Person: Megan Caulson			
🛛 ELC 🖾 GAS	Phone #: (858) <u>654-1748</u>			
PLC HEAT WATER	E-mail: mcaulson	@semprautilities.com		
EXPLANATION OF UTILITY T	(PE	(Date Filed/ Received Stamp by CPUC)		
ELC = Electric GAS = Gas				
	VATER = Water			
Advice Letter (AL) #: <u>2584-E</u>	<u> </u>			
to Decision 13-11-002	Alternative Fuel Vel	hicle Memorandum Account (AFVMA) Pursuant		
Keywords (choose from CPUC listing):	Memorandum Ad	xount		
AL filing type: 🗌 Monthly 🗌 Quarterly 🗌 Annual 🛛 One-Time 🗌 Other				
If AL filed in compliance with a Comm	ission order, indicat	e relevant Decision/Resolution #:		
_D.13-11-002				
Does AL replace a withdrawn or rejected	ed AL? If so, identi	fy the prior AL: <u>None</u>		
Summarize differences between the AL	and the prior with	drawn or rejected AL ¹ : <u>N/A</u>		
	•	-		
Does AL request confidential treatmen	t? If so, provide exp	lanation: <u>None</u>		
Resolution Required? 🗌 Yes 🛛 No		Tier Designation: 🛛 1 🗌 2 🔲 3		
Requested effective date: <u>3/14/2014</u>		No. of tariff sheets: <u>3</u>		
Estimated system annual revenue effective	ct: (%): <u>N/A</u>			
Estimated system average rate effect (%): <u>N/A</u>			
When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).				
Tariff schedules affected: <u>Alternative Fuel Vehicle Memorandum Account. Table of Contents</u>				
Service affected and changes proposed ¹ : No re				
Pending advice letters that revise the same tariff sheets: <u>None</u>				
Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:				
CPUC, Energy Division	-	an Diego Gas & Electric		
Attention: Tariff Unit		Attention: Megan Caulson		
505 Van Ness Ave.,		330 Century Park Ct, Room 32C		
San Francisco, CA 94102		San Diego, CA 92123		
ED lariffUnit@cpuc.ca.gov	DTariffUnit@cpuc.ca.gov mcaulson@semprautilities.com			

 $^{^{\}scriptscriptstyle 1}$ Discuss in AL if more space is needed.

General Order No. 96-B ADVICE LETTER FILING MAILING LIST

cc: (w/enclosures)

Public Utilities Commission DRA S. Cauchois R Pocta W. Scott Energy Division P. Clanon S. Gallagher D. Lafrenz M. Salinas CA. Energy Commission F. DeLeon R. Tavares Alcantar & Kahl LLP K. Cameron American Energy Institute C. King **APS Energy Services** J. Schenk **BP Energy Company** J. Zaiontz Barkovich & Yap, Inc. B. Barkovich **Bartle Wells Associates** R. Schmidt Braun & Blaising, P.C. S. Blaising California Energy Markets S. O'Donnell C. Sweet California Farm Bureau Federation K. Mills California Wind Energy N. Rader Children's Hospital & Health Center T. Jacoby City of Poway R. Willcox City of San Diego J. Cervantes G. Lonergan M. Valerio Commerce Energy Group V. Gan **CP** Kelco A. Friedl Davis Wright Tremaine, LLP E. O'Neill J. Pau Dept. of General Services H. Nanio M. Clark

Douglass & Liddell D. Douglass D. Liddell G Klatt **Duke Energy North America** M. Gillette Dynegy, Inc. J. Paul Ellison Schneider & Harris LLP E. Janssen Energy Policy Initiatives Center (USD) S. Anders **Energy Price Solutions** A. Scott Energy Strategies, Inc. K. Campbell M. Scanlan Goodin, MacBride, Squeri, Ritchie & Day B. Cragg J. Heather Patrick J. Squeri Goodrich Aerostructures Group M. Harrington Hanna and Morton LLP N. Pedersen Itsa-North America L. Belew J.B.S. Energy J. Nahigian Luce, Forward, Hamilton & Scripps LLP J. Leslie Manatt, Phelps & Phillips LLP D. Huard R. Keen Matthew V. Brady & Associates M. Brady Modesto Irrigation District C. Mayer Morrison & Foerster LLP P. Hanschen MRW & Associates D. Richardson Pacific Gas & Electric Co. J. Clark M. Huffman S. Lawrie E. Lucha Pacific Utility Audit, Inc. E. Kellv San Diego Regional Energy Office S. Freedman J. Porter School Project for Utility Rate Reduction M. Rochman Shute, Mihaly & Weinberger LLP O. Armi Solar Turbines F. Chiang

Sutherland Asbill & Brennan LLP K. McCrea Southern California Edison Co. M. Alexander K. Cini K. Gansecki H. Romero TransCanada R. Hunter D. White TURN M. Hawiger UCAN D. Kelly U.S. Dept. of the Navy K. Davoodi N. Furuta L. DeLacruz Utility Specialists, Southwest, Inc. D. Koser Western Manufactured Housing Communities Association S. Dey White & Case LLP L. Cottle **Interested Parties** R.09-08-009 R.13-11-007 A.12-11-001

ATTACHMENT A ADVICE LETTER 2584-E

Cal. P.U.C. Sheet No.	Title of Sheet	Canceling Cal. P.U.C. Sheet No.
Original 24572-E	PRELIMINARY STATEMENT, III. MEMORANDUM ACCOUNTS, ALTERNATIVE FUEL VEHICLE MEMORANDUM ACCOUNT (AFVMA), Sheet 1	
Revised 24573-E	TABLE OF CONTENTS, Sheet 1	Revised 24570-E
Revised 24574-E	TABLE OF CONTENTS, Sheet 3	Revised 23825-E



Original Cal. P.U.C. Sheet No.

24572-E

San Diego Gas & Electric Company San Diego, California

Cal. P.U.C. Sheet No.

Sheet 1

PRELIMINARY STATEMENT III. MEMORANDUM ACCOUNTS

Canceling

COUNTS

ALTERNATIVE FUEL VEHICLE MEMORANDUM ACCOUNT (AFVMA)

1. <u>Purpose</u>:

The purpose of the Alternative Fuel Vehicle Memorandum Account (AFVMA), authorized in Decision (D.) 13-11-002, is to record any and all costs related to implementation of the submetering pilots (including, but not limited to labor, incentives, equipment, manual billing and service operations) that are above what could reasonably be recovered through the Electric Program Investment Charge (EPIC). Costs recorded in this memorandum account shall not exceed \$2 million in the case of co-funding from EPIC and shall not exceed \$5 million in the case that the EPIC program is not authorized.

2. <u>Applicability</u>:

The AFVMA applies to electric customers only unless otherwise specified by the Commission.

3. <u>Rates</u>

The AFVMA does not currently have a rate component.

4. Effective Date

The effective date of this account is March 14, 2014.

5. <u>Accounting Procedures</u>

SDG&E shall maintain the AFVMA by making entries to it at the end of each month as follows:

- a) A debit entry equal to costs incurred from activities related to planning for and implementing the submetering pilots.
- b) An entry to reflect any transfer to or from other regulatory accounts as authorized by the Commission.
- c) An entry equal to interest calculated on the average of the balance in this account at the beginning of the month and the balance in this account after the above entries, at a rate equal to one-twelfth of the interest rate on the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication.
- 6. <u>Disposition</u>

The disposition of this account balance will be addressed in connection with SDG&E's Annual Regulatory Account Balance Update filing or other proceeding expressly authorized by the Commission.

 (Continued)

 1P8
 Issued by
 Date Filed
 Mar 14, 2014

 Advice Ltr. No.
 2584-E
 Lee Schavrien
 Effective

 Decision No.
 D.13-11-002
 Regulatory Affairs
 Resolution No.

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Revised Cal PUC Sheet No.

24573-E

an Diado (Las & Electric Company			24373-E
an Diego Gas & Electric Company San Diego, California	Canceling Revised	Cal. P.U.C. Sheet No.	24570-E
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e following sheets contain all the ef	fective rates and rules affe	ecting rates, service and information relating t	hereto.
effect on the date indicated herein.			
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Decision No.	D.13-11-002	Senior Vice President Regulatory Affairs	Resolution No.	

<u>SDG</u>		D · ·
		Revised
San Diego Gas & Electric Company		
San Diego, California	Canceling	Revised

Revised Cal. P.U.C. Sheet No.

Cal. P.U.C. Sheet No.

24574-E

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2584-E	Lee Schavrien	Effective	
	Senior Vice President		
D.13-11-002	Regulatory Affairs	Resolution No.	
•		2584-E Issued by Senior Vice President	Issued by Date Filed 2584-E Lee Schavrien Effective Senior Vice President Effective

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