

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3333
AUGUST 4, 1993

R E S O L U T I O N

RESOLUTION E-3333. SAN DIEGO GAS AND ELECTRIC COMPANY REQUESTS COMMISSION AUTHORIZATION TO CARRY FORWARD UNSPENT 1992 DEMAND-SIDE MANAGEMENT FUNDS FOR USE ON TWO DEMAND-SIDE MANAGEMENT PROGRAMS.

BY ADVICE LETTER 883-E/877-G, FILED ON JULY 2, 1993.

SUMMARY

1. In Advice Letter 883-E/877-G San Diego Gas and Electric Company (SDG&E) requests permission to carry forward unspent 1992 demand-side management (DSM) funds from the (1) residential DSM advertising campaign for the same program in 1993 and 1994 and (2) nonresidential energy education reference book for the same program in 1993.
2. This Resolution approves the utility's request.

BACKGROUND

1. The Collaborative decision, D.90-08-068, and SDG&E's Modified Attrition Filing, D.91-10-046, provided that unspent Collaborative DSM funds should be returned to ratepayers through the DSM balancing account. Since then, however, the Commission has evaluated treatment of unspent funds on a case by case basis. In SDG&E's case, Resolutions E-3268 and E-3310 allowed SDG&E to carry forward unspent DSM funds to future years for the same use for which funds were originally approved.
2. In this Advice Letter SDG&E seeks Commission authorization to carry forward \$828,628 of unspent residential DSM advertising campaign funds into 1993, and if necessary, into 1994 and \$250,000 of unspent Nonresidential Information Program funds budgeted for the nonresidential energy education reference book to be carried forward for the same program in 1993.

NOTICE

This advice letter was noticed in accordance with Section III of General Order 96-A by publication in the Commission Calendar and service to the SDG&E advisory group and parties on SDG&E's advice filing mailing list.

PROTESTS

The Commission Advisory and Compliance Division has not received protests to this advice letter.

DISCUSSION

1. DSM resources constitute a substantial portion of the State's plan for energy and capacity additions over the next decade, and satisfy the Commission's intention to provide reliable, least cost and environmentally-sensitive energy service to customers of California's Investor Owned Utilities.
2. The directives that unspent DSM funds be returned to ratepayers has been tempered with a realization that DSM funds, if invested in cost-effective programs, result in greater long-term benefits to ratepayers than would result from a direct refund. For this reason, the Commission has allowed certain DSM funds to be carried forward.
3. Advertising campaigns contribute to meeting DSM goals by improving the awareness of energy-consumers. SDG&E did not utilize the 1992 funds due to concerns regarding the effectiveness of a campaign run during the holiday season of 1992. This concern was discussed with the Advisory Committee, and agreement was reached to conduct the advertising with 1992 funds, recognizing that the advertising would actually run in 1993. SDG&E has concerns again that the timing of this Advice Letter will cause the campaign to occur in the 1993 holiday season and therefore seeks to carry forward any unspent 1992 advertising funds into 1994, as necessary.
4. In 1992, SDG&E began developing a reference book to provide energy efficiency information to its nonresidential customers as part of its Nonresidential Information Program. It was expected that the reference book would be completed by the end of 1992, except for final review and printing, and it was determined that these costs would be covered under the 1992 funding for this program. SDG&E requests that \$250,000 be carried forward to 1993 to finalize, print and promote the reference book, which is now expected to be available in the third quarter of 1993.
5. The Commission wishes to allow utilities flexibility to carry funds from year to year given a demonstrated need to do so. However, the Commission will not indefinitely postpone ratepayer refunds. SDG&E should be allowed to carry forward the funds as requested in this Advice Letter as follows:
 1. Unspent 1992 residential advertising funds may be carried forward through 1994.

1 See Resolutions E-3244, E-3246, E-3268, E-3295, and E-3310.

2. Unspent 1992 Nonresidential Information Program funds may be carried forward to finalize, print, and promote the nonresidential energy education reference book in 1993.

FINDINGS

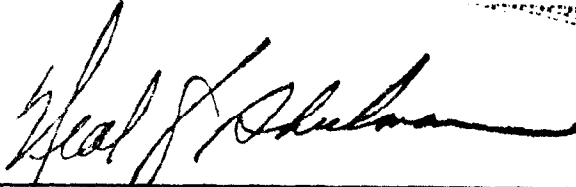
1. SDG&E filed Advice Letter 883-E/877-G on July 2, 1993 to request Commission authorization to carry forward certain unspent 1992 DSM program funds.
2. SDG&E's request to carry forward unspent 1992 residential advertising funds to 1993 and 1994 is reasonable and should be approved.
3. SDG&E's request to carry forward unspent 1992 Nonresidential Information funds to finalize, print, and promote the nonresidential energy education reference book in 1993 is reasonable and should be approved.

THEREFORE, IT IS ORDERED that:

1. San Diego Gas and Electric company's request to carry forward unspent 1992 residential advertising funds to 1993 and 1994 is approved.
2. San Diego Gas and Electric company's request to carry forward unspent 1992 Nonresidential Information funds to finalize, print, and promote the nonresidential energy education reference book in 1993 is approved.
3. Advice Letter No. 883-E/877-G shall be marked to show that it was approved by Commission Resolution E-3333.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on August 4, 1993. The following Commissioners approved it:



NEAL J. SHULMAN
Executive Director

DANIEL Wm. FESSLER
President
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
P. GREGORY CONLON
Commissioners