

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION G-3118
March 16, 1994

R E S O L U T I O N

RESOLUTION G-3118. SOUTHERN CALIFORNIA GAS COMPANY
PROPOSED TREATMENT OF CERTAIN UNSPENT DEMAND-SIDE
MANAGEMENT FUNDS FROM 1993 TO FULFILL RESIDENTIAL NEW
CONSTRUCTION PROGRAM COMMITMENTS.

BY ADVICE LETTER NO. 2277-G, filed on February 18, 1994.

SUMMARY

1. In this advice letter, Southern California Gas Company (SoCal) submits proposed treatment of certain unspent demand-side management (DSM) funds from 1993. SoCal intends to carry over 1993 funds authorized for the Residential New Construction Program into 1994 to fulfill commitments made to builders who completed qualifying projects by year-end 1993.
2. No protests were received to this filing.
3. This resolution approves the proposed carry over of unspent DSM funds from 1993 to fulfill commitments for qualifying projects.

BACKGROUND

1. For the period January 1990 to December 1993, SoCal was authorized to spend \$22,860,000 on two residential new construction programs. As of December 31, 1993, SoCal estimates its actual expenditures were \$18,080,788. SoCal proposes to carry over the remaining \$4.8 million to fund projects which met all program requirements before year-end 1993, but have not yet been paid. SoCal requests the ability to expend the carry over funds until December 31, 1994 for projects committed in 1993.
2. SoCal estimates that it has approximately \$5 million in outstanding contract commitments from 1991, 1992, and 1993, for its residential new construction program. SoCal expects to receive requests for payments throughout 1994 from builders who installed qualifying equipment by December 31, 1993. SoCal expects that it will pay out at least \$2.5 million to honor these commitments.
3. SoCal has acted to limit requests for payment of the outstanding commitments for the residential new construction program in two ways. It has cancelled commitments which did not

meet program requirements by year-end 1993 and will soon set a deadline by which builders must request payments for qualifying projects.

4. On February 18, 1994, SoCal filed advice letter 2277-G regarding proposed treatment of certain unspent DSM funds from 1993 for the Residential New Construction program.

NOTICE

The original Advice Letter was noticed in accordance with Section III of General Order 96-A by publication in the Commission Calendar and distribution to SoCal's advice letter filing service list.

PROTESTS

No protests have been received by the Commission Advisory and Compliance Division (CACD) in this advice filing.

DISCUSSION

1. SoCal has requested the ability to carry over \$4.8 million for the limited purpose of providing payments to builders whose residential new construction projects were completed by year-end 1993 but have not yet been paid out. CACD recommends that SoCal be allowed to carry over \$4.8 million for use on this activity through December 31, 1994. Any funds remaining as of December 31, 1994 should be returned to ratepayers.

FINDINGS

1. SoCal filed Advice Letter 2277-G on February 18, 1994 to request Commission authorization to carry over certain unspent 1993 DSM funds to 1994 for use in the Residential New Construction program.

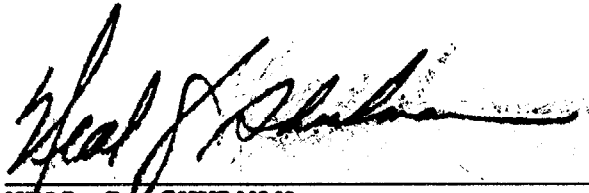
2. SoCal's proposed carryover of DSM funds is intended to honor commitments to builders for projects completed by year-end 1993. Fulfilling program commitments improves the utility's ability to capture demand-side resources in its service territory. The requested carry over of DSM funds should be authorized.

March 16, 1994

THEREFORE, IT IS ORDERED that:

1. Southern California Gas Company is authorized to carry over Demand-Side Management funds as proposed in Advice Letter 2277-G. Any funds remaining as of December 31, 1994 shall be returned to ratepayers.
2. Advice Letter 2277-G shall be marked to show that it was approved by Commission Resolution G-3118.
3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities commission at its regular meeting on March 16, 1994. The following Commissioners approved it:



NEAL J. SHULMAN
Executive Director

DANIEL Wm. FESSLER
President
NORMAN D. SHUMWAY
P. GREGORY CONLON
JESSIE J. KNIGHT, Jr.
Commissioners

Commissioner Patricia M. Eckert
is absent.