SOUTHERN CALIFORNIA EDISON
An EDISON INTERNATIONAL® Company

Shinjini C. Menon
Managing Director, State Regulatory Operations

February 7, 2022

ADVICE 4715-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Southern California Edison Company's Market Access Program Pursuant to Decision 21-12-011

Southern California Edison Company (SCE) hereby submits to the California Public Utilities Commission (Commission or CPUC) the following changes to its tariffs. The revised tariff sheets are listed on Attachment A and are attached hereto.

PURPOSE

In compliance with Ordering Paragraph (OP) 1 of Decision (D.)21-12-011 (the Decision), SCE hereby submits this advice letter to provide the program description and parameters of its Market Access Program (MAP). SCE also modifies Preliminary Statement Part S, Procurement Energy Efficiency Balancing Account (PEEBA), and Preliminary Statement Part FF, Public Purpose Programs Adjustment Mechanism (PPPAM), to facilitate cost recovery of the MAP.

BACKGROUND

On November 14, 2013, the Commission initiated Rulemaking R.13-11-005 to establish a proceeding to fund Energy Efficiency (EE) portfolios through 2015, implement EE Rolling Portfolios, and address various policy issues relating to EE.

On July 30, 2021, Governor Newsom signed an emergency proclamation to "free up energy supply to meet demand during extreme heat events and wildfires that are becoming more intense and to expedite deployment of clean energy resources this year and next year."[1] In the Governor's July 30, 2021 Emergency Proclamation, all energy

[1] See Governor Newsom's Press Release at https://www.gov.ca.gov/2021/07/30/governor-newsom-signs-emergency-proclamation-to-expedite-clean-energy-projects-and-relieve-demand-on-the-electrical-grid-during-extreme-weather-events-this-summer-as-climate-

agencies, including the Commission, were directed to act immediately to achieve energy stability. In response to the Governor's Emergency Proclamation, on August 6, 2021, the assigned Administrative Law Judge sent an e-mail ruling to parties in R.13-11-005, seeking input on actions that the Commission could take, specific to EE and reliability, to help support the Governor's Proclamation and the Commission's overall goals. After receiving comments on the ruling from the parties, the Commission issued a Proposed Decision on October 29, 2021, and the Decision on December 8, 2021, ordering the investor owned utilities (IOU) to prepare for potential extreme weather in the summers of 2022 and 2023.

DISCUSSION

The Decision authorizes a two-year MAP funded by $150 million allocated among Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and SCE, to deliver peak and/or net peak demand savings using the normalized metered energy consumption (NMEC) method of measuring energy and peak demand savings in residential and commercial buildings. The MAP is intended to utilize population-level NMEC rules and a pay-for-performance compensation to incentivize implementers to deploy EE projects that deliver measurable peak or net peak demand savings.

Proposed Budget

The Decision's OP 1 (a) requires IOUs to provide a budget for the MAP. SCE's allocation of the $150 million statewide budget is calculated based on Table 1 of D.19-12-021. Accordingly, SCE's proportion of the $150 million statewide MAP budget is 40.0 percent[2] or $60 million.

Table 1 below provides a forecast of SCE's MAP costs by program year.

Table 1– MAP Budget by Program Year

Budget Category	2022	2023
Administration	$3,000,000	$3,000,000
Marketing	$1,500,000	$1,000,000
Direct Implementation	$3,218,750	$9,656,250
Incentives	$5,793,750	$32,831,250
Total	**$13,512,500**	**$46,487,500**

crisis-threatens-western-s/ and the Proclamation of a State of Emergency at https://www.gov.ca.gov/wp- content/uploads/2021/07/Energy-Emergency-Proc-7-30-21.pdf

2 D.19-12-021 Table 1, pp. 63-64.

The budget categories in Table 1 are defined as follows:

Administration: Primarily fixed costs anticipated by SCE to administer the MAP (e.g., program management, reporting).

Marketing: Primarily fixed costs for education and outreach to support the MAP, including developing the aggregator network,[3] appropriate information to existing program implementers, and effective communications to end-use customers.

Direct Implementation: Primarily variable costs for project deployment, including engineering, Measurement & Verification (M&V), and population NMEC analysis.

Incentives: Primarily variable costs for the compensation of aggregators and vendors, including the proposed peak and net peak kW Kickers.

SCE expects that 2022 will be a ramp-up year comprised of fixed costs and variable direct implementation costs, including incentives. Most of the program delivery is projected to take place in 2023, with the last project installation taking place no later than August 1, 2023. Incentives will be distributed on a pay-for-performance basis, as described below, and will be contingent on program delivery, within the constraints of the two-year approved funding of $60 million. In case of program uptake higher than forecasted in 2022 (as shown in Table 1), SCE may use the balance of the two-year approved funding accordingly (i.e., up to $60 million).

***Anticipated Net Peak Demand Savings and* Total System Benefit**

The Table 2 below provides SCE's benefit forecast of Net Peak Demand Savings and total system benefit (TSB) in each program year. The Decision's OP 1 (b) requires IOUs to provide an "[a]nticipated net peak demand savings and total system benefits, for both 2022 and 2023."

Table 2 below provides SCE's benefit forecast of Net Peak Demand Savings and total system benefit (TSB) in each program year. For 2022, the values represent the anticipated projected savings from project installations to demonstrate grid impact deployed between June through September of 2022. The 2023 projections reflect the anticipated incremental savings that will result from project installations deployed between October 2022 through August 1, 2023.

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[3] The "aggregator network" is a new delivery model, in which aggregators are similar to SCE's historic trade professionals model. Aggregators will enter into a standardized participation agreement and will be required to meet basic requirements, such as the appropriate licenses, certifications, and insurance, to ensure that they have the capability to deliver EE projects.

Table 2 – Project MAP Benefits

Metric	2022	2023
Total System Benefits	$8,096,424	$49,691,328
Peak kW	1,384	7,843
Net Peak kW	1,033	5,854

Compensation Structure to Encourage Net Peak Demand Reductions

The Decision's OP 1 (c) requires IOUs to provide a "[d]escription of compensation structure to encourage net peak demand reductions and any bonuses or penalties that will be applied."

SCE proposes a compensation structure for project-level energy savings that will be paid based on the TSB[4] delivered by the project. In this compensation structure, SCE intends that the required kicker for net and net peak will serve as a bonus and does not plan any penalty as incentives are on a paid for performance basis. SCE will use the following formula to determine compensation for participants:

Compensation = $\mathbf{TSB_p}$ x Discount Factor + **kW kicker**

Whereas:

$\mathbf{TSB_p}$: The dollar value primarily derived from electrical energy benefits calculated at the project level.

Discount Factor: Adjustment to the TSB dollar value to account for electrical energy benefits realized during non-peak and non-net peak hours from June through September of 2022 and 2023, program administration costs, including reporting, engineering, and M&V costs.

kW Kicker: Additional compensation for delivering net peak demand and/or peak demand during June through September of 2022 and 2023.

The adjusted TSB is anticipated to represent 40 percent to 60 percent of the compensation value, with the kW Kicker comprising the remainder of the total compensation. In this proposed compensation structure, the kW and/or net kW is a meaningful portion of compensation that drives demand savings and discourages high TSB measures with small impact on demand savings. SCE may adjust this approach to maximize benefits, as needed.

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[4] Total System Benefit Technical Guide version 1.1 *available at* https://pda.energydataweb.com/api/view/2530/DRAFT%20TSB%20Tech%20Guidance%20081621.pdf "TSB is an expression, in dollars, of the lifecycle energy, ancillary services, generation capacity, transmission and distribution capacity, and GHG benefits of energy efficiency activities, on an annual basis.

SCE anticipates that the compensation structure based on the program TSB will lead to projects primarily comprised of measures with long effective useful life (EUL) that will bring lasting benefit to the grid. SCE's calculation for compensation may use a modified approach from the CEDARS Cost Effectiveness Tool (CET)[5] in order to focus on the electric benefits associated with peak and net peak demand reduction. SCE's calculation for compensation may use a modified approach from the California Energy Data and Reporting System (CEDARS) Cost Effectiveness Tool (CET)[6] in order to focus on the electric benefits associated with peak and net peak demand reduction. In 2022, measures conducive to rapid installation are expected to drive the majority of the projected peak and net peak savings. As the program scales, the aggregator network will be able to develop additional measures that can be readily deployed to mitigate grid impacts by August 2023. The actual measure mix of projects will determine the proportional benefits associated with the peak and net peak reduction. SCE believes the incentive structure's focus on TSB will inherently drive aggregators to seek incremental cost-effective projects that bring durable benefits to the grid. As the highest avoided costs generally align with the net peak hours, the TSB basis will likely drive projects that yield the desired net peak reductions to provide grid relief. However, the kW Kicker for peak and net peak, described further below, is anticipated to add focus to the measure mix of individual projects to provide savings during the desired hours. In addition, SCE may adjust the timing of the payments (in accordance with the NMEC Rulebook[7]) to aggregators and vendors to accelerate coverage of certain upfront costs that would not be otherwise compensated for several months to a year after the measure is installed. SCE intends to provide further details on the compensation structure and the peak and net peak kW Kickers in the MAP Implementation Plan.

Program kW Kicker For Peak And Net Peak Times

The Decision's OP 1 (d) requires IOUs to provide a "[d]escription of how programs will apply a "kicker" or [sic] peak and net peak times, for June through September of 2022 and 2023."

SCE will develop MAP requirements and use an incentive "kicker" to maximize awareness and encourage participation to realize savings during peak and net peak times. This kW Kicker will be designed to incentivize projects and measures that bring durable peak and net peak reductions that can deliver savings for the 2022-2023 and beyond. SCE will calculate the value of the peak and net peak kW Kickers based on

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5 The CEDARS Cost Effectiveness Test Tool website, available at https://cedars.sound-data.com/

6 The CEDARS Cost Effectiveness Test Tool website, available at https://cedars.sound-data.com/

7 Rulebook for Programs and Projects Based on Normalized Metered Energy Consumption available at https://www.cpuc.ca.gov/-/media/cpuc-website/files/legacyfiles/n/6442463694-nmec-rulebook2-0.pdf

kWh savings for both peak definitions, providing compensation for every hour of peak/net peak reduction.

Under this approach, SCE will define the individual hours across the year into three separate categories: peak, net peak, and non-peak hours. The peak hours will comprise hours between 4-7 P.M. that occur on business days between June 1-September 30. The net peak hours will comprise hours between 7-9 P.M. on business days between June 1-September 30. All other hours will be considered non-peak. SCE may adjust the kW Kicker structure to maximize peak and net peak reductions. Once the value of the kW Kicker is calculated, SCE will develop an appropriate payment schedule consistent with the NMEC Rulebook 2.0.[8]

Reporting Process

The Decision's OP 1 (e) requires IOUs to provide a "[d]escription of the reporting process, including at least monthly reporting specific to these programs."

SCE proposes to use the existing CEDARS reporting infrastructure to report on the installations and associated benefits at the time of installation on a monthly basis. SCE recommends using the kilowatt (kW) value as a proxy to estimate the peak and net peak benefits that are anticipated for the measures in the installed project. However, SCE recognizes the need to develop more appropriate metrics that properly identify peak and net peak benefits for reporting purposes. These metrics may also be used for forecasting and near-term measurement purposes. As a result, SCE proposes to develop these metrics in collaboration with Energy Division and in the appropriate forum such as the Commission's EE Reporting & Data Management Project Coordination Group (PCG) where SCE and the other program administrators can participate. PCG.

Plans to Integrate EE Deployment with Demand Response

The Decision's OP 1 (f) requires IOUs to provide a "[d]escription of any plans to integrate long-lasting EE deployment with near-term opportunities like demand response (DR), and including a description of how EE and other savings will be disaggregated and paid for."

While SCE recognizes the importance of integrating EE and DR, disaggregating savings is a complex effort that SCE is still assessing and developing at this time. At this point, SCE has not finalized any plans to integrate long-lasting EE deployment with near-term opportunities like DR. SCE also expects that aggregators may bring potential opportunities to SCE for consideration. After SCE develops its approach to integrating EE and DR, SCE will submit an Implementation Plan that will include a comprehensive program-level M&V plan with a method for disaggregating EE and DR savings.

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[8] Rulebook for Programs and Projects Based on Normalized Metered Energy Consumption available at https://www.cpuc.ca.gov/-/media/cpuc-website/files/legacyfiles/n/6442463694-nmec-rulebook2-0.pdf

Programs Design to Achieve Incremental Savings to the Main EE Portfolio

The Decision's OP 1 (g) requires IOUs to provide a "[d]escription of how programs will be designed to achieve savings that are incremental to the main energy efficiency portfolio."

SCE will focus on achieving savings which are incremental to the main EE portfolio by initially identifying specific populations to be treated by vendors and aggregators. These populations are envisioned to be groups of customers who have not historically pursued or had available significant savings opportunity, have homogeneity in their energy consumption and can quickly install measures. SCE will coordinate with its existing third-party implementers for SCE-run EE programs to provide appropriate information to end-use customers to encourage participation. The existing conditions baseline will provide an opportunity to target specific groups of measures for each target population to provide significant incremental savings. As population NMEC allows for the valuation of savings from multiple measures, other potential opportunities such as heating, ventilation, and air conditioning (HVAC), lighting and plug load measures could be adopted as well to provide additional savings.

Operationally, SCE will include provisions in the aggregator agreement to prohibit "double dipping" with programs offered in the main EE portfolio. SCE will utilize its internal systems to verify that individual measures or treatments are not incentivized in other programs. SCE's preference would be to reach customers who are not currently participating in the main EE programs through targeting. This approach will avoid the difficulty of having to attribute some portion of the savings to a program in the main portfolio and the remaining to the MAP. Limiting participation in the main EE programs will allow for clear delineation and communication to customers, aggregators and existing program implementers. SCE may elect to develop a customer-facing program name and branding to clearly delineate MAP from the main EE portfolio for all stakeholders.

Plan For Launching Program To Deliver Savings During Summer 2022

The Decision's OP 1 (h) requires IOUs to provide a "[d]escription of plan for launching program in time to deliver savings during summer 2022."

The primary objective of the MAP is to deliver peak and net peak demand savings using population based normalized meter energy savings in residential and commercial buildings during the summers of 2022 and 2023. SCE will develop the necessary infrastructure to support the delivery of the MAP to deliver incremental savings in a timely manner. As directed by the Decision, SCE will work to develop a population NMEC platform to support the intake of projects and population NMEC M&V activities to value savings by June 2022. To provide near-term results in the summer of 2022, SCE may leverage existing direct installation vendors to target specific populations and measures as the aggregator network is being developed. In parallel, SCE will build a network of aggregators to scale the capability to achieve program directives. SCE anticipates having the initial aggregator network established by June of 2022 and may continue to onboard additional aggregators through the program cycle depending on the program needs and interest. In all cases, the activity in the MAP will be incremental to the existing EE programs.

Population NMEC Platform Provider

SCE will utilize an existing contract with an Evaluation, Measurement and Verification consultant to support the development of a population NMEC platform. SCE envisions a single consultant to support the development of the program Level M&V Plan, implement the plan to measure and validate savings and support any necessary adjustments. The program-level M&V Plan will be compliant with the NMEC Rulebook Version 2.0 and include best practices identified in the recent Population NMEC Control Group Accuracy Assessment Report developed by PG&E. To demonstrate incrementality, the preference will be to establish targeted treatment populations with comparison groups. The populations will ideally have significant savings opportunities, homogeneous and conducive to the rapid installations of EE measures that result in peak and/or net peak demand savings. In addition, a preference will be placed on measures with longer EULs that provide durable savings and increased TSB. The program-level M&V Plan will be included with the Implementation Plan that will be uploaded to CEDARS following approval of this Advice Letter.

The next step will be to build out the necessary infrastructure to conduct the measurement and verification for the program. SCE envisions developing a robust platform that is prepared to analyze the baseline of target customers. SCE will work closely with the Platform Provider to ensure that all the necessary data points are collected to conduct the M&V necessary to deliver and report savings by June of 2022.

Existing Residential Direct Installation Vendors for Summer 2022

SCE may utilize its existing residential direct install vendors to create a pathway to produce measured peak demand reduction for the Summer of 2022. SCE's vendors have significant experience in the residential space and can leverage existing recruitment efforts to be able to target initial installations in the April to May timeframe. The intent is to enable the program to be able to realize measured results by June of 2022 to provide a kickstart to the program while the aggregator network is being developed. SCE believes that this will help to manage the uncertainty in the number of aggregators that will be interested in serving the residential buildings. This approach would also allow SCE to reach populations of customers that are not currently well served by the main EE portfolio due to cost effectiveness constraints. SCE's vision would be to consider using Direct Installation vendors to address populations with opportunity that are not being served by the aggregator network.

Aggregator Network for Late Summer 2022 through 2023

As this is a new delivery model, SCE anticipates that the development of a robust aggregator network and sound population NMEC M&V practices will be needed to drive program success. Aggregators will enter into a standardized participation agreement, similar to SCE's historic trade professional model. Aggregators will be required to meet basic requirements, such as the appropriate licenses, certifications, and insurance, to ensure that they have the capability to deliver EE projects. The participation agreement will stipulate the detailed terms and conditions of program participation. In general terms, aggregators will be responsible for identifying projects, facilitating installations and submitting documentation to verify that installations are complete. Aggregators will not be responsible for measurement and verification calculations that will conducted by the population NMEC Platform provider. Aggregators may be responsible for gathering some site level data to support savings estimates based on existing conditions, complete calculations and provide information to account for any non-routine adjustments. Implementers of other EE programs may choose to enter into a participation agreement and serve as aggregators to the MAP. However, participation would be subject to the terms in the agreement and not alter existing contracts in any way.

Cost Recovery Proposal

SCE proposes to establish a new one-way MAP sub-account within its existing PEEBA to record authorized funding and actual expenses associated with the MAP. Disposition of any overcollection in the MAP sub-account at the conclusion of the MAP will be addressed in SCE's Energy Resource Recovery Account (ERRA) Review or other applicable cost recovery proceeding; SCE shall not recover any under collection (*i.e.,* costs in excess of the authorized MAP amounts) that exists at the end of the MAP.

SCE will implement authorized MAP funding in 2022 and 2023 based on the amounts included in Table 1 above. For example, in its next regularly scheduled rate change following approval of this advice letter (anticipated to be June 1, 2022), SCE would implement 2022 authorized MAP funding of $13,512,500 (plus franchise fees and uncollectible (FF&U)) in Public Purpose Programs Charge (PPPC) rate levels. Effective January 1, 2023, SCE would implement the remaining $46,487,500 (plus FF&U) in PPPC rate levels. To facilitate the recovery of the authorized funding in PPPC rate levels, SCE also proposes to modify its existing PPPAM to incorporate monthly debit entries equal to one-twelfth (1/12) of the annual authorized MAP funding amounts.

<u>PROPOSED TARIFF CHANGES</u>

In accordance with the discussion above, SCE proposes to modify Preliminary Statement Part S, PEEBA, to include a new one-way MAP sub-account. SCE also proposes to modify Prelminary Statement Part FF, PPPAM, to allow for the recovery of the MAP authorized funding amount in PPPC rate levels.

TIER DESIGNATION

Pursuant to OP 1 of D.21-12-011, this advice letter is submitted with a Tier 2 designation.

EFFECTIVE DATE

Pursuant to General Order (GO) 96-B and the Decision, this submittal is subject to Energy Division disposition and SCE respectfully requests an approval date of March 9, 2022, 30 days after the date submitted.

NOTICE

Anyone wishing to protest this advice letter may do so only electronically. Protests must be received no later than 20 days after the date of this advice letter. Protests should be submitted to the CPUC Energy Division at:

E-mail: EDTariffUnit@cpuc.ca.gov

In addition, protests and all other correspondence regarding this advice letter should also be sent electronically to the attention of:

Shinjini C. Menon
Managing Director, State Regulatory Operations
Southern California Edison Company
E-mail: AdviceTariffManager@sce.com

and

Tara S. Kaushik
Managing Director, Regulatory Relations
Southern California Edison Company
c/o Karyn Gansecki
E-mail: Karyn.Gansecki@sce.com

There are no restrictions on who may submit a protest, but the protest shall set forth specifically the grounds upon which it is based and must be received by the deadline shown above.

In accordance with General Rule 4 of GO 96-B, SCE is serving copies of this advice letter to the interested parties shown on the attached GO 96-B and R.13-11-005 service list. Address change requests to the GO 96-B service list should be directed by electronic mail to AdviceTariffManager@sce.com or at (626) 302-3719. For changes to all other service lists, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Further, in accordance with Public Utilities Code Section 491, notice to the public is hereby given by submitting and keeping the advice letter at SCE's corporate headquarters. To view other SCE advice letters submitted with the Commission, log on to SCE's web site at https://www.sce.com/wps/portal/home/regulatory/advice-letters.

For questions, please contact Kellvin Anaya at (909) 274-3438 or by electronic mail at kellvin.anaya@sce.com.

Southern California Edison Company

/s/ Shinjini C. Menon
Shinjini C. Menon

SCM:ka:cm

ADVICE LETTER SUMMARY

ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Southern California Edison Company (U 338-E)

Utility type:
- [x] ELC
- [ ] GAS
- [ ] WATER
- [ ] PLC
- [ ] HEAT

Contact Person: Darrah Morgan
Phone #: (626) 302-2086
E-mail: AdviceTariffManager@sce.com
E-mail Disposition Notice to: AdviceTariffManager@sce.com

EXPLANATION OF UTILITY TYPE

ELC = Electric	GAS = Gas	WATER = Water
PLC = Pipeline	HEAT = Heat	

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 4715-E

Tier Designation: 2

Subject of AL: Southern California Edison Company's Market Access Program Pursuant to Decision 21-12-011

Keywords (choose from CPUC listing): Compliance

AL Type: [ ] Monthly [ ] Quarterly [ ] Annual [x] One-Time [ ] Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:
Decision 21-12-011

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? [ ] Yes [x] No

If yes, specification of confidential information:
Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? [ ] Yes [x] No

Requested effective date: 3/9/22

No. of tariff sheets: -6-

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

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: See Attachment A

Service affected and changes proposed[1]:

Pending advice letters that revise the same tariff sheets: 4638-E

[1]Discuss in AL if more space is needed.

Clear Form

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

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

ENERGY Advice Letter Keywords

Affiliate	Direct Access	Preliminary Statement
Agreements	Disconnect Service	Procurement
Agriculture	ECAC / Energy Cost Adjustment	Qualifying Facility
Avoided Cost	EOR / Enhanced Oil Recovery	Rebates
Balancing Account	Energy Charge	Refunds
Baseline	Energy Efficiency	Reliability
Bilingual	Establish Service	Re-MAT/Bio-MAT
Billings	Expand Service Area	Revenue Allocation
Bioenergy	Forms	Rule 21
Brokerage Fees	Franchise Fee / User Tax	Rules
CARE	G.O. 131-D	Section 851
CPUC Reimbursement Fee	GRC / General Rate Case	Self Generation
Capacity	Hazardous Waste	Service Area Map
Cogeneration	Increase Rates	Service Outage
Compliance	Interruptible Service	Solar
Conditions of Service	Interutility Transportation	Standby Service
Connection	LIEE / Low-Income Energy Efficiency	Storage
Conservation	LIRA / Low-Income Ratepayer Assistance	Street Lights
Consolidate Tariffs	Late Payment Charge	Surcharges
Contracts	Line Extensions	Tariffs
Core	Memorandum Account	Taxes
Credit	Metered Energy Efficiency	Text Changes
Curtailable Service	Metering	Transformer
Customer Charge	Mobile Home Parks	Transition Cost
Customer Owned Generation	Name Change	Transmission Lines
Decrease Rates	Non-Core	Transportation Electrification
Demand Charge	Non-firm Service Contracts	Transportation Rates
Demand Side Fund	Nuclear	Undergrounding
Demand Side Management	Oil Pipelines	Voltage Discount
Demand Side Response	PBR / Performance Based Ratemaking	Wind Power
Deposits	Portfolio	Withdrawal of Service
Depreciation	Power Lines	

Clear Form

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 73117-E	Preliminary Statements S	Revised 70624-E
Revised 73118-E	Preliminary Statements S	Revised 70625-E
Revised 73119-E	Preliminary Statements FF	Original 71242-E
Revised 73120-E	Preliminary Statements FF	Revised 72626-E
Revised 73121-E	Table of Contents	Revised 72818-E
Revised 73122-E	Table of Contents	Revised 72819-E

PRELIMINARY STATEMENT Sheet 1

S. Procurement Energy Efficiency Balancing Account (PEEBA)

The PEEBA is a one-way balancing account, and its purpose is to track the difference between actual incremental procurement-related energy efficiency costs and authorized procurement-related energy efficiency revenues. The PEEBA is established in accordance with Ordering Paragraph No. 21 of Decision 03-12-062.

The School Energy Efficiency Stimulus Program sub-account (SEESPA) is a one-way sub-account of the PEEBA, and its purpose is to track the transfer of authorized funding to the California Energy Commission (CEC). The SEESPA is established in accordance with Decision 21-01-004.

The Market Access Program (MAP) sub-account (MAPSA) is a one-way sub-account of the PEEBA, and its purpose its to track the difference between actual MAP costs and authorized MAP revenues. The MAPSA is established in accordance with Decision 21-12-011 and Advice 4715-E. (N)

SCE shall maintain the PEEBA by making monthly entries as follows:

1. A debit entry equal to actual incremental procurement-related energy efficiency costs, including On Bill Financing-related program costs per D.09-09-047;
2. A credit entry equal to one-twelfth of the annual authorized procurement-related energy efficiency revenues;
3. A debit entry equal to the actual cost of defaults associated with the 2006-2008 On-Bill Financing program.
4. A credit entry to transfer the authorized revenue requirement to the Statewide Energy Efficiency Balancing Account (SWEEBA) to fund the statewide EE programs where SCE serves as the Lead Program Administrator.
5. A credit entry to transfer the authorized revenue requirement to the Statewide Energy Efficiency Balancing Account (SWEEBA) to fund the market transformation activities in accordance with D.19-12-021.
6. Per D.11-12-038, a credit entry transferring the December 31, 2011 ending balance in the Energy Efficiency Programs Adjustment Mechanism (EEPAM) Balancing Account.
7. Per D.12-11-015, a credit entry transferring the December 31, 2012 ending balance in the Demand Side Management Adjustment Clause (DSMAC) Balancing Account.
8. Per D.21-01-004, a debit entry transferring the balance of Estimate of 2020 Unspent Uncommitted EE funds to the SEESPA.

If the above calculation produces a positive amount (i.e., an under collection), such amount will be debited to the account. If the above calculation produces a negative amount (i.e., an over collection), such amount will be credited to the account. Any under collections recorded in a month may be carried over from month-to-month over the duration of the procurement-related energy efficiency program to be offset against over collections.

(Continued)

PRELIMINARY STATEMENT Sheet 2

(Continued)

S. Procurement Energy Efficiency Balancing Account (PEEBA) (Continued)

Since the PEEBA is a “one-way” balancing account, any cumulative under collection (i.e., cumulative over expenditures) over the duration of the procurement-related energy efficiency program will not be eligible for recovery from SCE’s customers. Pursuant to D.08-10-027, SCE is authorized to carry-over and use $27.0 million of unspent and uncommitted pre-2009 funds on four existing (i.e., pre-2009) programs.

School Energy Efficiency Stimulus Program Sub-Account (SEESPA)

SCE shall maintain the SEESPA by making entries as follows:

1. Annual credit entries to record the authorized funding available from amounts already collected in the PEEBA and/or through customer collections in rates.

2. Quarterly debit entries to record the transfer of funds to the CEC).

Market Access Program Sub-Account (MAPSA) (N)

SCE shall maintain the MAPSA by making monthly or true-up entries, as follows:

1. A credit entry equal to one-twelfth of the annual authorized MAP revenues;

2. A debit entry equal to actual incremental MAP costs;

If the above calculation produces a positive amount (i.e., an under collection), such amount will be debited to the sub-account. If the above calculation produces a negative amount (i.e., an over collection), such amount will be credited to the sub-account. Any under collections recorded in a month may be carried over from month-to-month throughout the duration of the MAP to be offset against any monthly over collections. Since the MAPSA is a “one-way” sub-account, any cumulative under collection (i.e., cumulative over expenditures) over the duration of the MAP will not be eligible for recovery from SCE’s customers. Disposition of any over collection remaining in the MAPSA at the conclusion of the MAP shall be determined in an ERRA Review or other applicable cost recovery proceeding expressly authorized by the Commission. (N)

Interest will accrue monthly to the PEEBA, SEESPA and MAPSA by applying one-twelfth of the three month Commercial Paper rate (expressed as an annual rate) as reported in the Federal Reserve Statistical Release, H.15, or its successor publication to the account’s average monthly balance. (T)

Disposition of amounts in the account shall be determined in a proceeding expressly authorized by the Commission.

PRELIMINARY STATEMENT Sheet 5

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM (Continued)

2. Definitions (Continued)

c. Authorized Procurement Energy Efficiency Annual Funding Levels:

D.18-05-041 (continued)	**2021****
Authorized EE Budget Funding	$184,820,441
LESS: Unspent/Uncommitted Carryover Funds	$ 48,147,024
Total Authorized EE Budget Funding	$136,673,417
LESS: Budgeted EE Financing Funding	$ 15,000,000
Total Authorized Procurement EE Funding	$121,673,417

**2021 funding authorized pursuant to Advice 4285-E-A

D.21-01-004	**2021**
Authorized School EE Stimulus Budget Funding	$ 99,565,293

*2019 funding authorized pursuant to Advice 3859-E-A

D.21-12-011	**2022**	**2023**	
			(N)
Market Access Program (MAP) Authorized Funding	$ 13,512,500	$46,487,500	|

FF&U will be added to the MAP Authorized Funding when included in PPP rate levels. (N)

(Continued)

PRELIMINARY STATEMENT Sheet 9

(Continued)

FF. PUBLIC PURPOSE PROGRAMS ADJUSTMENT MECHANISM (Continued)

3. Operation of the PPPAM (Continued)

21. Debit entries to record the annual transfers, if any, from the Disadvantaged Communities-Single-family Solar Homes Balancing Account (DACSASBA), the Disadvantaged Communities-Green Tariff Balancing Account (DACGTBA) and/or the Community Solar Green Tariff Balancing Account (CSGTBA) in amounts to fully recover the year-end balances in the DACSAHBA, DACGTBA and/or CSGTBA to the extent the year-end balances are not funded (i.e. recovered) from GHG allowance revenues;
22. Debit entry to record an annual transfer of funding as authorized in the ERRA forecast proceeding to the Disadvantaged Communities-Green Tariff Balancing Account (DACGTBA) and/or the Community Solar Green Tariff Balancing Account (CSGTBA) related to the 20% bill discount and associated administrative (including procurement-related administration), Information Technology (IT) upgrades and marketing costs per D. 18-06-027, Advice 4613-E, and California Air Resources Board's (CARB) guidance;
23. Debit entry equal to one-twelfth of the annual authorized San Joaquin Valley Disadvantaged Communities Pilot Balancing Account Pilot Projects Funding Level;
24. Debit entry to record the annual transfer of the December 31, recorded balance from the Net Energy Metering Measurement and Evaluation Balancing Account (NEMMEBA);
25. Debit entry to record the transfer of the recorded balance from the San Joaquin Valley Disadvantaged Communities Pilot (SJVDACP) Bill Protection Balancing Account (SJVDACPBPBA) once the SJVDACP bill protection credits have concluded.
26. A debit or credit entry to record the monthly transfer from the Public Purpose Programs (PPP) sub-account of the Preferred Resource Pilot Products Balancing Account (PRPPBA)
27. Entry to annually record the transfer of the December 31st balance in the Residential Uncollectibles Balancing Account (RUBA) - Public Purpose Programs Adjustment Mechanism (PPPAM) – Related Uncollectibles Sub-Account to be recovered from or returned to all customers;
28. Debit entry equal to one-twelfth of the annual authorized School EE Stimulus Budget Funding Level; and
29. Debit equal to other amounts as authorized by the CPUC;
30. Debit entry to record a transfer of SCE's share of funding for the Wildfire and Natural Disaster Resiliency Rebuild (WNDRR) Program to the WNDRRPBA.
31. Debit entry equal to one-twelfth of the annual MAP Authorized Funding for 2022 and 2023, as defined in Section 2(c) above. (N)
(N)

The sum of the items (1) through (31) equals the activity recorded in the CPUC Public Purpose Programs Balancing Account each month. (T)

Interest shall accrue monthly to the PPPAM by applying the Interest Rate to the average of the beginning and ending monthly PPPAM balances.

(Continued)

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Sheet No.

PRELIMINARY STATEMENT:

(Continued)

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(Continued)

Cal. P.U.C. Sheet No.

PRELIMINARY STATEMENT: (Continued)

(Continued)