

SOUTHERN CALIFORNIA GAS COMPANY
ENERGY SAVINGS ASSISTANCE AND CALIFORNIA ALTERNATE RATES FOR
ENERGY PROGRAMS & BUDGETS FOR PROGRAM YEARS 2021-2026

(A.19-11-006)
JOINT PARTIES-2020-01
RECEIVED: MAY 11, 2020
SUBMITTED: MAY 29, 2020

JP-Unspent Funding 1-1

QUESTION 1:

What is the total amount of unspent Energy Savings Assistance Program (ESAP) funding from 2009-2019? By “unspent” we mean: funds that are (a) committed and spent, (b) committed and unspent, and (c) uncommitted. Uncommitted means the amount of funding that has not been otherwise committed to a purpose and would therefore be available for use.

RESPONSE 1:

SoCalGas’ total unspent ESA Program funding for 2009-2019 is \$361,020,430, calculated as follows:

As SoCalGas reported in Advice Letter (AL) 5111-A, a total of \$239,553,201 unspent from 2009-2016 were available as of the end of 2016, all of which has been authorized for use in the current program cycle via G-3532, AL 5256-A, and AL 5325.

SoCalGas has been underspent in the current cycle, as reported on Table 1, by \$54,005,061 in 2017¹, \$36,101,833 in 2018, and \$31,360,335 in 2019 for a total of \$121,467,229 accumulated unspent from current cycle 2017, 2018, and 2019 budgets.

The prior-cycle unspent \$239,553,201 plus accumulated current cycle unspent \$121,467,229 yields a total \$361,020,429 unspent funds responsive to this question.

Of this amount, a total of \$12,422,821 of prior-cycle unspent funds have been spent in 2017, 2018, and 2019 as reported in Tables 1A of the respective annual reports. To date, no funds have been carried forward from year-to-year within the program cycle, thus the total amount of unspent, that has been spent, is \$12,422,821 responsive to part (a) of this question.

¹ AL 5325 allocated a total of \$31,136,712 for use in program years 2018 and 2019, of which only \$1,033,214 remained available from prior-cycle unspent funds. The balance \$30,103,498 was therefore drawn from 2017 funds; however, to avoid confusion SoCalGas has not adjusted its remaining available 2017 funds; ultimately if these funds are used within the cycle, they will be recorded as an in-cycle funds carry-forward noted on the applicable monthly reports.

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All current year, prior-year, and prior-cycle funds authorized for use in the current program cycle are available for the purpose of reaching SoCalGas' 2020 goal and performing retreatments, and none are available other than for this purpose. Thus, \$0 are responsive to part (c) of this question and the entire balance, or \$348,597,608, are unspent and committed, and responsive to part (b).

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JP-Unspent Funding 1-2

QUESTION 2:

Please provide the amount of funding for the following categories for 2009-2019:

1. Total amount of 2009-2019 unspent funding that is committed and spent.
2. Total amount of 2009-2019 unspent funding that is committed and unspent.
3. Total amount of 2009-2019 unspent funding that is uncommitted.
4. Total amount of 2009-2019 unspent funding that is committed to pilots. If there is more than one pilot being funded from this unspent funding source, list out separately.
5. Total amount of 2009-2019 unspent funding that is committed to studies. If there is more than one study being funded from this unspent funding source, list out separately.
6. Total amount of 2009-2019 unspent funding that has already been returned to customers (e.g., to offset collection for the current ESA cycle budget).
7. Total amount of 2009-2019 unspent funding that is expected to be used to support the workforce during COVID-19.
8. Total amount of 2009-2019 unspent funding that is expected to be used to offset 2021-2026 ESAP revenue requirement.
9. How much of the unspent funding would be used for authorized bridge funding for the following, if needed?
 - a. January 2021
 - b. February 2021
 - c. March 2021
 - d. April 2021
 - e. May 2021
 - f. Total 2021 (i.e., total amount required if the full 5 months of authorized bridge funding ends up being needed)

RESPONSE 2:

1. Total amount of 2009-2019 unspent funding that is committed and spent.

As of the start of 2020, a total of \$12,422,821 of unspent funding has been spent in the program cycle. This figure is the sum of \$17,520 spent in 2017, \$1,342,656 spent in 2018, and \$11,062,645 spent in 2019 as reported in Table

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1A of the respective annual reports for those years. (No current-cycle unspent funds accumulated in 2017-2019 have been spent to date.)

2. Total amount of 2009-2019 unspent funding that is committed and unspent.

Subtracting the \$12,422,821 identified at item 1 above, from the total \$361,020,429 unspent carried forward from prior cycles or accumulated in current-cycle years 2017-2019, a balance of \$348,597,608 remains unspent, and is committed to the purpose of reaching SoCalGas' 2020 goal and providing retreatments.

3. Total amount of 2009-2019 unspent funding that is uncommitted.

All current year, prior-year, and prior-cycle funds authorized for use in the current program cycle are available for the purpose of reaching SoCalGas' 2020 goal, and \$0 are available other than for this purpose.

4. Total amount of 2009-2019 unspent funding that is committed to pilots. If there is more than one pilot being funded from this unspent funding source, list out separately.

\$115,810 is expected to be used to complete SoCalGas' smart thermostat pilot study.

5. Total amount of 2009-2019 unspent funding that is committed to studies. If there is more than one study being funded from this unspent funding source, list out separately.

\$37,500 is expected to be used for the non-energy benefits study.

6. Total amount of 2009-2019 unspent funding that has already been returned to customers (e.g., to offset collection for the current ESA cycle budget).

No unspent funding has been returned to customers. In D.16-11-022, the CPUC denied SoCalGas' request to return funds to ratepayers.² In addition, G-3532,

² P.39

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AL 5325, and AL 5256 & 5256-A authorized the carry-over of the unspent funds from the prior cycle for use in the current cycle.^{3 4 5}

7. \$0. In compliance with Executive Director, Alice Stebbins' March 23, 2020 and April 7, 2020 letters, SoCalGas is using funds from its 2020 budget to pay ESA contractor advances.
8. Total amount of 2009-2019 unspent funding that is expected to be used to offset 2021-2026 ESAP revenue requirement.

As stated above, all funds carried forward from prior cycles or authorized in the current cycle are committed to the purpose of reaching SoCalGas' 2020 goal, and none are otherwise available. To the extent some funds remain unspent at the end of the program cycle, SoCalGas has proposed in its Application that these funds would no longer be available for use in the program and instead would be used to offset collections for the next program cycle.

9. How much of the unspent funding would be used for authorized bridge funding for the following, if needed?
 - a. January 2021
 - b. February 2021
 - c. March 2021
 - d. April 2021
 - e. May 2021

Total 2021 (i.e., total amount required if the full 5 months of authorized bridge funding ends up being needed) In AL 5501-A SoCalGas requested incremental funding authorization based on the assumption that all prior-cycle unspent funds and 2017-2020 authorized funds would be exhausted by year-end 2020. As a result, SoCalGas does not anticipate needing to access any unspent funds during the bridge period.

³ G-3532 p.1

⁴ SoCalGas AL 5325 p.8

⁵ SoCalGas AL 5256 & 5256-A p.2

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JP-Unspent Funding 1-3

QUESTION 3:

Is there any other allocation of unspent funds that has not been addressed above? If yes, please describe and indicate how much funding will be allocated to the identified activities.

RESPONSE 3:

No. All allocations have been addressed in Question 2.

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JP-Unspent Funding 1-4

QUESTION 4:

1. How much funding have you spent year-to-date compared to your budget for 2020?
2. How much funding do you anticipate will be considered 'unspent' and 'uncommitted' as of December 31, 2020?
3. Of the amount listed in Question 1-4 (2), how much unspent funding is predicted to be a result of COVID-19 (e.g., fewer installations due to shelter-in-place, fewer customers interested in participating after SIP, etc.)
4. Of the amount listed in Question 1-4 (2), how much unspent funding is a result of other reasons? What are those reasons?
5. Of that amount listed in Question 1-4 (2), how much of the unspent funding will be used to offset 2021-2026 ESA revenue requirement (this is in addition to the amount of 2009-2019 unspent funding used to offset 2021-2026 revenue requirement in Question 1-2 (8)).
6. Of that amount listed in Question 1-4 (2), how much is committed to other purposes (e.g., COVID-19 related relief)? Please outline each purpose and associated funding.

RESPONSE 4:

1. As of April year-to-date, SoCalGas has spent \$39,643,783 compared to the annual authorized budget of \$134,473,450.
2. \$0. As stated above, SoCalGas has committed all authorized ESA Program budget amounts to the purpose of reaching its 2020 goal and providing retreatments, and is not anticipating any unspent amounts, including its 2020 authorized budget.
3. SoCalGas recognizes that the COVID-19 pandemic is a rapidly evolving crisis and believes it is premature to predict the amount of unspent funding that will result at this time.
4. As stated at 1-4(2) above, SoCalGas is not anticipating any unspent amounts.

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5. SoCalGas is not forecasting any unspent 2020 funds; however as stated at response 1-2(8) above, SoCalGas has proposed in its Application to use any remaining unspent funds to offset collections in the next program cycle.
6. Please see response 1-2(7) above. All advance payments are expected to be funded from 2020 current year budget, and paid out during 2020. As a result, SoCalGas expects none will be unspent or uncommitted as of December 31, 2020.

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JP-Unspent Funding 1-5

QUESTION 5:

After accounting for all the anticipated spending and potential underspending amounts noted above, what is the projected remaining total 2009-2020 amount of unspent funding projected to be available as of December 31, 2020 (i.e., the amount of funding that is not currently committed or planned to be committed to any other purpose at the time of answering this data request)?

RESPONSE 5:

As stated above, all current year, prior-year, and prior-cycle funds authorized for use in the current program cycle are available for the purpose of reaching SoCalGas' 2020 goal and performing retreatments, and none are available other than for this purpose. Thus, \$0 are projected to be unspent and uncommitted available as of December 31, 2020.

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JP-Unspent Funding 1-6

QUESTION 6:

How does your utility track the various components of unspent funds (e.g., which accounts, categories, etc.)?

RESPONSE 6:

SoCalGas does not track unspent funds by category from year to year. SoCalGas tracks the remaining authorized budget on a monthly, year-to-date, and annual basis in CPUC approved Low Income monthly reports. Actual spending is shown in ESA table 1 and 1A combined and is compared against the annual authorized budget identified in ESA table 1 by category. The annual funds remaining is the delta between the annual authorized budget vs. the annual spend.

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JP-Unspent Funding 1-7

QUESTION 7:

Is there a way to follow monthly updates of these various categories other than additional data requests?

RESPONSE 7:

See response to Question 1-6 above.

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JP-Unspent Funding 1-8

QUESTION 8:

Based on the answers above, please fill out the following table:

A	B Question 1-1	C Question 1-2 & 1-3	D Questions 1-4	E Question 1-5
Utility	Total amount of unspent funding from 2009-2019	Total amount of Column B that is committed, whether spent or unspent	Total amount of unspent funding anticipated to be available as of December 31, 2020	Total amount of unspent funding from 2009-2020 that could be allocated to other purposes available as of December 31, 2020
PG&E				
SCE				
SCG				
SDG&E				

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RESPONSE 8:

A	B Question 1-1	C Question 1-2 & 1-3	D Questions 1-4	E Question 1-5
Utility	Total amount of unspent funding from 2009-2019	Total amount of Column B that is committed, whether spent or unspent	Total amount of unspent funding anticipated to be available as of December 31, 2020	Total amount of unspent funding from 2009-2020 that could be allocated to other purposes available as of December 31, 2020
PG&E				
SCE				
SCG	\$348,597,609 ⁶	\$348,597,609	\$0	\$0
SDG&E				

⁶ As stated at Question 1-2 above, total 2009-2019 unspent (prior-cycle plus accumulated current cycle funds) are \$361,020,430, of which \$348,597,609 remain available in 2020.