

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



July 17, 2014

Advice Letter 3012-E-A

Megan Scott-Kakures
Vice President, Regulatory Operations
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770

SUBJECT: Advice Filing of SCE to Request Modification to the Allocation of the Remaining California Solar Initiative Megawatt and Incentive Funds.

Dear Ms. Scott-Kakures:

Advice Letter 3012-E-A is withdrawn per Southern California Edison withdrawal letter dated July 2, 2014.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph, Director
Energy Division

ADVICE LETTER (AL) SUSPENSION NOTICE
ENERGY DIVISION

Utility Name: SCE
Utility No./Type: Electric
Advice Letter No.: 3012-E
Date AL filed: 3/7/2014
Utility Contact Person: Megan Scott-Kakures

Date Utility Notified: 4/2/2014 via: e-mail
[x] E-Mail to: advicetariffmanager@sce.com
Fax No.: (415) 929-5544
ED Staff Contact: Jason Perkins

For Internal Purposes Only:

Date Calendar Clerk Notified: ____/____/____
Date Commissioners/Advisors Notified: ____/____/____

[X] INITIAL SUSPENSION (up to 120 DAYS)

This is to notify that the above-indicated AL is suspended for up to 120 days beginning April 6, 2014, for the following reason(s) below. If the AL requires a Commission resolution and the Commission's deliberation on the resolution prepared by Energy Division extends beyond the expiration of the initial suspension period, the advice letter will be automatically suspended for up to 180 days beyond the initial suspension period.

[] Section 455 Hearing is Required. A Commission resolution may be required to address the advice letter.

[] Advice Letter Requests a Commission Order.

[X] Advice Letter Requires Staff Review

Expected duration of initial suspension period: 120 days.

[] FURTHER SUSPENSION (up to 180 DAYS beyond initial suspension period)

The AL requires a Commission resolution and the Commission's deliberation on the resolution prepared by Energy Division has extended beyond the expiration of the initial suspension period. The advice letter is suspended for up to 180 days beyond the initial suspension period.

If you have any questions regarding this matter, please contact Jason Perkins at (415) 703-1208 or via e-mail at jason.perkins@cpuc.ca.gov.

cc: Sara Kamins, CPUC Energy Division
Karen Gansecki, SCE
ED Tariff Unit

March 21, 2014

ADVICE 3012-E-A
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Supplemental to Advice 3012-E – Advice Filing of Southern California Edison Company to Request Modification to the Allocation of the Remaining California Solar Initiative Megawatt and Incentive Funds

PURPOSE

Southern California Edison Company (SCE) hereby submits this advice filing for approval of its request to modify the remaining California Solar Initiative (CSI) megawatt (MW) and incentive funds allocation pursuant to the California Public Utilities Commission's (Commission's) Decision (D.)13-10-026. This advice filing supplements Advice 3012-E in its entirety.

BACKGROUND

In D.06-08-028, the Commission reserved one-third of total CSI MW and incentive funds for residential customers, and two-thirds of CSI MW and funds for non-residential customers, based on equity concerns and the desire to ensure that all customer classes have access to CSI incentive funds.¹ The Commission concluded that by reserving a portion of CSI incentive funds for residential customers, customers who install small solar facilities will not have to compete for funds with large commercial customers, who have the added bonus of larger tax incentives and who typically build larger solar projects.

On August 3, 2012, the California Center for Sustainable Energy (CCSE),² filed a petition to modify, among other things, the CSI incentive funds and MW allocation between

¹ D.06-08-028, *Adopting Performance-Based Incentive, and Administrative Structure and Other Phase One Program Elements for the California Solar Initiative*, pp. 98-98.

² CCSE is the CSI program administrator in San Diego Gas & Electric Company's service territory.

residential and non-residential customer set in D.06-08-028. Specifically, CCSE petitioned to remove the MW allocation to allow for a greater allocation of MW to the residential sector and allow CCSE to reach its predetermined overall CSI general market MW goal.³

On October 17, 2013, the Commission issued D.13-10-026, granting CCSE's request to modify the MW and CSI incentive funds allocation and ordering an even split between residential and non-residential customer classes in CCSE's territory.⁴ The Commission also authorized the CSI program administrators to request modification of the authorized MW allocation and CSI incentive funds by filing a Tier-2 advice letter.⁵

REQUEST TO MODIFY THE REMAINING CSI MW ALLOCATION BETWEEN RESIDENTIAL AND NON-RESIDENTIAL CUSTOMER

Pursuant to D.13-10-026, SCE submits this advice filing requesting modification of the CSI MW allocation. The removal of the specific allocation of two-thirds of CSI MW for the non-residential customer sector will allow incentive funds allocated specifically for the non-residential customer sector to be available to both residential and non-residential CSI projects.

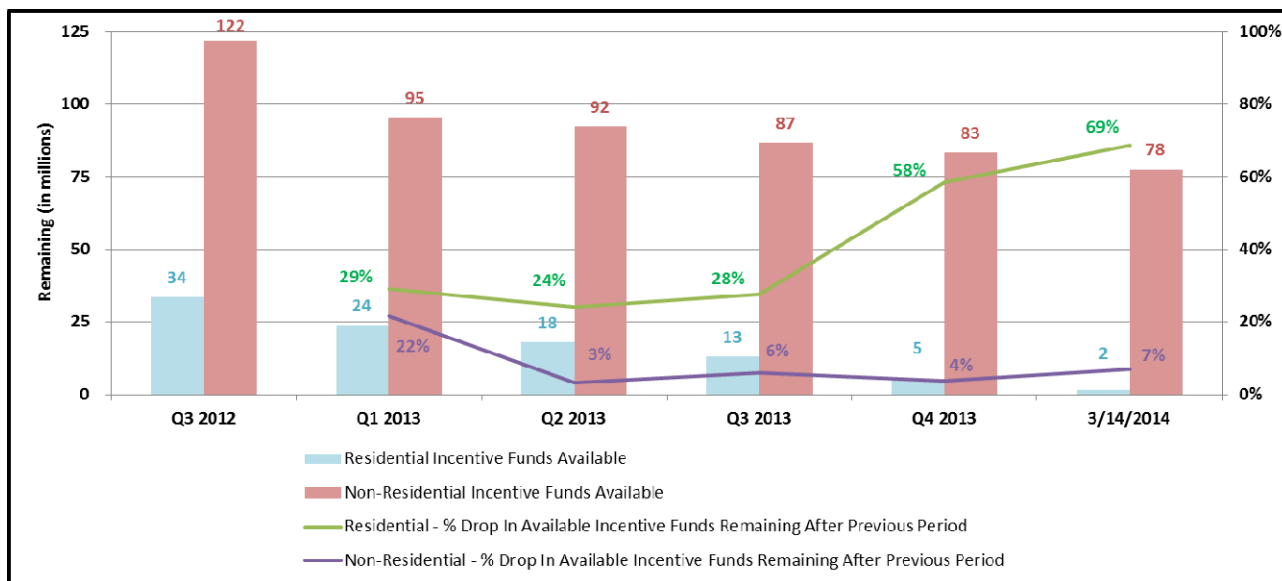
SCE analyzed the impact of removing the MW and CSI incentive funds allocation in SCE's service territory and concluded that the shift between customer classes will better enable SCE to meet its CSI program goals. SCE is experiencing a high rate of demand from residential customers for CSI reservations, with a slower rate of demand from non-residential customers. As shown in Figure 1 below, from the third quarter of 2012 to March 14, 2014, the available incentive funds for residential customers decreased by 95 percent. During the same time period, the available incentive funds for non-residential customers decreased only by 36 percent. With the exception of an incentive rate drop in the first quarter of 2013 that fueled a high volume of applications received, the quarterly available incentive funds for non-residential customers decreased only by a single-digit percentage over the previously measured time period.

³ *Petition of the California Center for Sustainable Energy (CCSE) for Modification of Decisions D.10-09-046, D.08-10-036, D.11-07-031 and D.06-08-028 to Address California Solar Initiative General Market Program Administration Budget Issues within CCSE's Program Territory*, pp. 16-19.

⁴ *Decision Granting in Part a Petition for Modification Regarding the Administration Budget for the California Solar Initiative*, Ordering Paragraph 3, p. 21.

⁵ *Id.*, p. 22.

Figure 1
CSI Incentive Funds Available
Residential vs. Non-Residential Customers
Q3 2012 through March 14, 2014

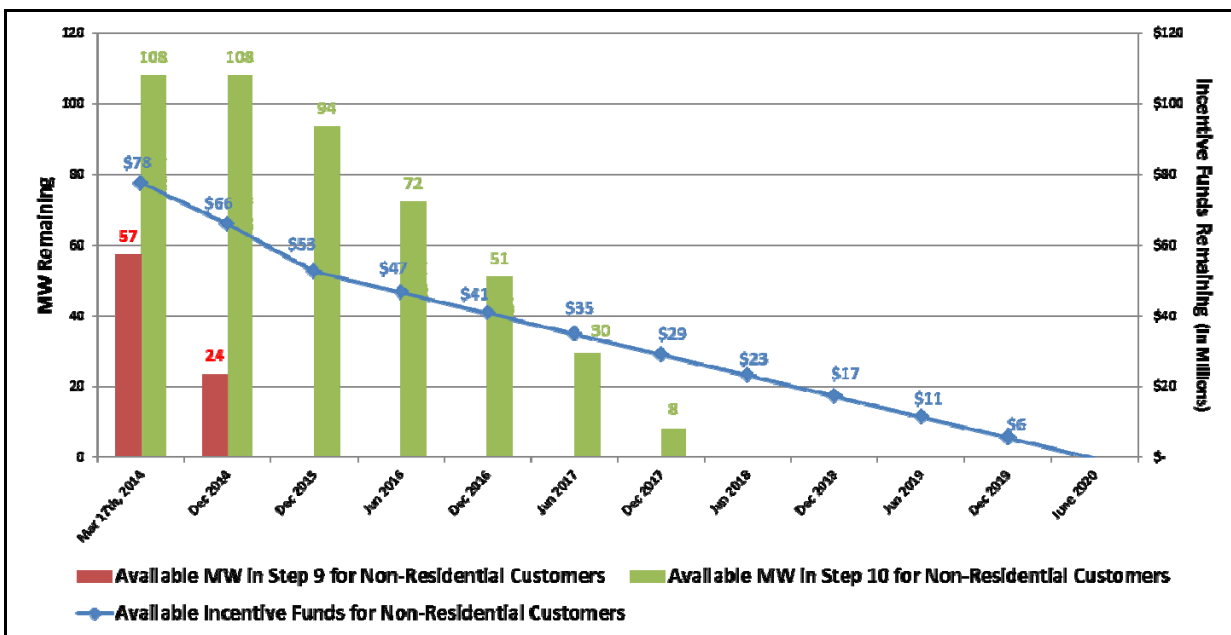


Moreover, as of March 14, 2014, SCE has approximately \$1.8 million left in available CSI program incentives for residential customers and approximately \$77.6 million for non-residential customers.⁶ Figure 2 below shows the estimated incentive funds and MW forecast for non-residential customers for the remainder of the CSI program. Based on the current rate of incoming, confirmed, and cancelled non-residential customer applications, SCE expects that non-residential incentive funds and MW will remain available beyond the statutory sunset date of the CSI program on December 31, 2016.⁷ By contrast, SCE has reached the threshold of remaining incentive funds in the residential portion of the CSI program earlier than anticipated due to project reservations coming in recently at a higher than expected pace. On Monday, March 17, 2014, SCE instituted a waitlist for new residential customers applying for CSI incentives to avoid oversubscription.

⁶ http://www.californiasolarstatistics.ca.gov/reports/budget_forecast.

⁷ Both residential and non-residential incentive applications cannot be reserved after December 31, 2016. However, Figure 2 is meant to highlight the approximately \$41 million CSI incentives available for non-residential customers if the remaining MW and incentive funds are not transferred from non-residential to residential. In addition, the forecast suggest that Step 9 for non-residential would expire in June 2015. The amounts after that date reflect the change in incentive rate. Similar to the residential sector, the MW allocation for non-residential sector will be depleted before the incentive funds are exhausted.

Figure 2
Estimated CSI Incentive Funds and Megawatts Available
Non-Residential Customers
January 2014 through June 2020



For the reasons stated above, SCE requests authorization to evenly split the remaining CSI incentive funds and MW between residential and non-residential customers.

TIER DESIGNATION

Pursuant to General Order (GO) 96-B, Energy Industry Rule 5.2, and D.13-10-026, this advice letter is submitted with a Tier 2 designation, which is the same Tier designation as the original filing, Advice 3012-E.

EFFECTIVE DATE

This supplemental advice filing will become effective on the same day as requested in the original filing, Advice 3012-E, which is April 6, 2014.

NOTICE

SCE asks that the Commission, pursuant to GO 96-B, General Rule 7.5.1, maintain the original protest period ending on March 27, 2014, as designated in Advice 3012-E, and not reopen the protest period. The modifications included in this supplemental advice filing do not make substantive changes that would affect the overall evaluation of the filing.

In accordance with Section 4 of GO 96-B, SCE is serving copies of this advice filing to the interested parties shown on the attached GO 96-B and R.12-11-005 service lists. Address change requests to the GO 96-B service list should be directed by electronic mail to AdviceTariffManager@sce.com or at (626) 302-4039. 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 filing and keeping the advice filing at SCE's corporate headquarters. To view other SCE advice letters filed with the Commission, log on to SCE's web site at <https://www.sce.com/wps/portal/home/regulatory/advice-letters>.

For questions, contact Shiela Linao at (626) 302-4506 or shiela.linao@sce.com.

Southern California Edison Company

/s/ Megan Scott-Kakures
Megan Scott-Kakures

MSK:sljm
Enclosures

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.: Southern California Edison Company (U 338-E)

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person: Darrah Morgan

Phone #: (626) 302-2086

E-mail: Darrah.Morgan@sce.com

E-mail Disposition Notice to: AdviceTariffManager@sce.com

EXPLANATION OF UTILITY TYPE

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

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 3012-E-A

Tier Designation: 2

Subject of AL: Supplemental to Advice 3012-E – Advice Filing of Southern California Edison To Request Modification to the Allocation of the Remaining California Solar Initiative Megawatt and Incentive Funds

Keywords (choose from CPUC listing): Compliance

AL filing type: Monthly Quarterly Annual One-Time Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Decision 13-10-026

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 AL¹: _____

Confidential treatment requested? Yes 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 No

Requested effective date: 4/6/14 No. of tariff sheets: -0-

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: None

Service affected and changes proposed¹: _____

Pending advice letters that revise the same tariff sheets: N/A

¹ Discuss in AL if more space is needed.

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
Attention: Tariff Unit
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San Francisco, California 94102
E-mail: EDTariffUnit@cpuc.ca.gov

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