A.17-01-016
SoCalGas 2018-2025 EE Rolling Portfolio Business Plan

TURN Data Request TURN-SCG-02

To: Johnny Pong, Southern California Gas Company (SCG)
From: Hayley Goodson, The Utility Reform Network (TURN)
Date Sent: May 16, 2017
Response Due: May 31, 2017 (accounting for Memorial Day)

Please provide electronic responses to the following questions which pertain to SCG's Application 17-01-016, requesting approval of SCG's 2018-2025 Energy Efficiency Rolling Portfolio Business Plan.

If partial responses are available prior to the requested due date, please forward them as soon as they become available. If any of these requests are unclear or otherwise objectionable, please contact me as soon as possible so that we may attempt to resolve any problems.

Responses should be provided to the following people:

Hayley Goodson
The Utility Reform Network (TURN)
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1. Following up on SCG's Response to TURN-SCG-01, Q 2, concerning SCG's proposal to administer the Statewide Residential New Construction Program: Please provide the $/MMBTU cost for the SCE electric-only program and the SCG gas-only program combined, on an equivalent basis to the $/MMBTU values provided for the PG&E and SDG&E dual fuel programs, to facilitate more of an apples-to-apples comparison between SCG's program and the dual fuel utility programs.

2. Following up on SCG's Response to TURN-SCG-01, Q 3(a): Please clarify whether SCG is actively soliciting electric utility co-funding for the proposed Statewide Foodservice POS program. If so, explain whether SCG anticipates including electric foodservice equipment in the program based on interest expressed or commitments made by the electric utilities.

3. Following up on SCG's Responses to TURN-SCG-01, Q 3(b) and (c), wherein SCG states in pertinent part, "Foodservice POS currently targets vendors who serve end-use

customers. These vendors are provided incentives as part of the program… Customers will continue to receive their rebate in the form of a discounted product. This discount will be applied by the vendors and the incentive will be paid to the vendor.":

a. Is it SCG's understanding that vendors who receive the incentive always pass on to customers a discount? Explain the basis for your understanding and provide any documentation that this pass through occurs.

b. Does SCG require vendors who receive incentives to discount products by any particular amount, such as a percentage of the incentive amount received by the vendor (100% or some smaller amount)? Please explain and provide any documentation of such requirement(s) and the resulting discount amounts received by customers relative to incentives paid by SCG to vendors.

4. Following up on SCG's Response to TURN-SCG-01, Q 4(a): Please clarify whether SCG is actively soliciting electric utility co-funding for the proposed Statewide Midstream Water Heating program. If so, explain whether SCG anticipates including electric water heating equipment in the program based on interest expressed or commitments made by the electric utilities.

5. Following up on SCG's Response to TURN-SCG-01, Q 6(a), wherein SCG explains in pertinent part, "SoCalGas expects that the increased savings through the DI intervention will outweigh the additional costs of the DI measures, and the utilization of the pay-for-performance strategy to align incentives to savings will decrease costs per MMTherm in the 2018-2020 period": Please provide all information and data underlying these expectations.

6. Following up on SCG's Response to TURN-SCG-01, Q 11(b), wherein SCG explains, "For each measure identified in the response to Question 11a, the SDI or CDI strategy will be used for both early retirement and replace-on-burnout based on the customer's preference": Please explain what is meant by "customer's preference," why customer preference should determine whether the measure replaced through direct install is early retirement or replace-on-burnout, and how this would work as a practical matter.

7. Following up on SCG's Response to TURN-SCG-01, Q 11(c): Please clarify whether "require less customer contribution" is the same as providing higher incentives for above-code projects than to-code projects.

8. Following up on SCG's Response to TURN-SCG-01, Q 12: Please clarify that upstream manufacturer level incentives or promotions are not used by SCG for any of the top 10 gas saving measures.

9. Does SCG leverage in any way, or coordinate, the relationships it has with upstream or midstream market actors through the EE portfolio in its procurement of appliances and other measures for the Energy Savings Assistance (ESA) Program? If so, please explain. If not, does SCG think there could be additional economies of scale and scope and cost efficiencies for either the EE portfolio or the ESA Program through this general approach?

10. Has SCG ever offered incentives based on lifecycle savings, rather than, or in addition to, first year savings? If so, please identify the programs or projects where SCG offered incentives based on lifecycle savings and any available EM&V addressing the effectiveness of that incentive structure. Also explain whether SCG intends to require or encourage, as a general matter, incentives based on lifecycle savings during the time period covered by the Business Plan. Please explain why or why not.