
August 10, 2000

ADVICE 1463-E-A
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: 2000 and 2001 Residential Swimming Pool Pump Tripper
Program to Assist in the Shortage of Generating Capacity in
the State of California In Accordance With Resolution
E-3687

In compliance with Resolution E-3687, Southern California Edison Company (SCE) hereby submits for filing revisions to its cost effectiveness analysis used in presenting SCE's Residential Swimming Pool Pump Tripper program along with specific programmatic modifications.

PURPOSE

This advice filing supplements SCE's Advice 1463-E, which proposed to implement the residential Swimming Pool Pump Tripper (SPPT) load management program as part of its Energy Efficiency program portfolio for program years (PY) 2000 and 2001, in an effort to help alleviate generating capacity shortages affecting the State of California in the summers of 2000 and 2001. Specifically, this compliance advice filing conforms to the directions set forth in Resolution E-3687 that requires SCE to: (1) make specific program design modifications including offering incentives for pool pump efficiency improvements and development of limited educational materials; (2) limit marketing to either pool contractors or pool owners, but not both; and (3) modify cost-effectiveness assumptions to include more reasonable estimates, as outlined in Resolution E-3687.¹

This advice filing supplements, in part, Advice 1463-E.

¹ Ordering Paragraph No. 2a-c, pp. 11-12.

BACKGROUND

On July 10, 2000, SCE submitted Advice 1463-E seeking authorization to implement the residential SPPT program for PY 2000 and 2001 utilizing unspent energy efficiency funds. As stated in Advice 1463-E, the SPPT program was part of SCE's energy efficiency program proposal for summer 2000 and 2001.² In Resolution E-3687, the Commission denied SCE's request for authorization to utilize unspent energy efficiency monies to fund the SPPT program. Instead, the Commission provided SCE two funding options.³ The first option allows SCE to establish a memorandum account to record and track program cost but does not guarantee cost recovery. The second option allows SCE the opportunity to make the program eligible for consideration of the Summer Initiative but does not guarantee the program will be approved. On August 7, 2000, SCE sent a letter of intent to the Commission's Energy Division asking that the SPPT program be considered for funding through the Commission's Summer Initiative process.⁴ Additionally, Resolution E-3687 required SCE to file a supplemental advice letter revising its cost-effectiveness assumptions, as described in Resolution E-3687.⁵ This Resolution also directed SCE to make specific modifications to the SPPT program design presented in Advice 1463-E.⁶ SCE takes this opportunity to incorporate the Commission's program design modifications in this supplemental advice filing.

PROGRAM DESIGN MODIFICATIONS

If approved by the Commission as part of the Summer Initiative process, SCE will implement the residential energy efficiency and load management Pool Efficiency Program (PEP!) with the following program modifications as indicated by the Commission in Resolution E-3687.

Revised Program Design

The residential PEP! is a comprehensive set of swimming pool intervention strategies designed to reduce peak demand, energy consumption, and electric bills for consumers. PEP! offers financial incentives to residential pool owners for the purchase and installation of high efficient pool pump efficiency improvements and the re-set of pool pump timers to run during off-peak hours. The Commission has limited marketing of the program to either pool owners or contractors, not both.⁷ Based on information provided by the pool industry, SCE will target residential pool owners rather than pool contractors. This approach also provides a larger

² Footnote 1, p. 4.

³ Ordering Paragraph No. 1, p. 11.

⁴ Letter of Intent of Preferred Option for Program Implementation and Associated Cost Recovery Funding dated August 7, 2000.

⁵ Ordering Paragraph No. 5, p. 12.

⁶ Ordering Paragraph No. 2a-c, pp. 11-12.

⁷ Ordering Paragraph No. 2.b, p. 11.

population of eligible participants. Pool owners can qualify for a \$10 incentive per month for re-setting pool pump timers during the summer months of June through September. As directed by the Commission, SCE will offer incentives for pool pump efficiency improvements.⁸ SCE will offer up to \$50 to pool owners for pool pump efficiency improvements. The program will include an informational element to help build consumer awareness of energy consumption with pools. Consistent with the direction provided in Resolution E-3687,⁹ SCE will encourage pool contractors and supply stores to provide high-efficiency pool pumps and to reinforce the message with consumers through educational materials.

SCE will fully implement the program beginning January 2001. Incentives for the pool pump timer will be offered June 1, 2001, through September 30, 2001. Incentives for pool pump efficiency improvements will be offered January through September 30, 2001. However, as soon as the Commission authorizes the program, SCE will begin an educational campaign to create consumer awareness of potential energy savings associated with efficient pool pumps and to optimize program participation in 2001.

REVISED COST-EFFECTIVENESS ASSUMPTIONS

The revised cost-effectiveness calculations conform to the modifications presented in Resolution E-3687. To date, the Commission has not approved the SPPT/PEP! program. Consequently, SCE does not expect to have key elements of this program available to customers in time to impact peak demand in the summer of 2000. Nevertheless, when and if the Commission, as part of the Summer Initiative process, approves this program, SCE will immediately initiate program outreach along with promotion of educational materials during 2000 to optimize program participation for the summer of 2001. The revised cost-effectiveness forecast reflects this reduced effort for 2000. A detailed summary of the revised cost-effectiveness analysis is shown in Attachment A.

This advice filing will not increase any rate or charge, cause the withdrawal of service, or conflict with any schedule or rule.

EFFECTIVE DATE

The cost-effectiveness modifications in this advice filing were directed by Resolution E-3687 and are effective August 3, 2000, the effective date of the Resolution.

⁸ Ordering Paragraph No. 2.a, p. 11.

⁹ p. 7.

NOTICE

Anyone wishing to protest this advice filing may do so by sending a letter which must be received by SCE no later than 20 days after the date of this advice filing. Protests should be mailed to:

IMC Program Manager
Energy Division
California Public Utilities Commission
505 Van Ness Avenue, Room 4002
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov

Copies should be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

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

Donald A. Fellows
Manager of Revenue and Tariffs
Southern California Edison Company
2244 Walnut Grove Avenue, Rm. 303
Rosemead, California 91770
Facsimile (626) 302-4829
E-mail: fellowda@sce.com

Bruce Foster
Vice President of Regulatory Operations
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile (415) 673-1116
E-mail: fosterbc@sce.com

There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

In accordance with Section III, Paragraph G, of General Order No. 96-A, SCE is mailing copies of this advice filing to the interested parties shown on the attached service list and A.99-09-049. Address change requests to the attached GO 96-A

Service List should be directed to John Montanye at (626) 302-2308 or
John.Montanye@sce.com.

Further, in accordance with Public Utilities Code Section 491, notice to the public is
hereby given by filing and keeping the advice filing open for public inspection at
SCE's corporate headquarters.

Southern California Edison Company

Donald A. Fellows, Jr.

DAF:jhm:1463ea.doc
Enclosures

Attachment A

Revised Cost-effectiveness Analysis

SCE's Residential Pool Efficiency Program

The changes to the cost-effectiveness calculation conform to the program plans above, as altered by Resolution E-3687.

Demand Reduction

The expected demand reductions conform to the Commission's suggested estimate of 0.7 kW per pool pump timer. It should be noted that this estimate of 0.7 kW per timer reflects a pool pump of 1.0 horsepower (hp). This corresponds with the size of the pumps for incentives for resetting timers. The resetting of 40,000 timers results in a total of 30 MW of peak summer savings in 2001. In addition, there are expected to be up to 10,000 pool pump efficiency improvements (rebates up to \$50) replaced as part of the customer incentive strategy within PEP! in 2001. This results in a total of 12 MW of peak summer savings in 2001. The combined demand reduction of the timers and pumps will result in a total of approximately 42 MW of peak demand reductions in 2001.

Energy Savings

The energy savings estimates conform to the 1995 Residential Appliance End-Use Survey, prepared by Quantum Consulting, Inc., for one to three horsepower pool pump motors. Based on the installation of 10,000 pool pump efficiency improvements, there will be approximately 3,500 MWh of savings in 2001.

Administrative and Incentive Costs

The administrative and incentive costs reflect the new program design described above. The total administrative cost for this program is expected to be \$700,000. The incentive costs reflect an incentive cost of \$10 per month per pool pump timer for four months (total \$40 per customer) and up to a \$50 per high efficient pool pump improvements. With the forecast of measures as described above, a total of \$1,600,000 in incentives will be paid on timers and \$500,000 on pumps in 2001. Total program cost is \$2,800,000.

Summer Peak Hours

The peak hours reflect all peak hours in the summer of 2001.

Energy Price

SCE utilized the Commission's recommended price of \$250/MWh.

B/C Ratio

The benefit cost ratio for the summer of 2001 is 2.04, representing total benefits of \$5.71 million and total costs of \$2.80 million.

Cost-effectiveness Results

Table 1
Pool Efficiency Program (PEP)
(\$ in millions)

Year: 2001

Program Strategy	MW	MWh	Costs			Summer Peak Hours	Energy Price Cap per MWh	Benefits	Benefit/Cost Ratio
			Admin Cost	Incentive	Total Cost				
Pool Tripper [1]	29.77	-	\$ 0.35	\$ 1.60	\$ 1.95	522	\$ 250	\$ 3.88	1.99
Pool Pump	11.87	3,481	0.35	0.50	0.85	-	-	1.83	2.15
PEP Total	41.64	3,481	\$ 0.70	\$ 2.10	\$ 2.80			\$ 5.71	2.04

Notes:

[1] (20 Peak days in September, 2000) x 6 peak hours per day. Benefits = MW*Summer Peak*Energy Price Cap.

Table 1
Pool Efficiency Program (PEP)
(\$ in millions)

Year: 2001

Program Strategy	MW	MWh	Costs			Summer Peak Hours	Energy Price Cap per MWh	Benefits	Benefit/Cost Ratio
			Admin Cost	Incentive	Total Cost				
Pool Tripper [1]	29.77	-	\$ 0.35	\$ 1.60	\$ 1.95	522	\$ 250	\$ 3.88	1.99
Pool Pump [2]	11.87	3,481	0.35	0.50	0.85	-	-	1.83	2.15
PEP Total	41.64	3,481	\$ 0.70	\$ 2.10	\$ 2.80			\$ 5.71	2.04

Notes:

[1] (20 Peak days in September, 2000) x 6 peak hours per day. Benefits = MW*Summer Peak*Energy Price Cap.

[2] Benefits based on the PY2000 avoided costs stream.

Public Utilities Commission

<AdviceLetter>

Attachment A

Cal. P.U.C.
Sheet No.

Title of Sheet

Cancelling Cal.
P.U.C. Sheet No.
