

PUBLIC UTILITIES COMMISSION

SAN FRANCISCO, CA 94102-3298



June 22, 2010

Advice Letter 2472-E

Akbar Jazayeri
Vice President, Regulatory Operations
Southern California Edison Company
P O Box 800
Rosemead, CA 91770

**Subject: Request to Increase SCE Company's California Solar Initiative
Multifamily Affordable Solar Housing Program Track 2 Incentive
Budget for the Second Grant Application Cycle as Permitted in
D.08-10-036**

Dear Mr. Jazayeri:

Advice Letter 2472-E is effective June 14, 2010.

Sincerely,

A handwritten signature in blue ink, appearing to read "Julie A. Fitch".

Julie A. Fitch, Director
Energy Division

May 14, 2010

ADVICE 2472-E
(U 338-E)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
ENERGY DIVISION

SUBJECT: Request To Increase Southern California Edison Company's California Solar Initiative Multifamily Affordable Solar Housing Program Track 2 Incentive Budget For The Second Grant Application Cycle As Permitted In Decision (D.) 08-10-036

PURPOSE

Southern California Edison Company (SCE) submits this advice filing requesting an increase to its 20 percent (%) budget limit per grant application cycle within the California Solar Initiative (CSI) Multifamily Affordable Solar Housing (MASH) Program Track 2.

BACKGROUND

In D.08-10-036, the California Public Utilities Commission (CPUC or Commission) established a \$108.34 million solar incentive program for MASH within the CSI. The Commission adopted a two-track incentive structure that allows applicants to opt for either a fixed, up front solar incentive (Track 1) or apply for a potentially higher incentive through a competitive grant program (Track 2) which will be considered every six months. Because the Track 2 incentive was anticipated to be significantly higher than Track 1 incentive, the Commission ordered the CSI MASH Program Administrators (PAs) to establish a standardized statewide MASH Program Track 2 application and review process.

Out of the \$108.34 million budget for the CSI MASH Program, the Commission allocated \$ 20.00 million to Track 2, of which \$9.2 million is allocated to SCE. The Commission instructed the CSI MASH PAs to award no more than 20% of the Track 2 budget in each cycle but allowed the CSI MASH PAs to "file an advice letter if they want

to deviate from this budget limit.”¹ The Commission also stated that the Energy Division may authorize deviations from the 20% limit if the advice letter demonstrates how the proposed deviation will further the goals of the MASH program.²

During the second CSI MASH Program Track 2 grant application cycle, SCE received several proposals that meet or exceed the criteria specified in the standardized statewide MASH Program Track 2 application and review process. The total cumulative requested incentive for these projects is approximately \$4.73 million which exceeds SCE’s 20% (or \$1.84 million) maximum award per grant application cycle limit imposed by the Commission. As such, SCE submits this advice filing to request approval to deviate from the 20% budget limit and increase its incentive budget allotted for the second CSI MASH Program Track 2 grant application cycle.

PROPOSED INCREASE TO SCE’S CSI MASH PROGRAM TRACK 2 INCENTIVE BUDGET FOR THE SECOND GRANT APPLICATION CYCLE

SCE requests to increase its CSI MASH Program Track 2 incentive budget for the second grant application cycle from \$1.84 million to \$4.73 million. The proposed increase will allow SCE to award CSI MASH Track 2 incentives to multiple proposals submitted.

The proposals received by SCE from various applicants provide direct benefits to the multifamily affordable housing community tenants, who are includes senior citizens and low income. These benefits include reducing some of their financial burdens through a decrease in the tenants’ monthly expenses, participation in green job programs, and scholarship opportunities for disadvantaged youths. Moreover, the proposals received by SCE demonstrated cost-effective use of ratepayer funds, because the expected return on investment on the proposals submitted ranges from \$1.03 to \$2.25 for every dollar in CSI MASH Track 2 incentive awarded. Furthermore, the projects outlined in the proposals will help stimulate the adoption of solar units by the low income and affordable housing communities as they will serve as models on how to incorporate solar power into green energy efforts.

In summary, SCE has received proposals with substantial merit that meet the Commission’s intention of encouraging solar installations on multifamily affordable housing communities while providing direct tenant benefits. SCE intends to award CSI MASH Track 2 incentives to these proposals upon the Commission approval of this advice filing, rather than delay until the next grant application cycle, as SCE may not receive more compelling proposals.

No cost information is required for this advice filing.

¹ D.08-10-036, p. 17.

² D.08-10-036, pp. 17-18.

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

TIER DESIGNATION

Pursuant to General Order (GO) 96-B, Energy Industry Rule 5.2, this advice letter is submitted with a Tier 2 designation.

EFFECTIVE DATE

This advice filing will become effective on June 14, 2010, the 30th calendar day after the date filed.

NOTICE

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be mailed to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Copies should also 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 or electronically to the attention of:

Akbar Jazayeri
Vice President of Regulatory Operations
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
Senior Vice President, Regulatory Affairs
c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
Facsimile: (415) 929-5540
E-mail: Karyn.Gansecki@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 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.08-03-008 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 <http://www.sce.com/AboutSCE/Regulatory/adviceletters>.

For questions, please contact Aileen Lagbao at (626) 302-3895 or by electronic mail at Aileen.Lagbao@sce.com.

Southern California Edison Company

Akbar Jazayeri

AJ:sl:jm
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: James Yee

Phone #: (626) 302-2509

E-mail: James.Yee@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) #: 2472-E Tier Designation: 2

Subject of AL: Request To Increase Southern California Edison Company's California Solar Initiative Multifamily Affordable Solar Housing Program Track 2 Incentive Budget For The Second Grant Application Cycle As Permitted in Decision (D.) 08-10-036

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 #:

D.08-10-036

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: 6/14/10 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: _____

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
505 Van Ness Ave.,
San Francisco, CA 94102
inj@cpuc.ca.gov and mas@cpuc.ca.gov

Akbar Jazayeri
Vice President of Regulatory Operations
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, California 91770
Facsimile: (626) 302-4829
E-mail: AdviceTariffManager@sce.com

Bruce Foster
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c/o Karyn Gansecki
Southern California Edison Company
601 Van Ness Avenue, Suite 2040
San Francisco, California 94102
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