**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE**

**STATE OF CALIFORNIA**

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| Application of Southern California Edison Company (U 338-E) to Establish Marginal Costs, Allocate Revenues, and Design Rates. | A.17-06-030<br>(Filed June 30, 2017) |

# MOTION OF SOUTHERN CALIFORNIA EDISON COMPANY (U 338-E) AND SETTLING PARTIES FOR ADOPTION OF RESIDENTIAL AND SMALL COMMERCIAL RATE DESIGN SETTLEMENT AGREEMENT


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ATTACHMENT A
RESIDENTIAL AND SMALL COMMERCIAL RATE DESIGN SETTLEMENT AGREEMENT

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## I.

## INTRODUCTION

Pursuant to Rule 12.1 *et seq*. of the California Public Utilities Commission's (Commission's) Rules of Practice and Procedure, Southern California Edison Company (SCE), on behalf of itself and the other Settling Parties—the Office of Ratepayer Advocates (ORA), The Utility Reform Network (TURN), the Solar Energy Industries Association (SEIA), the California Solar & Storage Association (CALSSA), the Natural Resources Defense Council (NRDC), the Small Business Utility Advocates (SBUA), and the Western Manufactured Housing Communities Association (WMA) (collectively, "Settling Parties")[1] —requests that the Commission find reasonable and adopt the "Residential and Small Commercial Rate Design Settlement Agreement" (Settlement Agreement), which is appended to this motion as Attachment A.

[1] The Parties to the Residential Settlement Agreement are: SCE, ORA, TURN, SEIA, CALSSA, NRDC and WMA. The Parties to the Small Commercial Settlement Agreement are: SCE, ORA, TURN, SEIA, CALSSA, and SBUA. EUF who served testimony about small commercial rate design, but is *not* a signatory to the Settlement Agreement, has authorized SCE to represent that they neither support nor oppose the Settlement Agreement.

The Settling Parties have executed a Settlement Agreement resolving all issues that have been raised with respect to residential and small commercial rate design in this proceeding. Pursuant to the terms of the Settlement Agreement, and as soon as practicable following a Commission decision adopting the Settlement Agreement, but no earlier than the first quarter of 2019, SCE will adjust its rates for all of its residential and small commercial customers consistent with the terms of the Settlement Agreement.

Section II of this Motion provides the regulatory background about this proceeding and other related SCE rate design proceedings. Section III describes in general the positions advocated by the parties in this proceeding and the terms of the Settlement Agreement. Section IV demonstrates that the Settlement Agreement is reasonable in light of the whole record, consistent with law, and in the public interest, and that it should be adopted without modification. Section V discusses the procedural requests of the Settling Parties for disposing of this Motion and implementing revised rates.

## II.

## REGULATORY BACKGROUND

This proceeding, Application (A.) 17-06-030, was initiated by the filing of SCE's application on June 30, 2017, along with service of its prepared direct testimony regarding marginal costs, revenue allocation and other aspects of rate design. SCE also included in its direct testimony a summary of SCE's rate design-related proposals that were then pending in two other applications—A. 16-09-003 (SCE's 2016 RDW),[2] and A.17-04-015 (SCE's Default Residential TOU Application).[3] SCE noted in Exhibit SCE-01A (in this proceeding) that "in the

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[2] SCE's updated time-of-use rate (TOU) rate schedules contain updated TOU periods to align with SCE's 2016 RDW proceeding. A final decision in SCE's 2016 RDW proceeding was adopted on July 12, 2018 in D.18-07-006 adopting, among other things, SCE's new proposed TOU periods for non-residential customers.

[3] SCE's residential TOU rate proposals in Exhibit SCE-04A assumed adoption by the Commission of SCE's Residential Default TOU Application. However A.17-04-015 was dismissed by the Commission in D.17-08-024. SCE filed a new Residential Rate Design Window Application in

Continued on the next page

unlikely event that the Commission ultimately elects not to resolve the related rate design issues in the proceedings discussed below SCE reserves the right to submit supplemental testimony in this Application so as to not foreclose the opportunity to effect timely rate design changes without deferring such proposals for three years until SCE's next GRC Phase 2 proceeding."[4]

TURN opposed this approach in its protest of SCE's Application, stating that "in the event that the Commission does not resolve any rate design issues currently within the scope of other proceedings, SCE should be permitted to make a motion to reopen the record of this proceeding and submit additional testimony on the unresolved proposals. In the event that the Commission permits a reopening of the record, the schedule should be adjusted to provide sufficient time to allow intervenors to conduct discovery and submit responsive testimony."[5] However, ORA and SEIA noted in their protests the likely dismissal of SCE's Residential Default TOU Application and requested SCE to submit amended or supplemental testimony to address the impacts on the residential proposals filed in SCE's GRC Phase 2 Application.[6] In reply to the protests, SCE committed to filing amended testimony no later than October 2, 2017 to address and clarify SCE's residential rate design proposals in light of the issuance of the PD in A.17-04-015.[7]

On August 24, 2017, the Commission adopted D.17-08-024, which dismissed SCE's initial Residential Default TOU Application, and directed SCE to file a second and separate Residential Rate Design Window (RDW) Application proposing default TOU rates for

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A.17-12-012 on December 21, 2017, in compliance with the Commission direction in D.17-08-024, proposing its default TOU rates for residential customers.

4 Exh. SCE-01A, p. 19. *See, also,* SCE's 2018 GRC Phase 2 Application, pp. 6-7.

5 TURN Protest, August 7, 2017, p. 2.

6 *See* ORA Protest at pp. 6-7, and SEIA Protest at p. 6.

7 SCE's Reply to Protests of, and Responses to, Its Application, dated August 17, 2017, p. 3. SCE also explained in its Reply to Protests that because SCE will promptly submit its amended testimony and based on SCE's agreement with ORA to extend the deadline for parties to submit testimony, TURN's concerns regarding the schedule to allow parties to conduct discovery and submit testimony should be alleviated.

residential customers no later than January 1, 2018.[8] In compliance with this decision, SCE filed its 2018 RDW Application on December 21, 2017 in proceeding A.17-12-012. In that pending residential rate design proceeding, which was consolidated with Pacific Gas and Electric Company's (PG&E's) RDW and San Diego Gas and Electric Company's (SDG&E's) RDW (in docket A.17-12-011, et al.), most of SCE's non-fixed charge proposals for residential rate design will be handled in what has been deemed Phase IIB,[9] to be resolved by Spring/Summer 2019. Those pending proposals include a plan to default eligible residential customers to one of two TOU rate schedules (one with a 4PM-9PM on-peak period and the other with a 5PM-8PM on-peak period), with bill protection, and a plan to introduce seasonal tiered rates. The proposed residential TOU periods are generally consistent with those approved in D.18-07-006 for non-residential customers. Proposals for residential fixed charges and minimum bills will be resolved in Phase III, to be resolved in late 2019. No proposal in SCE's pending residential RDW addresses optional residential rates, the baseline allowance, or the level of low-income discounts.

On September 27, 2017, SCE served amended testimony which addressed the impacts of the Commission's dismissal of SCE's Residential Default TOU Application on the residential rate design proposals originally included in SCE's initial testimony.[10]

With respect to small commercial rate design, on November 1, 2017, SCE served supplemental testimony on: 1) its marketing, education and outreach (ME&O) plan for small business customers, focusing on TOU periods and implementation of default CPP, and 2) a study plan for exploring an alternate rate structure for small business customers who employ

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8 *See* D.17-08-024, OP 1.

9 One uncontested proposal, to deliver CARE and FERA discounts via one line-item on eligible customers' bills, will be addressed in Phase IIA of the consolidated residential RDW, which is currently in the briefing stage.

10 *See* Exh. SCE-06A.

distributed generation (DG) and/or energy storage systems. This supplemental testimony was a result of SCE and SBUA's joint stipulation in SCE's 2016 RDW proceeding.[11]

On November 22, 2017, the Assigned Commissioner and Assigned Administrative Law Judge issued a Scoping Memo and Ruling following a November 2, 2017 prehearing conference identifying various residential rate design and small business issues to be resolved in the proceeding. ORA served its initial testimony on February 16, 2018 relating to, among other matters, SCE's residential and small commercial rate design proposals. On March 14, 2018, Administrative Law Judge Cooke granted NRDC's motion for party status, which sought to intervene on issues related to rate design, with an emphasis on those that would affect the economics of transportation and building electrification. By March 23, 2018, SBUA, SEIA, CALSSA, EUF, and TURN served prepared testimony regarding residential and/or small commercial rate design issues.[12]

SCE provided notice to all parties of its intent to conduct a settlement conference related to all issues raised in the proceeding, and an initial settlement conference was held on April 6, 2018. Continuing discussions related to the potential settlement of issues in this proceeding occurred among the interested parties after the settlement conference. Each Settling Party represents customers who are directly affected and have an interest in the outcome of the residential or small commercial rate design issues in this proceeding.

## III.

## SUMMARY OF POSITIONS AND SETTLEMENT

The Settlement Agreement resolves all issues related to residential and small commercial rate design issues in this proceeding. The Settlement Agreement's primary provisions are

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[11] D.18-07-006 approved SCE's proposed ME&O campaign for its new TOU period roll-out in its entirety with clarifications and additions provided for in the joint stipulation between SCE and SBUA.

[12] SBUA served its testimony on March 21, 2018. NRDC and WMA did not serve testimony. However, NRDC and WMA actively participated in settlement discussions to ensure that their interests were protected with respect to residential rate design issues.

summarized below and in the comparison exhibits, Appendices A and D to the Settlement Agreement, which provide a comparison of party positions related to residential and small commercial rate design issues, respectively, and explain the manner in which these issues have been resolved by the consolidated Settlement Agreement.[13]

## A. RESIDENTIAL RATE DESIGN

There were a number of key issues raised by the parties relating to SCE's residential rate design proposals.[14] First, SCE proposed to increase the baseline usage allocation for basic service (as opposed to all-electric) customers from 53 percent to the statutory maximum of 60 percent of average usage in each climate zone.[15] SCE's proposal was not contested by any party and was in fact supported by both ORA and TURN.[16] ORA explained its rationale in its direct testimony that it "asked SCE to provide a bill impact analysis, showing the bill changes that would occur from changing the baseline quantities," and "the result of the bill impact analysis are milder than what SCE originally showed in its testimony and that customers using up to 700 kWh per month receive lower bills."[17] TURN also explained its support of SCE's proposal in its direct testimony that "raising the baseline percentage helps to mitigate declines in baseline quantities and also mitigate rate increases to the smallest users resulting from residential rate

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[13] Capitalized terms are defined in Paragraph 2 of the Settlement Agreement. The comparison exhibit also includes uncontested issues, including SCE's TOU grandfathering proposal (*i.e.*, complying with grandfathering provisions for residential solar customers adopted in D.16-01-044 and D.17-01-006 when serving these customers on TOU rates). SEIA supported SCE's grandfathering proposal. No parties opposed SCE's grandfathering proposal.

[14] *See* comparison exhibit for a comprehensive list of parties' positions relating to residential rate design.

[15] *See* Public Utilities Code Section 739(a)(1), which states, in relevant part, "'Baseline quantity' means a quantity of electricity or gas allocated by the commission for residential customers based on from 50 to 60 percent of average residential consumption of these commodities, except that, for residential gas customers and for all-electric residential customers, the baseline quantity shall be established at from 60 to 70 percent of average residential consumption during the winter heating season."

[16] Direct Testimony of ORA, Chapter 8, p. 8-3.

[17] *Id.*

reform."[18] The Settlement Agreement adopts SCE's baseline allocation proposal, unaltered, to the statutory maximum of 60 percent.

Table III-1 below describes the final end-state tiered rates associated with several changes to the residential rates which are set to occur in early 2019. The major changes to the residential rates include: (1) the effect of this proceeding's Revenue Allocation Settlement filed on July 3, 2018, (2) the baseline allowance increases described above, and (3) and the end-state residential tiered rate glide path, which represents the final year of residential tier rate flattening (*e.g.* the differential between Tiers 1 and 2 decreases while the Super User Energy (SUE) surcharge reaches its maximum relative value).[19] This table displays the relationship between non-CARE and CARE customers' tiered rates, both on a nominal cents per kWh basis, and on a percentage of the residential average rate (RAR) when the changes associated with this Settlement Agreement are in effect. The combination of tiered rate constructs and CARE rate discounts show that CARE Tier 1 (*i.e.*, baseline) rate is approximately 64 percent of the average residential rate, while the highest usage non-CARE customers pay a marginal rate that is more than two times (approximately 215 percent) the residential average rate.

***Table III-1***

| | Non-CARE (cents/kWh) | CARE (cents/kWh) | Non-CARE (% of RAR) | CARE (% of RAR) |
|---|---|---|---|---|
| Tier 1 (0-100% of Baseline) | 18.3 | 12.3 | 96% | 64% |
| Tier 2 (101-400% of Baseline) | 23.3 | 15.7 | 122% | 82% |
| SUE (>400% of Baseline) | 41.0 | 27.7 | 215% | 145% |
| Residential Average Rate (RAR) (cents/kWh, excluding Climate Credit) | 19.1 | | | |

[18] Direct Testimony of TURN-1, p. 37.

[19] *See* D.15-07-001, p. 286. The rates in Table I-1 reflect SCE's current estimate of glide path rates for 2019. The actual glide path rates may be different and SCE's current estimate above does not foreclose any party's ability to protest SCE's glide path advice letter in the future.

The second residential rate design issues is SCE's proposal to close to new customers and eventually eliminate existing TOU rate schedules with outdated TOU periods (*i.e.*, Legacy TOU periods) upon implementation of a final decision adopting this Agreement. SCE also proposed to migrate non-grandfathered customers off those rates to accommodate the "freeze" period associated with SCE's new Customer Service Re-Platform (CSRP) billing system, while adhering to the grandfathering provisions adopted in D.16-01-044 and D.17-01-006 for Solar Grandfathered Customers.[20] ORA proposed to keep one of the TOU rate schedules—Schedule TOU-D-A—open to new customers until a default TOU is implemented in SCE's service territory.[21] ORA proposed that "there should be at least one TOU rate favorable for low-usage customers, especially during the transition to default TOU rates."[22] ORA also proposed some modifications to Schedule TOU-D-A because ORA believed "SCE's proposals would make the schedule worse for small customers and better for large customers."[23] After several arms' length negotiations, the Settling Parties ultimately agreed to a reasonable compromise to modify the current Schedule TOU-D-A rate as follows to mitigate bill impact concerns: (1) approximately 25 percent of summer on-peak generation costs will be shifted to winter to mitigate seasonal bill volatility; (2) the distribution rates will be set at the marginal cost floor for the winter super-off-peak (SOP) period; and, (3) baseline credit will be moved from generation to distribution rate components to align with the Conservation Incentive Adjustment (CIA) consistent with the tiered rate structure treatment approved in D.09-08-028. The Settling Parties also agreed to transition existing (non-grandfathered) customers to an available TOU rate schedule for which they are eligible after changes associated with the CSRP projects are complete (approximately fourth

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[20] Exh. SCE-04A, p. 30.
[21] Direct Testimony of ORA, Chapter 8, pp. 8-14 to 8-16.
[22] *Id.* at p. 8-15.
[23] *Id.*

quarter of 2020) but agreed that TOU-D-A shall be closed to new customers upon implementation of a final decision adopting this Agreement.[24]

The third residential rate design issue addressed by the Settling Parties is SCE's new optional TOU rate called Schedule TOU-D-C, intended for higher usage customers such as customers with electric vehicles (EVs), which is intended as a replacement for TOU-D-B, adopted in connection with SCE's 2013 RDW.[25] SCE's proposed Schedule TOU-D-C maintained the general TOU-D-B structure (*i.e.*, no baseline credit and a fixed charge of $16 per month), but included updated TOU periods consistent with those proposed in the 2016 RDW and included time-differentiation of distribution Energy Charges. ORA opposed SCE's TOU-D-C proposal reasoning that "its peak prices are too drastic and could produce revenue shortfalls."[26] ORA proposed several modifications to SCE's TOU-D-C rate proposal, in order to limit the potential for revenue shortfalls.[27] It also proposed a reduction to the fixed charge for this optional rate schedule from $16 to $10 per month. Aside from ORA, several parties proposed a number of modifications to, and made alternate proposals to, SCE's TOU-D-C rate proposal. TURN agreed with ORA on the rate design for TOU-D-C but proposed a lower limit on customer participants at 50,000 customers instead of ORA's 80,000 customers.[28] SEIA supported SCE's TOU-D-C proposal but supported ORA's monthly fixed charge of $10 per month.[29]

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[24] Solar Grandfathered Customers are eligible to remain on Schedule TOU-D-A and other rate schedules with legacy TOU periods until their grandfathering periods have ended. Although this issue is uncontested, SCE also proposed that effective upon implementation of a final decision in SCE's 2018 GRC Phase 2, the default TOU rate for NEM 2.0 residential customers will be the default TOU rate adopted in SCE's 2018 RDW proceeding (A.17-12-012), although that decision may choose to adopt a different default rate for NEM customers. In the event there is a gap between the implementation date of a final decision in SCE's 2018 GRC Phase 2 proceeding and the issuance of a final decision in A.17-12-012, SCE proposed that the default TOU rate for the NEM 2.0 residential customers will be TOU-D, Option 4-9 pm, as explained in SCE's Amended Testimony (*See* Exhibit SCE-06A).

[25] D.14-12-048.

[26] Direct Testimony of ORA, Chapter 8, pp. 8-5 to 8-13.

[27] *Id.* pp. 8-9. ORA also provided other modifications to TOU-D-C proposal after it served its testimony.

[28] Direct Testimony of TURN-1, p. 37.

[29] Direct Testimony of SEIA, pp. 28-29.

SEIA also proposed another version of TOU-D-C, called TOU-D-S, to be available to customers who install on-site battery storage units.[30] NRDC did not serve testimony but obtained party status to participate in the proceeding and proposed an alternate rate proposal for TOU-D-C, which the Settling Parties considered.

After reviewing various parties' alternate proposals to TOU-D-C, the Settling Parties adopted a hybrid approach that incorporates various aspects of the Settling Parties' proposals, resulting in a new optional TOU rate called "TOU-D-PRIME." As set forth in more detail in the Settlement Agreement, TOU-D-PRIME includes rate design modifications that would still be beneficial for higher usage customers due to their adoption of electrification options such as EVs, energy storage or heat pump systems for space and water heating, but also includes safeguards against revenue shortfalls. Some of the safeguards include generally limiting new customer participation to only those customers with qualifying technologies after two months of the rate being open and tracking and reporting on revenue differentials. If revenue differentials of $50 million annually are reached, SCE will convene a meet and confer of the interested parties to determine if a review/modification of the rate is necessary prior to the filing of SCE's next GRC Phase 2 application.[31] Some of the other features of TOU-D-PRIME include: (1) shifting approximately 40 percent of summer on-peak generation costs to winter to alleviate summer on-peak prices and to possibly attract a broader segment of customers to the rate, (2) combining the winter super off-peak and off-peak periods into a single off-peak period for simplicity and ease of understanding, and (3) implementing a $12 monthly fixed charge. SCE also agreed to track the number of participating customers who attest to having an electric heat pump system to better assess how many heat pump users will take advantage of this new optional rate, and conduct a baseline study on applicability of all-electric baseline to customers with heat pump water heaters as part of a subsequent rate design proceeding.

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[30] *Id*. pp. 29-32.

[31] The revenue differences will be calculated as the sum of annualized customer bill differences between the customers' TOU-D-C bills and TOU-D (4-9 p.m.).

Finally, SCE also updated submetering discounts for master-metered customers. TURN is the only party who served testimony on these issues.[32] TURN supported SCE's updated diversity benefit adjustment, which is based on a methodology that has been in place since 2010, but recommended slightly lower submetering discounts than SCE, based on a lower Real Economic Carrying Cost (RECC) than SCE's method, primarily by reflecting the new tax law and new cost of capital.[33] WMA did not serve testimony but engaged in settlement discussions relating to submetering discounts. The Settling Parties ultimately agreed to split the difference between SCE's and TURN's proposed submetering discount amounts. The Settling Parties also agreed that the Residential Settlement Agreement resolves all issues relating to SCE's master meter rate schedules and tariff language.

## B. SMALL COMMERCIAL RATE DESIGN

There were four main contested issues in this proceeding related to small commercial rate design. The first was SCE's new base rate for small commercial customers—TOU-GS-1 (Option E)—which has a rate structure that includes a fixed monthly Customer Charge and a volumetric Energy Charge (*i.e.*, no demand charges, consistent with the existing base rate – Option A).[34] ORA opposed SCE's Option E rate design and proposed modifications that ORA believed would "lead to more moderate rate changes and would limit future bill volatility.[35] EUF opposed ORA's proposal stating that ORA's proposal would increase costs for all customers, "not just those on TOU-GS-1."[36] SBUA supported SCE's TOU-GS-1 (Option E) as the base rate for small business customers but proposed that the fixed Customer Charge "should be limited to $15 per month for bundled rate customers."[37] SEIA supported ORA's rate design proposals,

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[32] WMA did not serve testimony but intervened in this proceeding to ensure that its interests were protected with respect to these rates.
[33] Direct Testimony of TURN-2, p.5.
[34] Exh. SCE-04A, p. 52.
[35] Direct Testimony of ORA, Chapter 8, pp. 9-1 to 9-2.
[36] Direct Testimony of EUF, p. 23.
[37] Direct Testimony of SBUA, p. 5.

which it believed "moderated the TOU rate differentials that SCE proposed," and further stated that "[t]his more moderate design for small commercial rate will temper bill impacts on small commercial customers, including those who have installed solar."[38]

After reviewing various parties' alternate proposals and modifications to TOU-GS-1 (Option E), and after substantial give-and-take between the Settling Parties on the new base rate for small commercial customers, the Settling Parties agreed to modify TOU-GS-1 (Option E) to mitigate bill impacts by: (1) moderating seasonal differentials; (2) moderating the TOU Energy Charge differentials in the summer and winter periods; (3) reducing the customer monthly charge to $11 per month; and (4) setting the Three-Phase TOU-GS-1 surcharges to $0.031 per day using a 50/50 split of the RECC and NCO methodologies.

Second, although SCE's direct testimony made no proposal with respect to a separate commercial energy storage rate, SEIA proposed in its direct testimony that there should be a separate commercial storage rate for "customers who own on-site storage that qualifies for the Self Generation Inceptive Program."[39] After several rounds of negotiations, the Settling Parties developed a new optional rate available to customers who install behind-the-meter (BTM) storage, called TOU-GS-1 (Option ES). Similar to the A1-STORE storage rate proposed in PG&E's GRC Phase 2 proceeding (A.16-06-013), the Settling Parties agreed to make this rate available to qualifying customers who have a minimum energy storage capacity equal to the greater of either 4.8 kWh or at least 0.05 percent of the customer's annual usage over the previous 12 months.[40] The Settling Parties also agreed that TOU-GS-1 (Option ES) would have the same rate design structure as Option E but that there would be a $24 per month Customer Charge and TOU Energy Charges with stronger rate differentials based on cost. Finally, the Settling Parties agreed to the same cap on the number of participants as PG&E's proposed A1-

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[38] Direct Testimony of SEIA, p. 32.
[39] *Id.,* pp. 30-32.
[40] For customers with less than 12 months of annual usage data, the minimum size of the installed energy storage system is 4.8 kWh.

STORE rate (of 15,000) in order to safeguard against unintended consequences as SCE tests this new BTM storage rate option for small commercial customers.

The third issue was the marginal costs for Three Phase customers.[41] SBUA claimed that "SCE is overallocating Customers Marginal Costs to Three Phase GS-1 customers" and recommended that the Commission reduce the charges to Schedule GS-1 customers using a Three-Phase service.[42] ORA proposed a different customer marginal cost proposal using the NCO (New Customer Only) method, which resulted in a three-phase meter charge adder of $0.17 per month. [43] No other Settling Party submitted testimony or commented on this issue. The Settling Parties compromised by using a 50/50 split of RECC-based and NCO-based estimates for the Three-Phase Customer Charge ($0.93/month).

The fourth issue was whether the current eligibility threshold for customers to take service on Small Commercial rates should increase from 20 kW. SCE's direct testimony made no proposal with respect to increasing the eligibility for the TOU-GS-1 rate group. However, SBUA proposed in its direct testimony that "SCE study expanding the GS-1 rate class."[44] SBUA explained that "SCE's current cutoff for Schedule GS-1 (TOU) and GS-1 (NON-TOU) for small business customers is a monthly demand of 20 kW or less," which, to SBUA, is lower compared to the monthly demand cutoff of similar rate schedules of PG&E, Los Angeles Department of Water and Power, and Sacramento Municipal Utility District.[45] SBUA further explained that while the cutoff proposed by SCE is not unreasonable, "if additional customers are placed into a single electric rate, then programs and assistance can be more easily targeted to serve these customers."[46] No other party commented on this issue. The Settling Parties agreed that SCE will conduct a study on whether its current TOU-GS-1 rate class should be expanded to include

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[41] Three- Phase customers are customers with connection to a Three-Phase Transformer.
[42] Direct Testimony of SBUA, p. 5 and pp. 15-18.
[43] Direct Testimony of ORA, Ch. 9, p. 9-5.
[44] Direct Testimony of SBUA, pp. 25-26.
[45] *Id*. p. 25.
[46] *Id*. p. 25.

customers with monthly demand over 20 kW. SCE agreed to include the results of this study as part of its 2021 GRC Phase 2 application.

The balance of small commercial rate design issues were resolved by updating rates to reflect the non-precedential cost structures that formed the basis of the RA Settlement Agreement, by following status quo treatment of setting certain rate components, or through the implementation of the marketing, education and outreach (ME&O) plan detailed in SCE's testimony[47] (and as outlined in further detail in the Settlement Agreement).

## IV.

## REQUEST FOR ADOPTION OF THE SETTLEMENT AGREEMENT

The Settlement Agreement is submitted pursuant to Rule 12.1 *et seq*. of the Commission's Rules of Practice and Procedure. The Settlement Agreement is also consistent with Commission decisions on settlements, which express the strong public policy favoring the settlement of disputes if they are fair and reasonable in light of the whole record.[48] This policy supports many worthwhile goals, including reducing the expense of litigation, conserving scarce Commission resources, and allowing parties to reduce the risk that litigation will produce unacceptable results.[49] As long as a settlement taken as a whole is reasonable in light of the record, consistent with the law, and in the public interest, it should be adopted without change.

The Settlement Agreement complies with Commission guidelines and relevant precedent for settlements. The general criteria for Commission approval of settlements are stated in Rule 12.1(d) as follows:

> The Commission will not approve stipulations or settlements, whether contested or uncontested, unless the stipulation or settlement is reasonable in light of the whole record, consistent with law, and in the public interest.[50]

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[47] *See* Exh. SCE-07.
[48] *See, e.g.,* D.88-12-083 (30 CPUC 2d 189, 221-223) and D.91-05-029 (40 CPUC 2d, 301, 326).
[49] D.92-12-019, 46 CPUC 2d 538, 553.
[50] *See also*, *Re San Diego Gas & Electric Company,* (D.90-08-068), 37 CPUC 2d 360.

The Settlement Agreement meets the criteria for a settlement pursuant to Rule 12.1(d), as discussed below.

## A. <u>THE SETTLEMENT AGREEMENT IS REASONABLE IN LIGHT OF THE RECORD</u>

The prepared testimony, the Settlement Agreement itself, and this motion contain the information necessary for the Commission to find the Settlement Agreement reasonable in light of the record. Prior to the settlement, parties conducted extensive discovery and served testimony on the issues related to residential and small commercial rate design. The Settling Parties request that the Commission admit the prepared testimony and related exhibits into the Commission's record of this proceeding.

The Settlement Agreement represents a reasonable compromise of the Settling Parties' positions. The prepared testimony of the Settling Parties, together with this motion and the attached Settlement Agreement (which include the comparison exhibits), contain sufficient information for the Commission to judge the reasonableness of the settlement. Without divulging the content of confidential settlement negotiations, concessions by parties on some issues were offset by concessions by other parties on other issues, as is the case with almost every settlement. The Settlement Agreement accordingly represents a series of tradeoffs, and must be viewed as a "package." No single provision should be viewed in isolation, although every individual provision is reasonable, lawful, and in the public interest. In summary, the Settlement Agreement is a reasonable compromise of the Settling Parties' respective positions, as summarized in Section III.

### 1. <u>RESIDENTIAL RATE DESIGN</u>

There were several rate design related proposals that were heavily negotiated by the Settling Parties. For example, SCE's new optional TOU rate proposal - TOU-D-C - was heavily debated and, as explained above, parties made several counter-proposals to SCE's original proposal. The Settlement Agreement ultimately adopts a hybrid approach that incorporates various aspects of Settling Parties' proposals, resulting in TOU-D-PRIME, a revised

TOU rate that still provides benefits to those customers adopting electrification technologies that support climate change policies but that also includes appropriate measures to guard against unintended revenue shifting consequences. There were other substantial give-and-take between the Settling Parties regarding other residential rate design issues, as described above, and parties made modifications to certain rate schedules that differ substantially from SCE's original proposal and were based on a reasonable compromise by the Settling Parties.

### 2. SMALL COMMERCIAL RATE DESIGN

Similar to residential rate design issues, the Settling Parties negotiated heavily on various rate design proposals for small commercial customers. The new base rate for small commercial customers, TOU-GS-1 Option E, also adopts a hybrid approach that incorporates various parties' proposals and counter-proposals. The Settling Parties also adopted a new optional rate that is meant to test a rate option specific to small commercial customers who employ BTM storage, and an agreement by SCE to explore whether the current TOU-GS-1 rate class should be expanded. The Settlement Agreement reflects a reasonable resolution of these issues, and, as noted above, is a reflection of the tradeoffs made elsewhere in this Agreement.[51]

## B. THE SETTLEMENT AGREEMENT IS CONSISTENT WITH LAW

The Settling Parties believe that the terms of the Settlement Agreement comply with all applicable statutes and prior Commission decisions, and reasonable interpretations thereof. In agreeing to the terms of the Settlement Agreement, the Settling Parties have explicitly considered the relevant statutes and Commission decisions and believe that the Commission can approve the Settlement Agreement without violating applicable statutes or prior Commission decisions. As

[51] Additionally, SCE's uncontested TOU-GS-1 (Option D) proposal reduces the amount of distribution revenue collected via a non-coincident Facilities-Related Demand (FRD) Charge relative to the existing Option B, resulting from SCE's efforts to introduce time-differentiated distribution into rates. This proposal was not contested by any party, and additionally supports the Commission's policy of adopting rates that better reflect cost-causation as most recently discussed in the July 5 Proposed Decision issued in PG&E's GRC Phase 2 proceeding, A.16-06-013.

discussed above, the Settlement Agreement also is consistent with recent Commission decisions regarding solar customer mitigation/grandfathering provisions.

## C. <u>THE SETTLEMENT AGREEMENT IS IN THE PUBLIC INTEREST</u>

The Settlement Agreement is a reasonable compromise of the Settling Parties' respective positions, as summarized in Section III. The Settlement Agreement is also in the public interest and in the interest of SCE's customers. It fairly resolves issues and provides more certainty to customers regarding their present and future costs, which is in the public interest.

The Settlement Agreement, if adopted by the Commission, avoids the cost of further litigation, and frees up Commission resources for other proceedings. Given that the Commission's workload is extensive, the impact on Commission resources is doubly important. The Settlement Agreement frees up the time and resources of other parties as well, so that they may focus on other proceedings and the other rate design portions of this proceeding. The prepared direct testimony contains sufficient information for the Commission to judge the reasonableness of the settlement and for it to discharge any future regulatory obligation with respect to this matter.

### 1. <u>RESIDENTIAL RATE DESIGN</u>

SCE's proposal to increase the basic baseline allocation to statutory maximum of 60 percent was uncontested. The outcome is reasonable for all of the following reasons:

- Increasing the baseline allocation percentage more closely aligns the tiered rates with costs, and the bill impacts showed that customers using up to 700 kWh per month would receive lower bills.[52]
- Increasing the baseline allocation percentage mitigates the reduction in baseline that would otherwise result from declining average usage.[53]

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[52] Exh. SCE-04A, pp. 35-36; Direct Testimony of ORA, chapter 8, pp. 8-3 and 8-4.
[53] *Id.* and Direct Testimony of TURN-1, p. 37.

- Raising the baseline percentage mitigates rate increases to the smallest users resulting from residential rate reform.[54]
- SCE's baseline quantity calculations comply with the requirements of Public Utilities Code Section 739(a)(1).[55]

With respect to other residential rate design issues, the Settlement is in the public interest because of the prospect of lower bill variability associated with higher baseline allowances and the prospect of encouraging electric transportation while guarding against any revenue differentials. SCE's revised TOU rate, TOU-D-PRIME for example, provides benefits to those customers adopting electrification technologies that support climate change policies as well as the Commission's Distributed Energy Resources (DER) Action plan. TOU-D-PRIME promotes DER adoption and rates that better reflect cost causation while employing safeguards that help keep rates affordable for non-DER customers.[56]

### 2. SMALL COMMERCIAL RATE DESIGN

The Settling Parties' proposed establishment of new TOU-GS-1 (Option ES) is in the public interest because it offers more meaningful customer choice, and creates incentives for energy storage customers to test a technology offering that may support the state's climate change goals as well as the Commission's DER Action Plan. As SEIA notes in its direct testimony, "[t]he Commission has adopted significant policies to support the deployment of on-site storage. For these policies to work effectively, rate design must send strong and effective price signals that encourage the discharge of stored energy during the peak period when net loads and marginal GHG emissions are high. The use of storage at these times will provide the most beneficial demand reductions and the larges decreases in GHG emissions."[57]

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[54] Direct Testimony of TURN-1, p. 37.
[55] Exh. SCE-04A, pp. 34-35.
[56] *See* DER Action Plan, Rates and Tariffs, Vision Elements 1.D and 1.E.
[57] Direct Testimony of SEIA, p. 29.

The Settling Parties also adopted more moderate TOU rate differentials than SCE proposed for small commercial customers, in the interest of mitigating bill impacts and employing a more gradual approach to rate design as these customers transition to new TOU periods. Finally, the Settlement Agreement also adopts SCE's ME&O plan, which focuses on educating small commercial customers on the updated TOU periods and the implementation of the new default rate option (Option CPP) for eligible small commercial customers.[58]

For all the foregoing reasons, the Settling Parties request that the Settlement Agreement be adopted as a whole by the Commission, as it is reasonable in light of the whole record, consistent with law, and in the public interest.

## V.

## PROPOSED SCHEDULE FOR COMMENTS AND IMPLEMENTATION OF SETTLEMENT AGREEMENT

The Settling Parties seek approval of the terms of the Settlement Agreement so that SCE may implement rates as soon as practicable following the issuance of a final Commission decision approving the Settlement Agreement, but no earlier than first quarter of 2019. In order to accomplish this, and given that SCE expects this Settlement Agreement to be unopposed, the Settling Parties recommend the schedule below. In order to accommodate questions about the Settlement Agreement in the event that there are material contested issues of fact, or questions from the Commission following the filing of any comments, the Settling Parties request that a portion of one day be scheduled for a hearing (with a panel of sponsoring witnesses) in accordance with the following schedule.

| Event | Date |
|---|---|
| Motion filed for Adoption of the Settlement Agreement | July 30, 2018 |
| Opening comments, if any, on the Settlement Agreement | August 29, 2018 |

[58] *See* D.18-07-006 on the ME&O campaign for SCE's new TOU period roll-out provided for in the Joint Stipulation between SCE and SBUA, also referenced in fn. 11.

| | |
|---|---|
| Reply comments, if any, on the Settlement Agreement | September 13, 2018 |
| Hearing on the Settlement Agreement | August 10, 2018[59] |

WHEREFORE, the Settling Parties respectfully request that the Assigned Commissioner, Assigned ALJ, and the Commission:

1. Approve the attached Settlement Agreement as reasonable in light of the record, consistent with law, and in the public interest; and

2. Authorize SCE to implement changes in rates and tariffs in accordance with the terms of the Settlement Agreement.

Respectfully submitted,

FADIA RAFEEDIE KHOURY
JANE LEE COLE

*/s/ Jane Lee Cole*

By: Jane Lee Cole

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And on behalf of the Settling Parties.[60]

July 30, 2018

[59] This is the only day of the two scheduled August 2018 hearing dates on which TURN's witnesses and counsel are both available.

[60] In accordance with Rule 1.8(d), each Settling Party has authorized SCE's counsel to sign and file this motion on its behalf.

# Attachment A

## Residential and Small Commercial Rate Design Settlement Agreement

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE**

**STATE OF CALIFORNIA**

| | |
|---|---|
| Application of Southern California Edison Company (U 338-E) to Establish Marginal Costs, Allocate Revenues and Design Rates. | A.17-06-030<br>(Filed June 30, 2017) |

# RESIDENTIAL AND SMALL COMMERCIAL RATE DESIGN SETTLEMENT AGREEMENT

Dated: **July 30, 2018**

**RESIDENTIAL AND SMALL COMMERCIAL RATE DESIGN SETTLEMENT AGREEMENT**

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APPENDIX E ILLUSTRATIVE SMALL COMMERCIAL RATE GROUP RATES

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE**

**STATE OF CALIFORNIA**

| | |
|---|---|
| Application of Southern California Edison Company (U 338-E) to Establish Marginal Costs, Allocate Revenues and Design Rates. | A.17-06-030<br>(Filed June 30, 2017) |

# RESIDENTIAL AND SMALL COMMERCIAL RATE DESIGN SETTLEMENT AGREEMENT

This Residential and Small Commercial Rate Design Settlement Agreement (Agreement or Settlement Agreement) is entered into by and among the undersigned Parties hereto, with reference to the following:

## 1. Parties

The Parties to the Residential Settlement Agreement are Southern California Edison Company (SCE), the Office of Ratepayer Advocates (ORA), The Utility Reform Network (TURN), Solar Energy Industries Association (SEIA), California Solar & Storage Association (CALSSA), Natural Resources Defense Council (NRDC) and the Western Manufactured Housing Communities Association (WMA) (collectively, "Residential Settling Parties"). The Parties to the Small Commercial Settlement Agreement are SCE, ORA, TURN, SEIA, CALSSA, and Small Business Utility Advocates (SBUA) (collectively, "Small Commercial Settling Parties").[1]

A. SCE is an investor-owned public utility and is subject to the jurisdiction of the California Public Utilities Commission (Commission or CPUC) with respect to providing electric service to its CPUC-jurisdictional retail customers.

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1 EUF, who served testimony about small commercial rate design, who is *not* a signatory to the Settlement Agreement—has authorized SCE to represent that they neither support nor oppose the Settlement Agreement.

B. ORA represents the interests of public utility customers. Its goal is to obtain the lowest possible rate for service consistent with safe, reliable service, and the state's environmental goals. Pursuant to Public Utilities Code Section 309.5(a), ORA is directed to primarily consider the interests of residential and small commercial customers in revenue allocation and rate design matters.

C. TURN is an independent, non-profit consumer advocacy organization that represents the interests of residential and small commercial utility customers.

D. SBUA represents the interests of small commercial customers of bundled electricity as defined in California Public Utilities Code Section 1802.

E. SEIA is the national trade association of the United States solar industry. Through outreach and education, SEIA and its 1,000 member companies work to make solar energy a mainstream and significant energy source by expanding markets, removing market barriers, strengthening the industry, and educating the public on the benefits of solar energy.

F. CALSSA is the California trade group of the solar power and energy storage industries. CALSSA represents 500 member companies, including installers, manufacturers, financers, consultants, service providers, and research groups.

G. NRDC is a non-profit membership organization with over 90,000 California members and a long-standing interest in minimizing the societal costs of the reliable energy services that a healthy California economy requires.

H. WMA is a not-for-profit trade association that represents the owners of both submetered and directly-served manufactured housing communities in California.

## 2. <u>Definitions</u>

When used in initial capitalization in this Settlement Agreement, whether in singular or plural, the following terms shall have the meanings set forth below or, if not set forth below, then as they are defined elsewhere in this Settlement Agreement:

A. "Base Rate" means the rate option (*e.g.*, E) in a rate group (*e.g.*, TOU-GS-1) against which all other options within the rate group are designed revenue-neutral.

B. "Basic Charge" means the customer charge applied to customers in the Domestic Rate Group.

C. "CARE" means California Alternate Rates for Energy, which is a program that provides customers meeting a certain household income criteria a discount from SCE's otherwise applicable residential rates.

D. "Commission" or "CPUC" means the California Public Utilities Commission.

E. "CSRP" means "Customer Service Re-Platform," which is the new billing and customer care system that SCE is proposing to use to replace its existing billing system. The CSRP project affects SCE's ability to implement significant changes to its billing and customer care systems in the Q2 2019 through Q3 2020 timeframe and this time period is referred to herein as the "freeze" period.

F. "Customer Charge" means the fixed dollar-per-month charge applied to customers in the Small Commercial Rate Group that are designed to recover the fixed customer costs of connection to SCE's system.

G. "Demand Charges" mean those charges that are comprised of Facilities-Related Demand (FRD) Charges, which are based on the customer's maximum kilowatt (kW) demand during a billing period, and Time-Related Demand (TRD) Charges, which are based on the customer's maximum kW demand during specified TOU periods. Demand Charges recover a portion of SCE's delivery and generation costs, where such charges apply to a specific rate schedule.

H. "Energy Charges" mean the dollar-per-kilowatt-hour (kWh) charges that recover (1) the portion of SCE's generation services revenues not recovered in TRD Charges; (2) the portion of SCE's delivery services revenues not recovered via Customer or Demand Charges; and, (3) other delivery services revenues for public purpose programs (including Energy Efficiency and CARE), New System Generation Service (NSGS), Nuclear Decommissioning, CARE balancing account, DWR bonds, and CPUC reimbursement fees. Energy Charges are designed to provide a price signal consistent with marginal cost differentials in TOU energy rates, where TOU energy rates apply to a specific schedule.

I. "Energy Rates" means the volumetric rates paid by residential customers who are served on SCE's residential rate schedules.

J. "EPMC" means equal percent of marginal cost. Because marginal cost revenues do not equal the utility's revenue requirement, in general, the utility revenue requirement is allocated to different rate groups in proportion to each rate group's percentage share of marginal cost revenue responsibility by function (*i.e.*, separately for generation costs, and for combined distribution and customer costs).

K. "Facilities-Related Demand Charges" or "FRD Charges" mean charges applied to customers' monthly maximum demands, not differentiated by TOU or by season, that are designed to recover certain transmission and distribution costs.

L. "FERA" means the Family Electric Rate Assistance program, which provides customers meeting a certain household income and size criteria a discount from SCE's otherwise applicable residential rates.

M. "FERC" means the Federal Energy Regulatory Commission.

N. "Functional SAPC Allocation" means allocation of SCE's revenue requirement to each of SCE's rate groups based on the system average percentage change ("SAPC") for the particular function, *e.g*., generation, or distribution and customer costs. In addition, this would include adjustments of FERC-jurisdictional transmission revenues as authorized by formula rates or otherwise.

O. "Solar Grandfathered Customer" means an eligible residential customer who meets one of the two following criteria: (1) completed an interconnection application for a NEM successor tariff (also referred to as NEM-ST or NEM 2.0) prior to the implementation of default TOU rates for residential customers pursuant to D.16-01-044; or (2) submitted an initial interconnection application for an on-site solar generating facility not served on a NEM-ST tariff on or before January 31, 2017 and who opted into a TOU rate as of July 31, 2017. The duration of the grandfathering period is five years from the customer's permission to operate (PTO) date, except for NEM 2.0 customers who are eligible for grandfathering for five years from the date that they first took service on the TOU rate.

P. "Legacy TOU Periods" mean the TOU periods currently in effect for Residential customers.

Q. "RA Settlement Agreement" means the Revenue Allocation Settlement Agreement filed in this proceeding on July 3, 2018.

R. "NCO" means New Customer Only, and is a method use to derive marginal costs, taking into account the capital cost of adding new customers only and other operations and maintenance (O&M) costs.

S. "OAT" means "Otherwise Applicable Tariff."

T. "PLRF," means "Peak Load Risk Factor," and represents the methodology used to assess capacity constraints on the distribution system and to assign peak-capacity-related design demand marginal costs to TOU periods.

U. "RECC," or "Real Economic Carrying Charge," means the percentage of a utility investment which corresponds to the first year of a stream of numbers where the net present value of revenue requirements of a utility investment is adjusted to rise at the rate of inflation over the life of the investment. It also represents the value of deferring a utility investment by a year.

V. "Small Commercial Rate Group" means the TOU-GS-1 rate group, which is comprised of customers with demands up to 20 kW taking service on the various schedules listed in Paragraph 4.B.3.

W. "Time-Related Demand Charges" or "TRD Charges" are either generation-related, marginal cost-based, capacity-related charges assigned to TOU periods based on loss-of-load probabilities, or distribution-related, marginal cost-based, peak-related charges assigned to TOU periods based on PLRF probabilities.

X. "TOU" means time-of-use. These are the time periods established for the provision of electric service in which Demand Charges and/or Energy Charges may vary across time periods in relation to the cost of service, as adopted in Decision (D.)18-07-006.[2]

## 3. Recitals

A. In Phase 2 of SCE's 2018 General Rate Case (GRC), the Commission allocates SCE's authorized revenue requirement among rate groups and authorizes rate design changes for rate schedules in each group.

B. On June 30, 2017, SCE filed its 2018 GRC Phase 2 application (Application, A.17-06-030) and served its initial prepared testimony regarding marginal costs, revenue allocation and rate design.

C. Protests and responses to SCE's Application were filed on August 7, 2017. On residential and small commercial rate design issues, ORA's protest indicated an intention

[2] See SCE's Rate Design Window Application 16-09-003 (2016 RDW).

to "assess the impacts of time-differentiated distribution costs on TOU rate design, and to review how the change would affect the various customer groups."[3] ORA also stated in its protest that it would review the impacts of TOU rates designed to benefit high usage customers, including the magnitude of any possible revenue shortfalls caused by such rate design."[4] TURN's protest indicated an intention to "investigate and potentially litigate" various substantive proposals presented by SCE, including SCE's proposed TOU-D-C rate, SCE's proposal to change the default TOU rate for residential customers served on the NEM 2.0 tariffs from TOU-D-A to the default TOU rate adopted by the Commission, and SCE's proposed methodology for calculating Tier 1 rates.[5] CALSSA's protest indicated its intent to "scrutinize the bill impacts on current and potential NEM customers,"[6] and SEIA indicated in its protest that it intended to "participate in this proceeding in order to continue the progress made in SCE's past GRCs to modify elements of rate design that may present barriers to the more widespread adoption of solar technologies and other types of distributed energy resources, including storage, by all of SCE's rate classes."[7]

D. On August 24, 2017, the Commission adopted D.17-08-024, which dismissed SCE's initial Residential Default TOU Application, and directed SCE to file a Residential RDW Application proposing default TOU rates for residential customers no later than January 1, 2018.[8] In compliance with this decision, SCE filed its 2018 RDW Application on December 21, 2017 in proceeding A.17-12-012. This proceeding has since been consolidated with San Diego Gas & Electric Company's (SDG&E's) and Pacific Gas and Electric Company's (PG&E's) respective RDW Applications to implement their residential default TOU rates (A.17-12-011, et al.).

E. On September 27, 2017, SCE served amended testimony, which addressed the impacts of the Commission's dismissal of A.17-04-015 on the residential rate design proposals originally included in SCE's initial testimony served on June 30, 2017.

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3 ORA protest at pp. 5-6.
4 *Id.*
5 TURN protest, pp. 3-4.
6 CALSSA protest, pp. 2-3.
7 SEIA protest, p.2.
8 *See* D.17-08-024, OP 1.

F. SBUA filed a motion for party status on October 13, 2017, stating that "SBUA is concerned in Phase 2 with protecting the other interests of the small business community that are affected by SCE's proposals on electric marginal costs, revenue allocation, and rate design - all of which will affect small business ratepayers in SCE's service area."[9]

G. On November 1, 2017, SCE served supplemental testimony on: 1) its marketing, education and outreach (ME&O) plan for small business customers, focusing on TOU periods and the implementation of default critical peak pricing (CPP), and 2) a study plan for exploring an alternate rate structure for small business customers who employ distributed generation (DG) and/or energy storage systems. This supplemental testimony was a result of SCE and SBUA's settlement agreement approved in SCE's 2016 RDW proceeding.[10]

H. On November 22, 2017, the Assigned Commissioner and Assigned Administrative Law Judge issued a Scoping Memo and Ruling following a November 2, 2017 prehearing conference.

I. ORA served its initial testimony on February 16, 2018 relating, among other matters, to SCE's residential and small commercial rate design proposals.

J. On March 23, 2018, TURN, SBUA,[11] SEIA, and EUF submitted prepared testimony regarding residential and/or small commercial rate design matters.[12]

K. SCE provided notice to all parties of its intent to conduct a settlement conference related to all issues raised in the proceeding, and an initial settlement conference was held on April 6, 2018. Continuing settlement discussions occurred among the parties after that date.

L. The Residential Settling Parties and Small Commercial Settling Parties have evaluated various residential and/or small commercial rate design proposals in this proceeding, desire to resolve all issues related to the design of those rates, and have each reached agreement as indicated in Paragraph 4 of this Agreement.

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[9] Motion of SBUA's Request Party Status, pp. 2-3.

[10] *See* D.18-07-006, COL 14, p. 95.

[11] SBUA submitted its prepared testimony on March 21, 2018.

[12] NRDC and WMA did not serve testimony. However, NRDC and WMA actively participated in settlement discussions to ensure that their interests were protected with respect to residential rate design issues.

M. Appendix A to this Agreement provides a comparison of the Residential Settling Parties' positions related to residential rate design issues that have been resolved by this Agreement. Appendix D provides a comparison of the Small Commercial Settling Parties' positions related to the small commercial rate design issues that have been resolved by this Agreement. In the event of a conflict between the terms of this Agreement and Appendices A or D, the terms of this Agreement shall control.

## 4. Agreement

In consideration of the mutual obligations, covenants and conditions contained herein, both the Residential Settling Parties and Small Commercial Settling Parties agree to the respective terms of this Agreement related to the design of residential and small commercial rates. The Residential Settling Parties agree to the terms set forth in Paragraph 4.A, below, and Paragraphs 5-16. The Small Commercial Settling Parties agree to the terms set forth in Paragraph 4.B., below, and Paragraphs 5-16. Any reference to a "package deal" to the terms to which the Residential Settling Parties agreed to, is distinct from the terms the Small Commercial Settling Parties agreed to. Nothing in this Agreement shall be deemed to constitute an admission by any Settling Party that its position on any issue lacks merit or that its position has greater or lesser merit than the position taken by any other Settling Party to the applicable terms of the Agreement. This Agreement is subject to the express limitation on precedent described in Paragraph 11. Unless provided otherwise, such as in Paragraph 11, this Agreement and its terms are intended to remain in effect from the date rate changes are implemented as a result of a CPUC decision in this proceeding until a decision is implemented in Phase 2 of SCE's 2021 GRC.

### A. Residential Rate Design

#### 1) Illustrative Rates

The Residential Settling Parties agree that the results of the rate design process illustrated by the rate schedules in Appendix B to this Agreement are reasonable. These rates are based on the residential class's share of an estimated consolidated revenue requirement of $11,420 million described in more detail in Paragraph 4.B.1. of the RA Settlement Agreement. These illustrative rates shall be adjusted consistent with the terms of this Agreement and the CPUC's decision in this proceeding related to the RA Settlement Agreement to reflect SCE's actual total system revenue requirement when this Agreement is implemented.

**2) <u>Baseline Regions</u>**

SCE's baseline regions shall continue to align with the climate zones established by the California Energy Commission (CEC) as approved in D.09-08-028.

**3) <u>Baseline Allowances</u>**

Baseline allowances for each of SCE's baseline regions were calculated in the following way: average residential customer usage (both for basic and all-electric service) were determined for calendar year 2010 through calendar year 2016. For all-electric customers, the baseline allocation will remain at the statutory maximum levels of 60 percent for the summer and 70 percent for the winter. For basic residential customers, the baseline allocation will increase from the current rate of 53 percent to the statutory maximum of 60 percent. Present and proposed baseline allowances are listed in Appendix C.[13]

**4) <u>Fixed Charges and Minimum Bills</u>**

Any new or revised residential fixed customer charges or minimum bills for the default TOU rates for residential customers will be separately considered in A.17-12-012.

**5) <u>Tiered Rates</u>**

The majority of SCE's residential customers currently take service on Schedule D, *Domestic*, a tiered, non-TOU rate schedule that serves as the basis for the development of most other non-TOU optional rate schedules in the residential rate group. For the tiered, non-TOU rates, in 2018 and 2019, SCE will continue to modify these rates based on the advice letter procedure adopted in the Rate

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[13] The present and proposed baseline allowances listed in Appendix C for Zone 15 follow the method established for Zone 15 customers in prior Commission decisions, which shifts some of the annual baseline allowance for Zone 15 from the winter to the summer months.

Reform Order Instituting Rulemaking (R.12-06-013), reflecting applicable changes to adopted residential revenue requirements.

6) **Additional Non-TOU Rate Schedules Available to Residential Customers include**[14]

a) **Schedule D-SDP**

No structural or eligibility changes are made to Schedule D-SDP.

b) **Schedule D-CARE**

No structural or eligibility changes are made to Schedule D-CARE

c) **Medical Baseline**

No structural changes are made to the existing medical baseline provisions currently in place.

d) **Schedule D-FERA**

No structural or eligibility changes are made to Schedule D-FERA.

e) **Schedules DE**

No structural or eligibility changes are made to Schedule DE.

7) **TOU Rates**

In addition to the tiered rate schedules described above, SCE also offers various TOU rate options for residential customers.

a) **Time-Differentiated Distribution Charges for TOU Rates**

SCE bifurcated its distribution design demand marginal costs by incorporating a two-part allocation: a grid-related component and a peak-related component that is time-variant. Unless otherwise specifically noted below, for residential customers on TOU rates, the grid-related component will continue to be collected via a flat cents-per-kWh distribution Energy Charge. The peak-related portion, which is allocated to various time periods

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[14] Metered multi-family non-TOU tiered rate schedules are addressed in the Master-Meter Adjustments section.

using a settled version of PLRFs, will be recovered via time-differentiated distribution Energy Charges.

**b) Legacy TOU Period Rate Schedules**

To comply with the grandfathering provisions adopted in D.16-01-044 and D.17-01-006, and to accommodate the "freeze" period associated with the implementation of the CSRP, the following rate schedules with Legacy TOU Periods will remain available to certain customers as outlined below.

**i. Schedule TOU-D-T**

Schedule TOU-D-T, which will continue to provide seasonal and time-differentiated tiered energy charges with an on-peak period from noon to 6 p.m. on weekdays, will be closed to new customers upon implementation of the decision resolving this Settlement Agreement. Solar Grandfathered Customers (discussed below) are eligible to remain on Schedule TOU-D-T until their grandfathering periods have ended. Customers who are not grandfathered will be transitioned to an available TOU rate for which they are eligible in Q4 2020 (*i.e.*, after the CSRP freeze period has ended), at which time Schedule TOU-D-T will remain open only for eligible Solar Grandfathered Customers. No structural changes are proposed to this rate, with the exception of the introduction of time-differentiated distribution as described above.

**ii. Schedule TOU-D-A**

Schedule TOU-D-A, which currently includes a baseline credit and higher on-peak energy charges (compared to TOU-D-B) with a 2 p.m. to 8 p.m. on-peak period, will be modified as follows: (1) a portion (approximately 25 percent) of summer on-peak generation costs will continue to be shifted to winter to mitigate seasonal bill volatility; (2) the distribution rates will be set at the marginal cost floor for the winter SOP period; and, (3) baseline credit elements will be moved from generation to distribution rate components to align with the

Conservation Incentive Adjustment (CIA) consistent with the tiered rate structure treatment approved in D.09-08-028.

Schedule TOU-D-A will be closed to new customers upon implementation of the decision resolving this Settlement Agreement. Solar Grandfathered Customers are eligible to remain on Schedule TOU-D-A until their grandfathering periods have ended. Customers who are not grandfathered will be transitioned to an available TOU rate for which they are eligible after changes associated with the CSRP project are complete (approximately Q4 2020), at which time Schedule TOU-D-A will remain open only for eligible Solar Grandfathered Customers.

**iii. Schedule TOU-D-B**

Schedule TOU-D-B, which includes a higher basic charge (currently approximately $16/month) and lower on-peak charges (compared to Schedule TOU-D-A) with a 2 p.m. to 8 p.m. on-peak period, will be closed to new customers upon implementation of the decision resolving this Settlement Agreement. No structural changes are proposed to this rate, with the exception of the introduction of time-differentiated distribution as described above.

Solar Grandfathered Customers are eligible to remain on Schedule TOU-D-B until their grandfathering periods have ended. Customers who are not grandfathered will be transitioned to an available TOU rate for which they are eligible after changes associated with the CSRP project are complete (approximately Q4 2020).

**iv. Schedule TOU-EV-1**

Schedule TOU-EV-1 is an optional TOU rate for residential customers with separately metered EV load that includes an on-peak period of noon to 9 p.m. No structural changes are proposed to this rate, with the exception of the introduction of time-differentiated distribution as described above. Schedule TOU-EV-1 will be closed to new customers upon implementation of the decision resolving this Settlement

Agreement. Solar Grandfathered Customers are eligible to remain on Schedule TOU-EV-1 until their grandfathering periods have ended. To reduce the impact of eliminating Schedule TOU-EV-1 for EV customers with dedicated EV charging meters, all customers served on Schedule TOU-EV-1 as of the date of the implementation of the decision resolving this Settlement Agreement will be grandfathered on the rate through July 31, 2022.

**c) Updated TOU Period Rate Schedules**

The following TOU rate schedules contain updated TOU periods that, among other changes, move the peak period to later in the evening.

**i. Schedule TOU-D, Options 4-9PM and 5-8PM**

Schedule TOU-D will continue to offer Options 4-9 PM and 5-8 PM. These options include a five-hour weekday on-peak period from 4 p.m. to 9 p.m. and a three-hour on-peak period from 5 p.m. to 8 p.m., respectively.[15] Recovery of the baseline credit will be moved from generation to distribution to align with the CIA. No other structural changes are proposed to this rate, with the exception of the introduction of time-differentiated distribution as described above.

**ii. TOU-D-PRIME[16]**

Schedule TOU-D-PRIME is a new optional TOU rate intended for higher usage customers, and customers who have load-modifying electric technologies, including those who have electric vehicles (EVs), behind-the-meter (BTM) energy storage systems and/or electric heat

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15 In SCE's 2018 RDW, SCE proposed a 15-month default period, during which residential customers will be placed on the lowest cost of one of two default TOU rates, TOU-D-4-9PM or TOU-D-5-8PM. These default rates are the same as those approved for SCE's March 2018 Default TOU Pilot and consistent with up-to-date TOU time periods and guidance provided by D.17-01-006. SCE will select one of these two proposed rates as the standard default TOU rate for new customers at the time of service turn-on, based on the first set of results from the Default TOU Pilot. Per D.17-09-036, CARE and FERA eligible customers in hot climate zones will be excluded from being defaulted onto TOU rates.

16 TOU-D-PRIME has also been referred to as "TOU-D-C," but will be called "TOU-D-PRIME" in SCE's customer communications and tariffs.

pump systems for water or space heating. TOU-D-PRIME will be available to customers concurrent with the closing of Schedule TOU-D-B to new customers (*i.e.*, with the implementation of a final decision resolving this Settlement Agreement).

TOU-D-PRIME includes the following key rate design features, in addition to the time-differentiation of distribution charges outlined above:

- A shifting of a portion (approximately 40 percent) of summer on-peak generation costs to winter to reduce seasonal bill volatility;
- A reduction in off-peak rates, with revenues shifted to mid-peak periods;
- The use of common winter off-peak and SOP rate factors to essentially provide a single off-peak period, allowing SCE to more easily describe the rate to customers and allowing customers to "set-and-forget" load modifying technologies to provide durable load-shifting benefits;
- No baseline credit; and
- An approximate $12 per month Basic Charge (not to be adjusted in attrition years).

**a. <u>Customer Eligibility</u>**:

Customer participation will be subject to the following terms and conditions:

- o All existing non-grandfathered TOU-D (Option A or B) customers (as of the date a final decision resolving this Settlement Agreement is implemented) are eligible for service on TOU-D-PRIME when they are migrated to non-TOU Legacy TOU Period rates with up-to-date TOU periods. SCE expects to perform this migration of non-grandfathered TOU-D customers upon the conclusion of the CSRP freeze period (~Q4 2020);

- New customers may elect service on TOU-D-PRIME for two months after the implementation of the rate without any restriction or eligibility requirements (approximately March 2019 until May 2019); and,
- Beginning two months after implementation of the decision resolving this Settlement Agreement, all new customers who wish to take service on this rate must attest to having an eligible technology (*i.e.*, an EV, onsite BTM storage system, and/or an electric heat pump system for water and/or space heating) to be eligible for the rate.

b. **Revenue Differential Trigger/Reporting:**

If an annual revenue differential of $50 million is reached (comparing TOU-D-PRIME to TOU-D, Option 4-9 PM using the methodology outlined in ORA's testimony[17]), SCE must review the TOU-D-PRIME rate design and eligibility to determine if a modification of the rate is necessary prior to the filing of SCE's next GRC Phase 2 application. SCE should initiate a meet and confer the Residential Settling Parties to determine if a modification of this rate is necessary. SCE will also report to the Residential Settling Parties when/if the

[17] In ORA's direct testimony at pp. 8-13 to 8-14, ORA proposed that "the Commission should require SCE to perform revenue shortfall analysis comparing participants' average monthly bills under [TOU-D-PRIME] over a full year to their bills under the tiered rates *and* the default TOU rates, and the Commission should place a cap on the revenue shortfall of $*50 million annually compared to the default TOU rates* (once they are adopted)." The methodology used by ORA in its workpapers to calculate a potential revenue shortfall will be similarly used to comply with this revenue differential trigger and reporting provision.

annual revenue differential reaches $25 million and will provide updates for every incremental $10 million of annual revenue differential thereafter until $50 million is reached.

c. **<u>Subsequent Review:</u>**
SCE will review and propose updates, if necessary to the TOU-D-PRIME rate design and participation eligibility requirements as part of its 2021 GRC Phase 2 application.

d. **<u>Tracking of Customers with Electric Heat Pumps:</u>**
SCE will track and report on the number of customers who attest to having an electric heat pump system (water and/or space heating) for the purposes of receiving service on TOU-D-PRIME.
This information will be included in the revenue shortfall reporting and in SCE's 2021 GRC Phase 2 application.

e. **<u>Baseline Study</u>**
SCE will conduct a study on the applicability of all-electric baseline to customers with heat pump water heaters and include the results and any proposed changes to the all-electric baseline requirements in SCE's next GRC Phase 2 or RDW application.

**d) <u>Default TOU Rate for NEM 2.0 Customers</u>**

Effective upon implementation of a final decision resolving this Settlement Agreement, the default TOU rate for NEM 2.0 residential customers will be the default TOU rate for NEM 2.0 residential customers adopted in SCE's 2018 RDW. In the event there is a "gap" period between the implementation date of a final decision in SCE's 2018 GRC Phase 2 and the issuance of a final decision in SCE's 2018 RDW, the default TOU rate for the NEM 2.0 residential customers will be TOU-D, Option 4-9 PM.

8) **Master-Meter Rates**

a) **Description of Master-Metered Schedules**

SCE currently offers four master-metered schedules that include the same set of charges as Schedule D. They are Schedules DM, DMS-1, DMS-2 and DMS-3. Under these Schedules, service is supplied by SCE to more than one residence through a master meter. If residences are sub-metered, tenants are required to be billed by the owner or property management for their usage under Schedule D, Schedule D-CARE, or Schedule D-FERA. The charges in the master-metered electric bill are adjusted to reflect the specific cost characteristics of master-metered accounts.

b) **Schedules DM, DMS-1, DMS-2, DMS-3**

No structural or eligibility changes are made to Schedules DM, DMS-1, DMS-2, and DMS-3; however, Schedule DMS-1 and DMS-2 are updated to reflect the submetering discounts set forth below.

c) **Submetering Discount**

Customers served on Schedule DMS-2 receive a discount for providing submetered service, which is comprised of a cost-of-service discount that is reduced by a diversity benefit adjustment (DBA) and a multi-family Basic Charge adjustment. The discount for customers who provide submetered electric service on Schedule DMS-2 shall be $0.257 per space per day. The multi-family Basic Charge adjustment shall be $0.024 per space per day. Using the methodology described in Exhibit SCE-04A, and based upon the estimated revenue requirement and the residential rate structures proposed in this Agreement, the estimated DBA is $0.094 per space per day.

The Basic Charge adjustments and the DBAs for Schedules DM and DMS-1 shall be determined in the same manner as the Basic Charge and DBA are determined for Schedule DMS-2 when this Agreement is first implemented. In accordance with prior practice, the cost-of-service discount provided to customers served on Schedule DMS-1 shall be set at a level that maintains the 28.6 percent difference between the discounts for Schedules DMS-1 and DMS-2. Submetering discounts do not apply to Schedules DM and DMS-3.

d) **Further Agreement on Schedule DM, DMS-1, DMS-2 and DMS-3**
Other than as noted above, the Residential Settling Parties agree that this Residential Settlement Agreement resolves all issues relating to SCE's master meter rate schedules and tariff language.

### 9) Conservation Incentive Adjustment

In accordance with the CIA adopted in D.09-08-028, SCE's residential rates shall continue to reflect the rate differentials between tiers in the delivery component of those Energy Rates and not in the generation component of the Energy Rates.

## B. SMALL COMMERCIAL RATE GROUP RATE DESIGN

### 1) Illustrative Rates

The Small Commercial Settling Parties agree that the results of the rate design process illustrated by the rate schedules in Appendix E to this Agreement are reasonable. These rates are based on the Small Commercial Class's share of an estimated consolidated revenue requirement of $11,420 million described in more detail in Paragraph 4.B.1 of the RA Settlement Agreement. These illustrative rates shall be adjusted consistent with the terms of this Agreement and the CPUC's decision in this proceeding related to RA Agreement to reflect SCE's actual total system revenue requirement when this Agreement is implemented.

### 2) Common Rate Design Principles

a) **Rate Structure Elements**
Consistent with SCE's Application, rate structures for the Small Commercial Rate Group will generally consist of Customer Charges, TOU Energy Charges, TRD Charges, and FRD Charges. Demand Response (*e.g.*, CPP, SDP) and real-time pricing (RTP) rate schedules will also be available.

### i. <u>Customer Charges</u>

Consistent with previous SCE GRC Phase 2 proceedings, monthly Customer Charges ($/meter) for the Small Commercial Rate Group will continue to recover all or a portion of the customer-related distribution marginal costs. These are the costs associated with connecting a customer to SCE's system, which typically include the cost of a final line transformer, service drop and meter, and customer service-related activities. The specific Customer Charges that will apply upon initial implementation of this Agreement for each rate option within the Small Commercial Rate Group are provided in the Rate Schedules section below. Thereafter, the Customer Charges shall change on a Functional SAPC basis.

### ii. <u>Energy Charges</u>

Proposed Energy Charges based on the estimated consolidated revenue requirement used in the RA Settlement Agreement are set forth in Exhibit E of this Agreement.[18] When this Agreement is first implemented, these estimated Energy Charges shall be adjusted, as necessary, consistent with the then-current revenues allocated to each rate group in accordance with the RA Settlement Agreement.[19] Thereafter, these estimated Energy Charges shall be adjusted consistent with Paragraph 4.B.7 of the RA Settlement Agreement when SCE's authorized revenues change.

#### (a) <u>Generation Revenues</u>

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[18] The estimated consolidated revenue requirement is $11,420 million and is described in more detail in Paragraph 4.B.1. of the RA Settlement Agreement.

[19] See Paragraph 4.B.6 of the RA Settlement Agreement.

With the exception of the Option D and LG[20] rate structures, all generation energy and capacity revenues are recovered entirely via Energy Charges for the Small Commercial Rate Group. For Option D, all generation energy revenues and a portion of generation capacity revenues are recovered via Energy Charges. The balance of generation capacity revenues are recovered via Demand Charges.

**(b) Distribution Revenues**

With the exception of the Option D and LG rate structures, all distribution peak-capacity and grid-related costs are recovered entirely via Energy Charges, with the peak-capacity portion time-differentiated using a settled version of PLRFs. For Option D, TOU Energy Charges recover approximately 50 percent of the distribution peak capacity costs. The balance of peak-capacity costs and all grid-related costs are recovered via Demand Charges.

**(c) Other Revenues**

Energy Charges that are designed to recover revenues associated with transmission, public purpose programs, new system generation service, nuclear decommissioning, CARE balancing account, the California Department of Water Resources bonds, and the CPUC reimbursement fee shall be established on the basis of the specified functional authorized revenue requirements and the terms specified in the RA Settlement Agreement.

**iii. Demand Charges**

For the Small Commercial Rate Class, only Options D and LG contain Demand Charges. For Option D, Demand charges consist of both TRD

[20] Option LG stands for "local government" and is a rate option only available to RES-BCT generating accounts.

Charges and FRD Charges. TRD Charges are applied in the summer on-peak period and winter mid-peak periods. FRD Charges are not differentiated by season or TOU periods.

**(a) <u>TRD Charges</u>**

Option D shall have both a summer on-peak distribution and generation TRD Charge, and a winter mid-peak generation TRD Charge, as shown in Table Table 4-1 below.[21] The summer on-peak TRD Charge shall recover both generation capacity costs and a portion of distribution peak-capacity costs.[22] The winter mid-peak TRD Charge shall recover generation capacity costs only.

***Table 4-1***

***Illustrative Time-Related Demand Charges***

| | **TOU-GS-1, Option D** |
|---|---|
| Summer On-Peak ($/kW) | $15.34 |
| Winter Mid-Peak ($/kW) | $2.88 |

When this Agreement is first implemented, these estimated TRD Charges shall be adjusted, as necessary, consistent with the then-current revenues allocated to each rate group in accordance with the RA Settlement Agreement.[23] Thereafter, these estimated TRD Charges shall be adjusted consistent with Paragraph 4.B.7 of the RA Settlement Agreement when SCE's authorized revenues change.

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21 TRD Charges apply on non-holiday weekdays only; not on weekends or holidays.

22 The new Option D structure reflects a gradual approach to implementing time-differentiated distribution rates by recovering only have of the summer allocation of distribution peak capacity revenues via a TRD Charge. For all other TOU periods, half of the peak capacity allocation of distribution revenues is recovered via Energy Charges and the remaining half is recovered via the FRD Charge.

23 See Paragraph 4.B.6 of the RA Settlement Agreement.

**(b) <u>FRD Charges</u>**

An FRD Charge is established to recover 100 percent of the grid-related portion of distribution design demand marginal costs, the portion of peak-related distribution design demand marginal costs not recovered via Energy or TRD Charges and transmission revenues, as shown in Table 4-2 below.

***Table 4-2***
***Illustrative FRD Charges***

| | **TOU-GS-1, Option D** |
|---|---|
| FRD Charge ($/kW) | $10.03 |

Table 4-3, below, provides a comparison of the amount of distribution revenue recovery included in the FRD in SCE's existing Option B and the new Option D.

***Table 4-3***
***Option B vs. Option D Distribution Revenue Recovery Comparison***

| | **Current Option B** | **Proposed Option D** |
|---|---|---|
| % of Recovery in Energy | 0% | 24% |
| % of Recovery in Demand (TRD) | 0% | 9% |
| % of Recovery in Demand (FRD) | 100% | 67% |

When this Agreement is first implemented, the estimated FRD Charges shall be adjusted, as necessary, consistent with SCE's then-current authorized revenues and the RA Settlement Agreement. The distribution component of the estimated FRD Charge shall be adjusted, as necessary, by the appropriate Functional SAPC distribution scalar when SCE's authorized distribution revenues change. Similarly, the transmission component of the estimated FRD Charge shall be adjusted, as necessary, by the appropriate SAPC transmission scalar when FERC-authorized transmission revenues change.

**iv. Voltage Discounts**

Customers served at higher voltage delivery levels than the design voltage level for their rate group will receive a voltage discount reflecting their lower cost of service. SCE will establish the discount levels based on the difference in marginal costs of service between the design, or predominant, voltage level for a given rate group and the higher voltage service options. Voltage discounts shall apply to rate schedules in the Small Commercial Rate Group as indicated in Appendix E, and will continue to be assessed as a separate and distinct rate from the Customer Charge.

**v. Service-Phase Surcharge**

SCE shall assess a surcharge based on phase of service. Service is provided as either single- or three-phase, and is differentiated on a cost basis by the distribution facilities required by the customer. The service-phase discounts and surcharges are based on customer cost differentials and the use of a 50/50 split of the RECC/NCO methods for determining the associated marginal costs. Service-phase discounts shall apply to rate schedules in the Small Commercial Rate Group, as indicated in Appendix E.

**vi. Demand Response Credits (CPP, SDP)**

The level of credits that are provided for non-firm service, including price-based and reliability-based demand response programs, shall follow the respective program budget schedule adopted in D.17-12-003. Proposed rates are listed in Appendix E.

**b) TOU and Seasonal Periods**

The TOU periods applicable to the Small Commercial Rate Class shall be updated to reflect those adopted in D.18-07-006, the final decision in SCE's 2016 RDW. There are no changes to the existing seasonal definitions.

**3) Schedules in the Small Commercial Rate Group**

Illustrative proposed rates for the Small Commercial Rate Group are listed in Appendix E of this Agreement.

**a) Schedule GS-1 (Flat Rate)**

The "flat" Schedule GS-1 remains open to a very small number of customers with demands of 20 kW and less, who lack interval meters, particularly those on Catalina Island. This rate schedule shall include an $11 Customer Charge, and summer and winter Energy Charges that shall be set revenue-neutral, on a seasonal basis, to Option E of Schedule TOU-GS-1.

**b) Schedule TOU-GS-1, Option E (Base Rate)**

Schedule TOU-GS-1, Option E (formerly Option A) shall serve as the "base rate" for Schedule TOU-GS-1. As described above, Option E contains a Customer Charge and TOU Energy Charges, but no Demand Charges. Key rate design features specific to this rate option include the following:

- Moderated seasonal differentials;
- Moderated TOU Energy Charge differentials in the summer and winter periods;
- $11-per-month Customer Charge; and
- $0.031 per day three-phase charge.

**c) Schedule TOU-GS-1, Option ES (Optional Storage Rate)**

Schedule TOU-GS-1, Option ES is a new optional rate available only to customers who install BTM storage. Participation on this rate will be capped at 15,000 customers. Participants will be required to have a minimum energy storage capacity equal to the greater of either 4.8 kWh or at least 0.05 percent of the customer's annual usage (in kWh) over the previous months.[24] Customers who take service on Option ES are exempt from Standby service until the implementation of SCE's next GRC Phase 2, at which time the Standby exemption may or may not continue to apply depending on the outcome of a decision in that subsequent proceeding.

Option ES utilizes the same rate design structure as Option E (*i.e.*, Customer Charge, TOU Energy Charges, no Demand Charges), but includes the following differences:

- TOU Energy Charges are not moderated compared to Option E and contain no "flattening"; and,
- Customer Charge shall be set at $24/month (*i.e.*, consistent with current Option A rate);

Small Commercial Settling Parties agree that SCE's offering of Option ES to Small Commercial customers satisfies SCE's obligation to explore an alternate rate structure specifically tied to small business customers who employ distributed generation (DG) and/or energy storage systems in light of the changing TOU periods, as outlined in Exhibit SCE-07.[25]

**d) <u>Schedule TOU-GS-1, Option CPP (Default Rate)</u>**

Consistent with D.18-07-006, Option CPP shall become the default rate option for eligible Small Commercial customers upon implementation of a final decision in SCE's 2018 GRC Phase 2.[26] The CPP event periods will coincide with the updated peak periods (*i.e.*, weekdays from 4-9 p.m.). CPP credits with be provided as a $/kWh reduction to the summer on-peak Energy

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[24] For customers with less than 12 months of annual usage data, the energy storage system must have a minimum energy storage capacity of at least 4.8 kWh.

[25] This Settlement Agreement also satisfies any requirements or obligations by SCE in the Settlement Agreement entered into by SBUA and SCE in SCE's 2016 RDW proceeding and approved in D.18-07-006 with respect to conducting a study on alternative rate structure for small business customers who employ DG and/or energy storage system.

[26] Customers must have been served on a TOU rate for at least 24 months before they are eligible to be defaulted to Option CPP. Additionally, customers with pending DA, CCA or CA enrollments are not subject to default CPP, as provided in D.18-07-006.

Charges. The revised CPP Event Charge of $0.80/kWh will be phased-in over two years – the event charge in the first year (2019) will be $0.40/kWh and will increase to the full $0.80/kWh in the second year (2020). A CPP-Lite option will no longer be available. Bill protection will be offered to customers for up to one year, meaning that a customer on Option CPP is billed an amount no greater than what the customer would have been billed under the customer's OAT. Customers are permitted to opt-out of participating on Option CPP.

**e) <u>Schedule TOU-GS-1, Option D (Optional Rate)</u>**

Schedule TOU-GS-1, Option D (formerly Option B) shall serve as optional rate for Small Commercial customers. As described above, Option D contains a Customer Charge, established at $11/month, TOU Energy Charges, and Demand Charges, as reflected in Appendix E. There are no additional eligibility or participation limitations associated with this rate schedule.

**f) <u>Schedule TOU-GS-1, Option LG (RES-BCT Generating Accounts Only)</u>**

Consistent with SCE's proposal in Exhibit SCE-04A, SCE shall offer Option LG (formerly Option C) exclusively for TOU-GS-1 customers taking service on Schedule RES-BCT (Generating Account only),[27] which shall include a Customer Charge, established at $11/month, and an FRD Charge, established at $8.50. Customers taking service on Option LG are required to take service on Schedule S as a rider.[28]

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[27] Schedule RES-BCT is an optional rate for local governments and campuses who own and operate an Eligible Renewable Generating Facility, as defined in the tariff, with a total effective generation capacity of not more than 5 MW. Schedule RES-BCT allows Local Governments or Campuses to generate energy from an Eligible Renewable Generating Facility for its own use (Generating Account) and to export energy not consumed at the time of generation by the Generating Account to SCE's grid. All generation exported to SCE's grid is converted into dollar credits and applied to the Benefiting Accounts designated by the Local Government or Campus. Only the Generating Account is required to take Standby service; therefore, Option LG is only available to the Generating Account (not to benefitting accounts).

[28] Schedule S consists of a $-per-kW capacity reservation charge, applied to a monthly standby demand. Back-up TRD Charges are not applicable.

**g) RTP**

Small Commercial customers will remain eligible for the RTP rate option. No structural changes to the RTP program are proposed in this Agreement, though the changes to RTP resulting from A.18-07-006 shall implement concurrently with the implementation of a final decision in SCE's 2018 GRC Phase 2 proceeding. Rates for TOU-GS-1-RTP will be established as reflected in Appendix E to this Agreement.

**h) GS-APS-E**

Schedule GS-APS-E is an interruptible "summer discount plan" for Small Commercial customers. No structural changes to GS-APS-E are proposed in this Agreement. Illustrative rates reflecting the first year incentive budget levels adopted in D.17-12-003 are reflected in Appendix E to this Agreement.

**i) Schedule TOU-EV-3**

TOU-EV-3 will be replaced by TOU-EV-7, as adopted in D.18-05-040.[29] Schedules TOU-EV-3/TOU-EV-7 are separately metered rates applicable solely to the charging of EVs for customers with demands of 20 kW or less. With regard to distribution charges, SCE will grandfather a feature that limits distribution charges for existing TOU-EV-3 customers when they are transitioned to TOU-EV-7. Because the new EV rates feature a combination of distribution energy and demand charges, the demand comparison calculation and any resulting distribution "credit" will apply to both energy and demand charges.

**j) Schedule WTR (Wireless Technology Rate)**

No structural changes to Schedule WTR shall be made as a result of this Settlement Agreement.

**k) Schedule Wi-Fi-1**

No structural changes to Schedule Wi-Fi-1 shall be made as a result of this Settlement Agreement.

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[29] *See* D.18-05-040 at pp. 112-113.

**l) Standby Service for Customers in the Small Commercial Rate Group**

Customers who provide all or a portion of their energy needs from a non-NEM generator are required to take standby service. The Standby Capacity Reservation Charge (CRC) shall be applied to the customer's standby demand level as specified in Schedule S Standby.[30]

## 4) Implementing Future Revenue Changes In Rates

As described in the RA Settlement Agreement, when SCE's authorized revenues change in the future, SCE will first adjust rate levels for the base rate schedule (without CPP), *i.e.*, Schedule TOU-GS-1-E, using a Functional SAPC adjustment. SCE will then rebalance optional rate levels to ensure revenue neutrality between the base rate schedule and the optional rate schedules. For example, generation revenue changes resulting from SCE's ERRA proceedings shall be allocated on a Functional SAPC basis, *i.e.*, the revised SCE generation revenue requirement would be allocated by applying a generation-level SAPC scalar based on the difference between present rate revenues and proposed rate revenues for the default rate schedules. The optional rate schedules will then be adjusted to ensure revenue neutrality on a functional basis.

## 5) Marketing, Education and Outreach (ME&O)

As described in Exhibit SCE-07, on November 1, 2017, SCE served supplemental testimony on its ME&O plan for small business customers, focusing on TOU periods and implementation of default CPP. This supplemental testimony was a result of SCE and SBUA's settlement agreement in SCE's 2016 RDW proceeding, as approved by D.18-07-006. Consistent with SCE's ME&O plan in Appendix A to Exhibit SCE-07, SCE will implement its marketing, education and outreach to Small Commercial customers, with a focus on the changing TOU periods and the implementation of default CPP.

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[30] Customers on Option ES are exempt from Schedule S, Standby.

6) **Study on Appropriate Demand Threshold for Small Business Customers**

SCE will conduct a study on whether the current eligibility threshold for customers to take service on Small Commercial rates should increase from 20 kW. SCE will include the results of this study as part of its 2021 GRC Phase 2 application.

7) **Food Bank Rate**

To comply with Assembly Bill 2218 (Bradford, 2014) and CPUC Code Section 739.3, SCE will implement a new food bank rate assistance program by providing eligible food banks, as defined in CPUC Code Section 739.3(c)(1), a 20 percent discount on their OAT bill. Currently, there are eight eligible food banks in SCE's service territory who can participate in the program. SCE will individually contact all eight eligible food banks so they are aware of this assistance program. SCE will use a self-certification process for the eight accounts identified as eligible food banks. Once an eligible customer submits an affidavit confirming that it meets the requirements of an eligible food bank (*e.g.,* has an executed agreement with the California Department of Social Services to participate in The Emergency Food Assistance Program (EFAP)), SCE will begin applying the 20 percent line item discount to the customer's monthly electric bill at the start of the next regular billing period following SCE's receipt and review of the completed affidavit.

5. **Implementation of Settlement Agreement**

It is the intent of the Residential and Small Commercial Settling Parties that SCE should be authorized to implement the rates resulting from this Settlement Agreement as soon as practicable following the issuance of a final Commission decision approving this Settlement Agreement, but no earlier than the first quarter of 2019.

6. **Incorporation of Complete Agreement**

The terms described at the outset of Paragraph 4.A. are to be treated as a complete package and not as a collection of separate agreements on discrete issues. To accommodate the interests related to diverse issues, both the Residential and the Small Commercial Settling

Parties acknowledge that changes, concessions, or compromises by any Settling Party or Settling Parties in one section of the applicable terms of this Agreement resulted in changes, concessions, or compromises by the Settling Parties in other sections. Consequently, the Residential and the Small Commercial Settling Parties agree to oppose any modification in each of the applicable terms of this Agreement not agreed to by all Settling Parties who agreed on those terms. If the Commission does not approve this Agreement without modification, the Settling Parties to whom that change is relevant in the Agreement shall promptly discuss the proposed modification and negotiate in good faith to achieve a resolution acceptable to the Settling Parties as set forth in Section 9 below, and shall promptly seek Commission approval of the resolution so achieved.

**7. Record Evidence**

The Residential and Small Commercial Settling Parties request that all of their related prepared testimony be admitted as part of the evidentiary record for this proceeding.

**8. Signature Date**

This Settlement Agreement shall become binding as of the last signature date of the Settling Parties.

**9. Regulatory Approval**

The Residential and Small Commercial Settling Parties, by signing this Agreement, acknowledge that they support Commission approval of this Agreement and subsequent implementation of all the provisions of the Agreement for the duration of rates implemented pursuant to a Commission order adopting this Agreement in this proceeding, *i.e.*, Phase 2 of SCE's 2018 GRC. The Residential and Small Commercial Settling Parties shall use their best efforts to obtain Commission approval of the Agreement. The Residential and Small Commercial Settling Parties shall jointly request that the Commission approve the Agreement without change, and find the Agreement to be reasonable, consistent with law and in the public interest. Should any Proposed Decision or Alternate Proposed Decision seek a modification to this Settlement Agreement, and should any Residential or Small Commercial Settling Party be unwilling to accept such modification, that Settling Party shall so notify the other Settling Parties for the respective settlement within five business days of issuance of such Proposed Decision or Alternate Proposed Decision. The Residential and

Small Commercial Settling Parties shall thereafter promptly discuss the proposed modification and negotiate in good faith to achieve a resolution acceptable to the Settling Parties, and shall promptly seek Commission approval of the resolution so achieved. Failure to resolve such proposed modification to the satisfaction of the Settling Parties, or to obtain Commission approval of such resolution promptly thereafter, shall entitle any Settling Party to terminate its participation from this Agreement through prompt notice to the other Settling Parties.

**10. <u>Compromise of Disputed Claims</u>**

This Settlement Agreement represents a compromise of disputed claims between the Residential and Small Commercial Settling Parties for each of the terms to which they have agreed. The Residential and Small Commercial Settling Parties have each independently reached an agreement on the issues related to the design of those rates after taking into account the possibility that each Party may or may not prevail on any given issue. The Residential and Small Commercial Settling Parties assert that this Settlement Agreement is reasonable, consistent with law and in the public interest.

**11. <u>Non-Precedential</u>**

Consistent with Rule 12.5 of the Commission's Rules of Practice and Procedure, this Agreement is not precedential in any other proceeding before this Commission, except as expressly provided in this Agreement or unless the Commission expressly provides otherwise.

The Residential and Small Commercial Settling Parties expressly recognize that each Party may advocate a position that is inconsistent with this Agreement in Phase 2 of SCE's 2018 General Rate Case or in another proceeding if invited by the Commission. Barring Commission-ordered modifications to this Settlement Agreement, the Settling Parties will support the continued applicability of Section 4 until the date on which SCE's tariffs implementing its 2018 GRC Phase 2 becomes effective.

**12. <u>Previous Communications</u>**

The Settlement Agreement contains the entire agreement and understanding between the Settling Parties as to residential and small commercial rate design issues. In the event there is any conflict between the terms and scope of this Settlement Agreement and the terms and scope of the accompanying joint motion in support of the Settlement Agreement, the Settlement Agreement shall govern.

**13. Non-Waiver**

None of the provisions of this Settlement Agreement shall be considered waived by any Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Settlement Agreement or take advantage of any of their rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

**14. Effect of Subject Headings**

Subject headings in this Settlement Agreement are inserted for convenience only, and shall not be construed as interpretations of the text.

**15. Governing Law**

This Settlement Agreement shall be interpreted, governed and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if executed and to be performed wholly within the State of California.

**16. Number of Originals**

This Settlement Agreement is executed in counterparts, each of which shall be deemed an original. The undersigned represent that they are authorized to sign on behalf of the Party represented.

Dated: July 30, 2018

SOUTHERN CALIFORNIA EDISON COMPANY

*/s/ Ronald Owen Nichols*

By: Ronald Owen Nichols

Title: President, SCE

Dated: July 30, 2018

OFFICE OF RATEPAYER ADVOCATES

*/s/ Darwin Farrar*

By: Darwin Farrar
Title: Chief Counsel

Dated: July 30, 2018

THE UTILITY REFORM NETWORK

*/s/ David Cheng*

By: David Cheng
Title: Staff Attorney

Dated: July 30, 2018

SOLAR ENERGY INDUSTRIES ASSOCIATION

*/s/ Sean Gallagher*

By: Sean Gallagher
Title: Vice President of State Affairs

Dated: July 30, 2018

NATURAL RESOURCES DEFENSE COUNCIL

*/s/ Max Baumhefner*

By: Max Baumhefner
Title: Senior Attorney

Dated: July 30, 2018

SMALL BUSINESS UTILITY ADVOCATES

*/s/ James Birkelund*

By: James Birkelund
Title: President

Dated: July 30, 2018

CALIFORNIA SOLAR & STORAGE ASSOCIATION

*/s/ Brad Heavner*

By: Brad Heavner
Title: Policy Director

Dated: July 30, 2018

WESTERN MANUFACTURED HOUSING COMMUNITIES ASSOCIATION

*/s/ Edward G. Poole*

By: Edward G. Poole
Title: Attorney

## Appendix A

## Comparison of Party Positions on Residential Rate Design Matters and Settlement

## Comparison of Parties' Positions
## Residential Rate Design Issues

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | TURN | SEIA | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|
| Baseline Allowances | • Baseline allowance is 53% of average usage, consistent w/ D.15-07-001 | • Increase the baseline allocation for "basic" customers from 53% to 60% (statutory maximum) | • Supports SCE's proposal because it mitigates trend of declining baseline allowance and results in lower bills for lower usage customers (up to 700 kWh/mo) | • Supports SCE's proposal because it mitigates decline in baseline quantities and mitigates rate increases to the smallest users resulting from residential rate reform | | • Adopt SCE's uncontested proposal to increase the baseline allocation for "basic" customers from 53% to 60% |
| Tiered Rates | | • Update existing tiered rates using marginal cost and revenue allocation proposals from Exhibits SCE-02A and SCE-03A and glide path changes filed in Advice 3696-E | • Proposes rates based on lower revenue allocation to the residential class<br>• Does not dispute glide path changes filed in Advice 3696-E | | | • Utilize the collared revenue allocation for residential customers adopted in the Revenue Allocation Settlement Agreement |
| TOU Rates w/ Legacy TOU Periods (TOU-D-T, TOU-D-A, TOU-D-B, TOU-EV-1) | TOU-D-T: Consistent with D.14-12-048, SCE will keep Schedule TOU-D-T open, with the same TOU periods that are currently in effect, until the date on which SCE's tariffs implementing its 2018 GRC Phase 2 are effective<br><br>TOU-D: kept | • SCE proposes to close existing TOU rate options to new customers upon implementation of a Phase 2 decision and migrate non-grandfathered customers to available TOU rate options in Q4 2020 (after CSRP freeze is over)<br>• The existing rates will remain available to grandfathered customers<br>• Update rates using marginal cost and | • Proposed to keep TOU-D-A open until default TOU is implemented (*see TOU-D-A below*) | | | • Adopt SCE's proposals but use revenue allocation for residential customers adopted in the Revenue Allocation Settlement Agreement (TOU-D-A additionally addressed below) |

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | TURN | SEIA | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|
| | participation capped at 200,000 customers, with no structural changes<br><br>TOU-EV-1: available to customers who separately meter EV usage | revenue allocation proposals, and include time-differentiated distribution of the peak distribution design demand marginal cost component | | | | |
| TOU Rates w/ Updated TOU Periods (TOU-D, Options 4-9 and 5-8) | N/A | • Update rates using marginal cost and revenue allocation proposals, and include time-differentiated distribution of the peak distribution design demand marginal cost component | | | | • Adopt SCE's proposals but use revenue allocation for residential customers adopted in the Revenue Allocation Settlement Agreement |
| Default TOU Rate for NEM 2.0 Customers | • Advice 3371-E established TOU-D-A as the default TOU rate for NEM 2.0 customers | • Need to update NEM 2.0 TOU default rate since existing default (TOU-D-A) is closing to new customers<br>• Use the default rate adopted in A.17-12-011 (Residential RDW) but for any interim period between a final decision in Phase 2 and a final decision in A.17-12-011, use TOU-D, Option 4-9 as the default rate | | | | • Use the default rate for residential NEM 2.0 customers ultimately adopted in A.17-12-011 as the NEM 2.0 TOU default rate, but, for any interim or "gap" period between a decision in Phase 2 and a decision in A.17-12-011, use TOU-D, Option 4-9pm as the default |
| TOU-D-A Rate Design & Availability | • Kept 200,000 customer cap (along w/ TOU-D-B) | • Update rate design w/ time-differentiated distribution and changes to recovery | • SCE should use ORA's PLRFs and continue to recover 25% of generation | | | • Adopt a compromise rate design:<br>○ Use settled marginal cost values for distribution design demand and generation energy and capacity |

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | TURN | SEIA | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|
| | | of generation capacity due to the introduction of flex<br>• Close rate to new customers effective upon implementation of a Phase 2 decision (Q1 2019) | capacity costs in winter on-peak rates<br>• Keep rate open to new customers until default TOU is implemented | | | o Shift a portion of summer on-peak generation to winter<br>o Set distribution rates at the marginal cost floor for the winter SOP period<br>o Move baseline credit recovery to distribution (surcharge recovered via on- and off-peak periods)<br>o Use settled set of PLRFs<br>• Adopt SCE's proposal to close rate to new customers effective upon implementation of a Phase 2 decision (Q1 2019) |
| TOU-D-C ("PRIME") Rate Design & Availability[1] | N/A | • Establish a new TOU-D-C rate as a replacement for the existing TOU-D-B rate, which SCE proposes to close to new customers effective upon implementation of a Phase 2 decision (Q1 2019), and as an optional rate for higher usage customers (including those w/ EVs) that includes updated TOU periods (e.g., 4-9pm peak), no baseline credit (similar to TOU-D-B), $16/mo fixed charge and time-differentiated distribution charges using SCE's PLRFs | • Proposes alternative TOU-D-C rate design using ORA's marginal costs, revenue allocation, sales forecast, PLRFs w/ no flattening and a $10/mo fixed charge that moderates summer peak price<br>• Propose participation cap of 80,000 customers (~10% of structural benefiters) and revenue shortfall cap of $50 million annually compared to default TOU rates to limit potential revenue shortfalls | • Supports ORA's rate design and limiting participation due to structural benefit to large users<br>• Proposes a participation cap of 50,000 customers if the rate is not limited to customers with solar and/or batteries | • Supports SCE's proposal but with a maximum $10/mo fixed charge (as proposed by ORA) | • Adopt a compromise rate design:<br>o Use updated TOU periods<br>o Shift a portion of summer on-peak generation costs to winter<br>o Reduce off-peak rates by shifting some revenue recovery to mid-peak periods<br>o Utilize common winter off-peak and SOP rate factors (functions as a single "off-peak" period)<br>o Time-differentiate distribution charges using settled PLRFs<br>o No baseline credit<br>o $12/mo fixed charge without SAPC adjustments in attrition years<br>• Availability / eligibility for the rate subject to the following requirements:<br>o Existing (*i.e.*, as of Q1 2019) non-grandfathered TOU-D customers are eligible for service on TOU-D-C when they are migrated off the existing TOU-D rates in Q4 2020<br>o New customers are eligible for TOU-D-C for two months after a Phase 2 decision is implemented (needed for operational reasons)<br>o Beginning two months after the |

[1] NRDC did not serve testimony but actively participated in the settlement negotiations related to the rate design and availability of the TOU-D-C rate option.

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | TURN | SEIA | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|
| | | (with some flattening)<br>• Propose no limits on availability or eligibility | | | | implementation of a Phase 2 decision, all new customers must attest to having an EV, onsite storage and/or a heat pump (water and/or space) to be eligible for service on the rate<br>• Revenue Differential Reporting<br>○ If an annual revenue differential of $50 million is reached (comparing TOU-D-C to TOU-D, Option 4-9pm revenues), SCE must review the TOU-D-C rate design and eligibility prior to its next Phase 2 application and reports its recommendation to parties<br>○ SCE will report to parties when the annual revenue differential reaches $25 million and will provide updates for every incremental $10 million of revenue shortfall thereafter until $50 million is reached<br>• Subsequent Review – SCE will review and propose updates, if necessary via meet and confer, to the TOU-D-C rate design and participation eligibility requirements as part of SCE's 2021 GRC Phase 2 application<br>• Heat Pump Tracking and Baseline Study<br>○ SCE will track and report on the number of customers who attest to having a heat pump (water vs. space) to take service on TOU-D-C; this information will be included in the revenue differential reporting and SCE's next GRC Phase 2 application<br>○ SCE will conduct a study on the applicability of all-electric baseline to customers with water heat pumps and include results and any proposed changes to the all-electric baseline requirements in SCE's next GRC Phase 2 or RDW application |
| TOU-D-S Rate Design & Availability | N/A | • Did not propose | | | • Optional rate for customers w/ on-site storage who qualify for SGIP<br>• All volumetric TOU rate | • Do not adopt specific TOU-D-S rates; instead, storage customers are eligible for service on the new TOU-D-C ("PRIME") rate |

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | TURN | SEIA | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|
| | | | | | (updated TOU periods) w/ larger peak differentials than SCE's proposed TOU-D-C rate<br>• Willing to consider participation cap | |
| Baseline Credit Recovery in TOU-D Rate Schedules | • Include in generation | • Include in generation[2] | | | | • Move the recovery of the baseline credit in the TOU-D rate schedule from generation to distribution to align with the existing Conservation Incentive Adjustment (CIA) treatment |
| Grandfathered Rates | N/A | • Grandfather eligible residential customers on the existing TOU rates for the durations specified in D.17-01-006 and D.16-01-044 but update the underlying marginal costs and revenue allocations | | | • Supports SCE's proposal | • Adopt SCE's uncontested proposal to grandfather eligible customers on the existing TOU rates for the durations specified in D.17-01-006 and D.16-01-044 but update the underlying marginal costs and revenue allocations |
| Master-Metering Diversity Benefit Adjustment (DBA) | • ($0.149)/space/day | • ($0.075)/space/day<br>• Continue to use sample and methodology developed in 2012 GRC w/ three years of recorded data to minimize weather fluctuations | | • Supports SCE's DBA value | | • Adopt SCE's uncontested DBA value ($0.075/space/day) |
| Master- | • | • DMS-1: | | • Adopt TURN's | | • Adopt a compromise value by splitting the |

[2] SCE inadvertently failed to move the recovery of the baseline credit from generation to distribution in its opening testimony, and requested to correct this error as part of settlement discussions with parties.

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | TURN | SEIA | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|
| Metering Sub-Metering Discount[3] | | $0.082/space/day<br>• DMS-2: $0.029/space/day<br>• Uses RECC methodology and includes uncollectible expenses | | proposed RECC value to calculate the discount; exclude uncollectibles | | difference between SCE's proposed discount and TURN's proposed discount<br>• Agree not to make any additional tariff changes to the master-meter rate schedules |

3 WMA did not serve testimony, but actively participated in the settlement negotiations related to the master-metering sub-metering discount.

# Appendix B

## Illustrative Residential Rates

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **D** | | | | | | | | | |
| Energy Charge- $/kWh | | | | | | | | | |
| Baseline - Summer | 0.08875 | 0.08589 | 0.17464 | 0.10250 | 0.08006 | 0.18256 | 15.5% | -6.8% | 4.5% |
| - Winter | 0.08875 | 0.08589 | 0.17464 | 0.10250 | 0.08006 | 0.18256 | 15.5% | -6.8% | 4.5% |
| 101% - 130% of Baseline - Summer | 0.16034 | 0.08589 | 0.24623 | 0.15298 | 0.08006 | 0.23304 | -4.6% | -6.8% | -5.4% |
| - Winter | 0.16034 | 0.08589 | 0.24623 | 0.15298 | 0.08006 | 0.23304 | -4.6% | -6.8% | -5.4% |
| 131% - 200% of Baseline - Summer | 0.16034 | 0.08589 | 0.24623 | 0.15298 | 0.08006 | 0.23304 | -4.6% | -6.8% | -5.4% |
| - Winter | 0.16034 | 0.08589 | 0.24623 | 0.15298 | 0.08006 | 0.23304 | -4.6% | -6.8% | -5.4% |
| 201% - 400% of Baseline - Summer | 0.16034 | 0.08589 | 0.24623 | 0.15298 | 0.08006 | 0.23304 | -4.6% | -6.8% | -5.4% |
| - Winter | 0.16034 | 0.08589 | 0.24623 | 0.15298 | 0.08006 | 0.23304 | -4.6% | -6.8% | -5.4% |
| Over 400% of Baseline - Summer | 0.26072 | 0.08589 | 0.34661 | 0.33043 | 0.08006 | 0.41049 | 26.7% | -6.8% | 18.4% |
| - Winter | 0.26072 | 0.08589 | 0.34661 | 0.33043 | 0.08006 | 0.41049 | 26.7% | -6.8% | 18.4% |
| Basic Charge - $/day | | | | | | | | | |
| Single-Family Residence | 0.031 | 0.000 | 0.031 | 0.031 | | 0.031 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.024 | 0.000 | 0.024 | 0.024 | | 0.024 | 0.0% | | 0.0% |
| Minimum Charge - $/day | | | | | | | | | |
| Single Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | | 0.338 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | | 0.338 | 0.0% | | 0.0% |
| Minimum Charge (Medical Baseline) - $/day | | | | | | | | | |
| Single Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | | (32.00) | 11.1% | | 11.1% |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |
| **D-CARE** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Baseline - Summer | 0.03195 | 0.08589 | 0.11784 | 0.04287 | 0.08006 | 0.12293 | 34.2% | -6.8% | 4.3% |
| - Winter | 0.03195 | 0.08589 | 0.11784 | 0.04287 | 0.08006 | 0.12293 | 34.2% | -6.8% | 4.3% |
| 101% - 130% of Baseline - Summer | 0.07969 | 0.08589 | 0.16558 | 0.07705 | 0.08006 | 0.15711 | -3.3% | -6.8% | -5.1% |
| - Winter | 0.07969 | 0.08589 | 0.16558 | 0.07705 | 0.08006 | 0.15711 | -3.3% | -6.8% | -5.1% |
| 131% - 200% of Baseline - Summer | 0.07969 | 0.08589 | 0.16558 | 0.07705 | 0.08006 | 0.15711 | -3.3% | -6.8% | -5.1% |
| - Winter | 0.07969 | 0.08589 | 0.16558 | 0.07705 | 0.08006 | 0.15711 | -3.3% | -6.8% | -5.1% |
| 201% - 400% of Baseline - Summer | 0.07969 | 0.08589 | 0.16558 | 0.07705 | 0.08006 | 0.15711 | -3.3% | -6.8% | -5.1% |
| - Winter | 0.07969 | 0.08589 | 0.16558 | 0.07705 | 0.08006 | 0.15711 | -3.3% | -6.8% | -5.1% |
| Over 400% of Baseline - Summer | 0.14719 | 0.08589 | 0.23308 | 0.19741 | 0.08006 | 0.27747 | 34.1% | -6.8% | 19.0% |
| - Winter | 0.14719 | 0.08589 | 0.23308 | 0.19741 | 0.08006 | 0.27747 | 34.1% | -6.8% | 19.0% |
| Basic Charge - $/day | | | | | | | | | |
| Single-Family Residence | 0.024 | 0.000 | 0.024 | 0.024 | | 0.024 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.018 | 0.000 | 0.018 | 0.018 | | 0.018 | 0.0% | | 0.0% |
| Minimum Charge - $/day | | | | | | | | | |
| Single Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | | (32.00) | 11.1% | | 11.1% |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |
| **D-SDP** | | | | | | | | | |
| Air Conditioning Cycling | | | | | | | | | |
| Credit - $/ton/summer season day | | | | | | | | | |
| 50% Cycling | (0.164) | 0.000 | (0.164) | (0.164) | | (0.164) | 0.0% | | 0.0% |
| 100% Cycling | (0.327) | 0.000 | (0.327) | (0.327) | | (0.327) | 0.0% | | 0.0% |
| **D-SDP-O** | | | | | | | | | |
| Air Conditioning Cycling | | | | | | | | | |
| Credit - $/ton/summer season day | | | | | | | | | |
| 50% Cycling | (0.082) | 0.000 | (0.082) | (0.082) | | (0.082) | 0.0% | | 0.0% |
| 100% Cycling | (0.164) | 0.000 | (0.164) | (0.164) | | (0.164) | 0.0% | | 0.0% |
| **DE** | | | | | | | | | |
| Discount - % | 25% | | 25% | 25% | | 25% | 0.0% | | 0.0% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **D-FERA** | | | | | | | | | |
| Energy Charge- $/kWh | | | | | | | | | |
| Baseline - Summer | 0.07810 | 0.07558 | 0.15368 | 0.09020 | 0.07045 | 0.16065 | 15.5% | -6.8% | 4.5% |
| - Winter | 0.07810 | 0.07558 | 0.15368 | 0.09020 | 0.07045 | 0.16065 | 15.5% | -6.8% | 4.5% |
| 101% - 130% of Baseline - Summer | 0.14110 | 0.07558 | 0.21668 | 0.13462 | 0.07045 | 0.20507 | -4.6% | -6.8% | -5.4% |
| - Winter | 0.14110 | 0.07558 | 0.21668 | 0.13462 | 0.07045 | 0.20507 | -4.6% | -6.8% | -5.4% |
| 131% - 200% of Baseline - Summer | 0.14110 | 0.07558 | 0.21668 | 0.13462 | 0.07045 | 0.20507 | -4.6% | -6.8% | -5.4% |
| - Winter | 0.14110 | 0.07558 | 0.21668 | 0.13462 | 0.07045 | 0.20507 | -4.6% | -6.8% | -5.4% |
| 201% - 400% of Baseline - Summer | 0.14110 | 0.07558 | 0.21668 | 0.13462 | 0.07045 | 0.20507 | -4.6% | -6.8% | -5.4% |
| - Winter | 0.14110 | 0.07558 | 0.21668 | 0.13462 | 0.07045 | 0.20507 | -4.6% | -6.8% | -5.4% |
| Over 400% of Baseline - Summer | 0.22943 | 0.07558 | 0.30501 | 0.29078 | 0.07045 | 0.36123 | 26.7% | -6.8% | 18.4% |
| - Winter | 0.22943 | 0.07558 | 0.30501 | 0.29078 | 0.07045 | 0.36123 | 26.7% | -6.8% | 18.4% |
| Basic Charge - $/day | | | | | | | | | |
| Single-Family Residence | 0.027 | 0.000 | 0.027 | 0.027 | | 0.027 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.021 | 0.000 | 0.021 | 0.021 | | 0.021 | 0.0% | | 0.0% |
| Minimum Charge - $/day | | | | | | | | | |
| Single Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | | (32.00) | 11.1% | | 11.1% |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |
| **DM** | | | | | | | | | |
| Diversity Adjustment - $/unit/day | 0.149 | 0.000 | 0.149 | 0.094 | | 0.094 | -36.9% | | -36.9% |
| Agricultural Employee Housing | | | | | | | | | |
| Discount - % | 100.00% | | 100.00% | 100.00% | | 100.00% | 0.0% | | 0.0% |
| **DMS-1** | | | | | | | | | |
| Submeter Discount - $/unit/day | (0.098) | 0.000 | (0.098) | (0.073) | | (0.073) | 25.5% | | 25.5% |
| Diversity Adjustment - $/unit/day | 0.149 | 0.000 | 0.149 | 0.094 | | 0.094 | -36.9% | | -36.9% |
| Basic Charge - $/unit/day | 0.024 | 0.000 | 0.024 | 0.024 | | 0.024 | 0.0% | | 0.0% |
| **DMS-2** | | | | | | | | | |
| Submeter Discount - $/unit/day | (0.348) | 0.000 | (0.348) | (0.257) | | (0.257) | 26.1% | | 26.1% |
| Diversity Adjustment - $/unit/day | 0.149 | 0.000 | 0.149 | 0.094 | | 0.094 | -36.9% | | -36.9% |
| Basic Charge - $/unit/day | 0.024 | 0.000 | 0.024 | 0.024 | | 0.024 | 0.0% | | 0.0% |
| **DMS-3** | | | | | | | | | |
| Basic Charge Adjust - $/unit/day | 0.024 | 0.000 | 0.024 | 0.024 | 0.000 | 0.024 | 0.0% | | 0.0% |
| **DS** | | | | | | | | | |
| Summer Season Premium - $/kWh/day | 0.030 | 0.040 | 0.070 | 0.030 | 0.040 | 0.070 | 0.0% | 0.0% | 0.0% |
| Winter Season Discount - $/kWh/day | (0.030) | (0.040) | (0.070) | (0.030) | (0.040) | (0.070) | 0.0% | 0.0% | 0.0% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **TOU-D (Option A)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season - On-Peak | 0.14862 | 0.32975 | 0.47837 | 0.29902 | 0.18391 | 0.48293 | 101.2% | -44.2% | 1.0% |
| Off-Peak | 0.14862 | 0.12692 | 0.27554 | 0.21378 | 0.06925 | 0.28303 | 43.8% | -45.4% | 2.7% |
| Super-Off-Peak | 0.08401 | 0.03914 | 0.12315 | 0.06927 | 0.05645 | 0.12572 | -17.5% | 44.2% | 2.1% |
| Winter Season - On-Peak | 0.14862 | 0.20718 | 0.35580 | 0.20824 | 0.11636 | 0.32460 | 40.1% | -43.8% | -8.8% |
| Off-Peak | 0.14862 | 0.12118 | 0.26980 | 0.18593 | 0.05961 | 0.24554 | 25.1% | -50.8% | -9.0% |
| Super-Off-Peak | 0.08401 | 0.04341 | 0.12742 | 0.06935 | 0.05668 | 0.12603 | -17.5% | 30.6% | -1.1% |
| Basic Charge - $/day | | | | | | | | | |
| Single-Family Residence | 0.031 | 0.000 | 0.031 | 0.031 | 0.000 | 0.031 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.024 | 0.000 | 0.024 | 0.024 | 0.000 | 0.024 | 0.0% | | 0.0% |
| Minimum Charge - $/day | | | | | | | | | |
| Single Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Minimum Charge (Medical Baseline) - $/day | | | | | | | | | |
| Single Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | 0.00 | (32.00) | 11.1% | | 11.1% |
| Baseline Credit - $/kWh | | (0.08088) | (0.08088) | (0.06512) | 0.00000 | (0.06512) | | 100.0% | 19.5% |
| California Alternate Rates for Energy Discount - % | 100.00% | | 100.00% | 100% | | 100% | 0.0% | | 0.0% |
| Family Electric Rate Assistance Discount - % | 100.00% | | 100.00% | 100% | | 100% | 0.0% | | 0.0% |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |
| **TOU-D (Option B)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season - On-Peak | 0.10295 | 0.26723 | 0.37018 | 0.14581 | 0.26380 | 0.40961 | 41.6% | -1.3% | 10.7% |
| Off-Peak | 0.10295 | 0.06440 | 0.16735 | 0.09229 | 0.06925 | 0.16154 | -10.4% | 7.5% | -3.5% |
| Super-Off-Peak | 0.08401 | 0.03914 | 0.12315 | 0.06931 | 0.04132 | 0.11063 | -17.5% | 5.6% | -10.2% |
| Winter Season - On-Peak | 0.10295 | 0.14466 | 0.24761 | 0.14581 | 0.08761 | 0.23342 | 41.6% | -39.4% | -5.7% |
| Off-Peak | 0.10295 | 0.05866 | 0.16161 | 0.09229 | 0.05961 | 0.15190 | -10.4% | 1.6% | -6.0% |
| Super-Off-Peak | 0.08401 | 0.04341 | 0.12742 | 0.06931 | 0.04148 | 0.11079 | -17.5% | -4.4% | -13.1% |
| Customer Charge - $/day | 0.551 | 0.000 | 0.551 | 0.526 | 0.000 | 0.526 | -4.5% | | -4.5% |
| California Alternate Rates for Energy Discount - % | 100.00% | | 100.00% | 100% | | 100% | 0.0% | | 0.0% |
| Family Electric Rate Assistance Discount - % | | | | 100% | | 100% | | | |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | 0.00 | (32.00) | 11.1% | | 11.1% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **TOU-D (Option PRIME)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season - On-Peak | | | | 0.15926 | 0.19811 | 0.35737 | | | |
| Mid-Peak | | | | 0.15926 | 0.10092 | 0.26018 | | | |
| Off-Peak | | | | 0.08308 | 0.04687 | 0.12995 | | | |
| Winter Season - Mid-Peak | | | | 0.16268 | 0.16761 | 0.33029 | | | |
| Off-Peak | | | | 0.08081 | 0.04331 | 0.12412 | | | |
| Super-Off-Peak | | | | 0.08081 | 0.04331 | 0.12412 | | | |
| Customer Charge - $/day | | | | 0.395 | 0.000 | 0.395 | | | |
| California Alternate Rates for | | | | | | | | | |
| Energy Discount - % | | | | 100% | | 100% | | | |
| Family Electric Rate Assistance Discount - % | | | | 100% | | 100% | | | |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | | | | (0.75) | (0.75) | | | |
| w/enabling technology - $/kWh | | | | | (1.25) | (1.25) | | | |
| California Climate Credit | | | | (32.00) | 0.00 | (32.00) | | | |
| **TOU-D (Option 5-8pm)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season - On-Peak | 0.12462 | 0.36284 | 0.48746 | 0.20593 | 0.26743 | 0.47336 | 65.2% | -26.3% | -2.9% |
| Mid-Peak | 0.12462 | 0.16090 | 0.28552 | 0.20593 | 0.07133 | 0.27726 | 65.2% | -55.7% | -2.9% |
| Off-Peak | 0.12462 | 0.10575 | 0.23037 | 0.16166 | 0.06205 | 0.22371 | 29.7% | -41.3% | -2.9% |
| Winter Season - Mid-Peak | 0.12462 | 0.17790 | 0.30252 | 0.20593 | 0.08713 | 0.29306 | 65.2% | -51.0% | -3.1% |
| Off-Peak | 0.12462 | 0.16134 | 0.28596 | 0.16166 | 0.11536 | 0.27702 | 29.7% | -28.5% | -3.1% |
| Super-Off-Peak | 0.12462 | 0.04657 | 0.17119 | 0.15093 | 0.01491 | 0.16584 | 21.1% | -68.0% | -3.1% |
| Basic Charge - $/day | | | | | | | | | |
| Single-Family Residence | 0.031 | 0.000 | 0.031 | 0.031 | 0.000 | 0.031 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.024 | 0.000 | 0.024 | 0.024 | 0.000 | 0.024 | 0.0% | | 0.0% |
| Minimum Charge - $/day | | | | | | | | | |
| Single Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Minimum Charge (Medical Baseline) - $/day | | | | | | | | | |
| Single Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | 0.00 | (32.00) | 11.1% | | 11.1% |
| Baseline Credit - $/kWh | 0.00000 | (0.08088) | (0.08088) | (0.06512) | 0.00000 | (0.06512) | | 100.0% | 19.5% |
| California Alternate Rates for | | | | | | | | | |
| Energy Discount - % | 100% | 0% | 100% | 100% | | 100% | 0.0% | | 0.0% |
| Family Electric Rate Assistance Discount - % | 100% | 0% | 100% | 100% | | 100% | 0.0% | | 0.0% |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | 0.00 | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | 0.00 | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **TOU-D (Option 4-9pm)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season - On-Peak | 0.12462 | 0.28680 | 0.41142 | 0.19880 | 0.20072 | 0.39952 | 59.5% | -30.0% | -2.9% |
| Mid-Peak | 0.12462 | 0.14135 | 0.26597 | 0.19880 | 0.05948 | 0.25828 | 59.5% | -57.9% | -2.9% |
| Off-Peak | 0.12462 | 0.09778 | 0.22240 | 0.15574 | 0.06023 | 0.21597 | 25.0% | -38.4% | -2.9% |
| Winter Season - Mid-Peak | 0.12462 | 0.16635 | 0.29097 | 0.19880 | 0.08308 | 0.28188 | 59.5% | -50.1% | -3.1% |
| Off-Peak | 0.12462 | 0.15289 | 0.27751 | 0.15574 | 0.11309 | 0.26883 | 25.0% | -26.0% | -3.1% |
| Super-Off-Peak | 0.12462 | 0.04474 | 0.16936 | 0.15062 | 0.01344 | 0.16406 | 20.9% | -70.0% | -3.1% |
| Basic Charge - $/day | | | | | | | | | |
| Single-Family Residence | 0.031 | 0.000 | 0.031 | 0.031 | 0.000 | 0.031 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.024 | 0.000 | 0.024 | 0.024 | 0.000 | 0.024 | 0.0% | | 0.0% |
| Minimum Charge - $/day | | | | | | | | | |
| Single Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Minimum Charge (Medical Baseline) - $/day | | | | | | | | | |
| Single Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | 0.000 | 0.169 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | 0.000 | 0.169 | 0.0% | | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | 0.00 | (32.00) | 11.1% | | 11.1% |
| Baseline Credit - $/kWh | 0.00000 | (0.08088) | (0.08088) | (0.06512) | 0.00000 | (0.06512) | | 100.0% | 19.5% |
| California Alternate Rates for | | | | | | | | | |
| Energy Discount - % | 100% | | 100% | 100% | | 100% | 0.0% | | 0.0% |
| Family Electric Rate Assistance Discount - % | 100% | | 100% | 100% | | 100% | 0.0% | | 0.0% |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |
| **TOU-D-T** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season | | | | | | | | | |
| Level I (up to 130% of Baseline) - On-Peak | 0.11923 | 0.25554 | 0.37477 | 0.21120 | 0.10529 | 0.31649 | 77.1% | -58.8% | -15.6% |
| Level II (More than 130% of Baseline) - On-Peak | 0.16123 | 0.25554 | 0.41677 | 0.26425 | 0.10529 | 0.36954 | 63.9% | -58.8% | -11.3% |
| Level I (up to 130% of Baseline) - Off-Peak | 0.11923 | 0.06604 | 0.18527 | 0.10968 | 0.09572 | 0.20540 | -8.0% | 44.9% | 10.9% |
| Level II (More than 130% of Baseline) - Off-Peak | 0.16123 | 0.06604 | 0.22727 | 0.14534 | 0.09572 | 0.24106 | -9.9% | 44.9% | 6.1% |
| Winter Season | | | | | | | | | |
| Level I (up to 130% of Baseline) - On-Peak | 0.11923 | 0.13554 | 0.25477 | 0.11269 | 0.07500 | 0.18769 | -5.5% | -44.7% | -26.3% |
| Level II (More than 130% of Baseline) - On-Peak | 0.16123 | 0.13554 | 0.29677 | 0.16574 | 0.07500 | 0.24074 | 2.8% | -44.7% | -18.9% |
| Level I (up to 130% of Baseline) - Off-Peak | 0.11923 | 0.05884 | 0.17807 | 0.09325 | 0.06818 | 0.16143 | -21.8% | 15.9% | -9.3% |
| Level II (More than 130% of Baseline) - Off-Peak | 0.16123 | 0.05884 | 0.22007 | 0.12891 | 0.06818 | 0.19709 | -20.0% | 15.9% | -10.4% |
| Basic Charge - $/day | | | | | | | | | |
| Single-Family Residence | 0.031 | 0.000 | 0.031 | 0.031 | 0.000 | 0.031 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.024 | 0.000 | 0.024 | 0.024 | 0.000 | 0.024 | 0.0% | | 0.0% |
| Minimum Charge - $/day | | | | | | | | | |
| Single Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Minimum Charge (Medical Baseline) - $/day | | | | | | | | | |
| Single Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | 0.00 | (32.00) | 11.1% | | 11.1% |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **TOU-D-T-CPP** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season | | | | | | | | | |
| Level I (up to 130% of Baseline) - On-Peak | 0.11923 | 0.25554 | 0.37477 | 0.21120 | 0.10529 | 0.31649 | 77.1% | -58.8% | -15.6% |
| Level II (More than 130% of Baseline) - On-Peak | 0.16123 | 0.25554 | 0.41677 | 0.26425 | 0.10529 | 0.36954 | 63.9% | -58.8% | -11.3% |
| Level I (up to 130% of Baseline) - Off-Peak | 0.11923 | 0.06604 | 0.18527 | 0.10968 | 0.09572 | 0.20540 | -8.0% | 44.9% | 10.9% |
| Level II (More than 130% of Baseline) - Off-Peak | 0.16123 | 0.06604 | 0.22727 | 0.14534 | 0.09572 | 0.24106 | -9.9% | 44.9% | 6.1% |
| Winter Season | | | | | | | | | |
| Level I (up to 130% of Baseline) - On-Peak | 0.11923 | 0.13554 | 0.25477 | 0.11269 | 0.07500 | 0.18769 | -5.5% | -44.7% | -26.3% |
| Level II (More than 130% of Baseline) - On-Peak | 0.16123 | 0.13554 | 0.29677 | 0.16574 | 0.07500 | 0.24074 | 2.8% | -44.7% | -18.9% |
| Level I (up to 130% of Baseline) - Off-Peak | 0.11923 | 0.05884 | 0.17807 | 0.09325 | 0.06818 | 0.16143 | -21.8% | 15.9% | -9.3% |
| Level II (More than 130% of Baseline) - Off-Peak | 0.16123 | 0.05884 | 0.22007 | 0.12891 | 0.06818 | 0.19709 | -20.0% | 15.9% | -10.4% |
| Basic Charge - $/day | | | | | | | | | |
| Single-Family Residence | 0.031 | 0.000 | 0.031 | 0.031 | 0.000 | 0.031 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.024 | 0.000 | 0.024 | 0.024 | 0.000 | 0.024 | 0.0% | | 0.0% |
| Minimum Charge - $/day | | | | | | | | | |
| Single Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.338 | 0.000 | 0.338 | 0.338 | 0.000 | 0.338 | 0.0% | | 0.0% |
| Minimum Charge (Medical Baseline) - $/day | | | | | | | | | |
| Single Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| Multi-Family Residence | 0.169 | 0.000 | 0.169 | 0.169 | | 0.169 | 0.0% | | 0.0% |
| California Climate Credit | (36.00) | 0.00 | (36.00) | (32.00) | 0.00 | (32.00) | 11.1% | | 11.1% |
| Peak Time Rebate - $kWh | | | | | | | | | |
| Peak Time Rebate | | (0.75) | (0.75) | | (0.75) | (0.75) | | 0.0% | 0.0% |
| w/enabling technology - $/kWh | | (1.25) | (1.25) | | (1.25) | (1.25) | | 0.0% | 0.0% |
| CPP Event Energy Charge - $/kWh | | 1.37453 | 1.37453 | | 0.40000 | 0.40000 | | -70.9% | -70.9% |
| Summer CPP Non-Event Credit | | | | | | | | | |
| Summer On-Peak Energy Credit - $/kWh | | (0.03990) | (0.03990) | | -0.07585 | -0.07585 | | -90.1% | -90.1% |
| **TOU-EV-1** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season - On-Peak | 0.16629 | 0.20503 | 0.37132 | 0.21879 | 0.20016 | 0.41895 | 31.6% | -2.4% | 12.8% |
| Off-Peak | 0.08401 | 0.04526 | 0.12927 | 0.07440 | 0.03168 | 0.10608 | -11.4% | -30.0% | -17.9% |
| Winter Season - On-Peak | 0.16629 | 0.07060 | 0.23689 | 0.14937 | 0.08345 | 0.23282 | -10.2% | 18.2% | -1.7% |
| Off-Peak | 0.08401 | 0.04602 | 0.13003 | 0.07096 | 0.02933 | 0.10029 | -15.5% | -36.3% | -22.9% |
| Meter Charge - $/month | 2.76 | 0.00 | 2.76 | 2.38 | 0.00 | 2.38 | -13.8% | | -13.8% |
| **Optional CPP Rider < 200 kW** | | | | | | | | | |
| CPP Event Energy Charge - $/kWh | | | | | | | | | |
| DOMESTIC | 0.00000 | 1.37453 | 1.37453 | 0.00000 | 0.40000 | 0.40000 | | -70.9% | -70.9% |
| DOMESTIC CARE | 0.00000 | 1.37453 | 1.37453 | 0.00000 | 0.40000 | 0.40000 | | -70.9% | -70.9% |
| Summer Non-Event Energy Credit - $/kWh | | | | | | | | | |
| DOMESTIC (Summer On-Peak Energy Credit) | 0.00000 | (0.03990) | (0.03990) | 0.00000 | (0.07585) | (0.07585) | | -90.1% | -90.1% |
| DOMESTIC CARE (Summer On-Peak Energy Credit) | 0.00000 | (0.03990) | (0.03990) | 0.00000 | (0.07585) | (0.07585) | | -90.1% | -90.1% |

# Appendix C

# Present and Proposed Baseline Allowances

**CURRENT**
**(5-Year Average 2010-2014)**

| Summer kWh per Day | | | Winter kWh per Day | | |
|---|---|---|---|---|---|
| **Baseline Region** | **Basic** | **All Electric** | **Baseline Region** | **Basic** | **All Electric** |
| 05 | 13.7 | 18.2 | 05 | 15.2 | 30.4 |
| 06 | 9.4 | 8.9 | 06 | 9.6 | 13.4 |
| 08 | 10.4 | 9.8 | 08 | 9.1 | 13.1 |
| 09 | 18.8 | 25.0 | 09 | 10.6 | 14.7 |
| 10 | 16.1 | 18.5 | 10 | 10.8 | 17.4 |
| 13 | 18.8 | 25.0 | 13 | 10.9 | 25.2 |
| 14 | 16.1 | 18.5 | 14 | 10.5 | 21.9 |
| 15 | 39.9 | 26.9 | 15 | 8.2 | 17.3 |
| 16 | 12.1 | 13.4 | 16 | 10.8 | 24.1 |

**PROPOSED**
**(7 Year Average 2010-2016)**

| Summer kWh per Day | | | Winter kWh per Day | | |
|---|---|---|---|---|---|
| **Baseline Region** | **Basic** | **All Electric** | **Baseline Region** | **Basic** | **All Electric** |
| 05 | 17.2 | 17.9 | 05 | 18.7 | 29.1 |
| 06 | 11.4 | 8.8 | 06 | 11.3 | 13.0 |
| 08 | 12.6 | 9.8 | 08 | 10.6 | 12.7 |
| 09 | 16.5 | 12.4 | 09 | 12.3 | 14.3 |
| 10 | 18.9 | 15.8 | 10 | 12.5 | 17.0 |
| 13 | 22.0 | 24.6 | 13 | 12.6 | 24.3 |
| 14 | 18.7 | 18.3 | 14 | 12.0 | 21.3 |
| 15 | 46.4 | 24.1 | 15 | 9.9 | 18.2 |
| 16 | 14.4 | 13.5 | 16 | 12.6 | 23.1 |

## Appendix D

## Comparison of Party Positions on Small Commercial Rate Design Matters and Settlement

## Comparison of Positions
## Small Commercial Rate Design Issues[1]

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | SBUA | SEIA | EUF | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|---|
| TOU-GS-1, Option E Rate Design (Base Rate)<br><br>(replacement for Option A) | • Adopted Option A Rate ("all energy" structure) as the default rate for the TOU-GS-1 class | • Propose new Option E, as a replacement for the existing Option A, using marginal costs and revenue allocations from Exhibits SCE-02A and SCE-03A,<br>• Maintain Option A "all volumetric" energy rate structure (*i.e.*, no demand charges) with a 3.89 on/off peak rate differential ratio in summer and a 2.30 mid/SOP ratio in winter<br>• Include time-differentiated distribution via time-differentiated energy charges for peak distribution design demand component (non-peak portion recovered via flat energy charges) and changes to recovery of generation capacity due to the introduction of flex<br>• ~$19/mo customer | • Proposes own default rate design using ORA's marginal costs and revenue allocation<br>• Results in a summer on-peak rate that is $0.10 less than SCE's proposal and a decreased on-to-off peak ratio of 2.6 (compared to SCE's 3.9)<br>• For winter, set the mid-peak at $0.20, and merged the off-peak and SOP rates for simplicity w/ a mid/off peak ratio of 1.3<br>• $4.50/mo customer charge using own marginal costs (use NCO) | • Supports SCE's proposal but wants customer charge limited to no more than $15/mo<br><br>• Supports a reduction in the additional three-phase service fixed charge of $15.66/year (when combined with the customer charge) by at least 19%<br><br>• Also supports the adoption of ORA's proposal as an additional optional flatter rate for nighttime users | • Supports ORA's rate design due to the moderated TOU rate differentials | • Opposes ORA's rate design proposal due to muted price signals that would result in economically inefficient decision-making and increased costs for all customers | • Adopt a compromise rate design proposal:<br>o Reduce generation seasonal differential<br>o Use ORA's proposed TOU rate differentials for summer<br>o Use SCE's proposed TOU rate differentials for winter<br>o Customer charge: $11/mo (50% RECC / 50% NCO)<br>o Three-phase charge: $0.031/day (50% RECC / 50% NCO) |

[1] Rate design issues related to grandfathered rates for eligible solar customers are addressed in the Solar Grandfathered Commercial and Industrial Customer TOU Period Mitigation Settlement Agreement, filed on July 13 2018.

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | SBUA | SEIA | EUF | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|---|
| | | charge to recover customer-related distribution marginal costs (use RECC) | | | | | |
| TOU-GS-1, Option S (Optional Storage Rate) | N/A | • Did not propose a specific storage rate<br>• Proposed to study alternate rate structures for small businesses with DG and/or energy storage systems, with the deliverable being either a study report and/or the proposal of alternate rate options as part of settlement discussion | | Supports the establishment of a storage rate for small commercial customers | • Supports the establishment of a rate for customers with storage similar to TOU-D-S proposal and storage rates proposed in PG&E's most recent GRC Phase 2 (*i.e.*, use of demand charge and/or stronger rate differentials across peaks) | | • Adopt a "second version" of TOU-GS-1-E (TOU-GS-1-ES) structure that is available only to customers who install BTM storage<br>o Cap participation at 15,000 customers<br>o Require a minimum energy storage capacity equal to the greater of either 4.8 kWh or at least 0.05% of the customer's annual usage (in kWh) over the previous 12 months to address token system concern; for customers with <12 months of usage data, the energy storage system must have a minimum storage capacity of 4.8 kWh<br>• Utilize a compromise rate design proposal:<br>o Use SCE's proposed TOU-GS-1, Option E seasonal and TOU period differentials<br>o Remove PLRF flattening on distribution<br>o Set customer charge at $24/mo (existing level)<br>o Apply standby exemption for customers participating on this rate; revisit standby exemption during next GRC Phase 2<br>• Proposal of this rate satisfies the alternate rate structure study outlined in Exhibit SCE-07 |

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | SBUA | SEIA | EUF | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|---|
| TOU-GS-1, Option D (Optional Rate)<br><br>(replacement for Option B) | • Adopted Option B Rate (includes generation TRD and distribution FRD charges, unlike Option A) as an optional rate | • Propose new Option D, as a replacement for the existing Option B, using marginal costs and revenue allocations from Exhibits SCE-02A and SCE-03A,<br>• For generation energy, recover via TOU energy charges (same as existing Option B, but with updated TOU periods)<br>• For generation capacity, summer on-peak and winter mid-peak costs are recovered via TRD charges; summer mid-peak and off-peak costs are recovered via TOU energy charges<br>• Introduce time-differentiated distribution by recovering 50% of peak-related distribution design demand costs in smoothed TOU energy charges, and the balance for summer on-peak via a TRD charge and the balance of all other periods via an FRD charge; recover 100% of grid-related distribution design | | • Supports adoption of SCE's proposal; may benefit nighttime users but thinks rate might be difficult to understand due to number of demand charges | | | • Adopt SCE's uncontested proposal |

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | SBUA | SEIA | EUF | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|---|
| | | demand costs via an FRD charge<br>• ~$19/mo customer charge to recover customer-related distribution marginal costs (use RECC) | | | | | |
| TOU-GS-1, Option LG (Optional Rate for RES-BCT Generating Accounts Only – replacement for Option C) | • Establish Option C exclusively for TOU-GS-1customers taking service on Schedule RES-BCT, with Customer, Energy and FRD Charges | • Replace Option C with Option LG, which is exclusively for RES-BCT Generating Accounts – and includes Customer, Energy and FRD Charges | | • | | | • Adopt SCE's uncontested proposal |
| EV Rates (TOU-EV-3, will be replaced by TOU-EV-7 as adopted in D.18-05-040) | • Adopted TOU-EV-3 as an optional EV rate for customers with demands of 20 kW and below<br>• Included demand charge provision for customers with EV and non-EV accounts on the same premises (EV customer is not responsible for paying the FRD charges registered on the EV account if the non-EV account's monthly maximum demand is higher than the monthly maximum demand registered on the EV account's meter) | • Updated to reflect new TOU periods and the bifurcated distribution grid and peak rate structures, with the distribution peak-capacity costs recovered via TOU energy charges<br>• Grandfather existing demand charge provision for customers that have an EV account located on the same premises as the non-EV host account so that the EV customer is not responsible for paying the FRD charges registered on the EV account if the non-EV account's monthly maximum demand is higher than the monthly | | • Supports SCE's proposal<br>• Supports a study to determine if both TOU-GS-1 rates and TOU-EV-3 rates should change the threshold from 20 kW to 50 kW<br>• Should consider additional subsidies for small businesses, including the cost of charging stations | | | • Adopt SCE's uncontested proposal for the updates to the TOU-EV-3 rate design (but will be replaced by TOU-EV-7 as adopted in D.18-05-040)<br>• Adopt SCE's demand (distribution) charge grandfathering provision<br>• SCE to conduct a study as part of the 2021 GRC Phase 2 related to the appropriate kW threshold for small business customers<br>• No additional subsidies for EV customers are adopted since other proceedings (i.e., TE proceeding) are addressing that issue |

| | Current Treatment (*i.e.*, 2015 GRC Outcome) | SCE | ORA | SBUA | SEIA | EUF | 2018 GRC Settled Position |
|---|---|---|---|---|---|---|---|
| | | maximum demand registered on the EV account's meter | | | | | |
| Three-Phase Charge | • Used RECC method | • Propose $0.053/day using RECC method | • Propose $0.006/day using ORA marginal costs (NCO) | • Believe that SCE is overallocating costs and that charge should be reduced by 19% | | | • Adopts a settled value of $0.031/day based on 50% RECC/50% NCO |
| Voltage Discount | • Separate from the customer charge, consistent with historical practice | • Proposed a voltage discount that is separate from the customer charge, consistent with historical practice | | • Incorporate in customer charge to reduce customer confusion | | | • Keep voltage discount as separate charge from the customer charge |
| ME&O | N/A | • Proposed an ME&O plan specific to small commercial customers in Exhibit SCE-07 | | • SCE should be directed to more clearly present rate options and make website less confusing | | | • SCE to move forward with ME&O plan included in Exhibit SCE-07 |
| Food Bank Rate | N/A | • Proposed to provide eligible food banks with a 20% discount to comply with AB 2218 (Bradford, 2014) and PU Code Section 793.3<br>• Recovery shortfall from all non-CARE customers via the PPPC | | • Supports SCE's proposal but wants subsidy included in the PPPC and allocated to all classes and wants good faith outreach efforts by SCE | | | • Adopt SCE's uncontested proposal, which includes recovery of the revenue shortfall via the PPPC<br>• SCE agrees to individually contact each eligible customer to make them aware of the new rate option |
| Small Business Demand Threshold | • Maintained existing 20 kW threshold | • Proposed no changes to the existing 20 kW small business demand eligibility threshold for service on TOU-GS-1 rates | | • Requests that SCE study increasing the eligibility for the TOU-GS-1 group from 20 kW to 50 kW | | | • SCE to conduct a study as part of the 2021 GRC Phase 2 related to the appropriate kW threshold for small business customers |

# Appendix E

# Illustrative Small Commercial Rate Group Rates

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **GS-1** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer | 0.07249 | 0.11121 | 0.18370 | 0.08781 | 0.09951 | 0.18732 | 21.1% | -10.5% | 2.0% |
| Winter | 0.07249 | 0.07375 | 0.14624 | 0.08571 | 0.06190 | 0.14761 | 18.2% | -16.1% | 0.9% |
| Customer Charge - $/day | 0.806 | 0.000 | 0.806 | 0.362 | | 0.362 | -55.1% | | -55.1% |
| Three Phase Service - $/day | 0.060 | 0.000 | 0.060 | 0.031 | | 0.031 | -48.3% | | -48.3% |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | (0.00059) | (0.00222) | (0.00281) | (0.00066) | (0.00123) | (0.00189) | -11.9% | 44.6% | 32.7% |
| From 51 kV to 219 kV | (0.01993) | (0.00489) | (0.02482) | (0.02205) | (0.00272) | (0.02477) | -10.6% | 44.4% | 0.2% |
| 220 kV and above | (0.03446) | (0.00494) | (0.03940) | (0.05035) | (0.00274) | (0.05309) | -46.1% | 44.5% | -34.7% |
| California Climate Credit - $/kWh/Meter/Month | (0.00453) | 0.00000 | (0.00453) | (0.00494) | 0.00000 | (0.00494) | -9.1% | | -9.1% |
| **TOU-GS-1 (Option E)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | 0.07249 | 0.15667 | 0.22916 | 0.11859 | 0.26093 | 0.37952 | 63.6% | 66.5% | 65.6% |
| Mid-peak | 0.07249 | 0.11306 | 0.18555 | 0.11859 | 0.09851 | 0.21710 | 63.6% | -12.9% | 17.0% |
| Off-Peak | 0.07249 | 0.08405 | 0.15654 | 0.07842 | 0.06291 | 0.14133 | 8.2% | -25.2% | -9.7% |
| Winter Season | | | | | | | | | |
| Mid-peak | 0.07249 | 0.07922 | 0.15171 | 0.11859 | 0.11764 | 0.23623 | 63.6% | 48.5% | 55.7% |
| Off-Peak | 0.07249 | 0.06895 | 0.14144 | 0.07842 | 0.05409 | 0.13251 | 8.2% | -21.6% | -6.3% |
| Super-Off-Peak | | | | 0.07240 | 0.03467 | 0.10707 | | | |
| Customer Charge - $/day | 0.806 | 0.000 | 0.806 | 0.362 | 0.000 | 0.362 | -55.1% | | -55.1% |
| Three-Phase Service - $/day | 0.060 | 0.000 | 0.060 | 0.031 | 0.000 | 0.031 | -48.3% | | -48.3% |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | (0.00059) | (0.00222) | (0.00281) | (0.00066) | (0.00123) | (0.00189) | -11.9% | 44.6% | 32.7% |
| From 51 kV to 219 kV | (0.01993) | (0.00489) | (0.02482) | (0.02205) | (0.00272) | (0.02477) | -10.6% | 44.4% | 0.2% |
| 220 kV and above | (0.03446) | (0.00494) | (0.03940) | (0.05035) | (0.00274) | (0.05309) | -46.1% | 44.5% | -34.7% |
| California Climate Credit - $/kWh/Meter/Month | (0.00453) | 0.00000 | (0.00453) | (0.00494) | 0.00000 | (0.00494) | -9.1% | | -9.1% |
| **TOU-GS-1 (Option D)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | 0.02281 | 0.13283 | 0.15564 | 0.05226 | 0.07480 | 0.12706 | 129.1% | -43.7% | -18.4% |
| Mid-peak | 0.02281 | 0.05710 | 0.07991 | 0.05226 | 0.06778 | 0.12004 | 129.1% | 18.7% | 50.2% |
| Off-Peak | 0.02281 | 0.03842 | 0.06123 | 0.02920 | 0.04325 | 0.07245 | 28.0% | 12.6% | 18.3% |
| Winter Season | | | | | | | | | |
| Mid-peak | 0.02281 | 0.08992 | 0.11273 | 0.05226 | 0.06938 | 0.12164 | 129.1% | -22.8% | 7.9% |
| Off-Peak | 0.02281 | 0.05978 | 0.08259 | 0.02920 | 0.04958 | 0.07878 | 28.0% | -17.1% | -4.6% |
| Super-Off-Peak | | | | 0.02586 | 0.03733 | 0.06319 | | | |
| Customer Charge - $/day | 0.806 | 0.000 | 0.806 | 0.362 | 0.000 | 0.362 | -55.1% | | -55.1% |
| Facilities Related Demand Charge - $/kW | 10.06 | 0.00 | 10.06 | 10.03 | 0.00 | 10.03 | -0.3% | | -0.3% |
| Time Related Demand Charge - $/kW | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | 0.00 | 7.43 | 7.43 | 3.10 | 12.24 | 15.34 | | 64.7% | 106.5% |
| Mid-peak | 0.00 | 2.82 | 2.82 | 0.00 | 0.00 | 0.00 | | -100.0% | -100.0% |
| Winter Season | | | | | | | | | |
| Mid-peak | | | | 0.00 | 2.88 | 2.88 | | | |
| Three-Phase Service - $/day | 0.060 | 0.000 | 0.060 | 0.031 | 0.000 | 0.031 | -48.3% | | -48.3% |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | 0.00000 | (0.00161) | (0.00161) | (0.00012) | (0.00078) | (0.00090) | | 51.6% | 44.1% |
| From 51 kV to 219 kV | 0.00000 | (0.00354) | (0.00354) | (0.00169) | (0.00148) | (0.00317) | | 58.2% | 10.5% |
| 220 kV and above | 0.00000 | (0.00358) | (0.00358) | (0.01376) | (0.00150) | (0.01526) | | 58.1% | -326.3% |
| Voltage Discount, Facilities Related Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | (0.12) | 0.00 | (0.12) | (0.10) | 0.00 | (0.10) | 16.7% | | 16.7% |
| From 51 kV to 219 kV | (3.99) | 0.00 | (3.99) | (4.03) | 0.00 | (4.03) | -1.0% | | -1.0% |
| 220 kV and above | (6.90) | 0.00 | (6.90) | (7.08) | 0.00 | (7.08) | -2.6% | | -2.6% |
| Voltage Discount, Time-Related Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | 0.00 | (0.19) | (0.19) | (0.03) | (0.11) | (0.14) | | 42.1% | 26.3% |
| From 51 kV to 219 kV | 0.00 | (0.43) | (0.43) | (0.76) | (0.30) | (1.06) | | 30.2% | -146.5% |
| 220 kV and above | 0.00 | (0.43) | (0.43) | (1.87) | (0.30) | (2.17) | | 30.2% | -404.7% |
| California Climate Credit - $/kWh/Meter/Month | (0.00453) | 0.00000 | (0.00453) | (0.00494) | 0.00000 | (0.00494) | -9.1% | | -9.1% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **TOU-GS-1 (Option LG)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | 0.02281 | 0.15667 | 0.17948 | 0.10090 | 0.26093 | 0.36183 | 342.3% | 66.5% | 101.6% |
| Mid-peak | 0.02281 | 0.11306 | 0.13587 | 0.10090 | 0.09851 | 0.19941 | 342.3% | -12.9% | 46.8% |
| Off-Peak | 0.02281 | 0.08405 | 0.10686 | 0.04090 | 0.06291 | 0.10381 | 79.3% | -25.2% | -2.9% |
| Winter Season | | | | | | | | | |
| Mid-peak | 0.02281 | 0.07922 | 0.10203 | 0.10090 | 0.11764 | 0.21854 | 342.3% | 48.5% | 114.2% |
| Off-Peak | 0.02281 | 0.06895 | 0.09176 | 0.04090 | 0.05409 | 0.09499 | 79.3% | -21.6% | 3.5% |
| Super-Off-Peak | | | | 0.03220 | 0.03467 | 0.06687 | | | |
| Customer Charge - $/day | 0.806 | 0.000 | 0.806 | 0.362 | 0.000 | 0.362 | -55.1% | | -55.1% |
| Facilities Related Demand Charge - $/kW | 10.06 | 0.00 | 10.06 | 6.99 | 0.00 | 6.99 | -30.5% | | -30.5% |
| Time Related Demand Charge - $/kW | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | | | | 0.00 | 0.00 | 0.00 | | | |
| Mid-peak | | | | 0.00 | 0.00 | 0.00 | | | |
| Three-Phase Service - $/day | 0.060 | 0.000 | 0.060 | 0.031 | 0.000 | 0.031 | -48.3% | | -48.3% |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | 0.00000 | (0.00222) | (0.00222) | -0.00038 | (0.00123) | (0.00161) | | 44.6% | 27.5% |
| From 51 kV to 219 kV | 0.00000 | (0.00489) | (0.00489) | -0.01109 | (0.00272) | (0.01381) | | 44.4% | -182.4% |
| 220 kV and above | 0.00000 | (0.00494) | (0.00494) | -0.03108 | (0.00274) | (0.03382) | | 44.5% | -584.6% |
| Voltage Discount, Facilities Related Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | (0.12) | 0.00 | (0.12) | (0.06) | 0.00 | (0.06) | 50.0% | | 50.0% |
| From 51 kV to 219 kV | (3.99) | 0.00 | (3.99) | (2.30) | 0.00 | (2.30) | 42.4% | | 42.4% |
| 220 kV and above | (6.90) | 0.00 | (6.90) | (4.04) | 0.00 | (4.04) | 41.4% | | 41.4% |
| Voltage Discount, Time Related Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | | | | 0.00 | 0.00 | 0.00 | | | |
| From 51 kV to 219 kV | | | | 0.00 | 0.00 | 0.00 | | | |
| 220 kV and above | | | | 0.00 | 0.00 | 0.00 | | | |
| California Climate Credit - $/kWh/Meter/Month | (0.00453) | 0.00000 | (0.00453) | (0.00494) | 0.00000 | (0.00494) | -9.1% | | -9.1% |
| **TOU-GS-1 (Option ES)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | | | | 0.18187 | 0.36490 | 0.54677 | | | |
| Mid-peak | | | | 0.10779 | 0.11448 | 0.22227 | | | |
| Off-Peak | | | | 0.07364 | 0.04647 | 0.12011 | | | |
| Winter Season | | | | | | | | | |
| Mid-peak | | | | 0.07323 | 0.11090 | 0.18413 | | | |
| Off-Peak | | | | 0.05474 | 0.05099 | 0.10573 | | | |
| Super-Off-Peak | | | | 0.05861 | 0.03268 | 0.09129 | | | |
| Customer Charge - $/day | | | | 0.789 | 0.000 | 0.789 | | | |
| Three-Phase Service - $/day | | | | 0.031 | 0.000 | 0.031 | | | |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | | | | (0.00066) | (0.00123) | (0.00189) | | | |
| From 51 kV to 219 kV | | | | (0.02205) | (0.00272) | (0.02477) | | | |
| 220 kV and above | | | | (0.05035) | (0.00274) | (0.05309) | | | |
| California Climate Credit - $/kWh/Meter/Month | | | | (0.00494) | 0.00000 | (0.00494) | | | |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **TOU-GS-1-CPP** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | 0.07249 | 0.15667 | 0.22916 | 0.11859 | 0.26093 | 0.37952 | 63.6% | 66.5% | 65.6% |
| Mid-peak | 0.07249 | 0.11306 | 0.18555 | 0.11859 | 0.09851 | 0.21710 | 63.6% | -12.9% | 17.0% |
| Off-Peak | 0.07249 | 0.08405 | 0.15654 | 0.07842 | 0.06291 | 0.14133 | 8.2% | -25.2% | -9.7% |
| Winter Season | | | | | | | | | |
| Mid-peak | 0.07249 | 0.07922 | 0.15171 | 0.11859 | 0.11764 | 0.23623 | 63.6% | 48.5% | 55.7% |
| Off-Peak | 0.07249 | 0.06895 | 0.14144 | 0.07842 | 0.05409 | 0.13251 | 8.2% | -21.6% | -6.3% |
| Suepr-Off-Peak | | | | 0.07240 | 0.03467 | 0.10707 | | | |
| Customer Charge - $/day | 0.806 | 0.000 | 0.806 | 0.362 | 0.000 | 0.362 | -55.1% | | -55.1% |
| Three-Phase Service - $/day | 0.060 | 0.000 | 0.060 | 0.031 | 0.000 | 0.031 | -48.3% | | -48.3% |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | (0.00059) | (0.00222) | (0.00281) | (0.00066) | (0.00123) | (0.00189) | -11.9% | 44.6% | 32.7% |
| From 51 kV to 219 kV | (0.01993) | (0.00489) | (0.02482) | (0.02205) | (0.00272) | (0.02477) | -10.6% | 44.4% | 0.2% |
| 220 kV and above | (0.03446) | (0.00494) | (0.03940) | (0.05035) | (0.00274) | (0.05309) | -46.1% | 44.5% | -34.7% |
| CPP Event Energy Charge - $/kWh | 0.00000 | 0.68727 | 0.68727 | 0.00000 | 0.40000 | 0.40000 | | -41.8% | -41.8% |
| Summer On-Peak CPP Non-Event Credit - $/kWh | 0.00000 | (0.01888) | (0.01888) | 0.00000 | (0.06822) | (0.06822) | | -261.3% | -261.3% |
| California Climate Credit - $/kWh/Meter/Month | (0.00453) | 0.00000 | (0.00453) | (0.00494) | 0.00000 | (0.00494) | -9.1% | | -9.1% |
| **TOU-GS-1-RTP** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | 0.02281 | Variable* | Variable* | 0.05226 | Variable* | Variable* | 129.1% | | |
| Mid-peak | | | | 0.05226 | Variable* | Variable* | | | |
| Off-Peak | | | | 0.02920 | Variable* | Variable* | | | |
| Winter Season | | | | | | | | | |
| Mid-peak | | | | 0.05226 | Variable* | Variable* | | | |
| Off-Peak | | | | 0.02920 | Variable* | Variable* | | | |
| Suepr-Off-Peak | | | | 0.02586 | Variable* | Variable* | | | |
| Customer Charge - $/day | 0.806 | 0.000 | 0.806 | 0.362 | | 0.362 | -55.1% | | -55.1% |
| Facilities Related Demand Charge - $/kW | 10.06 | 0.00 | 10.06 | 10.03 | | 10.03 | -0.3% | | -0.3% |
| Time Related Demand Charge - $/kW | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | | | | 3.10 | 0.00 | 3.10 | | | |
| Mid-peak | | | | 0.00 | 0.00 | 0.00 | | | |
| Three-Phase Service - $/day | 0.060 | 0.000 | 0.060 | 0.031 | | 0.031 | -48.3% | | -48.3% |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | 0.00000 | (0.00222) | (0.00222) | (0.00012) | (0.00123) | (0.00135) | | 44.6% | 39.2% |
| Above 50 kV but below 220 kV | 0.00000 | (0.00489) | (0.00489) | (0.00169) | (0.00272) | (0.00441) | | 44.4% | 9.8% |
| At 220 kV | 0.00000 | (0.00494) | (0.00494) | (0.01376) | (0.00274) | (0.01650) | | 44.5% | -234.0% |
| Voltage Discount, Facilities Related Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | (0.12) | | (0.12) | (0.10) | | (0.10) | 16.7% | | 16.7% |
| From 51 kV to 219 kV | (3.99) | | (3.99) | (4.03) | | (4.03) | -1.0% | | -1.0% |
| 220 kV and above | (6.90) | | (6.90) | (7.08) | | (7.08) | -2.6% | | -2.6% |
| Voltage Discount, Time Related Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | | | | (0.03) | 0.00 | (0.03) | | | |
| From 51 kV to 219 kV | | | | (0.76) | 0.00 | (0.76) | | | |
| 220 kV and above | | | | (1.87) | 0.00 | (1.87) | | | |
| California Climate Credit - $/kWh/Meter/Month | (0.00453) | 0.00000 | (0.00453) | (0.00494) | 0.00000 | (0.00494) | -9.1% | | -9.1% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **GS-APS (Schedules: GS-1 and TOU-GS-1)** | | | | | | | | | |
| Air Conditioning Cycling Credit - $/ton/summer season day | | | | | | | | | |
| 30% Cycling | (0.046) | 0.000 | (0.046) | 0.000 | 0.000 | 0.000 | 100.0% | | 100.0% |
| 40% Cycling | (0.056) | 0.000 | (0.056) | 0.000 | 0.000 | 0.000 | 100.0% | | 100.0% |
| 50% Cycling | (0.081) | 0.000 | (0.081) | 0.000 | 0.000 | 0.000 | 100.0% | | 100.0% |
| 100% Cycling | (0.329) | 0.000 | (0.329) | 0.000 | 0.000 | 0.000 | 100.0% | | 100.0% |
| **GS-APS-E (Schedules: GS-1 and TOU-GS-1)** | | | | | | | | | |
| Air Conditioning Cycling Credit - $/ton/summer season day | | | | | | | | | |
| 30% Cycling | (0.026) | 0.000 | (0.026) | (0.026) | 0.000 | (0.026) | 0.0% | | 0.0% |
| 40% Cycling | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | | | |
| 50% Cycling | (0.129) | 0.000 | (0.129) | (0.129) | 0.000 | (0.129) | 0.0% | | 0.0% |
| 100% Cycling | (0.368) | 0.000 | (0.368) | (0.368) | 0.000 | (0.368) | 0.0% | | 0.0% |
| **TOU-EV-3 (Option A)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season On-Peak | 0.07249 | 0.27698 | 0.34947 | 0.11859 | 0.26093 | 0.37952 | 63.6% | -5.8% | 8.6% |
| Mid-Peak | 0.07249 | 0.07839 | 0.15088 | 0.11859 | 0.09851 | 0.21710 | 63.6% | 25.7% | 43.9% |
| Off-Peak | 0.07249 | 0.03345 | 0.10594 | 0.07842 | 0.06291 | 0.14133 | 8.2% | 88.1% | 33.4% |
| Winter Season On-Peak | 0.07249 | 0.07279 | 0.14528 | 0.11859 | 0.11764 | 0.23623 | 63.6% | 61.6% | 62.6% |
| Mid-Peak | 0.07249 | 0.06171 | 0.13420 | 0.07842 | 0.05409 | 0.13251 | 8.2% | -12.3% | -1.3% |
| Off-Peak | 0.07249 | 0.03810 | 0.11059 | 0.07240 | 0.03467 | 0.10707 | -0.1% | -9.0% | -3.2% |
| Customer Charge - $/day | 0.806 | 0.000 | 0.806 | 0.362 | | 0.362 | -55.1% | | -55.1% |
| Three-Phase Service - $/day | 0.060 | 0.000 | 0.060 | 0.031 | | 0.031 | -48.3% | | -48.3% |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | (0.00059) | (0.00222) | (0.00281) | -0.00066 | (0.00123) | (0.00189) | -11.9% | 44.6% | 32.7% |
| 51 kV to 219 kV | (0.01993) | (0.00489) | (0.02482) | -0.02205 | (0.00272) | (0.02477) | -10.6% | 44.4% | 0.2% |
| 220 kV and above | (0.03446) | (0.00494) | (0.03940) | -0.05035 | (0.00274) | (0.05309) | -46.1% | 44.5% | -34.7% |
| California Climate Credit - $/kWh/Meter/Month | (0.00453) | 0.00000 | (0.00453) | (0.00494) | | (0.00494) | -9.1% | | -9.1% |
| **TOU-EV-3 (Option B)** | | | | | | | | | |
| Energy Charge - $/kWh | | | | | | | | | |
| Summer Season On-Peak | 0.02281 | 0.27698 | 0.29979 | 0.05226 | 0.26093 | 0.31319 | 129.1% | -5.8% | 4.5% |
| Mid-Peak | 0.02281 | 0.07839 | 0.10120 | 0.05226 | 0.09851 | 0.15077 | 129.1% | 25.7% | 49.0% |
| Off-Peak | 0.02281 | 0.03345 | 0.05626 | 0.02920 | 0.06291 | 0.09211 | 28.0% | 88.1% | 63.7% |
| Winter Season On-Peak | 0.02281 | 0.07279 | 0.09560 | 0.05226 | 0.11764 | 0.16990 | 129.1% | 61.6% | 77.7% |
| Mid-Peak | 0.02281 | 0.06171 | 0.08452 | 0.02920 | 0.05409 | 0.08329 | 28.0% | -12.3% | -1.5% |
| Off-Peak | 0.02281 | 0.03810 | 0.06091 | 0.02920 | 0.03467 | 0.06387 | 28.0% | -9.0% | 4.9% |
| Customer Charge - $/day | 0.806 | 0.000 | 0.806 | 0.362 | | 0.362 | -55.1% | | -55.1% |
| Three-Phase Service - $/day | 0.060 | 0.000 | 0.060 | 0.031 | | 0.031 | -48.3% | | -48.3% |
| Facilities Related Demand Charge - $/kW | 10.06 | 0.00 | 10.06 | 10.03 | | 10.03 | -0.3% | | -0.3% |
| Time Related Demand Charge - $/kW | | | | | | | | | |
| Summer Season | | | | | | | | | |
| On-Peak | | | | 3.10 | 0.00 | 3.10 | | | |
| Mid-Peak | | | | 0.00 | 0.00 | 0.00 | | | |
| Voltage Discount, Energy - $/kWh | | | | | | | | | |
| From 2 kV to 50 kV | 0.00000 | (0.00222) | (0.00222) | -0.00012 | (0.00123) | (0.00135) | | 44.6% | 39.2% |
| 51 kV to 219 kV | 0.00000 | (0.00489) | (0.00489) | -0.00169 | (0.00272) | (0.00441) | | 44.4% | 9.8% |
| 220 kV and above | 0.00000 | (0.00494) | (0.00494) | -0.01376 | (0.00274) | (0.01650) | | 44.5% | -234.0% |
| Voltage Discount, Facilities Related Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | (0.12) | 0.00 | (0.12) | (0.10) | | (0.10) | 16.7% | | 16.7% |
| 51 kV to 219 kV | (3.99) | 0.00 | (3.99) | (4.03) | | (4.03) | -1.0% | | -1.0% |
| 220 kV and above | (6.90) | 0.00 | (6.90) | (7.08) | | (7.08) | -2.6% | | -2.6% |
| Voltage Discount, Time-Related Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | | | | (0.03) | | (0.03) | | | |
| 51 kV to 219 kV | | | | (0.76) | | (0.76) | | | |
| 220 kV and above | | | | (1.87) | | (1.87) | | | |
| California Climate Credit - $/kWh/Meter/Month | (0.00453) | 0.00000 | (0.00453) | (0.00494) | | (0.00494) | -9.1% | | -9.1% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **Schedule-S-D (Less than 500 kW)** | | | | | | | | | |
| Energy Charge - $/kWh/Meter/Month - see (OAT) | | | | | | | | | |
| Customer Charge - $/Meter/Month - see (OAT) | | | | | | | | | |
| Standby (CRC) - $kW | | | | | | | | | |
| TOU-GS-1 (Rate D) | 9.48 | 0.00 | 9.48 | 10.03 | 0.00 | 10.03 | 5.8% | | 5.8% |
| Voltage Discount, Capacity Reservation Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | (0.11) | 0.00 | (0.11) | (0.10) | 0.00 | (0.10) | 9.1% | | 9.1% |
| 51 kV to 219 kV | (3.65) | 0.00 | (3.65) | (4.03) | 0.00 | (4.03) | -10.4% | | -10.4% |
| 220 kV and Above | (6.32) | 0.00 | (6.32) | (7.08) | 0.00 | (7.08) | -12.0% | | -12.0% |
| GS-1 | 9.48 | 0.00 | 9.48 | 10.03 | 0.00 | 10.03 | 5.8% | | 5.8% |
| Voltage Discount, Capacity Reservation Demand - $/kW | | | | | | | | | |
| From 2 kV to 50 kV | (0.11) | 0.00 | (0.11) | (0.10) | 0.00 | (0.10) | 9.1% | | 9.1% |
| 51 kV to 219 kV | (3.65) | 0.00 | (3.65) | (4.03) | 0.00 | (4.03) | -10.4% | | -10.4% |
| 220 kV and Above | (6.32) | 0.00 | (6.32) | (7.08) | 0.00 | (7.08) | -12.0% | | -12.0% |
| Facilities Related Demand Charge - see OAT | | | | | | | | | |
| Demand Charge - $kW applicable to metered maximum kW demand in excess Standby | | | | | | | | | |
| Generation Time-related demand charge - see OAT | | | | | | | | | |
| Power Factor Adjustment Charge - see OAT | | | | | | | | | |
| **WTR** | | | | | | | | | |
| Energy Charge - $/Device/Month | | | | | | | | | |
| 50 0 - 50 kWh/month | 3.70 | 3.28 | 6.98 | 3.97 | 3.02 | 6.99 | 7.3% | -7.9% | 0.1% |
| 100 51 - 100 kWh/month | 7.45 | 6.56 | 14.01 | 7.96 | 6.04 | 14.00 | 6.8% | -7.9% | -0.1% |
| 150 101 - 150 kWh/month | 11.14 | 9.85 | 20.99 | 11.92 | 9.06 | 20.98 | 7.0% | -8.0% | 0.0% |
| 200 151 - 200 kWh/month | 14.86 | 13.13 | 27.99 | 15.89 | 12.08 | 27.97 | 6.9% | -8.0% | -0.1% |
| 250 201 - 250 kWh/month | 18.58 | 16.41 | 34.99 | 19.86 | 15.10 | 34.96 | 6.9% | -8.0% | -0.1% |
| 300 251 - 300 kWh/month | 22.31 | 19.69 | 42.00 | 23.84 | 18.12 | 41.96 | 6.9% | -8.0% | -0.1% |
| 350 301 - 350 kWh/month | 26.00 | 22.97 | 48.97 | 27.80 | 21.14 | 48.94 | 6.9% | -8.0% | -0.1% |
| 400 351 - 400 kWh/month | 29.72 | 26.26 | 55.98 | 31.76 | 24.16 | 55.92 | 6.9% | -8.0% | -0.1% |
| 450 401 - 450 kWh/month | 33.44 | 29.54 | 62.98 | 35.74 | 27.18 | 62.92 | 6.9% | -8.0% | -0.1% |
| 500 451 - 500 kWh/month | 37.17 | 32.82 | 69.99 | 39.73 | 30.20 | 69.93 | 6.9% | -8.0% | -0.1% |
| 900 501 - 900 kWh/month | 66.86 | 59.08 | 125.94 | 71.48 | 54.35 | 125.83 | 6.9% | -8.0% | -0.1% |
| 1350 901 - 1350 kWh/month | 100.29 | 88.61 | 188.90 | 107.21 | 81.53 | 188.74 | 6.9% | -8.0% | -0.1% |
| 1800 1351 - 1800 kWh/month | 133.72 | 118.15 | 251.87 | 142.93 | 108.70 | 251.63 | 6.9% | -8.0% | -0.1% |
| 2250 1801 - 2250 kWh/month | 167.16 | 147.69 | 314.85 | 178.68 | 135.88 | 314.56 | 6.9% | -8.0% | -0.1% |
| 2700 2251 - 2700 kWh/month | 200.58 | 177.23 | 377.81 | 214.42 | 163.05 | 377.47 | 6.9% | -8.0% | -0.1% |
| Customer Charge - $/Month | 27.29 | 0.00 | 27.29 | 19.77 | 0.00 | 19.77 | -27.6% | | -27.6% |
| Three-Phase Service - $/day | 0.030 | 0.000 | 0.030 | 0.029 | 0.000 | 0.029 | -3.3% | | -3.3% |
| Inspection Charge - $/Device/Month | 15.23 | 0.00 | 15.23 | 15.23 | 0.00 | 15.23 | 0.0% | | 0.0% |
| Initialization of Service Charge - One-time charge | 7.31 | 0.00 | 7.31 | 7.31 | 0.00 | 7.31 | 0.0% | | 0.0% |
| AMI Devices | | | | | | | | | |
| Energy Charge - $/Device/Month | | | | | | | | | |
| 29 29 kWh/month | 2.16 | 1.90 | 4.06 | 2.28 | 1.75 | 4.03 | 5.6% | -7.9% | -0.7% |
| Customer Charge - $/month | 3.86 | 0.00 | 3.86 | 3.46 | 0.00 | 3.46 | -10.4% | | -10.4% |
| Inspection Charge - $/Device/Month | 15.23 | 0.00 | 15.23 | 15.23 | 0.00 | 15.23 | 0.0% | | 0.0% |
| Initialization of Service Charge - One-time charge | 10.42 | 0.00 | 10.42 | 10.42 | 0.00 | 10.42 | 0.0% | | 0.0% |

| | January 2018 Rates | | | Proposed 2018 GRC Rates | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Delivery | Generation | Total Rate | Delivery | Generation | Total Rate | Delivery Change | Generation Change | Total Rate Change |
| **Wi-Fi-1** | | | | | | | | | |
| Energy Charge - $/Device/Month | 1.95 | 1.68 | 3.63 | 2.09 | 1.55 | 3.64 | 7.2% | -7.7% | 0.3% |
| Customer Charge - $/Month | 3.86 | 0.00 | 3.86 | 3.46 | 0.00 | 3.46 | -10.4% | | -10.4% |
| Inventory/Maintenance Charge - $/Devoce/Month | 2.88 | 0.00 | 2.88 | 2.88 | 0.00 | 2.88 | 0.0% | | 0.0% |
| Initialization of Service Charge - One time charge/service account | 10.42 | 0.00 | 10.42 | 10.42 | 0.00 | 10.42 | 0.0% | | 0.0% |
| **Optional CPP Rider < 200 kW** | | | | | | | | | |
| CPP Event Energy Charge - $/kWh | | | | | | | | | |
| GS-1 | 0.00000 | 1.37453 | 1.37453 | 0.00000 | 0.40000 | 0.40000 | | -70.9% | -70.9% |
| Summer Non-Event Energy Credit - $/kWh | | | | | | | | | |
| GS-1 (Summer On-Peak Energy Credit) | 0.00000 | (0.03776) | (0.03776) | 0.00000 | (0.06822) | (0.06822) | | -80.7% | -80.7% |
| TOU-GS-1 (Summer On-Peak Energy Credit) | 0.00000 | (0.03776) | (0.03776) | 0.00000 | (0.06822) | (0.06822) | | -80.7% | -80.7% |