



# California City-County Street Light Association

## Energy Conference #55

### Update on CPUC Rate Cases

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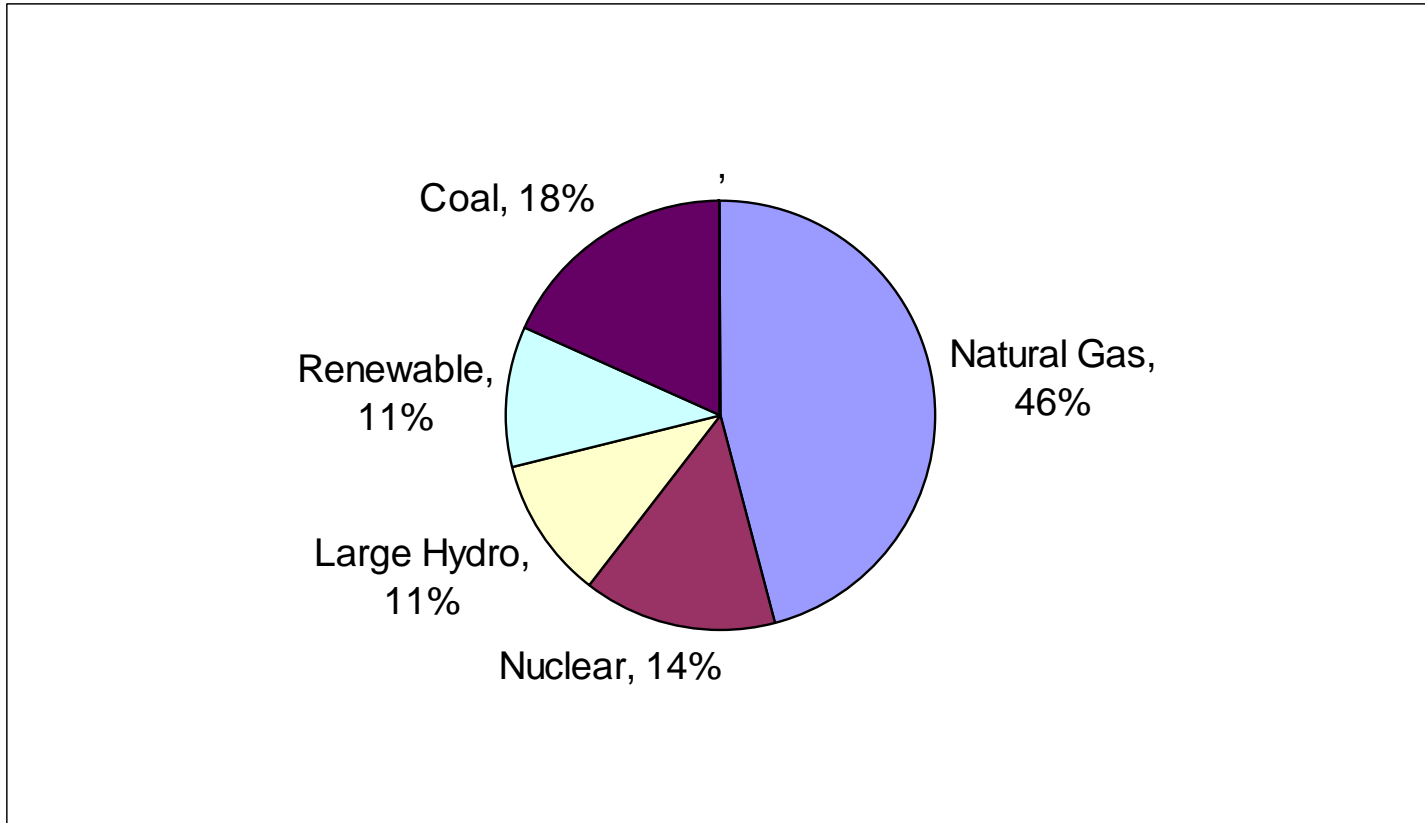
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April 22, 2010

# Total Electric System 2008



# Hot Issues at CPUC

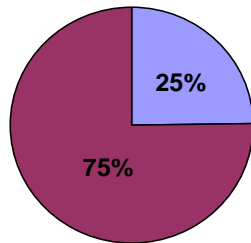
- Global warming and greenhouse gas emissions
- Renewable energy
- Smart-Grid and transmission planning
- Demand response and critical peak pricing
- End of residential rate freeze
- Return of direct access to third-party suppliers
- Community choice aggregation

# Utility Comparison Number of Street Lights

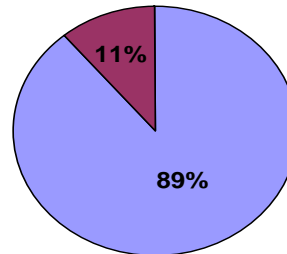
<b>PG&amp;E</b>	<b>747,105</b>
<b>SCE</b>	<b>780,070</b>
<b>SDG&amp;E</b>	<b>142,713</b>

# Utility Comparison Street Light Ownership

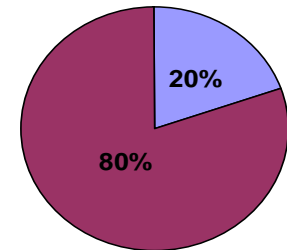
PG&E



SCE



SDG&E



-  Customer-Owned
-  Utility-Owned

# Utility Comparison Street Lighting Revenue

<b>Utility</b>	<b>Revenues (million)</b>	<b>Sales (MWh)</b>	<b>Avg Rate (\$/kWh)</b>
PG&E	\$70.7	430.0	\$0.164
SCE	\$134.4	699.5	\$0.192
SDG&E	\$17.5	111.0	\$0.158

# General Rate Cases

## ■ Phase 1

Decides the revenue requirement for generation (non-fuel) and distribution

## ■ Phase 2

Designs rates based on the revenue requirement decided in the first phase, which is allocated to customer classes and rate schedules using marginal costs of service

# CAL-SLA's Work at CPUC

- General Rate Cases
  - Phase 1 sets revenue requirement; CAL-SLA has intervened in PG&E's Phase 1 rate case
  - Phase 2 designs rates to collect revenue requirement; CAL-SLA intervenes and actively participates
- Work Tasks
  - Analyze utility's application, exhibits, and workpapers
  - Submit expert witness testimony
  - Negotiate with other parties any settlement
  - Cross-exam utility witnesses
  - Prepare opening and reply briefs
  - Comment on draft decision proposed by ALJ
  - Present oral argument to Commissioners
- Monitor other CPUC proceedings
- File Protests of Advice Filings

# Street Light Rate Structure

- Energy Charge (\$/kWh)

Recovers cost of generating, transmitting, and distributing electricity to the street light

- Non-Energy Charge (\$/lamp/month)

- Customer accounting and billing
- Maintenance of street lights
- Rental of street light facilities

# Pacific Gas & Electric

## Phase 1

- Increase in generation and distribution revenue requirements by \$887 million, or 7.2%.
- Application filed in December 2009
- Requests to replace all utility-owned street lights with LED -- \$20.5 million each year for five years
- Intervenor Testimony due May 19, 2010
- Evidentiary Hearings June-July 2010
- Briefs August 2010
- Final Decision December 16, 2010
- New Rates Effective January 1, 2011

# Pacific Gas & Electric Phase 2

- Application filed on March 22, 2010
- Proposes at “full cost of service” 25% increase in street lighting revenues -- \$17.8 million
- But proposes to cap increase at 7.5%, or \$5.3 million
- No change in the overall electric system revenue requirement
- Case has just started; CAL-SLA will intervene.
- New rates effective May 1, 2011

# Pacific Gas & Electric

## Street Light Rates - 70watt HPSV

Facilities Charge  
(\$/lamp/month)

LS-1A \$6.465

LS-2A \$0.187

Energy charge  
(\$/kWh)

\$0.12486

Total rate  
(\$/lamp/month)

LS-1A \$10.086

LS-2A \$3.808

# San Diego Gas & Electric Street Lighting 2009 Rate Case

- CPUC approved decrease of \$310,000 in total revenues collected from street light class
- Decreases in both distribution and commodity revenues
- Two new Outdoor Lighting Schedules, which apply to sports fields

# San Diego Gas & Electric

## Street Light Rates - 70watt HPSV

Utility Distribution Charge (\$/lamp/month)	
LS-1A	\$8.68
LS-2A	\$1.94
Electric Energy Commodity Cost (\$/kWh)	\$0.05987
Total rate (\$/lamp/month)	
LS-1A	\$10.405
LS-2A	\$3.665

# SCE 2009 GRC Phase 2 Settlement [16]

## ■ Facilities Charges

- Increase in 2009 due to Phase 1 decision
- Between 2009 and 2012 (next GRC), target an average annual change 4.8%, which will serve as cap in future changes
- Change in Handy-Whitman CCI for mast arms and luminaires for Pacific Region over prior 5 years equal 4.8%
- **SCE and CAL-SLA will work together on a joint study of the costs to install street lights prior to the next GRC**

■ Estimated reduction from SCE's initial capped request \$7.6 million and from full cost-of-service \$119.6 million

■ CPUC adopted settlement

■ Phase 2 rates went into effect October 1, 2009

# SCE Standard Installation

- Includes overhead multiple service
- Where SCE furnishes the following components:
  - bracket or mast arm
  - standard luminaire
  - wood pole
- The cost of a standard installation is established in a CPUC decision in a general rate case

# SCE Non-Standard Installation

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- Non-standard: poles other than wood and underground service
- SCE will install the requested equipment provided the applicant agrees to advance the estimated difference in installed cost between non-standard equipment and a standard installation
- For a governmental agency, the installed costs of the “differential facilities” may be paid as a one-time payment or monthly charge

# Southern California Edison

## Street Light Rates - 70watt HPSV

Facilities Charge

(\$/lamp/month)

LS-1A \$8.77

LS-2A \$1.97

Energy charge

(\$/lamp/month)

\$1.72

Total rate

(\$/lamp/month)

LS-1A \$10.49

LS-2A \$3.69