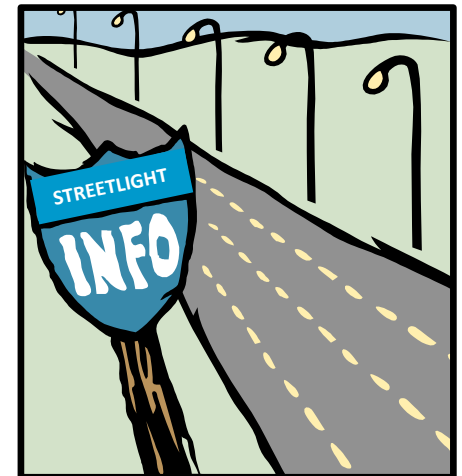


# California City-County Street Light Association General Rate Case Review

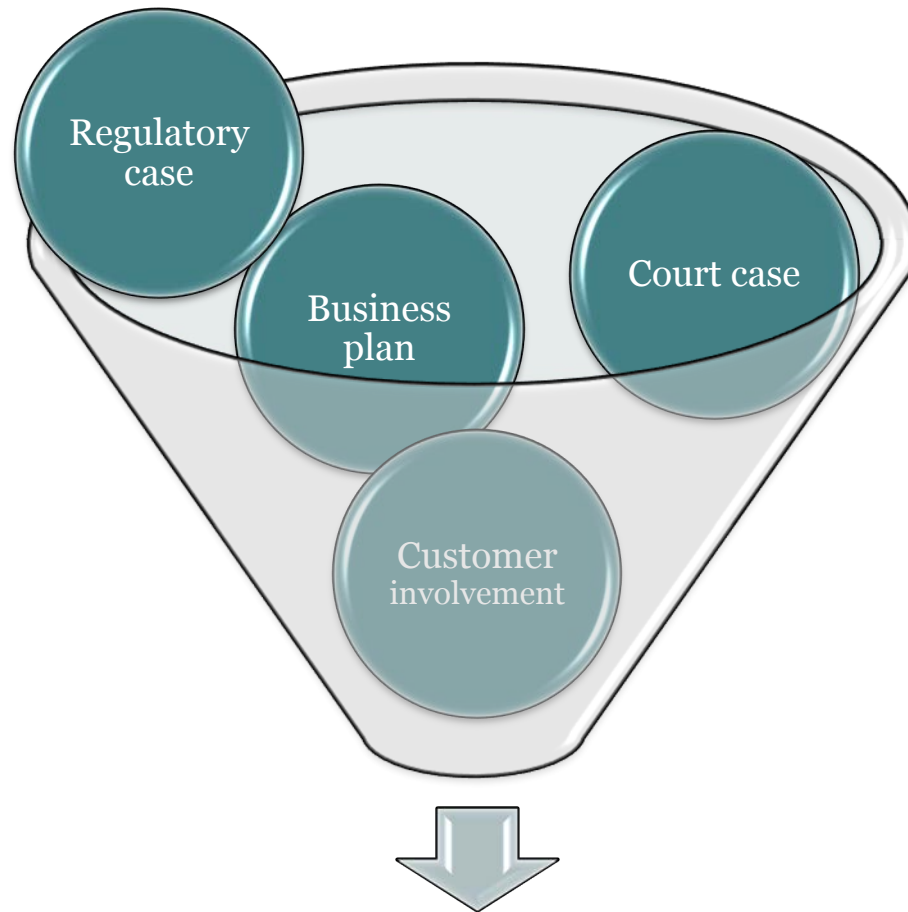
May 7, 2018



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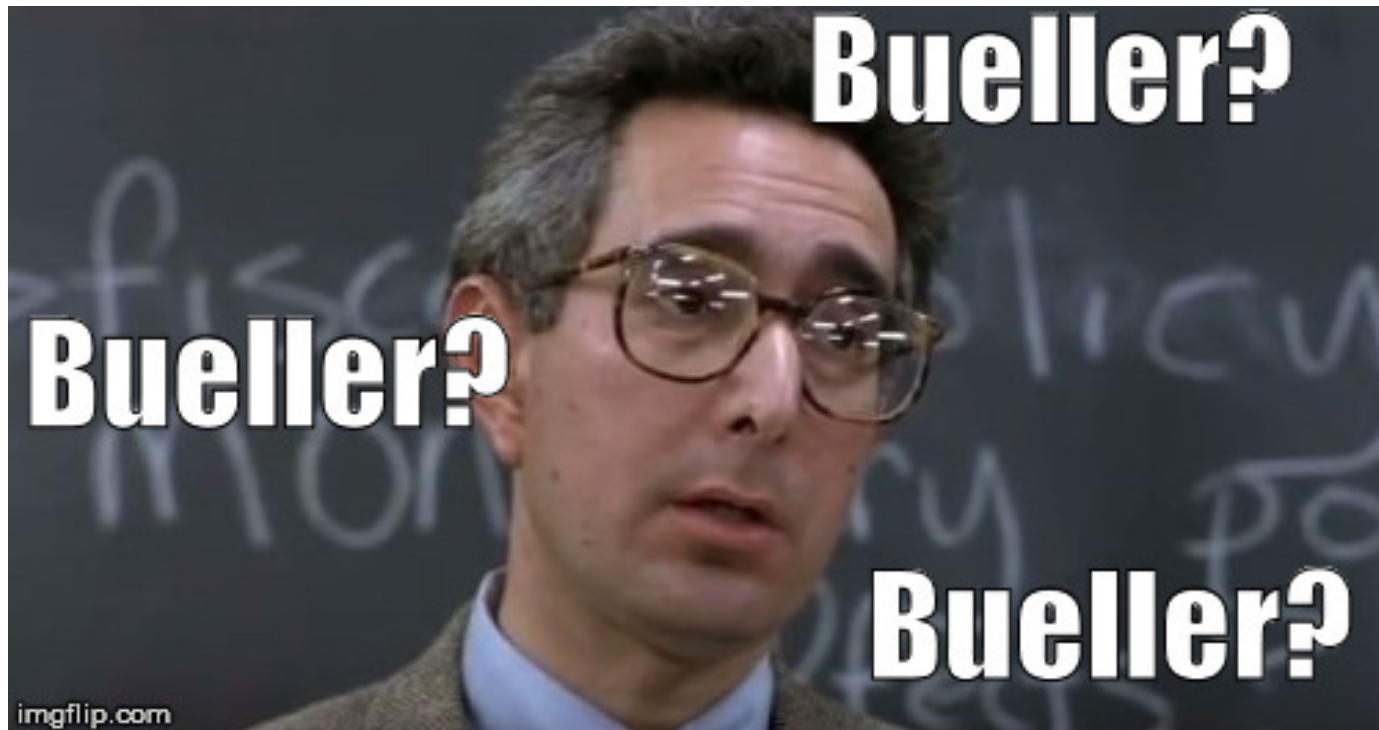


# General Rate Case Overview



General Rate Case - 3 year rate plan

# General Rate Case



# SCE Rate Cases

	<b>SCE Phase 1</b>	<b>Energy Efficiency</b>	<b>SCE Phase 2</b>
Proceeding #	16-09-001	17-01-013	17-06-030
Application Date	September 1, 2016	January 17, 2017	June 30, 2017
Description	Capital and operations revenue requirement	Funding of energy efficiency programs	Revenue allocation and rate design
CALSLA Issues	LED rebates, acquisition program fees	LED rebates	Rates for street lights, traffic controls, LEDs, ancillary devices, and dimmable lamps
Status	Active – new filings for tax leg.	Proposed decision	Settlement negotiations

# SCE 2018 Phase 1 Case

- Phase 1 (operating and capital programs) was filed September 1, 2016
- CALSLA became a party to the case October 25, 2016
- Filed multiple data requests
- Filed testimony on May 2, 2017 regarding the
  - street light acquisition program
  - LED rebates

# CALSLA Testimony

CALSLA filed testimony along with:

- City of Downey
- City of Huntington Beach
- City of La Verne
- City of Norwalk
- County of Orange
- City of Palmdale
- City of Rialto
- City of Santa Ana
- City of Temecula
- City of Tustin
- Western Riverside Council of Governments



**21 jurisdictions  
& 110,000 street lights**

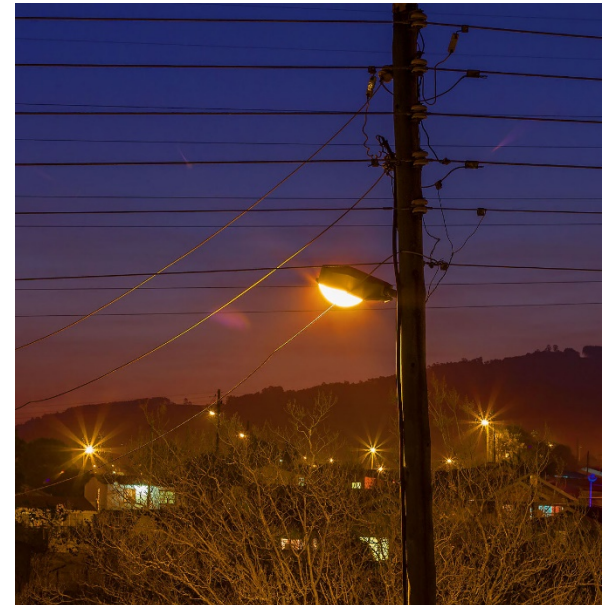
# Street Light Acquisition Program

- In 2012, SCE offered to sell street lights to customers
- \$10,000 to receive a valuation, take it or leave it price
- Many added taxes and fees
- August 2015, SCE closed the acquisition program to new customers
- In 2016, the CPUC approved the City of Lancaster's sale and 82 customers were in the queue.



# CALSLA Phase 1 Arguments

- Eliminate tax assessments and properly attribute profits from sales to customers
- No transition fees – no double counting of inventory management costs
- Immediate possession of lamps
- Sell lamps on shared poles
- Continue to offer LED rebates





# SCE Phase 1 Status

- CALSLA filed testimony May 2017
- Rate case was extended through March 2018 due to tax legislation
- Waiting for ruling on acquisition program fees
- LED rebate issues bumped to the energy efficiency proceeding

# SCE Energy Efficiency Proceeding

- CALSLA requested that LED rebates be extended
- LEDs represent only 1% of lamps in SCE territory
- SCE proposed \$11.3 million of LED rebates through 2025
- First-come, first served for both LS-1E and LS-2 lamps
- Baseline year unknown
- Approved by the judge in a proposed decision on April 4



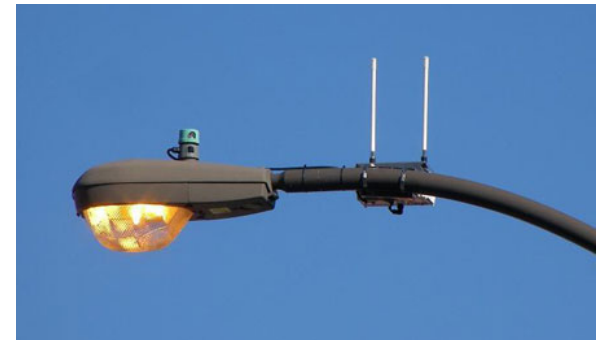
# SCE Phase 2 - Rate Design

- SCE proposes a 6% increase for street lights
- SCE's projection of street light sales keeps changing
  - Impacts facilities charges of LS-1 lamps
  - Average age and depreciation of remaining lamps?
  - SCE proposes adjustments to facilities charges over next 3 years
- CALSLA proposes 1.6% cap and reduction to LS-1E (LED) rates
- Currently in settlement negotiations

# SDG&E 2016 Rate Case

- Filed April 13, 2015
- Proposed decision issued August 25, 2017
- Energy rates (\$/kWh) and distribution charges (UDC)
- Dimmable street light rates
- Ancillary device rates

CALSLA co-sponsored testimony with the Cities of Encinitas, Oceanside, and Poway. The City of San Diego filed independent testimony.



# SDG&E Outcome

## TOTAL VICTORY!

- 16% rate increase capped at 1.5%
- Dimmable rate software costs dropped from \$4.1 to \$2.3M
- Economically feasible rate design
- Ancillary device fixed charge dropped from \$10.22 to \$3.18 per month
- New street light rates July 2018



- Dimmable and ancillary device rates August 2018

# GRC Next Steps

- Continue to research the LED rebate issue – baseline year info
- Monitor the SDG&E dimmable street light program
- Engage in settlement on SCE rate design
- Investigate the impacts on street light sales on remaining LS-1 lamps



# Questions

