Agenda

• Broad electric regulatory issues
• 2018 look-back
• 2019 look-forward
General Rate Case Overview

- Regulatory case
- Business plan
- Court case
- Customer involvement

General Rate Case - 3 year rate plan
General Rate Case
General Rate Case
Emerging Issues @ CPUC

- PG&E bankruptcy
- Wildfires and grid hardening
- Transitioning customers to time of use rates
- Greater use of renewables
- Peak period shifted to later at night
- Community choice aggregation
Emerging Street Light Issues

- Widespread adoption of LEDs
- Purchase of lamps in SCE territory
- Dimmable programs in all three IOUs
- Ancillary devices attached to street light poles
Street Light Rate Background

1) Energy rate ($/kwh)

2) Facilities charge - ownership matters! ($/lamp)
   1) LS-1: owned by utility
   2) LS-2: customer owned
Street Light Rates Continued

Energy rate ($/kwh): cost of generating and transmitting power

Facilities charges:

<table>
<thead>
<tr>
<th>LS-1 Facilities Charge</th>
<th>LS-2 Facilities Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of PG&amp;E administration including billing</td>
<td>Cost of PG&amp;E administration including billing</td>
</tr>
<tr>
<td>Cost of maintenance</td>
<td>Cost of PG&amp;E administration including billing</td>
</tr>
<tr>
<td>Rental of the street light</td>
<td>NA</td>
</tr>
<tr>
<td>Cost of the eventual replacement of the lamp at end of life</td>
<td>Customer responsibility</td>
</tr>
</tbody>
</table>

Now based on LED as the standard lamp
LS-1 Classes

**LS-1A**
Mast arm constructed by PG&E on shared pole; $6.849/mo

**LS-1B**
All Poles & Posts (discontinued Sept. 1978)

**LS-1C**
Pole or Post

**LS-1D**
Galv. Steel Post

**LS-1E**
Galv. Steel Pole

**LS-1F**
Wood Pole

PG&E paid for the luminaire (post top); customer paid for the pole; $9.331/mo

PG&E paid for poles; customer paid for luminaire and arm; $7.126/mo

PG&E paid for the luminaire; customer paid for the pole and arm; $9.664/mo

PG&E paid for the luminaire; customer paid for the pole and arm; $7.828/mo

PG&E paid for the luminaire; customer paid for the pole and arm; $7.828/mo

PG&E paid for the luminaire; customer paid for the pole and arm; $6.680/mo
100W HPSV to 34W LED (OLD)
- $5.10 energy savings
+ $2.81 LED fee
$2.29 Savings

100W HPSV to 34W LED (NEW)
$5.10 energy savings
2018 Look-back

- Street light rate design settlement filed January 4, 2018 to wrap up the 2017 Phase 2 General Rate Case
- Testified in court on March 1, 2018
- Held dimmable street light and ancillary device workshop on March 7, 2018
- New rate implemented March 1, 2019
Rate Design Settlement

- LS-2 customer service fees are proposed to remain the same ($0.21/month per lamp)
- LS-1A facilities charges increased slightly
- LS-1 LED rates decreased dramatically
- +0.7% increase to the street light energy rate
- Proposed 24% increase to traffic controls → 0.03% decrease
Dimmable Lamps and Devices

- Have been working on this issue since 2011 Rate Case
- 2011 and 2014 Pilots were limited in scope → fixed dimming schedules for LS-2 lamps
- Accepted fixed dimming in this GRC with caveats
  - March 7, 2018 workshop
  - Feasibility study

Ultimate Goal: Fully adaptive metered rate
March 7 Workshop

- Attendees: PG&E customer service and rate design, CALSLA, local agency customers, and vendors
- Demonstrated customer interest and enthusiasm
- Described types of applications and technologies
- Described lessons learned from SDG&E
- Outcome – PG&E submitted a feasibility study for 2020 GRC
2020 Ph1 Rate Case Timeline

- PG&E filed its application December 13, 2018
- Filed bankruptcy on January 14, 2019
- February 11, 2019 pre-hearing conference
- CALSLA testimony due July 26, 2019
- November 1, 2019 PG&E will update testimony
- Proposed decision year-end 2019
2020 Ph1 Rate Case Issues

• Phase 1: Capital programs
• Phase 2: Rate design case filing extended to Nov 2019
• Fully automated dimmable street light program
  • PG&E testimony is 3 sentences
  • Workpapers show $1.8 M to $2.4M in software cost
  • $125 meter fee for each device
  • No rate proposal provided
Next Steps

- Monitor service issues related to current dimmable program
- File testimony in July
- Actively participate in Phase 2
Questions