

A.17-01-013, et al.
SDG&E 2018-2025 EE Rolling Portfolio Business Plan
ORA DATA REQUEST No. ORA-A1701013-SDGE001 Dated March 1, 2017
Question 21
Submitted: March 22, 2017

Third-Party Transition

21. What is your interpretation of the date by which you must comply with OP 11 of D.16-08-019?

SDG&E Response:

D.05-01-055, Finding of Fact 39, established when the 20% minimum for competitive bid solicitations, or what is commonly referred to as third party program solicitations, were to begin. It states,

“A 20% minimum requirement for open bidding, as described in this decision, captures the potential benefits of competition and serves as an added safeguard against selection bias. At the same time, it provides sufficient flexibility to avoid imposing competitive bidding on program offerings that are more effectively delivered using other approaches. This 20% minimum requirement should apply for the next funding cycle, beginning in 2006, but may be modified for subsequent funding cycles, as appropriate.”

Since that time, the Commission has not modified the requirement timing. D.16-08-019 has not suspended the requirement to have a minimum of 20% third party programs. Rather, D.16-08-019 only modified the definition of what would qualify as a third party program and not the timing. The decision states (at pages 69-70),

“At this stage, we see no reason to eliminate the 20 percent portfolio requirement for third-party programs. We clarify our definition of third party that to be designated as a third-party program, the program must be primarily designed and presented to the utility by the third party, in addition to delivered under contract to a utility.”

D.16-08-019 OP 11 states:

“Going forward, each utility program administrator shall still be required to outsource at least 20 percent of its program activity to third parties under the definition in Ordering Paragraph 10.”

SDG&E believes the subsequent funding cycle after D.16-08-019 is 2017. Therefore, SDG&E interprets “going forward” to mean that OP 11’s directive would be effective in 2017, consistent with D.05-01-055 that states that the third party requirement may be modified for “subsequent funding cycles.” However, SDG&E recognizes that the date by which Program Administrators must comply with OP 11 of D.16-08-019 is subject to interpretation, and welcomes clarification from the Commission regarding the effective date.