

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298**FILED**10-02-07
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October 2, 2007

Agenda ID #7026
Ratesetting

TO PARTIES OF RECORD IN APPLICATION 05-03-015

This is the proposed decision of Administrative Law Judge (ALJ) Jessica Hecht. It will not appear on the Commission's agenda for at least 30 days after the date it is mailed. The Commission may act then, or it may postpone action until later.

When the Commission acts on the proposed decision, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the proposed decision as provided in Article 14 of the Commission's Rules of Practice and Procedure (Rules), accessible on the Commission's website at www.cpuc.ca.gov. Pursuant to Rule 14.3, opening comments shall not exceed 15 pages.

Comments must be filed either electronically pursuant to Resolution ALJ-188 or with the Commission's Docket Office. Comments should be served on parties to this proceeding in accordance with Rules 1.9 and 1.10. Electronic and hard copies of comments should be sent to ALJ Hecht at jhe@cpuc.ca.gov and the assigned Commissioner. The current service list for this proceeding is available on the Commission's website at www.cpuc.ca.gov.

/s/ ANGELA K. MINKIN
Angela K. Minkin, Chief
Administrative Law Judge

ANG:rbg

Attachment

Decision **PROPOSED DECISION OF ALJ HECHT** (Mailed 10/2/2007)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of San Diego Gas & Electric Company (U902E) for Adoption of an Advanced Metering Infrastructure Deployment Scenario and Associated Cost Recovery and Rate Design.

Application 05-03-015
(Filed March 15, 2005)

OPINION ON PETITION FOR MODIFICATION OF DECISION 07-04-043**Summary**

We modify Decision (D.) 07-04-043 in Application (A.) 05-03-015 to require San Diego Gas & Electric Company (SDG&E) to share Advanced Metering Infrastructure (AMI) technical and business requirements and testing results, subject to appropriate confidentiality requirements, with the other California investor-owned utilities (IOUs) that agree to use this information solely to inform their independent purchasing decisions. This additional requirement is consistent with Commission policy and will assist IOUs in making informed choices about AMI equipment and technology.

Procedural History

In D.07-04-043, issued April 12, 2007, we approved a settlement among SDG&E, the Division of Ratepayer Advocates (DRA), and Utility Consumers Action Network on SDG&E's proposed AMI Project. The decision authorizes SDG&E to spend up to \$572 million between 2007 and 2011 to implement an AMI system, and finds that implementation of this system under the settlement agreement will provide net benefits of between \$40 million and \$51 million.

On August 3, 2007, SDG&E filed and served its Petition for Modification of D.07-04-043 (Petition). The Petition seeks a modification to provide that SDG&E will share AMI technical and business requirements and testing results, subject to appropriate confidentiality requirements, with other IOUs that agree to use the information solely to inform their independent purchasing decisions. DRA filed comments in support of this request on August 20, 2007.

Discussion

SDG&E's request in this Petition is consistent with previously expressed Commission policy supporting cooperation and data sharing among IOUs in the development and testing of AMI-related technology. As noted in the Petition, D.07-04-043 requires SDG&E to work with other IOUs "to strive for statewide, clearly defined and commercially available open standards for Home Area Network (HAN) communications systems."¹ In this Petition, SDG&E is requesting additional data sharing authority already granted to Southern California Edison Company (SCE) in D. 07-07-042,² which approves SCE's AMI pre-deployment activities and funding.

Reciprocal information sharing may encourage compatibility in AMI-related technologies and associated HAN communication systems throughout the state, which in turn could encourage the development and availability of less expensive or more efficient AMI solutions. DRA's supportive response to this Petition describes these and other potential benefits of reciprocal

¹ D.07-04-043, Ordering Paragraph 4.

² D.07-07-042, Ordering Paragraph 9.

information sharing.³ No other party has objected to SDG&E's request. Because the request is consistent with past Commission actions and is in the public interest, as described above, D.07-04-043 should be modified to grant SDG&E the requested authority to share information, subject to appropriate confidentiality requirements.

Comments on Proposed Decision

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____ by _____.

Assignment of Proceeding

Dian M. Grueneich is the assigned Commissioner and Jessica T. Hecht and David M. Gamson are the assigned Administrative Law Judges (ALJ) for this proceeding.

Findings of Fact

1. No parties object to modifying D.07-04-043 as requested by SDG&E.
2. The requested modifications are in the public interest and are consistent with Commission policy.

³ The Division of Ratepayer Advocates' Response in Support of the Petition of San Diego Gas and Electric Company (U 902 E) for Modification of Decision 07-04-043, p. 3.

Conclusion of Law

It is reasonable to modify D.07-04-043 to provide that SDG&E will share technical and business requirements and testing results with other California IOUs to assist them in making their own independent purchasing requirements.

O R D E R**IT IS ORDERED** that:

1. The Petition of SDG&E to modify Decision (D.) 07-04-043 is granted as provided herein.

2. D.07-04-043 is modified as follows:

a) The following language is added to D.07-04-043 as Finding of Fact 36:

“It is in the public interest for utilities to share information on their AMI technical and business requirements and testing results for the sole purpose of informing utilities’ future purchasing decisions.”

b) The following language is added to D.07-04-043 as Conclusion of Law 12:

“It is reasonable to direct SDG&E to share information on its AMI technical and business requirements and testing results with other California utilities to assist them in making their own independent purchasing decisions.”

c) The following language is added to D.07-04-043 as Ordering Paragraph 6.5:

“Subject to appropriate confidentiality requirements and obligations to AMI bidders and vendors, SDG&E shall share its AMI technical and business requirements and testing results with other California investor-owned utilities that agree to use this information solely to inform their independent purchasing decisions.”

3. All motions not previously ruled on are denied.
4. Application 05-03-015 is closed.

This order is effective today.

Dated _____, at San Francisco, California

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a Notice of Availability of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the Notice of Availability of the filed document is current as of today's date.

Dated October 2, 2007, at San Francisco, California.

/s/ LILLIAN LI

Lillian Li