

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA**

Order Instituting Rulemaking into Transfer of
Master-Meter/Submeter systems at Mobilehome
parks and Manufactured Housing Communities to
Electric and Gas Corporations.

R.11-02-018
(Filed February 24, 2011)

**SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E)
THIRD ANNUAL REPORT (FOR THE PERIOD JANUARY 1 TO DECEMBER 31,
2017) IN COMPLIANCE WITH DECISION 14-03-021**

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February 1, 2018

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Southern California Edison Company (SCE) hereby timely submits its third annual report on the three-year (2015-2017) pilot program for conversion of mobilehome parks and manufactured housing communities (collectively, MHPs) from master-meter/submeter service to direct service.¹ SCE’s third annual report, attached as Appendix A hereto, provides data for the period January 1 to December 31, 2017. In Decision (D.)14-03-021 (Decision), the Commission set forth annual reporting requirements “[t]o ensure the pilot can be flexibly extended to permit further, voluntary conversions, if warranted,”² and so that the Commission could “consider making other adjustments, as necessary or appropriate.”

Consistent with Ordering Paragraph (OP) 10 of the Decision, the attached third annual report includes: a comprehensive cost accounting for both “to the meter” and “beyond the

¹ As required by the Decision, SCE’s first two annual reports were served on February 1, 2016 and February 1, 2017, respectively. Ordering Paragraph 10 of the Decision states that this third annual report is due by February 1, 2018 or within 30 days of the utility pilot program’s final MHP cut over, if that date occurs before December 31, 2017. SCE has not yet completed its final cut-over so this report is timely filed.

² Decision, p. 43.

meter” construction based on project completion and cut-over. An optional narrative assessment of the three-year pilot, invited by the same OP of the Decision, is included in the attached report. SCE will provide a more detailed assessment of the pilot program in its application to request authorization to continue the program, or, if applicable, an alternative proceeding chosen by the Commission.

Also, as required by D.14-03-021, OP 11, this report is verified by an officer of SCE, and is being concurrently submitted to the Commission’s Executive Director, with copies submitted to each Commissioner, the Chief Administrative Law Judge, the Director of the Energy Division, and the Director of the Safety and Enforcement Division.³

Respectfully submitted,

FADIA RAFEEDIE KHOURY

/s/Fadia R. Khoury

By: Fadia R. Khoury

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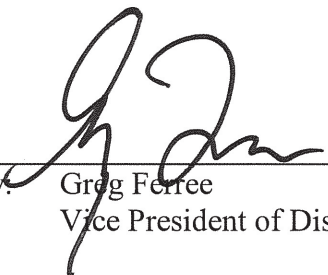
³ Any party listed on the service list for R.11-02-018 is entitled to request and receive a copy of the attached report. See OP 11 of D.14-03-021.

VERIFICATION

I am an officer of the electric utility submitting this report, and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing document are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 29, 2018, at Pomona, California.


By: _____
Greg Ferree
Vice President of Distribution

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Appendix A

SCE's Third Annual Report (For the Period January 1 to December 31, 2017)

in Compliance With D.14-03-021

1. Executive Summary

On March 13, 2014, the California Public Utilities Commission (Commission or CPUC) approved and authorized Southern California Edison Company (SCE) to implement the *Mobilehome Park Utility Upgrade Program* (Program) pursuant to D.14-03-021 (the Decision). The Program is a three-year pilot (2015-2017), subsequently extended through 2019 by Resolution E-4878, to convert master-metered/sub-metered electric and gas services to direct utility services for qualified mobilehome parks and manufactured housing communities (collectively MHPs).

Ordering Paragraph 10 of the Decision directs each electric and/or gas utility to prepare a status report for the Program on February 1 of each year. SCE filed its first and second status reports on February 1, 2016 and February 1, 2017, respectively. In SCE's February 1, 2016 report, SCE provided a timeline for implementation of the three-year pilot, its status on the timeline, the number of initial applications received, information on the MHPs that would be converted, and the number of spaces to be converted. In SCE's February 1, 2017 report, SCE provided an update on progress made on the timeline for implementation, as well as a preliminary cost assessment of To-The-Meter (TTM) and Beyond-The-Meter (BTM) construction costs.

In accordance with Ordering Paragraph 10 of the Decision, this report provides information on the following: (1) a comprehensive cost accounting for both TTM and BTM construction, and (2) an optional narrative assessment of the Pilot Program. As further required by the Decision, both TTM and BTM costs are broken out to identify: civil work/trenching; other gas system construction (if applicable); other electric system construction (if applicable); and other costs such as permits and easements.

As of December 31, 2017, SCE has converted 96 MHPs with a combined total of 5,658 spaces. The total conversion cost for these MHPs is \$69,240,974 resulting in a current average per-space cost of \$12,238. *These costs may be adjusted as trailing costs are received and charged to their respective MHPs.*

2. Program Implementation

The initial Program planned to achieve the conversion, on a combined TTM and BTM basis, of 10% of the estimated spaces in SCE's service territory, which represents approximately 10,800 spaces. SCE has experienced a MHP drop-out rate of 21% (36 MHPs) and has worked with the Commission to identify additional MHPs to participate in the pilot Program. To reach the Program's goal, SCE developed a robust process to perform the MHP conversions and, where possible, dual conversions (natural gas and electric) have been planned through joint efforts with impacted gas service providers. Additionally, joint trenching opportunities were leveraged with the MHP's existing telecommunications provider(s). As of December 31, 2017, SCE has completed 174 MHP designs and converted 96 MHPs, with 78 MHPs under construction. SCE plans to complete all qualified pilot work in early 2018. Once completed, SCE will have converted 174 MHPs which comprise 10,250 spaces.

3. Cost Assessment

As of December 31, 2017, SCE had fully converted 96 MHPs with a combined total of 5,658 spaces. SCE considers an MHP to be “Converted” after System Cutover has occurred and the master meter has been removed. In accordance with Ordering Paragraph 10 of the Decision, SCE’s preliminary quantification of construction costs incurred per space are detailed in Table 1 (Preliminary Quantification of Construction Costs), below. Many factors affect the cost of each project. These costs may vary depending on multiple factors, including: availability of contractors, geographic location, etc. There may also be additional costs associated with the MHP projects that occur after project closure, and these yet-to-be-quantified costs are not reflected below.

TTM Costs include costs for the portion paid by SCE for TTM activities which are shared with other participating utilities where service territories overlap. These costs include trenching and paving, company labor in support of the program, including TTM work for selected MHPs, meter installation and master meter removal.

BTM Contractor Costs are costs reimbursed to the MHP owner/operator or paid to the BTM Contractor to perform the BTM construction work. These costs include installation of the residential pedestal, connection to the mobilehome and all associated permit fees.

Table 1

SCE	Total Cost for MHPs Completed
To The Meter (TTM)	
Civil Work/Trenching	\$ 23,871,739
Electric System	
Labor	\$ 5,808,713
Materials/Structures (inclusive of easements)	\$ 2,352,296
Other (Additional Labor)	\$ 7,985,805
Contingency	
Sub-Total TTM	\$ 40,018,553
Beyond The Meter (BTM)	
Civil Work/Trenching	\$ 3,365,935
Electric System	
Labor	\$ 14,272,134
Materials/Structures	\$ 10,572,091
Other (City Permit Fees)	\$ 1,012,261
Contingency	
Sub-Total BTM	\$ 29,222,421
Total Spaces Converted	
Electric	5,658
Average Cost / Space	
Electric	
TTM	\$ 7,073
BTM	\$ 5,165
Total Cost/Space	Average \$ 12,238

4. Program Assessment

The primary purpose of implementing the Program was to conduct a pilot during which the Investor Owned Utilities (IOUs) and the Commission could assess the feasibility and effectiveness of a MHP conversion program as outlined in D.14-03-021. The Decision authorized IOUs to implement the Pilot Program to convert approximately 10% of master-metered/sub-metered services at mobile home parks to direct utility service. SCE considers its Pilot Program a success due to the achievement of the following performance indicators:

- **Program Participation**

Though project execution did not begin until after May 22, 2015, when the list of selected MHPs from the CPUC's Safety and Enforcement Division (SED) was provided to SCE, SCE has successfully partnered with MHP owners/operators so that upon completion of the projects in construction as of December 31, 2017, combined with already-completed conversions, SCE will have converted approximately 9% of eligible mobilehome spaces in SCE's service territory.

- **Safety Performance**

During the Program's first three years, SCE maintained a high safety standard with zero (0) reportable incident(s) between contractors and employees combined.

- **Improved safety and reliability of MHP electric distribution systems**

MHPs that participated in the Program were provided a newly-installed distribution system which is up to standard with all utility specifications and requirements. This system will provide safer and more reliable service to the MHP residents. The MHPs were previously selected by SED due to the age and current state of the system. Through the installation of a new distribution system, the service is upgraded to current standards which is required by the CPUC in all other system installations.

- **Overall satisfaction represented by MHP Owners and Residents**

MHP Owners and residents have consistently been satisfied with conversions and new energy delivery systems. In multiple instances, the installation of the new systems has constituted an upgrade from the existing meter panel. SCE has received numerous testimonials from both residents and owners expressing their satisfaction with the newly installed, upgraded system.

- **Increased access and availability to SCE customer programs and services**

Upon conversion of the MHP, residents have immediate access to all applicable SCE customer programs and services. They also are able to call the customer service representatives directly to discuss their bill and ask any questions regarding their utility service. MHP residents also have access to online tools and services which offer energy saving tips and allow them to monitor their energy usage directly.