



## **Mobilehome Park Utility Upgrade Program**

**February 1, 2016 Report**

# SAN DIEGO GAS & ELECTRIC MOBILEHOME PARK UTILITY UPGRADE PROGRAM

## FEBRUARY 1, 2016 REPORT

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# Mobilehome Park Utility Upgrade Program

## FEBRUARY 1, 2016 Report

### 1. Executive Summary

On March 13, 2014, the California Public Utilities Commission (“Commission”) approved and authorized San Diego Gas and Electric Company (“SDG&E”) to execute the *Mobilehome Park Utility Upgrade Program* (“Program”) through D.14-03-021 (“Decision”). The Program is a three-year pilot (2015-2017) to convert master-metered/sub-metered natural gas and/or electric services to direct utility services for qualified mobilehome parks and manufactured housing communities (collectively “MHPs”).

In accordance with Ordering Paragraph 10 of the Decision, this report provides information on: (1) SDG&E’s current Program timeline for implementation of the three-year pilot; (2) SDG&E’s progress on that timeline; (3) the number of the initial applications received by SDG&E; (4) problems experienced with the prioritization process, and potential, future solutions; and (5) information on MHPs selected for conversion including general location, total spaces, utility services converted, and whether the conversion involved other utilities or other municipal or public agency provider.

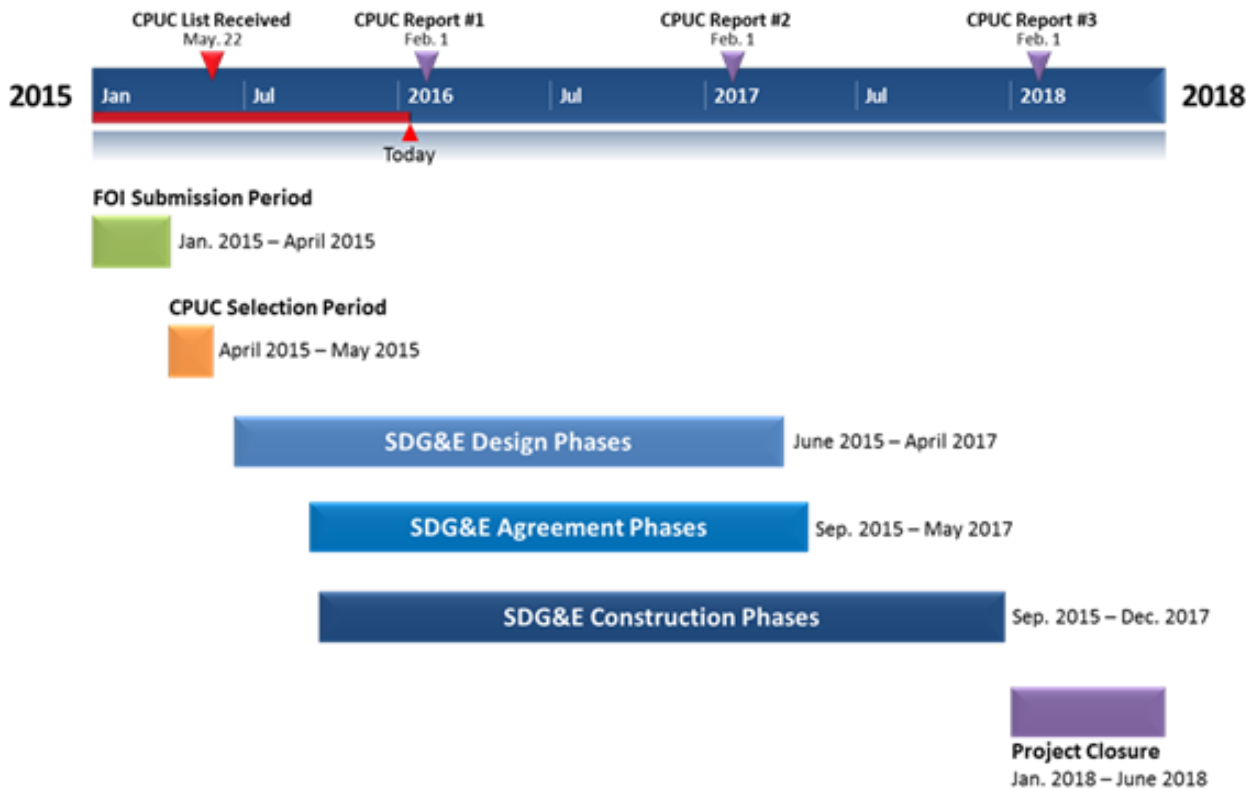
With 228 MHPs representing approximately 75 percent of SDG&E’s eligible MHPs submitting initial applications, it appears that the Program was well-received by a large majority of eligible MHPs. SDG&E also believes that its effective outreach efforts across its service territory to educate approximately 305 eligible MHPs on the program contributed to a successful initial solicitation of interest. In May 2015, the Commission’s Safety and Enforcement Division (“SED”) prioritized all the MHPs that submitted Forms of Intent (“FOIs”), and provided SDG&E with a list of 34 MHPs for conversion. Although SDG&E is moving as expeditiously and prudently as possible, converting over 34 MHPs with approximately 3,400 service points in a little over two years is an aggressive schedule. At a high level this requires SDG&E to reach out to 34 MHPs, complete and execute detailed applications, obtain qualified contractor resources to complete the To-the-Meter (“TTM”) work, educate the MHP owners and their contractors on the Beyond-the-Meter (“BTM”) construction element of the Program, execute final agreements, complete 34 natural gas and electric MHP designs, acquire easements from 34 MHPs, construct natural gas and electric distribution systems with approximately 3,400 service points at times when it is convenient to residents, secure inspections from the Department of Housing and Community Development (“HCD”) and/or the local jurisdictions and establish service to nearly 3,400 new utility customers.

In general the prioritization process worked well. SDG&E did not experience any significant issues or problems with the prioritization process or priority order.

## 2. Program Timeline and Where SDG&E is on the Timeline

The Program has been planned to achieve the conversion, on a combined TTM and BTM basis of 10% of the estimated spaces in SDG&E’s service territory, which represents approximately 3,300 spaces. The Commission’s SED provided SDG&E with a list of 34 MHPs to convert, which represents approximately 3,709 spaces. To reach the Program’s goal, SDG&E developed the timeline shown in Figure 1 (“Timeline for Implementation of Three-Year Pilot”) noting that, where possible, dual conversions (natural gas and electric) have been planned through joint efforts with impacted natural gas service providers. Additionally, joint trench opportunities may be shared with the MHP’s existing telecommunications provider(s).

FIGURE 1. TIMELINE FOR IMPLEMENTATION OF THREE-YEAR PILOT.



A number of assumptions are inherent in the Schedule, specifically; it assumes that there are no constraints which may prevent the MHP’s participation in the Program, such as the MHP owner’s ability and willingness to move forward with a detailed application, execute the Program Agreement, grant the required easements, secure a qualified BTM contractor, finance the BTM construction activities as necessary and meet the prescribed program schedule. The timeline also assumes that the total number of MHP spaces indicated on the FOI completed by the MHP owners is accurate. Further assumptions include, but are not limited to, the ability for a joint schedule to be developed, acceptable, and executable by all impacted utilities where shared territory requires joint construction. Also, the schedule is dependent on availability of both TTM and BTM contractors having qualified crews to perform construction and HCD and/or other jurisdictional agencies having available trained resources to perform timely inspections on completed portions of the projects. As of November 30, 2015, SDG&E has processed all the selected MHPs through the Detailed Application phase. SDG&E is in the beginning

phases of planning and construction, and the Schedule is expected to continue to change throughout the Program's life based on the factors discussed previously and as MHPs decline or opt to participate.

### **3. Program Participation Detail**

Beginning in the fourth quarter of 2014 and through Q1 2015, SDG&E continued to promote the Program and encourage MHP Owners/Operators to complete and submit a FOI consistent with the Outreach Plan reviewed by the Commission. The FOI is also referred to as "Initial Application" and denoted the MHP Owner/Operator's interest in inclusion in the pool of potential candidates for participation in the Program. The selection of MHPs was performed by the Commission's SED. SDG&E received a total of 228 *initial applications*, or FOIs, during the approved submission period of January 1, 2015 through April 1, 2015; the total FOIs received represent approximately 75% of the total eligible MHPs in SDG&E's service territory.

The SED selected a total of 34 MHPs in SDG&E's service territory comprising an estimated total 3,709 spaces for conversion as shown in Appendix A, Commission's SED Selection of SDG&E MHPs. Of the 34 MHPs originally selected by the SED, a total of nine MHPs have dropped out of the program for a number of reasons including deciding to participate in the program, failing to submit the Detailed Application or not meeting the eligibility requirements of the program.

### **4. Problems Experienced with the Prioritization Process and Potential Future Solutions**

On May 22 2015, SDG&E received from the Commission's SED, a list of selected MHPs selected by SED. Other than a couple of adjustments made to contact information and the number of permitted mobile home spaces that was not transferred correctly from the FOI to the excel spreadsheet provided from the SED to SDG&E, and correcting the gas service provider of one MHP from SDG&E to Southern California Gas Company, SDG&E did not experience any significant issues or problems with the prioritization process or priority order. All adjustments were made under the direction of the Commission's Safety and Enforcement Division (SED) to ensure accuracy with their selection. In the fourth quarter of 2015, SED directed SDG&E to move 6 MHPs from the Category 2 wait list to replace those MHPs that have dropped out of the Program. SDG&E has no potential, future solutions to offer on the prioritization process at this time.

### **5. Conclusion**

SDG&E has found that its outreach strategy and related activities have proven effective in successfully increasing awareness of the Decision resulting in a high MHP participation in the Program. SDG&E recognizes that there remain several other factors which will influence the timely and successful completion of the Program's goals including, but not limited to, an aggressive completion schedule as well as MHP owners' willingness and timeliness to provide and complete the necessary documentation, the availability of contractor and inspecting authority resources needed for the Program's execution. SDG&E will continue to monitor and attempt to mitigate potential factors as they are identified.

Additional Program information can be found online on SDG&E's website at <http://www.sdge.com/mobilehome-upgrade>

## 6. Appendix A - Commission's SED Selection of SDG&E MHPs

MHP No.	MHP City	County Name	Total Space Count	Gas Utility	Electric Utility	Conversion Type	Project Status
1	LEUCADIA	San Diego	28	SDG&E	SDG&E	Gas/Electric	Dropped Out
2	CHULA VISTA	San Diego	125	SDG&E	SDG&E	Gas/Electric	Dropped Out
3	SAN JUAN CAPISTRANO	Orange	152	SCG	SDG&E	Gas/Electric	Active
4	ESCONDIDO	San Diego	184	SDG&E	SDG&E	Gas/Electric	Active
5	FALLBROOK	San Diego	106	SDG&E	SDG&E	Gas/Electric	Active
6	SAN MARCOS	San Diego	93	SDG&E	SDG&E	Gas/Electric	Active
7	SAN MARCOS	San Diego	76	SDG&E	SDG&E	Gas/Electric	Dropped Out
8	EL CAJON	San Diego	48	SDG&E	SDG&E	Gas/Electric	Active
9	EL CAJON	San Diego	51	SDG&E	SDG&E	Gas/Electric	Active
10	ESCONDIDO	San Diego	129	SDG&E	SDG&E	Gas/Electric	Active
11	SAN DIEGO	San Diego	123	SDG&E	SDG&E	Gas/Electric	Active
12	EL CAJON	San Diego	46	SDG&E	SDG&E	Gas/Electric	Active
13	SAN DIEGO	San Diego	151	SDG&E	SDG&E	Gas/Electric	Active
14	LEUCADIA	San Diego	22	SDG&E	SDG&E	Gas/Electric	Active
15	SAN DIEGO	San Diego	337	SDG&E	SDG&E	Gas/Electric	Dropped Out
16	LA MESA	San Diego	44	SDG&E	SDG&E	Gas/Electric	Dropped Out
17	OCEANSIDE	San Diego	161	SDG&E	SDG&E	Gas/Electric	Active
18	EL CAJON	San Diego	118	SDG&E	SDG&E	Gas/Electric	Dropped Out
19	EL CAJON	San Diego	75	SDG&E	SDG&E	Gas/Electric	Active
20	SANTEE	San Diego	67	SDG&E	SDG&E	Gas/Electric	Active
21	LAKESIDE	San Diego	112	SDG&E	SDG&E	Gas/Electric	Active
22	EL CAJON	San Diego	113	SDG&E	SDG&E	Gas/Electric	Active
23	SAN MARCOS	San Diego	171	SDG&E	SDG&E	Gas/Electric	Active
24	ENCINITAS	San Diego	48	SDG&E	SDG&E	Gas/Electric	Dropped Out
25	EL CAJON	San Diego	41	SDG&E	SDG&E	Gas/Electric	Active
26	IMPERIAL BEACH	San Diego	26	SDG&E	SDG&E	Gas/Electric	Dropped Out
27	CARLSBAD	San Diego	108	SDG&E	SDG&E	Gas/Electric	Active
28	CHULA VISTA	San Diego	192	SDG&E	SDG&E	Gas/Electric	Dropped Out
29	SAN DIEGO	San Diego	262	SDG&E	SDG&E	Gas/Electric	Active
30	OCEANSIDE	San Diego	97	SDG&E	SDG&E	Gas/Electric	Active
31	EL CAJON	San Diego	37	SDG&E	SDG&E	Gas/Electric	Active
32	VISTA	San Diego	24	SDG&E	SDG&E	Gas/Electric	Active
33	VISTA	San Diego	212	SDG&E	SDG&E	Gas/Electric	Active
34	EL CAJON	San Diego	130	SDG&E	SDG&E	Gas/Electric	Active

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<sup>i</sup> MHP's existing telecommunications provider submitted a joint trench offer to SDG&E, which was accepted; Project is currently under construction



Mobilehome Park Utility Upgrade Program  
Management Certification



California Public Utilities Commission (CPUC) Decision (D.)14-03-021 Ordering Paragraph 11 requires that all reports be verified by an officer of the utility.

As an officer of San Diego Gas and Electric, I hereby certify that the Mobilehome Park Utility Upgrade Program Annual Report generated in compliance D.14-03-021 is accurate.

Reporting Period: March 13, 2014 to December 31, 2015.  
Start Date End Date

 Executed on: 1/26/2016  
Signature of Officer Month, Day, Year

John A. Sowers Vice President- Electric Distribution Operations  
Name Title