

**Rule 21 Working Group 3**  
**Issue 15 Brief**  
December 6, 2018

Should the Commission require itemized billing for distribution upgrades to enable customer comparison between estimated and billed costs and verification of the accuracy of billed costs?

Addition (Issue D): When should the Commission consider results of an initial review or detailed study to be binding? Under what circumstances should the Commission allow the results to be changed?

**Discussion Questions**

*Disclaimer: comments below are intended to frame and seed discussion and are based on consultations with parties, but have not been verified and may contain inaccuracies or incomplete portrayals.*

1. Why is itemization important?

Comment (a): when our customers spend \$300,000, they want to know what they are paying for.

Comment (b): We provide estimates to our customers based on the Unit Cost Guide. If we knew the actual costs incurred, we could improve our future estimations for our customers, mostly around line runs and transformers.

Comment (c): Prospective customers are pressing developers hard to give cost and financing estimates.

Comment (d): Edison costs are higher than PG&E, but we don't where those higher costs come from and would like to.

Comment (e): when we get to Issue 16 on third-party upgrades, we want to be able to compare costs at a level of detail finer than just total cost.

2. What is an appropriate level of detail for itemization?

Comment (a): Something on the order of 3-5 line items is sufficient level of detail, at exactly the same high-level of detail as given in the Unit Cost Guide, mostly line items on a component basis, like meters, line runs, transformer and SCADA. No breakdown needed for materials vs. labor vs. equipment.

Comment (b): Mirroring the Unit Cost Guide would be a big step forward, also an oversight mechanism.

3. How onerous is it for utilities to provide the appropriate level of detail, given their existing information and management systems?

Comment (a): we are open to discussing solutions within the capabilities of our existing systems.

Comment (b): We are fine with the level of detail from cost-estimation in detailed review. But would like those numbers from actual costs, not just estimated.

4. For Issue D, what is an appropriate cut-off time for getting billed actual costs?

Comment (a): Customers finance with lease and if additional costs are billed later they can't finance them, their financing window is closed, even 6 months later.

Comment (b): Final reconciliation should be by PTO ideally.

Comment (c): We have recently been getting bills from SCE for projects done 3 years ago, in the tens of thousands of dollars. Our customers can't pay. This length of delay is ridiculous.

Comment (d): SDG&E reconciles actual costs at the end, and bills difference from originally estimated costs within 90-120 days of PTO.

Comment (e): PG&E bills initially estimated costs, doesn't adjust later. PG&E has never asked for an additional dollar post-PTO. This should be mirrored with SCE.

Comment (f): Some East-Coast utilities mandate 30 days after PTO.