February 28, 2014

Advice Letter 4347-E

Brian K. Cherry
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA  94177

Subject:  Request Funding to Implement Line Item Billing for Marin Clean Energy’s Energy Efficiency Financing Pilots Approved in D.12-11-015

Dear Mr. Cherry:

Advice Letters 4347-E is effective February 27, 2014.

Sincerely,

Edward F. Randolph, Director
Energy Division
January 29, 2014

Advice 4347-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Request Funding to Implement Line Item Billing for Marin Clean Energy’s Energy Efficiency Financing Pilots Approved in Decision 12-11-015

Purpose

This Advice Letter (AL) requests the use of funds authorized for pilots approved in Decision Approving 2013-2014 Energy Efficiency (EE) Financing Pilot Programs, Decision (D). 13-09-044. The funds are requested for billing system upgrades that will allow Pacific Gas and Electric Company (PG&E) to bill Marin Clean Energy’s (MCE’s) On Bill Repayment (OBR) charges to PG&E customers participating in MCE’s OBR financing pilots approved in D.12-11-015.1 The requested funds will be used for required information technology (IT) programming that was not funded in D.12-11-015.

Background

PG&E provides billing service for MCE’s community choice aggregation (CCA) charges pursuant to Electric Rule 23 and a Community Choice Aggregator Service Agreement. The current billing arrangement is only for customers within the MCE service territory who did not opt out of MCE CCA service.

In D.12-11-015, the Commission authorized MCE to implement a suite of energy efficiency pilots with any electric customer within its jurisdiction, including two OBR finance pilots (the MCE OBR pilots).2 The decision requires PG&E to include in its bills charges for the MCE OBR pilots.3 On October 8, 2013, PG&E and MCE executed an agreement under which PG&E will include in its bills charges for the

---

2 See also Energy Division disposition letter dated June 10, 2013, approving AL MEA-003-CCA and AL MEA-005-CCA, filed pursuant to D.12-11-015.
3 D.12-11-015, pp. 49-50.
MCE OBR pilots for MCE CCA customers. Pursuant to this agreement, PG&E will include MCE OBR pilot charges for CCA customers on the MCE CCA page in PG&E’s bills.

D.12-11-015 referenced the current billing service PG&E provides for MCE’s CCA customers pursuant to Electric Rule 23, but did not address the implementation of MCE’s OBR pilots for non-CCA customers or anticipate costs to adjust PG&E’s billing system to collect MCE OBR charges from non-CCA customers. However, the Commission’s Energy Division subsequently informed PG&E and MCE that the Commission’s intention in D.12-11-015 was to require PG&E to provide billing service for the MCE OBR pilots for all customers in MCE’s service territory, including those who opted out of CCA service and are not billed by PG&E for MCE pursuant to Electric Rule 23.

MCE estimates that up to 150 non-CCA customers may participate in MCE’s OBR pilots. Since these customers are not billed for CCA charges under Electric Rule 23, PG&E must make IT infrastructure changes for the limited purpose of billing MCE’s OBR pilot charges for non-CCA customers.

On September 20, 2013, the Commission issued D.13-09-044, which approved the investor-owned utilities’ (IOUs’) statewide finance pilots, including funding for the IOUs’ required IT updates to allow the IOUs to bill for third-party loan charges. D.13-09-044 requires the IOUs to file an AL after the California Alternative Energy and Advanced Transportation Financing Authority contracts with a master servicer. That AL will support an updated cost estimate of the IT changes necessary for the IOUs to implement OBR and other features of the authorized pilots. If the CPUC approves PG&E’s funding request in this AL, PG&E will include the one-time costs to implement OBR for MCE in its cost estimates of IT changes necessary for the statewide OBR pilots.

**Funding Request**

PG&E requests to use up to a maximum of $100,000 of the IT budget approved for PG&E’s statewide finance pilots in D.13-09-044 to make IT updates needed to bill loan charges for PG&E customers who have opted out of receiving CCA service but elect to participate in MCE’s OBR pilots. The amount requested is based on PG&E’s

---

4 D.12-11-015, p. 49.
5 This estimate is provided directly from MCE and has not been reviewed by PG&E.
6 See D.13-09-044, OP17.
7 See Proposed Statewide Financing Pilot Budget Guidelines table on pg. 95, line 6b of D.13-09-044.
initial estimate of the cost to add MCE as a vendor (approximately $50,000), other setup costs to include MCE loan charges for non-CCA customers on PG&E’s bill under the “Other Program and Service Charges” page, and a contingency for any unforeseen costs. PG&E will charge to this project only actual costs for the one-time changes needed to perform this service. The loan charges for non-CCA customers will not appear on the MCE CCA bill page, but rather, will appear on another portion of the PG&E bill. This will be the only billing functionality PG&E will develop to bill non-CCA customers for the MCE OBR pilots. PG&E has scheduled the IT work associated with this request and will begin work upon approval of this AL. PG&E will need additional IT development to implement PG&E’s EE Finance pilot programs approved in D.13-09-044.

In addition, PG&E requests authority to collect from MCE the same fee per bill that MCE pays to PG&E for CCA billing, as approved by the Commission. This fee is not intended to reimburse costs from this implementation nor does it represent the actual incremental costs of providing this billing service.

This AL is solely to comply with and implement D.12-11-015. PG&E will not offer the same terms or conditions of billing to any other vendors or service providers.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than February 18, 2014, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:
Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

Effective Date

PG&E requests that this Tier 2 advice filing become effective on regular notice, February 28, 2014, which is 30 calendar days after the date of filing.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for 2013-2014 EE Portfolio Application, A.12-07-001 et. al. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission’s Process Office at (415) 703-2021 or at Process_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs.
**Company name/CPUC Utility No.** Pacific Gas and Electric Company (ID U39 E)

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Shirley Wong</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ELC</td>
<td>Phone #: (415) 972-5505</td>
</tr>
<tr>
<td>☑ GAS</td>
<td>E-mail: <a href="mailto:slwb@pge.com">slwb@pge.com</a> and <a href="mailto:PGETariffs@pge.com">PGETariffs@pge.com</a></td>
</tr>
<tr>
<td>☑ PLC</td>
<td></td>
</tr>
<tr>
<td>☑ HEAT</td>
<td></td>
</tr>
<tr>
<td>☑ WATER</td>
<td></td>
</tr>
</tbody>
</table>

**EXPLANATION OF UTILITY TYPE**

<table>
<thead>
<tr>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELC</td>
<td>Electric</td>
</tr>
<tr>
<td>GAS</td>
<td>Gas</td>
</tr>
<tr>
<td>PLC</td>
<td>Pipeline</td>
</tr>
<tr>
<td>HEAT</td>
<td>Heat</td>
</tr>
<tr>
<td>WATER</td>
<td>Water</td>
</tr>
</tbody>
</table>

**Advice Letter (AL) #:** 4347-E

**Subject of AL:** Request Funding to Implement Line Item Billing for Marin Clean Energy’s Energy Efficiency Financing Pilots Approved in Decision 12-11-015

**Keywords (choose from CPUC listing):** Energy Efficiency

**AL filing type:** □ Monthly □ Quarterly □ Annual ☑ One-Time □ Other

**Tier:** 2

**If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:** D.12-11-015

**Does AL replace a withdrawn or rejected AL?** If so, identify the prior AL: No

**Summarize differences between the AL and the prior withdrawn or rejected AL:**

**Is AL requesting confidential treatment?** If so, what information is the utility seeking confidential treatment for: No

**Confidential information will be made available to those who have executed a nondisclosure agreement:** N/A

**Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information:**

**Resolution Required?** □ Yes ☑ No

**Requested effective date:** February 28, 2014

**No. of tariff sheets:** N/A

**Estimated system annual revenue effect (%):** N/A

**Estimated system average rate effect (%):** N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

**Tariff schedules affected:**

**Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:**

**CPUC, Energy Division**
ED Tariff Unit
505 Van Ness Ave., 4th Floor
San Francisco, CA 94102
E-mail: EDTariffUnit@cpuc.ca.gov

**Pacific Gas and Electric Company**
Attn: Brian K. Cherry, Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com
<table>
<thead>
<tr>
<th>Entity</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Light Energy</td>
<td>Douglas &amp; Liddell</td>
</tr>
<tr>
<td>AT&amp;T</td>
<td>Downey &amp; Brand</td>
</tr>
<tr>
<td>ALCANTAR &amp; KAHLLP</td>
<td>Ellison Schneider &amp; Harris LLP</td>
</tr>
<tr>
<td>ANDERSON &amp; POOLE</td>
<td>G. A. Krause &amp; Assoc.</td>
</tr>
<tr>
<td>BART</td>
<td>GenOn Energy Inc.</td>
</tr>
<tr>
<td>BARKOVICH &amp; YAP, INC.</td>
<td>GenOn Energy, Inc.</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Goodin, MacBride, Squeri, Schlotz &amp; Ritchie</td>
</tr>
<tr>
<td>Bra#2 Blasing McLaughlin, P.C.</td>
<td>Green Power Institute</td>
</tr>
<tr>
<td>CENERGY POWER</td>
<td>Hanna &amp; Morton</td>
</tr>
<tr>
<td>California Cotton Ginners &amp; Growers Assn</td>
<td>In House Energy</td>
</tr>
<tr>
<td>California Energy Commission</td>
<td>International Power Technology</td>
</tr>
<tr>
<td>California Public Utilities Commission</td>
<td>Intestate Gas Services, Inc.</td>
</tr>
<tr>
<td>California State Association of Counties</td>
<td>K&amp;L Gates LLP</td>
</tr>
<tr>
<td>Calpine</td>
<td>Kelly Group</td>
</tr>
<tr>
<td>Casner, Steve</td>
<td>Linde</td>
</tr>
<tr>
<td>Center for Biological Diversity</td>
<td>Los Angeles Dept of Water &amp; Power</td>
</tr>
<tr>
<td>City of Palo Alto</td>
<td>MRW &amp; Associates</td>
</tr>
<tr>
<td>City of San Jose</td>
<td>Manatt Phelps Phillips</td>
</tr>
<tr>
<td>Clean Power</td>
<td>Marin Energy Authority</td>
</tr>
<tr>
<td>Coast Economic Consulting</td>
<td>McKenna Long &amp; Aldridge LLP</td>
</tr>
<tr>
<td>Commercial Energy</td>
<td>McKenzie &amp; Associates</td>
</tr>
<tr>
<td>County of Tehama - Department of Public Works</td>
<td>Modesto Irrigation District</td>
</tr>
<tr>
<td>Crossborder Energy</td>
<td>Morgan Stanley</td>
</tr>
<tr>
<td>Davis Wright Tremaine LLP</td>
<td>NLine Energy, Inc.</td>
</tr>
<tr>
<td>Day Carter Murphy</td>
<td>NRG Solar</td>
</tr>
<tr>
<td>Defense Energy Support Center</td>
<td>Nexant, Inc.</td>
</tr>
<tr>
<td>Dept of General Services</td>
<td>North America Power Partners</td>
</tr>
<tr>
<td>Division of Ratepayer Advocates</td>
<td>Occidental Energy Marketing, Inc.</td>
</tr>
<tr>
<td>OnGrid Solar</td>
<td>Pacific Gas and Electric Company</td>
</tr>
<tr>
<td>Praxair</td>
<td>Regulatory &amp; Cogeneration Service, Inc.</td>
</tr>
<tr>
<td>SCD Energy Solutions</td>
<td>SCE</td>
</tr>
<tr>
<td>SDG&amp;E and SoCalGas</td>
<td>SPURR</td>
</tr>
<tr>
<td>AT&amp;T Downey &amp; Brand</td>
<td>San Francisco Public Utilities Commission</td>
</tr>
<tr>
<td>AT&amp;T</td>
<td>Seattle City Light</td>
</tr>
<tr>
<td>BART</td>
<td>Sempra Utilities</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>SoCalGas</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Southern California Edison Company</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Spark Energy</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Sun Light &amp; Power</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Sunshine Design</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>TECOGEN, Inc.</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Tiger Natural Gas, Inc.</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>TransCanada</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Utility Cost Management</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Utility Power Solutions</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Utility Specialists</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Verizon</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATES</td>
<td>Water and Energy Consulting</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATIONS</td>
<td>Wellhead Electric Company</td>
</tr>
<tr>
<td>BATTLE WELLS ASSOCIATIONS</td>
<td>Western Manufactured Housing Communities Association (WMA)</td>
</tr>
</tbody>
</table>