August 19, 2015

Erik Jacobson  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

Subject: Request Authority to Use PG&E’s Energy Efficiency 2013-2015 Program Funds to Increase Funds Available to the San Francisco Bay Area Regional Energy Network’s Single Family Program

Dear Mr. Jacobson:

Advice Letter 3615-G/4682-E is effective August 17, 2015.

Sincerely,

Edward Randolph  
Director, Energy Division
August 4, 2015

Advice 3615-G/4682-E
(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Request Authority to Use PG&E’s Energy Efficiency 2013-2015 Program Funds to Increase Funds Available to the San Francisco Bay Area Regional Energy Network’s Single Family Program

Pacific Gas and Electric Company (PG&E) requests authority to use PG&E's Energy Efficiency (EE) Program funds to increase the available budget for the San Francisco Bay Area Regional Energy Network's (BayREN) Single Family Program to fund residential single family projects in 2015.

Purpose

This advice letter requests authority to use up to $1.5 million in funds from PG&E's current EE programs to increase the available budget for BayREN Single Family Program for projects that are completed and invoiced to PG&E by BayREN under the terms agreed to with BayREN, as described below.

Background

In Decision (D.) 14-10-046, the California Public Utilities Commission (Commission or CPUC) adopted 2015 EE program funding for PG&E and BayREN, including $4.47 million for BayREN's single family program with an incentive budget of $2 million. BayREN has requested increased funding in the amount of $1.5 million for its Single Family Program, to allow BayREN to serve the steadily increasing demand for Home Upgrade projects for the remainder of 2015. BayREN’s request is described more fully in Attachment 1.

PG&E’s Request

PG&E requests authority to transfer up to $1.5 million from PG&E’s Industrial Calculated Incentive subprogram to BayREN to support its Single Family Program in 2015. The ongoing and planned program activities in PG&E’s Industrial Calculated Incentive subprogram will not be impacted by this transfer.
The funding will be used by BayREN for customer incentives for projects that are completed and invoiced to PG&E by BayREN in 2015.

PG&E requests that this transfer not count toward its 2015 annual fund-shifting limits as it is not a shift of funds between PG&E programs. PG&E will detail this transfer in PG&E’s quarterly accounting report. BayREN’s savings will count towards PG&E’s service area energy savings goals consistent with D.12-11-015 (p.14).

PG&E’s request to increase BayREN’s budget in 2015 with funds from its EE Program budget is based on the unique circumstances described by BayREN in Attachment 1 and should not be considered as establishing a precedent for this procedure.

The agreement between PG&E and the Association of Bay Area Governments (ABAG), on behalf of BayREN, would be revised to reflect this budget increase if the advice letter is approved.

**Protests**

At the authorization of Energy Division, PG&E is requesting a shortened protest period. Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, any of which must be received no later than August 11, 2015, which is 7 days after the date of the original advice letter. 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.

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1 Table shows PG&E Authorized Budget as of the June 15, 2015 Compliance Filing Advice Letter 3541-G-C/4550-E-C; BayREN Multifamily AL 3595-G-A/4636-E-A and the total remaining funds as a result of the fund transfer to BayREN (assuming BayREN invoices PG&E for the entire amount).
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:

Erik Jacobson  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-7226  
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Rule 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, Rule 3.11).

**Effective Date**

PG&E requests that this Tier 2 advice filing become effective on regular notice, September 3, 2015, which is 30 calendar days from the date of this 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 R.13-11-005. 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/.

/S/  
Erik Jacobson  
Director, Regulatory Relations

Attachments

cc: Service List R.13-11-005
**Company name/CPUC Utility No.:** Pacific Gas and Electric Company (ID U39 M)

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Kingsley Cheng</th>
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<tbody>
<tr>
<td>☑ ELC ☑ GAS</td>
<td>Phone #: (415) 973-5265</td>
</tr>
<tr>
<td>☐ PLC ☐ HEAT ☐ WATER</td>
<td>E-mail: <a href="mailto:k2c0@pge.com">k2c0@pge.com</a> and <a href="mailto:PGETariffs@pge.com">PGETariffs@pge.com</a></td>
</tr>
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**EXPLANATION OF UTILITY TYPE**

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

**Advice Letter (AL) #:** 3615-G/4682-E  
**Tier:** 2

**Subject of AL:** Request Authority to Use PG&E’s Energy Efficiency 2013-2015 Program Funds to Increase Funds Available to the San Francisco Bay Area Regional Energy Network’s Single Family Program

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

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: N/A

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:** September 3, 2015  
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: N/A

Service affected and changes proposed: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 7 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

**California Public Utilities Commission**  
**Energy Division**  
**EDTariffUnit**  
505 Van Ness Ave., 4th Flr.  
San Francisco, CA 94102  
E-mail: EDTariffUnit@cpuc.ca.gov

**Pacific Gas and Electric Company**  
Attn: Erik Jacobson  
Director, Regulatory Relations  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177  
E-mail: PGETariffs@pge.com
Attachment 1

Association of Bay Area Governments Letter of Support
August 4, 2015

Energy Division Tariff Unit
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA  94105

Subject: Request Authority to Use PG&E's Energy Efficiency 2013-2015 Program Funds to Increase Incentive Funds Available to the San Francisco Bay Area Regional Energy Network’s Single Family Program

The Association of Bay Area Governments, on behalf of the San Francisco Bay Area Regional Energy Network (“BayREN”), submits this letter of support of PG&E’s Advice 3615-G/4682-E.

BayREN’s Implementation of Home Upgrade
BayREN is a collaboration of the nine counties that make up the Bay Area. Led by the Association of Bay Area Governments (ABAG), BayREN implements effective energy saving programs on a regional level and draws on the expertise, experience, and proven track record of Bay Area local governments to develop and administer successful climate, resource, and sustainability programs. Since its inception, the BayREN has been addressing the three areas indicated by Decision 12-11-015 in the formation and implementation of programs by collaborating with the Investor Owned Utilities (IOUs) to serve hard to reach markets and pilot new approaches to programs that may have the ability to scale and offer innovative avenues to energy savings. Early EM&V results are favorable regarding the BayREN’s fulfillment of these goals.

In D.12-11-015, BayREN was approved to be the exclusive implementer of the Home Upgrade Program (previously referred to as Flex Path) in the nine Bay Area counties. The Commission saw “value in having the BayREN handle implementation of this program in its geographic area in the long run, while PG&E offers [Home Upgrade] … in the rest of its service territory.” (D.12-11-015 at p 36.) While the BayREN does not offer Advanced Home Upgrade, we do market the program and offer a $300 assessment rebate for projects in the Bay Area.

BayREN’s Home Upgrade was designed to be an easy approach for homeowners to customize their energy upgrade package based on a menu of measures. Most the marketing of the program has been conducted by BayREN members and their staff, leveraging existing relationships with the IOUs and their constituents. In 2015, BayREN increased contractor outreach and trainings resulting in many new participating contractors and a sharp uptake in Home Upgrade projects, as detailed below.
Single Family Budget
BayREN’s Single Family budget for 2013-14 was $9 million of which $4.1 was for incentives. In the Scoping Memo regarding 2015 funding requests, ALJ Edmister indicated that program administrators would be limited to an annualized budget based on 2013-14 budgets. BayREN’s 2015 budget for this program was approved at $4.47 million; including an incentive budget of $2 million.

Due to the delay in program approval, coupled with the inherent program ramp up phase, BayREN did not begin to offer Home Upgrade until September 2013. The BayREN Multifamily program, however, had an earlier start than the Single Family program given a faster approval by the Energy Division. Outreach commenced in June 2013 and by the end of the year, the Multifamily program was almost fully subscribed. In February 2014, $1.4 million was shifted from Single Family incentives into Multifamily so that the program could continue to be offered.1 These funds were fully utilized during the 2013-14 cycle. The Single Family (Home Upgrade) program began to see much improved uptake during the last half of 2014.

At the beginning of 2015 the BayREN Single Family program began the new funding cycle with a total of $2.33 million in incentive funds (including roll-over funds), and the project uptake continued to increase during the first half of the year. Based on the current project completion rate, BayREN determined that the 2015 incentive budget would be insufficient to meet the program demand, and therefore in June 2015, a shift of $425,000 was made from other budget categories (i.e., marketing and administration) to augment the single family incentive budget. However this reallocation has only delayed the depletion of incentive funds. No other portfolio funds have been identified as available to shift to incentives.

Current Demand and Trends
BayREN is seeking up to $1.5 million in additional incentive funds to serve the steadily increasing demand for Home Upgrade projects for the remainder of 2015. This request is for incentive funds only. Spend down projections show all allocated incentive funding for 2015 plus the additional funds that have been shifted, to be fully reserved towards the end of August. Without additional incentive funds, BayREN will soon have to stop taking reservations which in effect will close the program. This stop and start of a program is what the Rolling Portfolio seeks to prevent.

Currently, BayREN has a total of $4,409,624.50 in paid and reserved incentives (since the program began in 2013). To date, BayREN has paid rebates for 1,419 Home Upgrade projects and 1,046 Advanced Home Upgrade assessments. $1,205,425.50 of incentive funds is unspent; however, of this, $895,700 is already reserved for 381 Home Upgrade and 100 Advanced Home Upgrade projects in construction. The remaining $309,725.50 in available funds is only expected to only accommodate new project rebate reservations through the later part of August.

This increased program uptake can be attributed to a range of activities by BayREN County members as well as Participating Contractors. BayREN’s implementation of Home Upgrade has focused on intensive outreach to both homeowners and contractors. In 2015, the number of contractor training participants has continued to rise. In addition, BayREN members and

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1 Additional funds were requested and provided by PG&E for multifamily. (See Advice 4427-E, Advice 3595-G/4636-E and Advice 3595-G-A/4636-E-A.)
consultants began providing personalized onboarding assistance to contractors post-training and also now offer an online learning portal. BayREN members have been hosting contractor networking events, bringing both new and “veteran” contractors together and encouraging collaboration. This local marketing has been instrumental in driving project demand and connecting Participating Contractors to interested homeowners, resulting in a high volume of projects.

BayREN is seeking an additional $1.5 million for incentives only. This will allow Home Upgrade to continue uninterrupted until 2016 budgets can be accessed. Without these additional funds, we will stop taking reservations as early as next month, thereby stopping the program. The last several years of building trust with the contractors in both Home Upgrade and the BayREN would be for naught and we would have to start over next year. This result is not in the best interests of any stakeholders.

PG&E has graciously agreed to provide additional funding for incentives to be used in 2015. The BayREN supports this request and asks that the Energy Division (ED) approve the request as soon as possible. Per ED’s recommendation, BayREN requests that the protest period be shortened to seven days.

BayREN is pleased with the early EM&V results and the findings that we are providing value, including with our Home Upgrade Advisor, a critical component of our Single Family program offering. With the granting of the request, we will be able to continue to provide this program to single family residents and owners in our territory.

If you have any questions or require additional information, please do not hesitate to contact me.

Respectfully Submitted,
ASSOCIATION OF BAY AREA GOVERNMENTS

Gerald L. Lahr
Energy Programs Manager
PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV

AT&T
Albion Power Company
Alcantar & Kahl LLP
Anderson & Poole
BART
Barkovich & Yap, Inc.
Bartle Wells Associates
Braun Blaising McLaughlin, P.C.

CPUC
California Cotton Ginners & Growers Assn
California Energy Commission
California Public Utilities Commission
California State Association of Counties
Calpine
Casner, Steve
Cenergy Power
Center for Biological Diversity

City of Palo Alto
City of San Jose
Clean Power
Coast Economic Consulting
Commercial Energy
Cool Earth Solar, Inc.
County of Tehama - Department of Public Works
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy
Defense Energy Support Center
Dept of General Services

Division of Ratepayer Advocates

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Douglas & Liddell
Downey & Brand
Ellison Schneider & Harris LLP
G. A. Krause & Assoc.
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GenOn Energy, Inc.
Goodin, MacBride, Squeri, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
In House Energy
International Power Technology
Intestate Gas Services, Inc.
Kelly Group
Leviton Manufacturing Co., Inc.
Linde
Los Angeles County Integrated Waste Management Task Force
Los Angeles Dept of Water & Power
MRW & Associates
Manatt Phelps Phillips
Marin Energy Authority
McKenna Long & Aldridge LLP
McKenzie & Associates
Modesto Irrigation District
Morgan Stanley
NLIne Energy, Inc.
NRG Solar
Nexant, Inc.
ORA
Occidental Energy Marketing, Inc.

Office of Ratepayer Advocates
OnGrid Solar
Pacific Gas and Electric Company
Praxair
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions
SCE
SDG&E and SoCalGas
SPURR
San Francisco Water Power and Sewer
Seattle City Light
Sempra Energy (SoCal Gas)
Sempra Utilities
SoCalGas
Southern California Edison Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
Tiger Natural Gas, Inc.
TransCanada
Troutman Sanders LLP
Utility Cost Management
Utility Power Solutions
Utility Specialists
Verizon
Water and Energy Consulting
Wellhead Electric Company
Western Manufactured Housing
Communities Association (WMA)
YEP Energy