October 14, 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: PG&E’s Energy Efficiency Financing Pilot Information
Technology Budget Advice Letter in Compliance with
D.13-09-044, O.P. 17

Dear Mr. Jacobson:

Advice Letter 3620-G/4691-E is effective September 11, 2015.

Sincerely,

Edward Randolph
Director, Energy Division
August 12, 2015

Advice 3620-G-/4691-E
(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject:  PG&E’s Energy Efficiency Financing Pilot Information Technology Budget Advice Letter In Compliance With Decision 13-09-044, Ordering Paragraph 17

Purpose


Background

On September 20, 2013, the California Public Utilities Commission (Commission or CPUC) issued D.13-09-044 approving Financing Pilot budgets for PG&E, Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SCG) – together the Investor Owned Utilities (IOUs).

D.13-09-044 included an estimated budget of $3,295,903 for PG&E to complete Information Technology (IT) changes needed to implement the On-Bill Repayment (OBR) and Energy Financing Line Item Charge (EFLIC) features of the Financing Pilots.1  OP 17 of D.13-09-044, which was modified by D.15-06-008, instructed the IOUs to each file a Tier 2 Advice Letter (AL) supporting an updated estimate of IT changes and budget necessary, including sufficient documentation and explanation of funds in excess of the allocation.  The AL is due within 30 days of receipt of instructions from the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) and Commission Staff on whether revisions to the IOUs’ OBR Tariffs are needed.  Ordering Paragraph 7 of D.15-06-008 states:

1 D.13-09-044, page 95.
“Ordering Paragraph 17 of D.13-09-044 should be modified to read as follows:

a) Within thirty (30) days of the date of this decision, the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) and Commission staff will tell Pacific Gas and Electric Company, San Diego Gas and Electric Company, Southern California Edison Company, and Southern California Gas Company (IOUs) whether or not to revise the OBR Tariffs. The IOUs shall each file a Tier 2 Advice Letter (AL) within 30 days after staff notification, if instructed to do so. The IOUs shall each file a Tier 2 AL supporting an updated estimate of the Information Technology (IT) changes necessary to implement On-Bill Repayment and other features of the authorized finance pilots (IT AL), and serve the IT AL on the service list for this proceeding within 30 days of receipt of staff instructions. The IT ALs shall include information about economies achieved by integrating these upgrades with previously funded and scheduled IT capital projects.” (D.15-06-008, page 27, OP 7)

b) Total allocations approved as a result of the Advice Letters shall be limited to IT-related costs in whole, or part, applicable to administration of the EE Finance pilots and related data collection. If an IOU requests funds in excess of the allocations set forth in Section 12 for Information Technology (Line 6b), then the amounts must be supported by sufficient documentation and explanation so as to be determined reasonable.”

Commission Staff instructed the IOUs to modify their OBR rate schedules on July 13, 2015, which triggered the due date of this AL. PG&E is also filing a separate AL that includes the revisions to PG&E’s OBR and EFLIC rate schedules as requested by CAEATFA and Commission Staff.

PG&E’s IT costs discussed in this AL are needed to implement the following Financing Pilots with OBR options:

1) Statewide OBR Pilots: Master-Metered Multifamily Financing Program (MMMFP); Small Business Loan Program (SBLP); On-Bill Small

---

Section (b) was omitted from D.15-06-008, but is still a compliance item from the prior decision D.13-09-044.
2) PG&E OBR Pilot: Energy Finance Line Item Charge (EFLIC).\(^4\)

The IT work that supports customer data access and project tracking and reporting will support the on-bill as well as off-bill options. The IT budget proposed below include specifications based on PG&E’s approved Statewide OBR Pilot Program Implementation Plans (PIPs). PG&E’s OBR Rate Schedules, filed in PG&E AL 3443-G/4338-E and 3443-G-A/4338-E-A, in compliance with the Decision and Resolution E-4680 was approved on September 11, 2014.

The Commission Staff and CAEATFA provided the IOUs with instructions to revise the OBR rate schedules, E-OBR, and G-OBR. After consultation with Commission Staff, PG&E integrated these recommended changes into the EFLIC rate schedules, E-EFLIC and G-EFLIC where appropriate.

On July 27, 2015, Commission Staff requested that additional IT costs to “streamline the customer authorization forms and processes” be included in the estimate of costs in this Advice Letter. While PG&E had worked to leverage automated solutions for as much of the pilot functionalities as possible, there are some areas where initial development of estimates did not include automation. The budget required for these additional tasks are estimated to the best of PG&E’s ability.

**PG&E’s Request**

The following table summarizes PG&E’s IT costs to implement the Finance Pilots:

1) build functionality in PG&E’s billing system to support loan transactions on the customer bill in accordance with the data protocols developed by the Master Servicer as coordinated with the Statewide IOU teams;

2) build functionality to allow for tracking energy efficiency projects and to facilitate the tracking and reporting of projects for the EE Finance Pilots including submission to the claimed database; and

---

\(^3\) The PIPs for these pilots were initially filed in Joint IOU advice letter, PG&E AL 3439-G/4327-E, et al., on December 19, 2013. In compliance with OP7(b) and OP7(c) of Resolution E-4663, the PIPs were revised and filed in PG&E AL 3499-G/4464-E et. al. The Advice Letters were approved on June 9, 2015 to be effective as of May 29, 2015.

\(^4\) PG&E initially filed AL 3441-G/4328-E on December 19, 2013, and filed supplemental AL 3441-G-A/4328-E-A on July 28, 2014 and AL 3441-G-B/4328-E-B on November 10, 2014. These ALs, including the EFLIC PIP, Gas and Electric EFLIC Schedules and Authorization Form were approved effective November 14, 2014, in compliance with OP7b and OP7c of Resolution E-4663 that was approved on June 26, 2014.
3) utilize PG&E’s Customer Data Access (CDA) system functionality to allow customers to share energy and payment history data with the financial institutions and customers under the Financing Pilots.

PG&E requires additional IT funding above the amount allocated in the Decision for IT changes and enhanced functionalities. Documentation and explanation of the requirement for allocation of these funds are included in this AL. PG&E requests approval of an additional $502,321 above the amounts specified in D.13-09-044 to complete enhancements to its IT functionality. Funding for this additional IT budget would be reallocated from unspent 2015 funding available in PG&E’s Third-Party Financing Subprogram (PGE21092).

The IT work to be completed for this project is classified as an expense and not capital.

<table>
<thead>
<tr>
<th>Authorized in D.13-09-044</th>
<th>$3,295,903</th>
</tr>
</thead>
<tbody>
<tr>
<td>OBR and EFLIC – Billing System Integration</td>
<td>$2,123,224</td>
</tr>
<tr>
<td>Customer Relationship Management</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>CDA</td>
<td>$575,000</td>
</tr>
<tr>
<td>Total</td>
<td>$3,798,224</td>
</tr>
<tr>
<td>Amount Over Initial Budget allocated in D.13-09-044</td>
<td>$502,321</td>
</tr>
</tbody>
</table>

**Explanation of IT Projects and Leveraging Existing Functionality**

**OBR and EFLIC Billing System Integration**
The estimate includes funds based on projected costs to ensure the billing system is able to transfer and receive data through the Master Servicer to the lender, and comply with the anticipated regulations for OBR and EFLIC. The cost estimate is also based on the draft data exchange protocols being developed by the Master Servicer, CAEATFA, and the Statewide IOUs. PG&E IT has developed this budget using the projected effort in meeting this draft protocol.

PG&E’s requirement for additional funds beyond those outlined in the Decision is partially driven by increased costs for integration with the Master Servicer. As ordered in the Decision, PG&E first looked at economies of scale in the development of this functionality including leveraging existing infrastructure. Due to the requirements to create a consistent interface with the Master Servicer across statewide IOU billing systems and meet the process requirements of the Master Servicer, the process may not be consistent with the current data exchange protocols from PG&E’s existing billing system infrastructure utilized in other functions. This variation and the need to facilitate this interaction resulted in an increased estimate of the budget.
Customer Relationship Management. PG&E’s customer relationship management system will be updated to allow for tracking and reporting of the energy savings from the projects to be included in the EE Finance Pilots claimed database. The functionality is being developed in conjunction with the existing infrastructure that supports other programs and the estimated costs are only for the enhanced pilot requirements.

Customer Data Access (CDA). PG&E will leverage the CDA functionality to support billing and usage data provided to the Financial Institutions and customers under the finance pilots. OBR funding will be utilized to allow customers to share their bill payment history with Financial Institutions as well as energy usage data. The OBR funding will include integration of pilot specific billing data requirements, as well as enabling customers to access gas data. The work is being coordinated with planned enhancements from the CDA team which is being funded under the authorized budget per D.13-09-025.

Marin Clean Energy On-Bill Repayment for PG&E Customers
In Advice Letter AL 4347-E, PG&E requested and obtained approval to use Finance Pilot IT funding to enable Marin Clean Energy (MCE) to offer its On-Bill Repayment pilot for PG&E customers in MCE’s service area. This phase has been completed.5

Streamlining the Customer Authorization Forms and Processes

As noted above, the IOUs were requested to consider the impact of streamlining the customer authorization forms and processes. PG&E supports creating customer friendly and streamlined tools for customers. PG&E will discuss these opportunities with Energy Division and CAEATFA and believes that funding for these efforts can be accommodated from existing pilot budgets or by leveraging authorized fund shifting opportunities. The three processes that PG&E has identified as benefitting from online process are:

Authorization and Sharing of Utility Bill Payment History with Lenders. PG&E will change its Customer Data Access functionality to enable customers to authorize the sharing of Utility Bill Payment History with lenders. The authorization will be performed online through PG&E’s MyEnergy Portal and the data transmitted directly to the Lender. PG&E anticipates having this functionality available at the outset of the program.

5 Amounts include $100,000 for system upgrades that allow PG&E to bill MCE’s OBR charges to PG&E customers participating in MCE’s OBR financing pilots. MCE’s OBR pilot was approved in D.12-11-015 without authorized funding for the required IT programming. PG&E’s request to use up to $100,000 of the IT budget approved for PG&E’s statewide finance pilots in the Decision was approved in AL 4347-E effective February 27, 2014. PG&E Advice Letter 4347-E
Authorization to Share energy usage data with the CAEATFA. This authorization is currently planned to be performed through the written form; ‘Authorization or Revocation of Authorization to Receive Customer Usage Information’. PG&E’s initial assessment revealed that it would be able to create an electronic authorization within its MyEnergy Portal that allows the customer to authorize the sharing of usage data with CAEATFA.

This, however, would not be available from the outset of the pilots, and does not yet have a cost estimate to implement. PG&E will continue to investigate the estimated cost and implementation timeline for this change and discuss opportunities for streamlining customer processes with CAEATFA and the Energy Division. Additional costs for streamlining the form will be evaluated through the existing Pilot Budgets.

Authorization to Add Loan Charges to the Utility Bill. PG&E is evaluating opportunities to incorporate inputs provided by the Lender including loan amount, and estimated payment amounts into the form that will be executed by the customers to put charges on the form.

This, however, would not be available from the outset of the pilots, and does not yet have a cost estimate for implementation. PG&E will continue to investigate the estimated cost of streamlining this form and discuss with CAEATFA and the Energy Division. Additional costs for streamlining the form will be evaluated through existing Pilot Budgets.

PG&E will provide an update on progress to streamline authorization forms and use electronic authorizations at the mid-point review.6

Effective Date

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

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than September 1, 2015, which is 20 days after the date of the original advice letter.

---

6 Assigned Commissioner’s Ruling Clarifying Operation of Energy Efficiency Finance Pilot Programs, issued on August 25, 2014, instructed that each Finance Pilot shall operate for a minimum of 24 months, and that a “mid-point review” public workshop shall occur after the Finance Pilots’ first 12 months of operation. D.15-06-008 at 19 further clarified that the public workshop shall occur after the first Pilot’s first year of operation.
Advice 3620-G/4691-E

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:

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).

Notice

In accordance with General Order 96-B, Rule 4, a copy of this advice letter is being sent electronically and/or via U.S. mail to parties shown on the attached list and Service Lists A.12-07-001, et. al. and 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

cc: Service List for A.12-07-001, et. al. and R.13-11-005
Company name/CPUC Utility No.  Pacific Gas and Electric Company (ID U39 M)

Utility type:   Contact Person: Kingsley Cheng
☑ ELC   ☑ GAS   Phone #: (415) 973-5265
☐ PLC   ☐ HEAT   ☐ WATER   E-mail: k2c0@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE
ELC = Electric   GAS = Gas
PLC = Pipeline   HEAT = Heat   WATER = Water

Advice Letter (AL) #:  3620-G/4691-E
Tier: 2
Subject of AL:  PG&E’s Energy Efficiency Financing Pilot Information Technology Budget Advice Letter In Compliance With Decision 13-09-044, Ordering Paragraph 17

Keywords (choose from CPUC listing): Compliance, Energy Efficiency
AL filing type: ☐ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other _____________________________

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:  D.13-09-044 and 15-06-008
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 11, 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 20 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
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

Don Pickett & Associates, Inc.
Douglass & Liddell
Downey & Brand
Ellison Schneider & Harris LLP
G. A. Krause & Assoc.
GenOn Energy Inc.
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