STATE OF CALIFORNIA Edmund G. Brown Jr., *Governor*

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

July 9, 2014

Advice Letter 3461-G/4366-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 for Approval to Close 2013-2014 Energy Efficiency Portfolio Third Party Subprograms

Dear Mr. Cherry:

Advice Letter 3461G/4366-E is effective July 8, 2014.

Sincerely,

Edward F. Randolph, Director
Energy Division

Pacific Gas and Electric Company

Brian K. Cherry
Vice President
Regulatory Relations

Pacific Gas and Electric Company
77 Beale St., Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177

Fax: 415.973.7226

February 28, 2014

Advice 3461-G/4366-E
(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: **Request for Approval to Close 2013-2014 Energy Efficiency Portfolio Third Party Subprograms**

Pacific Gas and Electric Company (PG&E) requests approval to close four third-party (3P) subprograms approved for PG&E's 2013-2014 Energy Efficiency (EE) Portfolio in Decision (D.)12-11-015: Energy-Efficient Parking Garage Program, Monitoring Based Commissioning (MBCx), Enhanced Automation Initiative (EAI), and Ozone Laundry Energy Efficiency.

Background

On September 24, 2009, the California Public Utilities Commission (CPUC or Commission) adopted D.09-09-047, *Approving 2010-2012 Energy Efficiency Portfolios and Budgets*. The decision states that for the 2010-2012 programs, "the utilities shall not eliminate any program or subprogram except through the advice letter process."[1] The Energy Efficiency Policy Manual confirms this requirement for the 2013-2014 EE programs, stating that the "IOUs shall not eliminate any energy efficiency program or sub-program except through the energy efficiency portfolio application or an Advice Letter seeking such a change."[2]

Purpose

PG&E evaluates its EE portfolio on an ongoing basis to ensure its programs are meeting the goals and objectives set forth at the beginning of the portfolio cycle. The purpose of the review is to ensure that ratepayer funding is used efficiently and effectively to support the State's energy objectives and help customers save energy and money. After reviewing the 2013 performance of these four third-party subprograms and their performance towards goals, PG&E proposes to close these third-party

[1] D.09-09-047 at p. 310
[2] Energy Efficiency Policy Manual, Version 5, July 2013, Section II.7 at p.13, http://www.cpuc.ca.gov/NR/rdonlyres/7E3A4773-6D35-4D21-A7A29895C1E04A01/0/EEPolicyManualV5forPDF.pdf

subprograms after each implementer meets existing customer commitments. Customers interested in participating in similar offerings going forward will be referred to other available third-party subprograms.

1. Energy-Efficient Parking Garage Program (PGE201117), implemented by EFM Solutions, LLC;
    - The program delivered 10% of its savings goal in 2013, and has not been able to develop a robust project pipeline to deliver savings in 2014.

2. Monitoring Based Commissioning (MBCx) (PGE210120), implemented by EnerNOC;
    - The program has been in place since 2010, and several projects were started and slated for completion in the 2010-2012 EE program cycle. The program was continued for the 2013-2014 EE program cycle based on expectations that existing projects would be completed by the end of 2012 and new projects would be developed to deliver savings in 2013 and 2014. However, the projects started in 2010-2012 did not deliver savings until 2013, the program has not been able to grow a robust project pipeline in 2013, and new projects that were scheduled to be completed in 2013 have been delayed to 2014 or will not be completed.

3. Enhanced Automation Initiative (EAI) (PGE210019), implemented by KEMA (now DNV GL);
    - The program delivered 0% of its MWh savings goals and 36% of its MMTh savings goals in 2013. The program was innovative when it was started in 2004, but increased competition in the building controls sector, and market saturation have reduced the effectiveness of the program.

4. Ozone Laundry Energy Efficiency (PGE21019), implemented by Willdan Energy Services;
    - The program delivered 29% of its savings goal in 2013. There were a number of active vendors who participated in the program in the 2010-2012 EE program cycle, but many of those vendors have ceased operation in California or discontinued their work in this area. As such, the program has not developed a robust project pipeline in the 2013-2014 program cycle. In addition, the single technology offered through this program is also available through the Healthcare Energy Efficiency Program (implemented by Willdan) and PG&E's Commercial Deemed Program.

The target date for completion of all current projects under these third-party subprograms is September 30, 2014. Once this Advice Letter is approved, the third-party subprograms will be closed when the current projects are complete.

The filing would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than March 20, 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:

Brian K. Cherry
Vice President, 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, 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 letter filing become effective on regular notice, March 30, 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 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

Brian Cherry /IG

Vice President, Regulatory Relations

cc: Service List R.13-11-005

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY
ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

Utility type:	Contact Person: Igor Grinberg
☑ ELC ☑ GAS	Phone #: (415) 973-8580
☐ PLC ☐ HEAT ☐ WATER	E-mail: ixg8@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE	(Date Filed/ Received Stamp by CPUC)
ELC = Electric GAS = Gas	
PLC = Pipeline HEAT = Heat WATER = Water	

Advice Letter (AL) #: **3461-G/4366-E** **Tier:** 2

Subject of AL: **Request for Approval to Close 2013-2014 Energy Efficiency Portfolio Third Party Subprograms**

Keywords (choose from CPUC listing): Energy Efficiency

AL filing type: ☐ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ 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: N/.A

Confidential information will be made available to those who have executed a nondisclosure agreement: ☐ Yes ☐ No

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: **March 30, 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: 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: Brian Cherry
Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

PG&E Gas and Electric
Advice Filing List
General Order 96-B, Section IV

1st Light Energy
AT&T
Alcantar & Kahl LLP
Anderson & Poole
BART
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Bartle Wells Associates
Braun Blaising McLaughlin, P.C.
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
County of Tehama - Department of Public Works
Crossborder Energy
Davis Wright Tremaine LLP
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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.
K&L Gates LLP
Kelly Group
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
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Modesto Irrigation District
Morgan Stanley
NLine Energy, Inc.
NRG Solar
Nexant, Inc.
North America Power Partners
Occidental Energy Marketing, Inc.
OnGrid Solar
Pacific Gas and Electric Company
Praxair
Regulatory & Cogeneration Service, Inc.
SCD Energy Solutions
SCE
SDG&E and SoCalGas
SPURR
San Francisco Public Utilities Commission
Seattle City Light
Sempra Utilities
SoCalGas
Southern California Edison Company
Spark Energy
Sun Light & Power
Sunshine Design
Tecogen, Inc.
Tiger Natural Gas, Inc.
TransCanada
Utility Cost Management
Utility Power Solutions
Utility Specialists
Verizon
Water and Energy Consulting
Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)