

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



March 19, 2019

Advice Letter 4068-G and 5479-E

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: Supplemental Request for Energy Efficiency Program Enhancements to Assist Wildfire Impacted Customers.

Dear Mr. Jacobson:

Advice Letter 4068-G and 5479-E are effective as of March 23, 2019.

Sincerely,

A handwritten signature in cursive script that reads 'Edward Randolph'.

Edward Randolph
Deputy Executive Director for Energy and Climate Policy/
Director, Energy Division

February 21, 2019

Advice 4068-G/5479-E

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Supplemental Request for Energy Efficiency Program Enhancements to Assist Wildfire Impacted Customers**Purpose**

Pacific Gas and Electric Company (PG&E) requests to extend the approved provisions of Advice 3928-G/5219-E and Supplemental Advice 3928-G/5219-E-A that provide increased incentives and program enhancements for structures destroyed by the wildfires of October 2017 to benefit structures destroyed by more recent wildfires (e.g., Camp and Carr Fires) and rebuilt under 2016 Title 24 building code.

Background

On April 27, 2018, the California Public Utilities Commission (Commission or CPUC) approved the following requests included in PG&E Advice 3928-G/5219-E "Request for Energy Efficiency Program Enhancements to Assist October 2017 Wildfire Impacted Customers" and Supplemental Advice 3928-G-A/5219-E-A:

1. Double residential new construction incentives and increase technical support.
2. Increase non-residential new construction incentive cap and design assistance.
3. Allow the California Advanced Homes Program (CAHP) to apply to in-law units.
4. Evaluate program enhancements every two years.

The enhanced program offerings are available to serve customers with destroyed homes or businesses in the eight counties impacted by the October 2017 wildfires. The program enhancements are a limited-term solution designed to encourage customers to build to the efficiency levels in 2019 building code in advance of its effective date on January 1, 2020.

PG&E collaborated with Sonoma Clean Power (SCP) and the Bay Area Air Quality Management District (BAAQMD) to create a customer-friendly application package that

allows customers in Mendocino and Sonoma Counties to access funding from all three entities with one application. The collaboration, called Advanced Energy Rebuild, launched in May 2018 and offers incentives of \$7,500 per highly efficient dual-fuel home or \$12,500 per highly efficient all-electric home, plus a \$5,000 bonus for the inclusion of solar and battery storage. Within the two primary incentive packages, PG&E contributes an average of \$3,500 per home depending on the efficiency measures chosen by the customer. SCP and BAAQMD contribute the remaining balance of the customer incentive (\$4,000 to \$14,000 per home on average).

As of January 31, 2019, 65 customers had applied for Advanced Energy Rebuild. Of these 65 applications, 64 are for single family homes and one is for a 96-unit apartment building. This progress (160 units) represents approximately 6 percent of the total housing units (2,585 units) with approved construction permits in the rebuild area according to public record.¹ No non-residential customers with destroyed structures have expressed interest in the Saving By Design enhanced incentives.

Several other major wildfires have impacted California since April 2018, such as the Carr Fire and the most recent Camp Fire. The conditions outlined in PG&E's original advice letters (e.g., Labor shortage, insurance shortfalls) will likely apply to the areas impacted by more recent major wildfires.

Summary of Request

1. PG&E requests the approved program enhancements in Advice 3928-G/5219-E and Supplemental Advice 3928-G-A/5219-E-A apply to all customers rebuilding a destroyed home or business with building permits subject to the 2016 Title 24 building code.

The goal of the program enhancements will be to motivate customers to voluntarily adopt the higher efficiency standards that will become mandatory on January 1, 2020. As part of its upcoming solicitation, PG&E will actively seek new ideas from the market to drive higher efficiency levels in new construction in 2020 and beyond, including any special enhancements for fire- or disaster-impacted areas.

As described in the background section, only 6 percent (160 units) of eligible housing units with approved construction permits are participating in Advanced Energy Rebuild despite substantial marketing efforts from SCP and significantly higher incentive levels. PG&E originally budgeted for 40 percent participation (2,500 units) after the October 2017 wildfires. As such, PG&E will be able to serve the larger geographic footprint (e.g., Areas impacted by Carr and Camp Fires) within and up to the approved budget estimates included in Advice 3928-G-A/5219-E-A (\$3.77 million annually).

¹ County of Sonoma Permit and Resource Management Department, January 2019
City of Santa Rosa Resilient City Permit Center and Rebuilding Information, January 2019

PG&E's original filing in January 2018 also included enhancements to its non-residential incentive program, Saving by Design (SBD), including a higher incentive cap of \$300,000 instead of \$150,000 per building and increased design assistance. Since that time, PG&E learned that the majority of impacted non-residential customers do not benefit from a higher incentive cap primarily due to their square footage or building type. While the existing SBD program is not designed to serve smaller non-residential customers, PG&E is committed to working with those that express interest. PG&E will support these customers on a case-by-case basis to ensure they design and rebuild in the most energy efficient manner as possible. PG&E plans to actively seek new ideas from the market to improve the non-residential new construction offering through the new solicitation process. In the interim, PG&E requests the same program enhancements extend to structures destroyed by more recent wildfires (e.g., Camp and Carr Fires).

2) PG&E requests approval to match Advanced Energy Rebuild incentives for all customers rebuilding a home destroyed by wildfire and rebuilt under 2016 building code on a first-come, first-served basis using non-resource funds.

PG&E actively seeks a collaboration that will allow customers impacted by wildfires in 2018 to receive similar incentives to Advanced Energy Rebuild (\$7,500 to \$17,500 per home). PG&E anticipates very low participation in the 2018 fire-impacted areas in the absence of higher incentives as evidenced by the low participation rate (6 percent) in Sonoma and Mendocino Counties where incentives are considerably higher. PG&E approached other public agencies to gauge interest in an incentive collaboration but has not received any indication that other funds are forthcoming in 2019.

In the event that no other funding is immediately available for early rebuilders subject to the 2016 Title 24 Building Standards Code, PG&E seeks CPUC approval to use ratepayer funds to match the Advanced Energy Rebuild incentive levels on a limited basis. PG&E requests to use non-resource funding subject to the overall budget previously approved (\$3.77 million annually).

All customers who participate in the enhanced program will be included in the planned evaluation detailed in Advice Letter 3928-G-A/5219-E-A and included in the annual advice letter summarizing customer participation. The first advice letter is due in June 2019.

Protests

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than March 13, 2019, which is 20 days after the date of this submittal. 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:

Erik Jacobson
Director, Regulatory Relations
c/o Megan Lawson
Pacific Gas and Electric Company
77 Beale Street, Mail Code B13U
P.O. Box 770000
San Francisco, California 94177

Facsimile: (415) 973-3582
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 become effective on regular notice, March 23, 2019, which is 30 calendar days after the date of submittal.

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



ADVICE LETTER SUMMARY

ENERGY UTILITY



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

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39M)

Utility type:

- ELC GAS WATER
 PLC HEAT

Contact Person: Yvonne Yang

Phone #: (415)973-2094

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: Yvonne.Yang@pge.com

EXPLANATION OF UTILITY TYPE

ELC = Electric GAS = Gas WATER = Water
 PLC = Pipeline HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 4068-G/5479-E

Tier Designation: 2

Subject of AL: Supplemental Request for Energy Efficiency Program Enhancements to Assist Wildfire Impacted Customers

Keywords (choose from CPUC listing): Energy Efficiency

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted 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:

Confidential treatment requested? Yes No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: 3/23/19

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 proposed¹: N/A

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

¹Discuss in AL if more space is needed.

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

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, CA 94102
Email: EDTariffUnit@cpuc.ca.gov

Name: Erik Jacobson, c/o Megan Lawson
Title: Director, Regulatory Relations
Utility Name: Pacific Gas and Electric Company
Address: 77 Beale Street, Mail Code B13U
City: San Francisco, CA 94177
State: California Zip: 94177
Telephone (xxx) xxx-xxxx: (415)973-2093
Facsimile (xxx) xxx-xxxx: (415)973-3582
Email: PGETariffs@pge.com

Name:
Title:
Utility Name:
Address:
City:
State: District of Columbia Zip:
Telephone (xxx) xxx-xxxx:
Facsimile (xxx) xxx-xxxx:
Email:

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

AT&T	Downey & Brand	Pioneer Community Energy
Albion Power Company	East Bay Community Energy	Praxair
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	Regulatory & Cogeneration Service, Inc.
	Energy Management Service	SCD Energy Solutions
Alta Power Group, LLC	Evaluation + Strategy for Social	
Anderson & Poole	Innovation	
	GenOn Energy, Inc.	SCE
Atlas ReFuel	Goodin, MacBride, Squeri, Schlotz &	SDG&E and SoCalGas
BART	Ritchie	
	Green Charge Networks	SPURR
Barkovich & Yap, Inc.	Green Power Institute	San Francisco Water Power and Sewer
P.C. CalCom Solar	Hanna & Morton	Seattle City Light
California Cotton Ginners & Growers Assn	ICF	Sempra Utilities
California Energy Commission	International Power Technology	Southern California Edison Company
California Public Utilities Commission	Intestate Gas Services, Inc.	Southern California Gas Company
California State Association of Counties	Kelly Group	Spark Energy
Calpine	Ken Bohn Consulting	Sun Light & Power
	Keyes & Fox LLP	Sunshine Design
Cameron-Daniel, P.C.	Leviton Manufacturing Co., Inc.	Tecogen, Inc.
Casner, Steve	Linde	TerraVerde Renewable Partners
Cenergy Power	Los Angeles County Integrated Waste	Tiger Natural Gas, Inc.
Center for Biological Diversity	Management Task Force	
City of Palo Alto	Los Angeles Dept of Water & Power	TransCanada
	MRW & Associates	Troutman Sanders LLP
City of San Jose	Manatt Phelps Phillips	Utility Cost Management
Clean Power Research	Marin Energy Authority	Utility Power Solutions
Coast Economic Consulting	McKenzie & Associates	Utility Specialists
Commercial Energy		
County of Tehama - Department of Public	Modesto Irrigation District	Verizon
Works	Morgan Stanley	Water and Energy Consulting
Crossborder Energy	NLine Energy, Inc.	Wellhead Electric Company
Crown Road Energy, LLC	NRG Solar	Western Manufactured Housing
Davis Wright Tremaine LLP		Communities Association (WMA)
Day Carter Murphy	Office of Ratepayer Advocates	Yep Energy
	OnGrid Solar	
Dept of General Services	Pacific Gas and Electric Company	
Don Pickett & Associates, Inc.		
Douglass & Liddell		