

From: Lai, Peter
Sent: 7/16/2010 4:53:48 PM
To: [Redacted]
Cc: [Redacted]; Tapawan-Conway, Zenaída G. (zenaida.tapawan-conway@cpuc.ca.gov); Drew.Tim@cpuc.ca.gov (Drew.Tim@cpuc.ca.gov); [Redacted]; [Redacted]; Ramaiya, Shilpa R (/o=PG&E/ou=Corporate/cn=Recipients/cn=SRRd)

Bcc:

Subject: RE: ACTION: Question for ED on a new customized project

Grant,

Thank you for presenting this to ED for an opinion. We appreciate the opportunity. However, given the brief description and only a one day turn around time to respond, ED can only provide high-level opinion. ED believes that the proposal to file a single application, applying separate rules for the incentivized measures, appears reasonable considering customer convenience. However, ED does have further clarifying questions we wish to have an opportunity to ask PG&E. Please let me know if we might have this opportunity next week.

Thanks.

Peter

From: [Redacted]
Sent: Thursday, July 15, 2010 1:13 PM
To: Lai, Peter
Cc: Tapawan-Conway, Zenaída G.; Drew.Tim@CPUC.CA.GOV; [Redacted]
Ramaiya, Shilpa R
Subject: ACTION: Question for ED on a new customized project

Dear Peter-

We have a customized project which we want to approach slightly differently from the usual processing method and I would like to know if the ED agrees with this approach or not. Because the customer wants to proceed soon, I would appreciate a response by next Friday, July 16th. Here are the details:

A multi-building campus in our service territory currently has 31 boilers of various sizes, 12 are steam and 19 are hot water. The entire campus including the boilers is old and could benefit from energy

efficiency upgrades. The boilers over 2 million Btu/hr must be replaced to meet BAAQMD emission requirements.

PG&E interceded and performed a facility audit and has convinced the customer to not only replace the boilers with higher efficiency than required boilers, but convert the steam boilers to hot water, saving significant steam losses. At the same time we identified many building system improvements, such as controls upgrades and piping upgrades to save more energy. The boiler replacements would clearly fall under our customized retrofit program and the baseline would be the BAAQMD compliant efficiency boiler. The building repair and upgrades including controls improvements would normally fall into our retrocommissioning program.

Since the changes are all interactive with each other (building upgrades reduce the boiler heat load required and boiler upgrades reduce the effect of the building losses, etc) and we prefer not to force the customer to prepare two separate program applications, we wish to make the entire project a single retrocommissioning application. We would then apply the appropriate program rules to each part of the project (boiler replacements under retrofit rules, system upgrades under retrocommissioning rules). Our other concern is that if we process two separate applications the ED reviewer may not see both parts or worse, two different reviewers would look at each part separately rather than as one project.

Please let me know if the ED agrees that processing this as one large project following the appropriate, but different program rules is acceptable.

Thank you,

Redacted

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