

From: Dietz, Sidney
Sent: 12/7/2010 8:41:11 PM
To: 'andrew.schwartz@cpuc.ca.gov' (andrew.schwartz@cpuc.ca.gov)
Cc: Ramaiya, Shilpa R (/o=PG&E/ou=Corporate/cn=Recipients/cn=SRRd)
Bcc:
Subject: Fw: Reference to April 2010 decision?

Andrew --

Here's Shilpa's response including the Apr10 reference. I've cc'd her in case you have more questions while I am immersed in my Navajo meeting over the next two days.

yours,

sid

Do I seem terse? Blame the thumb keyboard.

From: Ramaiya, Shilpa R
Sent: Tuesday, December 07, 2010 07:51 PM
To: Dietz, Sidney
Subject: Fw: Reference to April 2010 decision?

Sid - below is the answer to Andrew's request.

In our comments we cited to the original earnings decision (D.07-09-043). We should have cited the Second Claim decision (D.09-12-045) as it is even more clear that Energy Division was to include the savings and benefits (that we would be made 'whole'), but we will do so in reply comments. We also want to make sure that APD does not preclude the authority for pre- and post-2006 savings granted in the EM&V Decision (D.10-04-029). See citations below.

Decision 09-12-045 - Second Claim Decision, p.65-66

"4.2. Effects of 2008 Codes and Standards Program

PG&E argues that the Verification Report should have included recognition of the effects on 2008 efficiency savings and earnings as a result of pre-2006 and post-2005 Codes and Standards advocacy work. PG&E specifically points to building standards effective October 2005 and appliance standards effective on or after January 2006. PG&E also argues that the PEB associated with Tier II lighting should be included in the RRIM calculation.

At the workshop held on September 16, 2009, Energy Division explained that this source of data was not updated in the interim report because the requisite updated information was not yet available, but that Energy Division would incorporate the updated information for 2008 in its final Performance Basis Report to be produced in 2010. Accordingly, we find this explanation satisfactory for purposes of determining interim incentive earnings. Since the requisite data will be incorporated for purposes of the 2010 true-up, the utilities will be made whole for the effects of any updated data that may change the incentive earnings amount."

PG&E Comments Filed on Second Verification Report which were referenced in Second Claim Decision

The Report Neglects to Provide Savings in 2008 For Codes and Standards Advocacy Work.

The Verification Report applies virtually the same methodology used in the 2006-2007 Verification Report to the 2006-2008 Verification Report, except for Codes and Standards. Although extending the 2006-2007 Verification Report methodology to 2008 energy savings for Codes and Standards would be consistent with the overall approach, the Verification Report fails to include them. (p. 32) Energy savings in 2008 attributable to pre-2006 and post-2005 Codes and Standards advocacy work should be included in this report, specifically savings from building standards effective October 2005 and appliance standards effective on or after January 2006, including Tier II lighting standards effective on January 1, 2008. Information available to determine these savings is presented in the Table below (see attached on Pages 6-7), along with the source for determining these savings values.

Source:

- 2006 Title 20 and 2005 Title 24 savings from Appendix H of the 2006-2007 Verification Report, and then extrapolated for 2008 based on annual building completions and appliance sales.

- Tier II Lighting from Case Study Documentation, available on the California Energy Commission website since 2006.

In addition to energy savings, the PEB associated with Tier II lighting should be included in the calculation of the shareholder earnings. The Verification Report, Table 30 – 32, should be revised to include the 2008 energy savings and PEB associated with pre-2006 and post-2005 Codes and Standards Advocacy work.

Decision 10-04-029 - EM&V Decision (APD should not preclude this statement already adopted)

"OP 16. 100% of pre-2006 verified savings from Codes and Standards advocacy work shall count toward achievement of Commission energy savings goals for the 2010 through 2012 energy efficiency program cycle. Verified Codes and Standards savings pre and post-2006 shall count only for savings within the utility's service territory."

<<EnergyEfficiencyRisk-RewardIncentiveMechanismOIR_Plea_PGE_20091001-01.pdf>>

From: Dietz, Sidney

Sent: Tuesday, December 07, 2010 6:42 PM

To: Ramaiya, Shilpa R

Subject: Fw: Reference to April 2010 decision?

Importance: High

Can you send the reference?

Do I seem terse? Blame the thumb keyboard.

From: Schwartz, Andrew [<mailto:andrew.schwartz@cpuc.ca.gov>]

Sent: Tuesday, December 07, 2010 06:40 PM

To: Dietz, Sidney

Subject: Reference to April 2010 decision?

In the meeting this evening you referred to an April EM&V decision that spells out the inclusion of codes and standards in the calculation of the PEB for the 2006-2008 period. I don't see that in your comments. Can you please send me the citation you're referring to?

Thanks,

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