

From: Ramaiya, Shilpa R
Sent: 3/23/2011 12:25:30 PM
To: Baker, Simon (simon.baker@cpuc.ca.gov); Haramati, Mikhail
(mikhail.haramati@cpuc.ca.gov)

Cc: [Redacted]

Bcc:

Subject: RE: negative therm statement - Request meeting with [Redacted] on LMT

Yes Simon. We're working on scheduling it. [Redacted] and I just reached out to Mikhail to better understand the issues and where we can be helpful. She'll get back to us later today.

Shilpa

From: Baker, Simon [mailto:simon.baker@cpuc.ca.gov]
Sent: Wednesday, March 23, 2011 12:22 PM
To: Haramati, Mikhail; Ramaiya, Shilpa R
Cc: Bend, [Redacted]
Subject: RE: negative therm statement - Request meeting with [Redacted] on LMT

Mikhail - Thanks for clarifying that.

Shilpa - Yes, given that clarification, we need a separate meeting with PG&E only. Could happen the same day, if that makes sense. Thanks!

Best,

Simon Eilif Baker

Supervisor, Energy Efficiency Planning

Climate Strategies Branch

California Public Utilities Commission - Energy Division

seb@cpuc.ca.gov

415-703-5649

From: Haramati, Mikhail
Sent: Wednesday, March 23, 2011 11:59 AM
To: 'Ramaiya, Shilpa R'; Baker, Simon
Cc: Bend, [Redacted]
Subject: RE: negative therm statement - Request meeting with [Redacted] on LMT

Shilpa, the meeting in April is a check-in on the statewide LMT with all the IOUs and ED consultants. That meeting has a full agenda so I believe a separate meeting focused just on PGE's progress would be a more appropriate place to discuss this issue.

Can you send over some possible times that would work for you, [Reda] and whoever else from PGE needs to attend? I'll check those against CPUC availability and let you know what the best candidate is.

Mikhail

Mikhail Haramati | Regulatory Analyst | CA Public Utilities Commission | Energy
Division | Tel 415.703.1458 | mkh@cpuc.ca.gov

From: Ramaiya, Shilpa R [mailto:SRRd@pge.com]
Sent: Tuesday, March 22, 2011 11:47 AM
To: Baker, Simon
Cc: Haramati, Mikhail; Bend, [Redacted]
Subject: RE: negative therm statement - Request meeting with [Redacted] on LMT

Simon,

Looks like I spoke too soon. An LMT meeting is already scheduled for April 4 with Energy

Division to review progress. David assures me that we are on track with the PIP requirements.

We'll use that meeting to further the purpose instead of scheduling a new one.

Shilpa

From: Ramaiya, Shilpa R
Sent: Tuesday, March 22, 2011 11:44 AM
To: Baker, Simon
Cc: Haramati, Mikhail; [Redacted]
Subject: RE: negative therm statement - Request meeting with [Redacted] on LMT

Sure, Simon. We're fully supportive on LMT and you should not doubt that. Negative therms are just one of the many issues we have to overcome, similar to customer acceptance barriers, technology limits, etc. One of the many factors that we need to deal with to progress EE.

I'll have [Redacted] working with our LMT lead and Mikhail to set up a meeting to review progress.

Shilpa

From: Baker, Simon [mailto:simon.baker@cpuc.ca.gov]
Sent: Tuesday, March 22, 2011 11:40 AM
To: Ramaiya, Shilpa R
Cc: Haramati, Mikhail; [Redacted]
Subject: Re: negative therm statement - Request meeting with [Redacted] on LMT

Shilpa -

Thanks for this explanation. The context for my question is Energy Division's concern that PG+E seems to be falling behind on implementation of the LMT program pursuant to D.09-09-047. Regardless of PG+E's concerns about negative therms, the Commission has ordered the

IOUs to pursue higher efficiency, advanced lighting technologies and strategies, which is the impetus for the LMT program.

At this point, I would like to request a meeting with [Redacted] and whoever is in charge of LMT (since [Redacted] departure) to assess PG+E's progress on LMT program implementation pursuant to D.09-09-047, and what needs to be done to accelerate progress. Please work with Mikhail Haramati to set up the meeting and develop the agenda. Thanks!

Best,
Simon

From: Ramaiya, Shilpa R [mailto:SRRd@pge.com]
Sent: Thursday, March 17, 2011 12:05 PM
To: Baker, Simon
Cc: Haramati, Mikhail; [Redacted]
Subject: RE: negative therm statement

Simon,

Negative therm interactive effects are significant and factor into lighting and other measures (like refrigeration) in heated or conditioned space. The effect reduces both cost-effectiveness of measures and our ability to meet our therm goals. We're in a balancing act – we have to ensure we only perform on the electric side as much as our folks on the gas side can make up.

For example, in ED's 2009 Evaluation Report (released January 2011) year in which we significantly cut back on CFLs), the ED found that with interactive effects, the statewide therm achievement was 13 MMTherm and without interactive effects, the amount was 27 MMTherm (see page 34, Table 7). As you can see, this factor causes a large swing in savings and thus, cost-effectiveness. The ED found that there was a 54% increase in therm savings when interactive effects were not included.

In the ED's report, you'll also see that interactive effects eliminated all residential gas savings (implying that residential customers used more gas as a result of energy efficiency installations) (see page 24).

Negative therm interactive effects have been a very contentious issue. The IOUs have disagreed that the negative therm interactive effects are as significant as DEER and modeling calculations imply, but have been unsuccessful thus far. We have been ordered to use interactive effects as calculated in DEER by the CPUC.

I think Italy and France have both moved to energy efficiency goals based on carbon, instead of energy,

so that the utilities can appropriately trade off gas and electric savings for least GHG impact.

Hope this helps. Let me know if you need more info. San Diego State University also did a study and found no noticeable therm interactive effects.

Shilpa

From: Baker, Simon [mailto:simon.baker@cpuc.ca.gov]
Sent: Thursday, March 17, 2011 10:27 AM
To: Ramaiya, Shilpa R
Cc: Haramati, Mikhail; [Redacted]
Subject: RE: negative therm statement

Shilpa,

I would think that the issue raised below by Mikhail Haramati (ED, LMT lead) appears to be broader than just LMT. What is PG&E's policy rationale for inclusion of negative therms hampering PG&E's ability to run lighting programs? Is this really a barrier to PG&E moving forward aggressively with high-efficiency lighting programs?

Best,

Simon Eilif Baker

Supervisor, Energy Efficiency Planning

Climate Strategies Branch

California Public Utilities Commission - Energy Division

seb@cpuc.ca.gov

415-703-5649

From: Haramati, Mikhail
Sent: Wednesday, March 16, 2011 12:39 PM
To: [Redacted]
Cc: Baker, Simon
Subject: negative therm statement

[Redact] thanks for speaking with me just now regarding LMT check-in meetings. I am, however, troubled by one of the statements you made and want to make sure I understand correctly.

In response to discussion about PGE's effort towards LMT so far, you stated that the accounting of negative TH savings is preventing PGE from going as far as is needed to transform the lighting market. You had asked me to see if there's anything ED can do in this area since the inclusion of negative therms is hampering PGE's ability to run lighting programs.

Can you confirm whether I've understood this correctly?

Thanks,

Mikhail

Mikhail Haramati
Regulatory Analyst, Energy Efficiency EM&V
California Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94107
Tel: (415) 703-1458
Fax: (415) 703-2200
Email: mkh@cpuc.ca.gov