

# **Energy Efficiency New Product Workpaper Review**

April 5, 2011

# Agenda

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- The Issue: New Product Workpaper Review
  
- Discussion
  - Expectations for approval and conditional approval
  - Example: Recent Laptop Workpaper
  - Do we have a meeting of the minds regarding approval?
  
- Solutions: Definitive and Timely

- **Value of Meaningful New Product Workpaper Review**
  - Sets basis to make decisions about program offerings
  - Based on best available information
  - Used to set program savings and assumptions
- **Given values, review should be definitive and timely**

- **Impairs Program Innovation**
  - Uncertainty as to how savings will be evaluated is a disincentive for PG&E to innovate programs
    - Why make the effort, spend funds and experiment if there is excessive uncertainty on results?
  
- **Eliminates Potential Energy Efficiency**
  - Lack of definitive assessment can lead to early termination or program extinction

**Impacts not consistent with customer interests**

- Workpaper meets primary workpaper objectives
  - Savings calculation methodology was reasonable per ED
  - Best available information was used
- Approval in-line with Phase 2 process
  - Conditional acceptance without ability to claim savings is not contemplated under phase 2 workpaper review
  - *“Prior to the availability of results from the required new study activities providing more accurate parameter for these workpapers no ex ante values will be considered frozen or eligible for use in utility savings claims.”*
- Given minimal savings, study may not be cost-effective for program
- IOU re-considering offering measure

Workpaper Review and Disposition must be:

- **Definitive**
  - Allow for program offering decisions to be made
- **Timely**
  - Should be completed within 90 days (start to finish)

**Certainty + Timeliness = EE Innovation and S**

# Timeline of Workpaper Review

## Current Process Overview

