From:	Colvin, Michael
Sent:	7/14/2011 11:59:00 AM
To:	Dietz, Sidney (/O=PG&E/OU=Corporate/cn=Recipients/cn=SBD4)
Cc:	
Bcc:	
Subject:	Re: Commr Ferron's comments on EE decision?

Frankly, I am bewildered and a bit embarrassed by the timing of this decision. California has an extremely aggressive set of Energy Efficiency goals and we are lauded internationally for our leadership in this arena. Yet here we are in July 2011, voting on a decision concerning a portfolio at its mid-point - - one which started in January 2010 and concludes at the end of 2012. In my mind, these issues -- such as savings goals for custom programs -- should have been resolved before this point.

Judge Gamson has done an extremely commendable job navigating these complex issues and attempting to make sense of a highly technical process which has become over-engineered and in an environment which has grown excessively contentious and increasingly poisonous. I will vote for this decision today, but as the assigned Commissioner on Energy Efficiency, I am actively reviewing all aspect of our EE program - - including the Utility Shareholder incentives - and intend to continue my efforts over the next several months in working through the details. I would like to thank my fellow Commissioners for their support and their prayers.

I want to see this process "fixed" so that the focus is on taking ACTION to improve Energy Efficiency, rather than to let it become a DISTRACTION where the emphasis is on creating the appearance of EE savings and then fighting bitterly over the measurement of those savings. At the same time, I am concerned that we as a Commission show regulatory consistency and avoid unnecessary market interruptions where programs are working well. I want to try to understand what we can do to improve this process so as to create the "best" outcome with the least amount of disruption from our regulatory process.

I am committed to our goals for Energy Efficiency but I am equally committed that we have a transparent and effective process which ensures that we leverage ratepayer money to create energy savings in a fair and efficient manner. I believe it is time for a fresh start - - not least in the attitudes of the parties involved.

Michael

On Jul 14, 2011, at 11:40 AM, "Dietz, Sidney" <<u>SBD4@pge.com</u>> wrote:

I can't read my own shorthand.

Do I seem terse? Blame the thumb keyboard.

----- Original Message -----From: Colvin, Michael [mailto:michael.colvin@cpuc.ca.gov] Sent: Thursday, July 14, 2011 11:30 AM To: Dietz, Sidney Subject: Re: Commr Ferron's comments on EE decision?

What, you didn't take notes???

Michael

On Jul 14, 2011, at 11:29 AM, "Dietz, Sidney" <<u>SBD4@pge.com</u>> wrote:

Michael --

Do you have a copy of the commissioner's comments? Our internal team needs to read them. Thanks!

yours,

sid

Do I seem terse? Blame the thumb keyboard.