**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Examine the Commission's Post-2008 Energy Efficiency Policies, Programs, Evaluation, Measurement, and Verification, and Related Issues.	**Rulemaking 09-11-014 (Filed November 20, 2009)**

JOINT COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U904M), SOUTHERN CALIFORNIA GAS COMPANY (U904G), AND PACIFIC GAS AND ELECTRIC COMPANY (U 39 M) (" JOINT IOUS") TO ASSIGNED COMMISSIONER'S RULING AND SCOPING MEMO REGARDING PUBLIC PURPOSE PROGRAM FUNDS, PHASE III

STEVEN D. PATRICK
Southern California Gas Company *and*
San Diego Gas & Electric Company
555 West Fifth Street, Suite 1400
Los Angeles, CA 90013-1011
Phone: (213) 244-2954
Fax: (213) 629-9620
E-Mail: SDPatrick@semprautilities.com

ANN H. KIM
MICHAEL R. KLOTZ
Law Department
Pacific Gas and Electric Company
77 Beale St., B30A
P.O. Box 7442
San Francisco, CA 94120
Telephone: (415) 973-7565
Facsimile: (415) 973-0516
E-Mail: m1ke@pge.com

Attorneys for
SOUTHERN CALIFORNIA GAS COMPANY,
SAN DIEGO GAS & ELECTRIC COMPANY, and
PACIFIC GAS AND ELECTRIC COMPANY

July 21, 2011

TABLE OF CONTENTS

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Examine the Commission's Post-2008 Energy Efficiency Policies, Programs, Evaluation, Measurement, and Verification, and Related Issues.	**Rulemaking 09-11-014 (Filed November 20, 2009)**

JOINT COMMENTS OF SAN DIEGO GAS & ELECTRIC COMPANY (U904M), SOUTHERN CALIFORNIA GAS COMPANY (U904G), AND PACIFIC GAS AND ELECTRIC COMPANY (U 39 M) (" JOINT IOUS") TO ASSIGNED COMMISSIONER'S RULING AND SCOPING MEMO REGARDING PUBLIC PURPOSE PROGRAM FUNDS, PHASE III

I. INTRODUCTION

San Diego Gas & Electric Company (SDG&E), Southern California Gas Company (SCG) and Pacific Gas and Electric Company (PG&E) (collectively referred to as "Joint IOUs") hereby submit the following joint comments to the *Assigned Commissioner's Ruling and Scoping Memo Regarding Public Purpose Program Funds, Phase III,* issued July 7, 2011 (ACR). The ACR directs parties to file comments on the general approach and proposals set forth therein with respect to Senate Bill (SB) 87. In particular, the ACR directs parties to identify computational errors, suggest alternate funding priorities and comment on specific questions regarding the scope of the Commission's authority.

II. JOINT COMMENTS ON ACR

A. The Commission Should Adopt the Approach Set Forth in the Joint IOU Motion and Grant the Relief Sought Therein

On July 1, 2011, the Joint IOUs filed a motion with the Commission seeking authority to use combined gas and electric unspent, uncommitted funds from prior energy efficiency program cycles in the wake of SB 87 to help ensure adequate and uninterrupted funding for the 2010-2012 cycle and to prevent curtailment of energy efficiency programs (Joint IOU Motion).[1/] The Joint

---

1/ *Motion Of Pacific Gas And Electric Company, San Diego Gas & Electric Company (U902m), And Southern California Gas Company (U904g) To Shift Unspent, Uncommitted Energy Efficiency Funds To Ensure Adequate Funding For The 2010-2012 Energy Efficiency Portfolio In The Wake Of Senate Bill 87,* IOUs have identified no explicit prohibition against use of funds as proposed in the Joint IOU Motion, either in prior Commission decisions or in the Energy Efficiency Policy Manual.

The ACR presents a different approach, which does not fully acknowledge the scope of the Commission's authority in this regard and which calls for a significant reduction in gas program funding and a proposed prioritization for the manner in which those program efforts should be curtailed. If the Commission, in fact, orders curtailments such as those discussed in the ACR, the Commission should provide the Joint IOUs with the necessary tools such that they can continue to run effective energy efficiency portfolios in the manner approved by the Commission. Specifically, the Commission should remove the program and category level fundshifting limitations set forth in D.09-09-047. In addition, consistent with the express language of SB 87, the Commission must make appropriate reductions to gas energy savings goals to reflect the reduced level of funding for those programs as proposed in the ACR.[2/]

The Joint IOU Motion presents a simple and effective means for each affected utility to address the potential Energy Efficiency 2010-2012 Portfolio budget shortfall posed by the passage of SB 87 and the Commission should immediately grant the relief sought therein for the following reasons: (1) the Joint IOU Motion provides for immediate certainty regarding the energy efficiency program budgets such that current momentum can be maintained; (2) the Joint IOU Motion seeks relief that is within the scope of the Commission's authority; and (3) the relief sought in the Joint IOU Motion is equitable and in the public interest, in that it would avoid significant curtailment to energy efficiency activities without requiring a rate increase for customers.

---

filed July 1, 2011 in Rulemaking 09-11-014. (Joint IOU Motion)

2/ *See* discussion in Section II.C.1. *infra*. Because PG&E is a combined gas and electric utility operating certain gas and electric program activities on an integrated basis, a reduction in PG&E's electric energy efficiency goals may also be appropriate depending on the reduction scenario. Goal reduction is discussed in PG&E's Attachment 1.

1. **The Joint IOU Motion Provides Immediate Budget Certainty**

The relief sought in the Joint IOU Motion provides a level of certainty and confidence to the energy efficiency community by acting expeditiously to avoid the need for significant and immediate program curtailment. Now that SB 87 has passed, the Joint IOU Motion recommends immediate action prior to the potential transfer of gas surcharge funds in order to maintain program continuity.[3/] In contrast, while the ACR also recognizes the need to move quickly, the ACR recommends a period of planning the program curtailments based on the premise that "if the transfer occurs" such curtailments may be necessary should the funds ultimately be transferred pursuant to SB 87.[4/] While the ACR presents a reasoned approach, the immediate budget uncertainty presented by the passage of SB 87 will force the IOUs to curtail energy efficiency activities before any transfer of funds occurs. Due to the magnitude of the program cuts proposed, the ACR proposal will also impact present commitments that would otherwise generate significant energy savings.[5/] By choosing not to immediately authorize the IOUs to access unspent, uncommitted funds from prior cycles should that become necessary, the ACR does not provide the level of certainty surrounding the energy efficiency portfolio budgets sought in the Joint IOU Motion. As a result, the IOUs would not be able to maintain their current level of program activities, but would have to begin ramping down in anticipation of a potential fund transfer regardless of whether such a transfer actually occurs.

3/ Joint IOU Motion, p. 1.

4/ ACR, p. 6.

5/ *See e.g.,* Attachment 1.

2. **The Relief Sought in the Joint IOU Motion is Within the Scope of the Commission's Authority**

The ACR fails to recognize the past Commission precedent supporting the relief sought in the Joint IOU Motion. Specifically, the ACR states:

> Most options that have been presented thus far, such as authorizing new funds or directing that funds from other programs be shifted over to the gas PPPs, would, among other things, disturb policies and procedures that have been set forth in prior Commission decisions…[6/]

However, the Commission has a longstanding practice of authorizing the use of unspent, uncommitted funds from prior program cycles to augment current program funding.[7/] If the IOUs account for the potential fund transfer pursuant to the Commission's guidance provided in D.09-09-047[8/] and as described in the Joint IOU Motion, it is likely that any large scale shift of funds between gas and electric accounts may not be necessary. The relief sought in the Joint IOU Motion is consistent with the Commission's approval of the 2010-12 energy efficiency portfolios not as a collection of individual, gas and electric programs, but rather, as a collection of comprehensive, statewide and local initiatives.[9/] As discussed in the Joint IOU Motion, any

---

6/ ACR, p. 5.

7/ See discussion Section II.C.5 *infra.*.

8/ The Commission determined that all energy efficiency program costs for dual-fuel utilities are simply to be split according to a predetermined ratio between electric and gas respectively, based on the projected net benefits to be generated by the portfolio as a whole. (*See* D.09-09-047 at p. 319). PG&E's current electric/gas net benefit ratio is 82/18 as approved in AL 3065G-A/3265E-A, SDG&E's electric/gas budget ratio is 80/20.

9/ D.09-09-047, p.7; *see also* D.05-09-043, *Interim Opinion: Energy Efficiency Portfolio Plans And Program Funding Levels For 2006-2008 – Phase 1 Issues*, in which the Commission approved portfolios based on market and customer segment approaches as opposed to distinct gas and electric portfolios.

> Each of the utilities has approached the development of its portfolio plan by (1) analyzing the technical potential for energy efficiency identified in recent studies (and used to establish the Commission's goals) and (2) developing specific goals for each of the market segments and end-uses based on this potential. Using this information, SCE, SDG&E and SoCalGas started with their current structure of program offerings designed primarily around customer sectors (e.g., residential - single family, residential - multi-family, commercial, industrial, and agriculture), and modified them accordingly. PG&E, on the other hand, took a different approach by redesigning its programs around market

potential transfer of energy efficiency funds to the State's General Fund should be treated accordingly regardless of the particular funding mechanism that brought in funds that may ultimately be transferred. Nevertheless, the Commission has not generally required that the gas/electric proportion of the prior unspent funds be maintained across program cycles when allowing such budget augmentations and has also previously authorized transfers of funds directly between gas and electric accounts.

3. The Relief Sought in the Joint IOU Motion is Equitable and in the Public Interest

The Joint IOU Motion represents a solution that is equitable and in the public interest in that it would allow the utilities to maintain their level of program activity without requiring a corresponding rate increase for customers. In contrast, the ACR contemplates significant curtailment of the portfolio activities in anticipation that funds may ultimately be transferred pursuant to SB 87.

Energy Efficiency natural gas savings are a core part of the Joint IOUs' respective portfolios and are an important part of meeting California's ambitious energy efficiency and greenhouse gas reduction goals. Those programs that yield natural gas savings should not be cut where there are available unspent funds that can be used to continue them without causing a rate increase to customers.

In addition, gas PPPs provide a direct benefit to electric customers as they help to reduce the end price of electricity for customers throughout California. In California, natural gas fired electric generation accounts for forty-six percent of total electric generation[10/] and often sets the

---

segments (e.g., mass markets, schools and colleges, office buildings, etc.), rather than continuing with a historic program structure that primarily organizes program strategies around regulatory customer rate classes. (*Id.* at p.19)

10/ California Energy Commission, *2009 Integrate Energy Policy Report,* Final Commission Report, December 2009, CEC-100-2009-003-CMF, p. 47.

marginal price for electricity[11/]. At the request of Energy Division staff, PG&E commissioned IHS Global Insight to determine impacts of conservation of natural gas prices which showed a reduction in natural gas demand via conservation efforts can significantly influence natural gas prices.[12/] Applying the study range to recent 2010 California Gas Sales, California realized annual savings between $20 and $100 million due to the impact of lower demand on natural gas prices. Of that amount, between $9 and $46 million contributed to lower annual electric generation costs, ultimately benefiting consumers of electricity.[13/]

Finally, the Joint IOU Motion presents a pragmatic solution as well. The type of cuts contemplated in the ACR would likely require the IOUs to rebalance their Energy Efficiency portfolios in order to deliver statutorily required cost effective programs. It would also likely require suspension of the gas and electric net benefit split methodology for program spending and cost recovery mechanisms adopted by the Commission in D.09-09-047.[14/] If the Commission were to adopt the ACR proposal, the Commission, the Energy Division and the IOUs would be required to divert significant resources away from scheduled program implementation activities, as well as planning for the 2014-2016 energy efficiency portfolio in addition to developing the regulatory framework to support that effort.[15/]

11/ *Id.* at p. 141.

12/ Global Insight, Inc., *The Impact of the 10/20 PG&E Winter Savings Program on Natural Gas*, July 2006.

13/ California Energy Commission, *2009 Integrate Energy Policy Report,* Final Commission Report, December 2009, CEC-100-2009-003-CMF (p. 141).

14/ Suspension of the gas and electric net benefit split could also affect programs such as Self Generation Incentive Program, which utilizes the net benefit split adopted for the EE portfolio. *See* D. 09-03-073, p. 14 (" [t]o establish the budget for each individual utility, Energy Division allocated the total costs for the self-generation program (developed on a statewide basis) to each service territory based on the relative proportion of costs currently allocated to each utility for energy efficiency programs.")

15/ The Commission's proceeding on extending the energy efficiency program cycle through 2013 is currently ongoing. The resources of the Commission, its staff, and the stakeholders to that process are already stretched thin and will necessarily be further encumbered with trying to meet challenging EM&V and other planning benchmarks required for effective planning of the next cycle.

For these reasons, the Commission should promptly grant the Joint IOU Motion and allow the IOUs to carry forward combined gas and electric unspent, uncommitted funds from prior portfolio cycles to cover the budget shortfall posed by SB 87. Such relief is in the public interest, and is within the scope of the Commission's authority.

B. COMPUTATIONAL ERRORS

The ACR directs parties to identify computational errors and verify all numbers set forth in the scoping memo. The information contained in the ACR represents the IOUs' recorded amounts as of February 2011 forecasted to June 30, 2011. In these comments, the ACR amounts have been corrected to reflect recorded balances as of June 30, 2011.

1. PG&E

For PG&E, the ACR includes a $1 M mathematical error in its subtraction of $155M of remaining funds from the $176.6 M forecasted amount to be collected in rates during 2011. The net result should be $21.6 M available to PG&E and not $20.6 M as stated in the ACR (p.5). Second, if corrected for this subtraction error, it would result in providing PG&E with 31% of the amount collected in customer rates for energy efficiency programs. The estimate of $6 million of available unspent gas funds in the ACR is correct based on recorded February 2011 information in PG&E's gas balancing account and forecasted March through June 2011 data. Based on updated data through June 30, 2011, PG&E projects that it has $5.4 million of available unspent gas funds. Through June 2011, PG&E also has $39.4 million of available electric funds not recognized by the ACR.

2. SDG&E

For SDG&E, the numbers in the ACR are correct except for the underspending of $0.6 million associated with the 2010-2012 program cycle. The amount should reflect a positive number representing an overspending of $0.6 million based on recorded February 2011 information and forecasted March through June 2011 data, net of projected spending for the second half of the 2011 year. Adjusting for this sign error, would result in providing SDG&E with 34% of the amount collected in customer rates for energy efficiency programs. Based on updated recorded information through June 2011, including reimbursements for SDG&E's 4th quarter 2010 and 1st quarter 2011 public purpose program funds received in July, SDG&E will be projected to be underspent by $7.8 million associated with its pre-2010 program cycles and $1.1 million overspent in its 2010-2012 program cycle. As a result of updated June 2011 recorded information, SDG&E will be underspent by a net $6.7 million which provides SDG&E 32% of the amount collected in customer rates for its energy efficiency programs. This update is 8% lower compared to the previous forecast based on February 2011 recorded information and inclusion of the sign error on the 2010-2012 program cycle described above.

3. SCG

For SCG, the numbers in the ACR are correct based on recorded February 2011 information and forecasted March through June 2011 data, net of projected spending for the second half of the 2011 year. However, based on updated recorded information through June 2011, including reimbursements for SCG's 4th quarter 2010 and 1st quarter 2011 public purpose program funds received in July, SCG will be projected to be underspent by $18.8 million associated with its pre-2010 program cycles and $51.9 million associated with its 2010-2012 program cycle. As a result of updated June 2011 recorded information, SCG will be underspent by a total of $70.6 million which provide SCG with 107% of the amount collected in customer rates for its energy efficiency programs. This update is 3% lower compared to the previous forecast based on February 2011 recorded information.

C. RESPONSES TO SPECIFIC QUESTIONS POSED IN THE ACR

In accordance with the directives in the ACR, the Joint IOUs comment on the following topics:

1. What specific programs should be continued and at what level, given the priorities set out above and the funds available?

The Joint IOUs submit that the Joint IOU Motion presents the most efficient, timely, and equitable plan for addressing any potential program budget shortfalls that could result from SB 87. Specifically, the Joint IOU Motion presents a plan that would allow program activities to continue at or near their current levels for the current fiscal year without requiring a rate increase for customers.

In contrast, the proposal in the ACR would require significant curtailment of energy efficiency program activities. As directed by the ACR, attached to these comments the Joint IOUs submit their respective scenarios and prioritizations for curtailment of program activities.[16/] As discussed in the attachments, for some utilities, the remaining eligible gas program budget under the ACR's proposal would be insufficient to cover even current commitments. Should the Commission choose not to grant the relief sought in the Joint IOU Motion and determine that significant program curtailment is, in fact, required, the Joint IOUs request that the Commission take additional action to ensure that each of the Joint IOUs can continue to run a successful, effective portfolio, as approved in D.09-09-047. Specifically, the Joint IOUs request that the Commission (1) remove fundshifting restrictions enacted by D.09-09-047; and (2) reduce gas energy savings goals as required by SB 87.

16/ PG&E's scenario responding to the ACR proposal is attached as "Attachment 1" to these comments; SDG&E's scenario is attached as "Attachment 2" to these comments; SCG's scenario is attached as "Attachment 3" to these comments.

Each of the Joint IOUs respective scenarios are based on *ex ante* values utilized from the beginning of the program cycle to the present time. On July 14, 2011, the Commission issued its *Third Decision Addressing Petition For Modification Of Decision 09-09-047,* in proceeding A.08-07-021 and related matters. That decision finalized the *ex ante* values to be used for the 2010-2012 program cycle, modifies ex ante savings values for non-DEER measures listed in Attachment A of the decision and allows the impacted utilities to adjust their portfolios based upon those changes if necessary within 60 days. Each of the Joint IOUs is working to update their workpapers and related systems to reflect these modified *ex ante* values. However, that work could not be completed prior to submission of these scenarios as directed in the ACR. Therefore, if it becomes necessary to do so, the Joint IOUs request Commission authorization to submit updated scenarios that incorporate and account for the recently-issued planning values.

a. Fundshifting Flexibility

If the Commission orders the Joint IOUs to curtail their gas energy efficiency program activities, the Commission should lift the additional category and program level fundshifting restrictions, implemented in D.09-09-047, to provide each of the Joint IOUs with the necessary tools to effectively manage their portfolios. While the Joint IOUs can present general proposals to address the sort of cuts called for in the ACR, it is not possible to describe with certainty at this time each aspect of how the portfolios will need to be rebalanced.

The Commission's approval of the 2010-2012 portfolios represents a careful balancing of numerous competing priorities including the level of funding of resource/non-resource programs and activities that support advancement of the EE Long Term Strategic Plan goals. As part of that balancing, in D.09-09-047, the Commission reduced the threshold of program and category level fundshifting that would trigger an advice letter filing with the Commission.[17/] Curtailing program activities as suggested in the ACR would upset that balance and would necessitate additional flexibility than was contemplated at the time the portfolios were approved. For these reasons, the Commission should lift the additional category and program level fundshifting restrictions in D.09-09-047 to allow the Joint IOUs sufficient flexibility to effectively manage their programs in light of curtailment of activities and rebalancing that would be necessary to accommodate any potential transfer of funds pursuant to SB 87 if the ACR proposal is adopted.

b. Corresponding Gas Goal Reduction

If the Commission orders the Joint IOUs to curtail their gas energy efficiency program activities, the Commission must also reduce the gas savings goals for the 2010-2012 program cycle. The Commission is explicitly directed to make such a reduction by the statutory text, which states:

17/ *See* D.09-09-047, 309-311, OP 43(b).

> At the discretion of the California Public Utilities Commission (CPUC), all program activities and requirements related to the transfer of $155,000,000 from the Gas Consumption Surcharge Fund to the General Fund may be suspended for any period impacted by this funds transfer. To the extent such program activities and requirements are suspended for a gas corporation's programs and the gas corporation has not secured a different source of funding authorized by the CPUC, that gas corporation shall be relieved of the obligation to meet and shall not be held responsible for the program goals for the period of time affected by the transfer.[18/]

2. The Commission's ability to shift PPP funds among the various IOUs

Commission policy as set forth in the Energy Efficiency Policy Manual (version 4.0)[19/] does not support the Commission's transfer of PPP funds among the various IOUs. The Policy Manual states, in relevant part: "Pursuant to PU Code sections 381, 381.1, 399 and 890-900, PGC and gas surcharge funds must be spent to deliver energy efficiency benefits to ratepayers in the service territory from which the funds were collected."[20/] The Joint IOUs support continuation of this policy.

3. The Commission's ability to use non-surcharge funds to support these programs

The Commission has authority to use non-surcharge funds to support gas energy efficiency programs. California Public Utilities Code §890, which establishes the Natural Gas Surcharge, prohibits inclusion of a number of other categories of charges in the rates of gas utilities.[21/] However, it imposes no prohibition on using non-surcharge funding to support gas PPPs. The use of non-surcharge funds to support gas PPPs is also consistent with the

---

18/ SB 87, *see* ACR, p. 4.

19/ *Energy Efficiency Policy Manual, Version 4.0* (July 2008) Applicable to post-2005 Energy Efficiency Programs.

20/ *Id.* at Sec. II.10 p.5 (internal citation omitted).

21/ Cal. Pub. Util. Code § 890(a).

Commission's practice of treating the energy efficiency portfolios as a collection of programs targeting market segments (e.g., residential, commercial, industrial) or delivery mechanisms (e.g., financing, statewide marketing) and not as distinct gas or electric funded programs.[22/] For example, as it did in D.05-09-043, in D.09-09-047, the Commission ordered the utilities to adopt budgets "that would split the electric and gas cost recovery according to an expense ratio aligned with the portfolios for savings/budgets."[23/]

4. The legality and propriety of requiring ratepayers to pay additional surcharges to fund these gas PPPs

While it has yet to be determined, the Joint IOUs have significant concerns with respect to the legality of the gas funding sweep. With respect to the propriety of requiring ratepayers to pay additional surcharges as a result of the gas budget sweep, California Public Utilities Code §890 provides that in addition to other similar activities described in the statute, Natural Gas Surcharge funds are to be used to fund energy efficiency and conservation activities and are not meant to be appropriated into the state's General Fund. Ratepayers should not be required to pay additional surcharges particularly where sufficient unspent funding from prior cycles is available and can be authorized to cover the sweep. Nor should the Commission consider authorizing collection of additional funds from ratepayers through the gas surcharge mechanism as those funds could also be subject to being swept by the State in the future. Rather, the Commission should grant the relief sought in the Joint IOU Motion as it is a simple and effective proposal that provides a plan to continue the current momentum for energy efficiency activities without requiring a rate increase for customers.

22/ *See* FN 9 *supra*.

23/ D.09-09-047, p.319 citing D.05-09-043; see response to Question 5 (discussing additional specific instances where electric funding was applied to the entire portfolio).

5. Whether electric funds can be shifted to gas PPPs in accordance with the energy efficiency manual or Commission decisions

The Commission has the authority to shift electric funds to gas PPPs. However, the Joint IOU Motion discusses treating the gas PPP fund sweep in such a manner that is consistent with the Commission's guidance for recording program expenses in D.09-09-047 and which would not necessarily require a large scale shifting of funds to the gas PPPs if applied.[24/] The Commission has a longstanding practice of authorizing the use of unspent, uncommitted funds from prior program cycles to augment current program funding. Only if the Commission would find that a different treatment of the expense is appropriate would significant shifting funds between electric and gas accounts become necessary.

In any event, as discussed in detail in the Joint IOU Motion, on numerous occasions the Commission has authorized utilities to use combined electric and gas funding from prior program cycles for the benefit of the portfolio as a whole. Most recently, in D.09-09-047, the Commission granted individual motions of SCE and SDG&E to "Shift Unspent, Uncommitted Funds from Previous Program Cycles to Ensure Adequate Funding For Identified 2009 Energy Efficiency Transition Programs."[25/] The CPUC has previously allowed PG&E and SCE to use prior energy efficiency portfolio cycle (combined gas and electric) unspent funds to augment their portfolio funding.[26/] In addition, the Commission has previously authorized the use of

---

24/ For example, as stated in the Joint IOU Motion, PG&E proposes that it record the amount of the sweep as an expense pursuant to the 18% gas / 82% electric expense split consistent with Commission direction in D.09-09-047 and as authorized in its compliance advice letter. (PG&E Energy Efficiency Compliance AL 3065-G-A&B//3562-E-A&B). PG&E would then use combined electric and gas unspent funds from prior cycles to cover the shortfall charged to its electric and gas accounts from the sweep.

25/ D.09-09-047, OP 3.

26/ See Resolution G-3439 approving Advice Letter 3030-G/3487-E for 2009 and Resolution G-3421 approving Advice Letter 2938-G/3298-E for 2008. *See also* Resolution G-3323 approving PG&E's request to augment its 2001 Energy Efficiency programs with Pre-1998 DSM funds; Administrative Law Judge's Ruling Granting Request of Southern California Edison to Use Unspent Program Funds for Evaluation, Measurement and Verification of 2003 Programs, July 16, 2004, R.01-08-028.

unspent funds for specific projects such as the Pilot Water Conservation Programs.[27/] In authorizing the IOUs to carry forward unspent funds from previous program cycles, the Commission did not require that the ratio of gas to electric funding be maintained from one program cycle to the next.

In addition to allowing shifting of gas and electric funds through general carry-forward of prior cycle's unspent funds, the Commission has authorized specific transfers between gas and electric accounts. For example, the Commission has previously allowed SDG&E to offset a gas undercollection by transferring funds from the electric overcollection in SDG&E's Post-1997 Electric EE Balancing Account.[28/] The Commission has also approved PG&E's request to transfer low income program funds from the electric account to the gas account to cover gas program expenses.[29/]

Consistent with the Commission's previous authorization of such requests, the Energy Efficiency Policy Manual also does not explicitly prohibit it. While the Policy Manual does state that "gas PGC collections must fund natural gas energy efficiency programs and electric PGC collections must fund electric energy efficiency programs,"[30/] on its face, such a requirement is limited in scope to PGC funding and does not extend to other sources of funding such as energy efficiency procurement charges.[31/] Finally, the current version of the EE Policy Manual is from

---

27/ D.07-12-050, OP 5 ("The energy utilities shall contribute the following amounts to support the pilot programs, evaluations and studies, from the utilities' unspent energy efficiency funds from prior years."

28/ Advice Letter 1829-E/1637-G.

29/ Advice Letter 2946-G/3312-E, approved on September 17, 2008; see also FN 28 *supra,* (citing Sempa's AL 1444-E/1345-G dated October 23, 2002 to request and received Commission approval to transfer $1.7 million in gas LIEE balancing account funds to the electric LIEE balancing account.)

30/ Energy Efficiency Policy Manual at Sec. II.10 p.5.

31/ In addition, the Policy Manual cites to P.U. Code § 381 for the authority for this proposition, which addresses the use of PGC funds.

July 2008, and has not yet been updated as directed by the Commission in D. 09-09-047 to reflect recent Commission decisions such as D.09-09-047, referenced in these comments.[32/]

III. CONCLUSION

For the reasons set forth in these comments to the ACR, as well as those set forth in the July 1, 2011 Joint IOU Motion, the Commission should allow each of the affected IOUs to use unspent funds from prior program cycles to offset the potential effect of SB 87. It is within the scope of the Commission's authority to grant the relief sought in the Joint IOU Motion. Doing so represents a practical and equitable approach as it would allow energy efficiency programs to continue without significant curtailment of both gas and electric energy efficiency programs and without a rate increase for customers.

Respectfully submitted,

ANN H. KIM
MICHAEL R. KLOTZ

By: /s/
MICHAEL R. KLOTZ

Attorney for
Law Department
Pacific Gas and Electric Company
77 Beale Street (B30A)
P.O. Box 7442
San Francisco, CA 94120
Telephone: (415) 973-7565
Facsimile: (415) 973-0516
E-Mail: Mlke@pge.com

Submitted on behalf of:
SOUTHERN CALIFORNIA GAS COMPANY,
SAN DIEGO GAS & ELECTRIC COMPANY,
and
PACIFIC GAS AND ELECTRIC COMPANY

July 21, 2011

32/ The Commission has ordered that the Policy Manual be updated to reflect CPUC decisions D.09-05-037 and D.09-09-047 by Energy Division. A revised version has not yet been released.

Attachment 1
PG&E's - Energy Efficiency Program Reduction Scenario in Response to ACR Proposal

Summary

As directed by the Assigned Commissioner Ruling (ACR) on July 7, 2011, PG&E submits its plan for the reduction or curtailment of the portions of its energy efficiency portfolio that encourage gas energy efficiency. If the Commission adopts the proposal as outlined in the ACR, which does not authorize the full use of available unspent funds from prior program cycles, PG&E would immediately commence a comprehensive elimination of all gas energy efficiency measures in its portfolio.

Since PG&E manages an integrated gas and electric portfolio, if reductions to the portfolio budget are required, PG&E's preference is to focus cuts on non-incentive spending across the portfolio (including administrative and direct implementation costs and non-resource programs) to ensure continued ability to provide gas and electric energy efficiency incentives to customers. However, the ACR's instruction to reduce or constrain gas PPP's results in the elimination of gas rebates to customers as well as associated non-incentive spending.

If a comprehensive elimination of gas energy efficiency activities is implemented, over 600 customer projects with committed project applications would be put on hold, and the majority of these would never receive their promised rebates due to lack of available funding. It is possible that the electric portion of such projects would not continue if the economics of the project are hampered by the elimination of the gas incentives. PG&E would need to stop accepting rebate applications for the residential gas energy efficiency measures, and place received applications on a waitlist.

This result would be necessary under the approach proposed in the ACR as no funds would be available to continue gas energy efficiency activities after committing the limited available funds to the ARRA funded projects (e.g., Energy Upgrade California (EUC), and some other projects with ARRA funding) and performing orderly shutdown of activities.

As outlined in the Joint IOU Motion filed on July 1, 2011, PG&E believes that the Commission has the necessary authority to grant the requested relief to use prior unspent funds to fill the potential budget shortfall left by SB 87. This would enable the current 2010-2012 Energy Efficiency Portfolio to continue uninterrupted so that it may deliver both immediate and long-term benefits to customers and the environment. The proposal in the Joint IOU Motion presents the most appropriate solution in that it maintains the current portfolio momentum, is most consistent with the State's loading order to obtain all cost effective energy efficiency energy savings, is supportive of public policy objectives pertaining to job growth, and allows customers to receive rebates and incentives for the projects they are currently in the process of completing.

As directed by the ACR, this document describes PG&E's plan for reduction or curtailment of energy efficiency public purpose programs pursuant to the proposal described in the ACR. PG&E does not recommend adoption of this plan.

Description of Funding Reduction Plan in Response to ACR

PG&E's total annual authorized gas budget during the 2010-2012 cycle is $80.3 million. As directed by the ACR, the following scenario assumes a one-time calculated shortfall of $61.1 million dollars for the fiscal year July 2011 to July 2012[1], leaving a remaining balance of $19.2 million. Approximately $6.7 million of this would be committed to continue funding of the Energy Upgrade California as directed by the ACR [2], and some additional commitment will be needed to pay incentives to other projects which have associated ARRA funding.

PG&E estimates that in order to remove $61.1 million in planned gas oriented expenditures from its portfolio, it will need to immediately curtail all payment of incentives for gas energy efficiency measures, and make cuts to non-incentive costs across almost all resource and non-resource programs. The approximately $12.5 million of residual gas funding would be utilized to implement the shutdown of customized, deemed, and mass market gas measures in an orderly fashion, and to fund incentives for projects with ARRA associated funding. At this time, PG&E has not yet halted payment of incentives on gas energy efficiency measures. With a gas incentive run rate of about $3.7 million dollars a month, the residual funds could well be exhausted by the time PG&E can implement the shutdown procedures. Therefore, the Company must start the shutdown of gas energy efficiency measures within weeks if it is to constrain payment of incentives to $12.5 million in fiscal 2011-2012.

PG&E currently has 660 customer projects in its pipeline with committed project applications totaling $33.4 million in commitments. The projects have come in through the Third Party, Statewide Programs, and Government Partnership channels, as shown in the following table.

[1] The template included with this Attachment showing budget impacts at the subprogram level reflect impacts from a one time fund sweep for this fiscal year. $61.1 million = $89.9 million Gas PPP collected -$21.6 million return of surcharges per ACR - $7.2 million Pre-2010 unspent.
[2] Estimated portion of gas budget for the Whole House Program under Energy Upgrade California.

Table 1: Gas Commitments and Savings

Channel	Number of Customers	KW Savings	kWh Savings	Therm Savings	Gas Commitments
Third Party	137	4,609	23,682,637	10,277,181	$10,277,181
Statewide Programs	359	8,435	50,119,420	27,596,906	$17,099,715
Government Partnerships	164	3,067	15,680,096	3,854,726	$6,054,347
Total	**660**	**16,111**	**89,482,153**	**41,728,813**	**$33,431,243**

If the ACR proposal is adopted, PG&E would need to put payment of these project incentives on hold, and then make almost $30 million more in cuts to achieve the required reduction to gas energy efficiency.

Description of Program Impacts

The table below provides a detailed budget at the subprogram level showing the cuts needed to resource and non-resource spending to achieve the proposed reduction of $61.1 million in spending on gas energy efficiency. Non-incentive program costs, including administrative and direct implementation costs, would be reduced, impacting both resource and non-resource programs.

Resource program impacts would include:

- Residential Programs: Removal of gas measures will impact Home Energy Efficiency Rebates and Multifamily Energy Efficiency Rebates. Low-flow showerheads, natural gas furnaces, and high-efficiency water heaters are examples of gas measures to be removed from these programs.

- Commercial, Industrial, and Agricultural Deemed Incentives Programs: Commercial ovens, gas fryers, space heating boilers, pipe insulation, steam traps, and tank insulation are examples of the gas measures to be removed from these programs

- Residential and Commercial HVAC: The Energy Star Residential Quality Installation Program will be impacted by removal of gas measures. Gas measures include duct test and seal.

- New Construction Program: Both residential and non-residential programs will be impacted by the removal of gas measures. HVAC retrofit, integrated buildings, tankless water heaters, and boiler system retrofits are examples of gas measures to be removed from these programs

- Partnership and Third Party Programs: There are currently 19 institutional and local government partners included in our program. Of these 19 partners, 14 will be impacted by removal of gas measures from the portfolio. In addition, 17 of the 50 third party programs in our portfolio will be impacted by the removal of gas measures. Gas measures to be removed from these programs include products such as process boilers, boiler blowdown systems, faucet aerators, and pool retrofits.

In addition to Resource Programs, Non-Resource programs will also be impacted by the removal of gas from the portfolio. Annual budgets were cut from the following programs between 18% and 25% as a result of the removal of gas funding from the portfolio:

- Emerging Technologies Program
- Statewide DSM Coordination & Integration
- Marketing, Education & Outreach
- Innovator Pilots Program
- Green Communities
- Local DSM Coordination & Integration
- On-Bill Financing Program (administrative costs and loan pool)
- Zero Net Pilots
- EM&V (IOU and Energy Division budgets)

<u>Necessary Goal Adjustments</u>

Because the scenario presented in the ACR reduces funding for energy efficiency activities during the current program cycle, it would be necessary to adjust or suspend PG&E's current program goals if the Commission does not allow the full use of unspent funds from previous program cycles. PG&E proposes that gas program goals be suspended as of the date of the ACR. Accordingly, PG&E's gas goals should be reduced as a percentage of PG&E's total gas portfolio budget. Because many electric program activities involve measures with negative therm effects, suspension of negative therm impacts would also be necessary to ensure that gas savings achieved prior to the curtailment of gas programs are not eroded. Given that some customized projects contain activities and incentives that impact electric savings, electric program goal adjustments may also be necessary under the ACR scenario.

PG&E notes that under the Joint IOU Motion, no goal adjustments are necessary.

<u>Application of Total Resource Costs (TRCs)</u>

Given the limited amount of time provided to respond to the ACR and address issues raised in the ACR, particularly the need to assess wholesale portfolio impacts from a $61.1 million dollar reduction in funding, PG&E has included its filed TRCs in the attachment below showing program changes and budget impacts resulting from the potential budget shortfall. As described in the main body of these comments, the Commission's third decision concerning the IOU's Petition for Modification issued on July 14, 2011 directs changes in savings values which may impact TRCs within the portfolio. Given the magnitude of the reduction in PG&E's gas energy efficiency budgets and programs stemming from the ACR's interpretation, PG&E does not believe updated TRC results would impact the analysis provided in these comments.

<u>PG&E's Detailed ACR Budget Reduction Plan</u>

The following table outlines the PG&E budget reduction plan in accordance with the ACR proposal.[3]

[3] Although proposed budget impacts for Third Party and Government Partnership Programs have been estimated, the enclosed workbook does not show detail for individual parties or partners.

Attachment 1 - Pacific Gas and Electric Company
2010-2012 EE Portfolio - ACR Budget Reduction Plan (7/21/11)

Market Sector	Program #	Main Program Name / Sub-Programs	2010-12 Filed Net TRC Ratio	2010-12 Filed Gross TRC Ratio	2010-12 Filed Budget	2010-12 Current Budget	ACR Modified 2010 - 2012 Budget	ACR Reduction from Current Budget
Residential Programs	Residential Programs							
	PGE2100	**Residential Energy Efficiency Program**						
	PGE21001	Home Energy Efficiency Surveys Program	0.18	0.21	$21,018,892	$21,018,892	$21,018,892	$0
	PGE21002	Residential Lighting Incentive Program for Basic CFLs	3.52	4.77	$30,000,231	$30,000,231	$30,000,231	$0
	PGE21003	Advanced Consumer Lighting Program	1.09	1.57	$33,342,987	$33,342,987	$33,342,987	$0
	PGE21004	Home Energy Efficiency Rebates	0.95	1.04	$71,719,478	$68,133,504	$61,264,490	$6,869,014
	PGE21005	Appliance Recycling Program	1.16	1.87	$20,241,876	$14,961,376	$14,961,376	$0
	PGE21006	Business and Consumer Electronics Program	2.54	3.17	$31,006,237	$31,006,237	$31,006,237	$0
	PGE21007	Multifamily Energy Efficiency Rebates Program	2.25	2.95	$20,856,887	$19,814,043	$11,172,030	$8,642,013
	PGE21008	Whole House Performance Program	N/A	N/A	$46,000,035	$42,200,022	$42,200,022	$0
		TOTAL RESIDENTIAL PROGRAMS			**$274,186,622**	**$260,477,292**	**$244,966,265**	**$15,511,026**
Commercial Programs	Commercial Programs							
	PGE2101	**COMMERCIAL PROGRAMS**						
	PGE21011	Calculated Incentives	0.96	1.29	$77,344,484	$77,344,484	$74,406,733	$2,937,751
	PGE21012	Deemed Incentives	2.17	2.70	$58,516,685	$58,516,685	$56,426,455	$2,090,230
	PGE21013	Continuous Energy Improvement	N/A	N/A	$2,086,319	$2,086,319	$2,086,319	$0
	PGE21014	Nonresidential Audits Program	0.12	0.24	$20,237,598	$20,237,598	$20,237,598	$0
		TOTAL COMMERCIAL PROGRMS			**$158,185,086**	**$158,185,086**	**$153,157,105**	**$5,027,981**
Industrial Programs	Industrial Programs							
	PGE2102	**Industrial**						
	PGE21021	Calculated Incentives	2.70	3.52	$58,870,106	$55,201,746	$46,412,270	$8,789,476
	PGE21022	Deemed Incentives	3.23	4.85	$10,742,233	$10,742,233	$10,577,542	$164,691
	PGE21023	Continuous Energy Improvement	N/A	N/A	$2,024,956	$2,024,956	$2,024,956	$0
	PGE21024	Nonresidential Audits Program	0.21	0.40	$1,729,912	$1,729,912	$1,729,912	$0
		TOTAL INDUSTRIAL PROGRAMS			**$73,367,207**	**$69,698,847**	**$60,744,680**	**$8,954,167**
Agricultural Programs	Agricultural Programs							
	PGE2103	**Agricultural Programs**						
	PGE21031	Calculated Incentives	1.83	2.52	$34,039,892	$34,039,892	$31,327,691	$2,712,201
	PGE21032	Deemed Incentives	1.07	1.61	$11,055,921	$11,055,921	$10,803,422	$252,500
	PGE21033	Continuous Energy Improvement	N/A	N/A	$2,024,956	$2,024,956	$2,024,956	$0
	PGE21034	Nonresidential Audits Program	0.25	0.45	$1,729,912	$1,729,912	$1,729,912	$0
	PGE21035	Pump Efficiency Services Program	N/A	N/A	$5,949,288	$5,949,288	$5,949,288	$0
		TOTAL AGRICULTURAL PROGRAMS			**$54,799,970**	**$54,799,970**	**$51,835,269**	**$2,964,701**
HVAC	HVAC							
	PGE2106	**Total Residential & Commercial HVAC**						
	PGE21061	Upstream HVAC Equipment Incentive	0.85	1.10	$17,902,313	$17,902,313	$17,902,313	$0
	PGE21062	HVAC Technologies and System Diagnostics Advocacy	0.43	0.56	$7,070,433	$7,070,433	$7,070,433	$0
	PGE21063	Commercial Quality Installation	1.00	1.74	$7,383,067	$7,383,067	$7,383,067	$0
	PGE21064	ENERGY STAR Residential Quality Installation Program	0.70	0.98	$13,711,409	$13,711,409	$11,403,488	$2,307,921

Attachment 1 - Pacific Gas and Electric Company
2010-2012 EE Portfolio - ACR Budget Reduction Plan (7/21/11)

Market Sector	Program #	Main Program Name / Sub-Programs	2010-12 Filed Net TRC Ratio	2010-12 Filed Gross TRC Ratio	2010-12 Filed Budget	2010-12 Current Budget	ACR Modified 2010 - 2012 Budget	ACR Reduction from Current Budget
	PGE21065	Residential and Commercial Quality Maintenance Development	0.12	0.16	$9,378,683	$9,378,683	$9,378,683	$0
	PGE21066	Workforce Education & Training	N/A	N/A	$1,745,544	$1,745,544	$1,745,544	$0
		TOTAL RESIDENTIAL & COMMERCIAL HVAC			**$57,191,448**	**$57,191,448**	**$54,883,527**	**$2,307,921**
New Construction	PGE2104	**Total New Construction Program**						
	PGE21041	Residential New Construction	0.44	0.74	$13,521,688	$13,521,688	$11,240,823	$2,280,865
	PGE21042	Savings By Design	1.05	1.28	$25,015,572	$25,015,572	$24,526,201	$489,371
		TOTAL NEW CONSTRUCTION PROGRAMS			**$38,537,260**	**$38,537,260**	**$35,767,024**	**$2,770,236**
On-Bill Financing	**On-Bill Financing**							
	PGE2114	**On-Bill Financing (Inlcudes Loan Pool Amount)**	N/A	N/A	$27,844,983	$27,844,983	26,207,986.62	1,636,996.10
		TOTAL ON-BILL FINANCING			**$27,844,983**	**$27,844,983**	**$26,207,987**	**$1,636,996**
Zero Net Pilot	**Zero Net Pilot**							
	PGE2112	**Zero Net Pilot (excluding EM&V)**	N/A	N/A	$12,250,007	$11,555,443	$9,080,302	$2,475,141
		TOTAL ZERO NET PILOT			**$12,250,007**	**$11,555,443**	**$9,080,302**	**$2,475,141**
Ligh Mkt Trans	**Lighting Market Transformation Program**							
	PGE2105	**Lighting Market Transformation**	N/A	N/A	$462,565	$462,565	$462,565	$0
		TOTAL LIGHTING MARKET TRANSFORMATION			**$462,565**	**$462,565**	**$462,565**	**$0**
Government Partnerships	**Government Partnership Programs**							
	PGE21251	**Innovator Pilot Program**	N/A	N/A	$8,826,248	$8,384,935	$7,686,191	$698,745
	PGE21252	**Green Communities**	N/A	N/A	$20,975,784	$19,926,995	$18,266,412	$1,660,583
	PGE2126	**Institutional/Statewide Government Partnerships**	1.29	1.73	$38,839,695	$43,666,146	$40,886,801	$2,779,345
		Local Government Partnership Programs			$103,585,824	$105,880,649	$104,990,837	$889,813
		TOTAL GOVERNMENT PARTNERSHIPS			**$172,227,551**	**$177,858,726**	**$171,830,240**	**$6,028,485**
Third Party	**Third Party Programs**							
		TOTAL THIRD PARTY PROGRAMS			**$289,979,191**	**$304,478,150**	**$299,133,800**	**$5,344,350**
Codes and Standards	**Codes and Standards**							
	PGE2107	**Total Codes & Standards Program**						
	PGE21071	C&S Advocacy & CASE Studies: Building Codes	N/A	N/A	$8,415,444	$8,415,444	$8,415,444	$0
	PGE21072	C&S Advocacy & CASE Studies: Appliance Standards	N/A	N/A	$7,324,803	$7,324,803	$7,324,803	$0
	PGE21073	C&S Compliance Enhancements Training	N/A	N/A	$1,237,298	$1,237,298	$1,237,298	$0
	PGE21074	C&S Coordination (Statewide, EE Programs, External Entities)	N/A	N/A	$900,174	$900,174	$900,174	$0
	PGE21075	C&S REACH Codes	N/A	N/A	$1,383,790	$1,383,790	$1,383,790	$0
	PGE21076	C&S Other	N/A	N/A	$380,776	$380,776	$380,776	$0
		TOTAL CODES & STANDARDS PROGRAM			**$19,642,285**	**$19,642,285**	**$19,642,285**	**$0**
rging Technology Programs	**Emerging Technologies Program**							
	PGE2108	**Total ET Program**						
	PGE21081	Assessments	N/A	N/A	$19,106,905	$19,106,905	$17,514,663	$1,592,242
	PGE21082	Scaled Field Placement	N/A	N/A	$3,606,389	$3,606,389	$3,305,857	$300,532
	PGE21083	Demonstration / Showcasing	N/A	N/A	$3,653,659	$3,653,659	$3,349,187	$304,472
	PGE21084	Market and Behavioral Studies	N/A	N/A	$2,807,096	$2,807,096	$2,573,171	$233,925
	PGE21085	Technology Supply Side Efforts	N/A	N/A	$1,066,782	$1,066,782	$977,884	$88,899

Attachment 1 - Pacific Gas and Electric Company
2010-2012 EE Portfolio - ACR Budget Reduction Plan (7/21/11)

Market Sector	Program #	Main Program Name / Sub-Programs	2010-12 Filed Net TRC Ratio	2010-12 Filed Gross TRC Ratio	2010-12 Filed Budget	2010-12 Current Budget	ACR Modified 2010 - 2012 Budget	ACR Reduction from Current Budget
Eme	PGE21086	Incubation	N/A	N/A	$959,035	$959,035	$879,115	$79,920
		TOTAL EMERGING TECHNOLOGIES PROGRAM			**$31,199,866**	**$31,199,866**	**$28,599,877**	**$2,599,989**
WE&T Programs	**Workforce, Education & Training**							
	PGE2109	**Total Workforce Education & Training**						
	PGE21091	WE&T Centergies	N/A	N/A	$34,061,574	$32,152,974	$32,152,974	$0
	PGE21092	WE&T Connections	N/A	N/A	$4,110,424	$4,110,424	$4,110,424	$0
	PGE21093	WE&T Strategic Plan Implementation	N/A	N/A	$2,985,578	$2,836,299	$2,836,299	$0
		TOTAL WORKFORCE EDUCATION & TRAINING			**$41,157,576**	**$39,099,697**	**$39,099,697**	**$0**
DSM Integration Programs	**DSM Coordination & Integration**							
	PGE2111	**Statewide DSM Coordination & Integration**	N/A	N/A	$1,200,000	$1,200,000	$1,128,000	$72,000
	PGE2113	**Locat DSM Coordination & Integration**						
	PGE21131	Integrated Marketing	N/A	N/A	$3,500,000	$3,500,000	$3,500,000	$0
	PGE21132	Integrated Education & Training	N/A	N/A	$300,000	$300,000	$216,936	$83,064
	PGE21133	Integrated Sales Training	N/A	N/A	$1,500,000	$1,500,000	$1,237,902	$262,098
	PGE21134	Integration Support	N/A	N/A	$2,000,000	$2,000,000	$1,646,258	$353,742
		TOTAL DSM COORDINATION & INTEGRATION			**$8,500,000**	**$8,500,000**	**$7,729,096**	**$770,904**
ME&O Programs	**Marketing, Education & Outreach**							
	PGE2110	**Marketing, Education & Outreach**						
	PGE21101	Statewide Marketing & Outreach	N/A	N/A	$22,979,247	$22,979,247	$21,600,492	$1,378,755
	PGE21102	ME&O Strategic Plan Support	N/A	N/A	$1,969,135	$1,969,135	$1,850,987	$118,148
		TOTAL MARKETING, EDUCATION & OUTREACH			**$24,948,382**	**$24,948,382**	**$23,451,479**	**$1,496,903**
EM&V	**EM&V (IOU COSTS)**							
		EM&V - IOU Costs	N/A	N/A	$14,718,000	$14,718,000	$13,834,920	$883,080
		EM&V - CPUC Costs (includes $1.4 million approved for ZNE Pilots)	N/A	N/A	$38,802,000	$38,802,000	$36,473,880	$2,328,120
		TOTAL IOU EM&V			**$53,520,000**	**$53,520,000**	**$50,308,800**	**$3,211,200**
		GRAND TOTAL	**1.23**	**1.61**	**$1,338,000,000**	**$1,338,000,000**	**$1,276,900,000**	**$61,100,000**
Note:								

The 2010-12 current budget reflects a 2010 fund shift of $21.6 million from PG&E's statewide and local programs to provide additional support to government partnerships and third party programs.

Attachment 2
San Diego Gas & Electric Company
Energy Efficiency Program Reduction Scenario in Response to ACR Proposal

Summary

Consistent with Assigned Commissioner Ferron's Ruling issued on July 7, San Diego Gas & Electric Company (SDG&E) submits its proposed plan for the reduction or curtailment of its gas energy efficiency program. If the Ruling's proposed adjustments to address the gas funding shortfalls, resulting from the reductions in Public Purpose Program (PPP) funding recently authorized by statute, are approved SDG&E believes it will not have sufficient funds to effectively continue to provide its comprehensive 2010-2012 portfolio of energy efficiency natural gas programs.

Specifically, the Ruling (at pages 7and 8) states:

> "SDG&E has approximately $7.6 million in unspent authorized gas funds from pre-2010 and $0.6 million from unspent 2010-2011 gas EE funds. Combined, these sums amount to 40% of the 2011-2012 budget for SDG&E. 5 The addition of the latter funds will give PG&E approximately 30% of its budget. SDG&E is directed to plan to fully fund the American Recovery and Reinvestment Act (ARRA) programs, primarily the Energy Upgrade California (EUC) incentive program if the $155 million transfer is made. Should SDG&E have sufficient funds left over after funding the ARRA programs, it should plan to fund its highest Total Resource Cost (TRC) ranking gas PPPs."

Therefore, consistent with this direction, SDG&E's plan includes maintaining its current approved natural gas budget for the EUC program and providing budget reductions commensurate to the expected budget shortfall of approximately $14.02 million. Although, SDG&E is not providing adjustments to its EUC natural gas budget it continues to be concerned that with this drastic reduction in budget, it may not be able to sustain potential demand for the EUC program through next year.

Description of Funding Reduction Plan in Response to ACR

SDG&E proposes, as part of its reduction plan, to reduce incentives available for its gas measures or eliminate its least cost effective measures; and reduce budgets to some of its selected non-resource programs. SDG&E notes that it is proposing to reduce the non-incentive budgets for some its partnership programs. In addition to these program reductions, SDG&E proposes to reduce its contribution to the efforts of the Statewide Marketing, Education and Outreach program and the statewide Evaluation, Measurement and Verification studies.

Upon Commission approval of this proposed budget reduction, SDG&E will immediately begin notifying its customers of the changes to the programs particularly where there are reductions or eliminations in rebates/incentives for natural gas measures and equipment. Until certainty in natural gas funding is assured for future years, SDG&E cannot commit to its customers that it will be able to fund incentives for project commitments (e.g., new construction, large commercial/industrial projects) that will install in the future.

The updated budget table at the end of this attachment shows SDG&E's proposed reductions in program funding commensurate to the expected $14.02 million shortfall.

Change to SDG&E Portfolio Cost-Effectiveness

With these proposed reductions, particularly its resource programs, SDG&E expects a significant change to its forecasted portfolio cost effectiveness. Given the timeframe to provide its reduction plan and in light of the recent Commission decision that impacts savings assumptions[1], SDG&E is unable to provide its estimated revised cost effectiveness at this time.

[1] Third Decision Addressing Petition for Modification of Decision 09-09-047 adopted July 14,2011.

SDG&E's Proposed Budget Reductions and Revised Budgets

			Gas SWEEP 2011 Budget Reductions		
Program ID	Program Name (1)	2010-2012 Adopted Program Budget	Total SWEEP Budget Reduction Amount	SWEEP Incentive Budget Reduction Amount	Adjusted Program Budget
Statewide Programs					
SDGE3100	SW-AgA - Calculated	$ 3,830,683	$ 142,444	$ 142,444	$ 3,688,239
SDGE3101	SW-AgB - Deemed	$ 1,065,994	$ 328,579	$ 328,579	$ 737,415
SDGE3102	SW-AgC - Nonresidential Audits	$ 142,169			$ 142,169
SDGE3103	SW-AgD - Pump Test & Repair	$ 240,477			$ 240,477
SDGE3104	SW-AgE - Continuous Energy Improvement	$ 136,176	$ 1,051	$ 1,051	$ 135,125
SDGE3105	SW-ComA - Calculated	$ 4,248,850			$ 4,248,850
SDGE3106	SW-ComB - Deemed	$ 16,520,919	$ 345,008	$ 345,008	$ 16,175,911
SDGE3107	SW-ComC - Nonresidential Audits	$ 1,562,143			$ 1,562,143
SDGE3108	SW-ComD - Continuous Energy Improvement	$ 1,958,979	$ 15,355	$ 15,355	$ 1,943,624
SDGE3109	SW-IndA - Calculated	$ 11,704,376	$ 569,776	$ 569,776	$ 11,134,600
SDGE3110	SW-IndB - Deemed	$ 5,231,082	$ 147,861	$ 147,861	$ 5,083,221
SDGE3111	SW-IndC - Nonresidential Audits	$ 440,165			$ 440,165
SDGE3112	SW-IndD - Continuous Energy Improvement	$ 584,304	$ 4,627	$ 4,627	$ 579,677
SDGE3113	SW-ResA - Residential Basic Lighting	$ 12,678,175			$ 12,678,175
SDGE3114	SW-ResB - Advanced Consumer Lighting	$ 4,162,527			$ 4,162,527
SDGE3115	SW-ResG - Business/Consumer Electronics/Plug Load	$ 2,365,240			$ 2,365,240
SDGE3118	SW-NCNR - NRNC Savings By Design	$ 10,200,119			$ 10,200,119
SDGE3119	SW-ResC - Multi-Family	$ 5,131,751	$ 537,747	$ 225,758	$ 4,594,004
SDGE3120	SW-NCResB - E-Star Manufactured Homes	$ 410,000			$ 410,000
SDGE3121	SW-ResD - Home Efficiency Rebates	$ 8,323,916	$ 675,000	$ 675,000	$ 7,648,916
SDGE3122	SW-ResE - Home Efficiency Surveys	$ 2,049,080			$ 2,049,080
SDGE3123	L-InstP01 - CA Depart of Corrections Partnership	$ 665,975	$ 310,000		$ 355,975
SDGE3124	L-InstP02 - CA Community College Partnership	$ 1,125,756	$ 100,000		$ 1,025,756
SDGE3125	L-InstP03 - UC/CSU/IOU Partnership	$ 2,355,704	$ 150,000		$ 2,205,704
SDGE3126	L-InstP04 - State of California /IOU Partnership	$ 751,957	$ 440,000		$ 311,957
SDGE3127	L-InstP05 - University of San Diego Partnership	$ 730,749	$ 17,391		$ 713,358
SDGE3128	L-InstP06 - San Diego Cnty Water Auth Partnership	$ 1,072,646	$ 221,907		$ 850,739
SDGE3141	SW-C &SA - Building Standards Advocacy	$ 1,174,293			$ 1,174,293
SDGE3142	SW-C &SB - Appliance Standards Advocacy	$ 300,000			$ 300,000
SDGE3143	SW-C&SC - Compliance Training	$ 630,000			$ 630,000
SDGE3144	SW-C&SD Reach Codes	$ 99,999			$ 99,999
SDGE3145	SW-HVACA - Residential Energy Star Quality Instal	$ 83,481			$ 83,481
SDGE3146	SW-HVACB - Commercial Quality Installation	$ 61,695			$ 61,695
SDGE3147	SW-HVACC - Commercial Upstream Equipment	$ 58,510			$ 58,510
SDGE3148	SW-HVACD - Quality Maintenance Program	$ 97,751			$ 97,751
SDGE3149	SW-HVACE - Technology & Systems Diagnostics	$ 496,325			$ 496,325
SDGE3150	SW-HVACF - HVAC WE&T	$ 67,890			$ 67,890
SDGE3151	SW-HVACG - HVAC Core	$ 46,054			$ 46,054
SDGE3152	SW-IDSM - SW Integrated DSM	$ 600,122			$ 600,122
SDGE3153	SW Marketing, ME&O FYP	$ 8,341,220	$ 2,000,000	$ -	$ 6,341,220
SDGE3154	SW-ME&O C - Strategic Plan	$ 733,003			$ 733,003
SDGE3155	SW-ETA - Assessments	$ 4,050,854	$ 500,000	$ -	$ 3,550,854
SDGE3156	SW-ResH - Prescriptive Whole House Retrofit	$ 13,000,000			$ 13,000,000
SDGE3157	SW-WE&TA - Strategic Planning & Implementation	$ 808,658	$ 415,670		$ 392,987
SDGE3158	SW-WE&TB - WE&T Centers – SDERC, Food Service Cen	$ 11,578,699	$ 316,549		$ 6,778,559
SDGE3159	SW-WE&TC - WE&T Connections– PEAK Program	$ 1,620,652	$ 264,355		$ 1,356,298
SDGE3160	SW-NCResA - RNC	$ 4,398,013			$ 4,398,013
Local Programs					
SDGE3116	Local01 - Local Whole House Perfomance	$ 2,011,633			$ 2,011,633
SDGE3117	Local03 - Local Non-Residential (BID)	$ 34,034,091	$ 1,225,227	$ 1,225,227	$ 32,808,864
SDGE3129	LGovP01 - City of Chula Vista Partnership	$ 5,049,309	$ 133,956		$ 4,915,353
SDGE3130	LGovP02 - City of San Diego Partnership	$ 5,217,788	$ 634,235		$ 4,583,553
SDGE3131	LGovP03 - County of San Diego Partnership	$ 3,074,853	$ 84,515		$ 2,990,337
SDGE3132	LGovP04 - City of San Juan Capistrano Partnership	$ 570,018	$ 161,123		$ 408,896
SDGE3133	LGovP05 - Port of San Diego Partnership	$ 2,188,110	$ 51,893		$ 2,136,217
SDGE3134	LGovP06 - SANDAG Partnership	$ 2,088,955	$ 49,392		$ 2,039,562
SDGE3135	LGovP07 - ICLEI Partnership	$ 470,619	$ 13,201		$ 457,418
SDGE3136	LGovP08 - New Cities Partnership	$ 786,963	$ 535,814		$ 251,149
SDGE3137	Local02 - Local Island Program	$ 2,572,180	$ 550,000	$ 369,000	$ 2,022,180
SDGE3138	Local04 - Local Sustainable Communities (RMV)	$ 964,081			$ 964,081
SDGE3139	Local05 - OBF	$ 2,624,999			$ 2,624,999
SDGE3140	Local06 - Local Strategic Development & Integrat	$ 2,096,386			$ 2,096,386
SDGE3176	Kitchen Learning Center	$ -			$ 4,483,591
Third Party Programs					
SDGE3161	3P-NRes01 - Non-Res HVAC Tune-up/Quality Installa	$ 5,135,117			$ 5,135,117
SDGE3162	3P-NRes02 - SaveGas – Hot Water Control	$ 471,821			$ 471,821
SDGE3163	3P-NRes03 - Business Energy Assessment (BEA)	$ 568,307	$ 20,459	$ 20,459	$ 547,848
SDGE3164	3P-NRes06 - Energy Efficient Water Pumping	$ 303,247			$ 303,247
SDGE3165	3P-NRes07 - Healthcare Energy Efficiency Program	$ 1,616,407	$ 58,190	$ 58,190	$ 1,558,217
SDGE3166	3P-NRes08 - Lodging Energy Efficiency Program	$ 1,616,409	$ 58,190	$ 58,190	$ 1,558,219
SDGE3167	3P-NRes09 - Mobile Energy Clinic (MEC)	$ 3,000,000			$ 3,000,000
SDGE3168	3P-NRes11 - Portfolio of the Future (PoF)	$ 674,016			$ 674,016
SDGE3169	3P-NRes12 - Comprehensive Industrial Energy Effic	$ 1,584,845	$ 57,054	$ 57,054	$ 1,527,791
SDGE3170	3P-NRes13 - Retro Commissioning (RCx)	$ 2,043,307	$ 73,559	$ 73,559	$ 1,969,748
SDGE3171	3P-Res01 - Res HVAC Tune-up/Quality Installation	$ 5,573,346			$ 5,573,346
SDGE3172	3P-Res02 - Comprehensive Mobile Home (SW)	$ 4,754,001	$ 445,000	$ 445,000	$ 4,309,001
SDGE3173	3P-Res04 - K-12 Energy Efficiency Education (E3)	$ 1,651,066			$ 1,651,066
SDGE3174	SW-ComE - Direct Install	$ 18,001,000	$ 648,036	$ 648,036	$ 17,352,964
SDGE3175	SW-ResF - Appliance Recycling	$ 8,200,000			$ 8,200,000
		$ -			
	Subtotal	**$ 266,879,999**	**$ 12,303,164**	**$ 5,410,174**	**$ 254,576,836**
	EM&V-Evaluation Measurement & Verification	$ 11,120,000	$ 2,000,000	$ -	$ 9,120,000
	Low Income Energy Efficiency	N/A	N/A	N/A	N/A
	Total Energy Efficiency Portfolio	**$ 277,999,999**	**$ 14,303,164**	**$ 5,410,174**	**$ 263,696,836**

Attachment 3
Southern California Gas Company
Energy Efficiency Program Reduction Scenario in Response to ACR Proposal

<u>Summary</u>

Assigned Commissioner Ferron's Ruling issued on July 7 (at page 7), states

> "As noted above, SoCalGas has approximately $25.6 million in unspent authorized gas funds from pre-2010 and $47.3 million from unspent 2010-2011 gas EE funds which when combined is equal to 110% of the 2011-2012 budget for SoCalGas. SoCalGas may therefore fully fund its FY 2011-2012 gas PPPs from these sources, if the $155 million transfer is made."

Although the Ruling reflects available funding allows SoCalGas to fully fund its FY 2011-2012 gas programs, the approved annual SoCalGas budget is approximately $95 million. SoCalGas also explains in the Joint Comments that due to the amortization of its over-collection, and based on its records to date and forecasted spending for the rest of the year, it expects to be 3% lower compared to the previous forecast based on February 2011 recorded information.[1] In addition, with the continued momentum of its various programs, particularly its commercial/industrial customer programs, SoCalGas may realize a budget shortfall within the fiscal year. Therefore, SoCalGas also provides a budget reduction plan to manage this potential budget shortfall.

<u>Description of Funding Reduction Plan in Response to ACR</u>

SoCalGas, as part of its 2010-2012 third party bidding process, has funds to be awarded as incremental contract funding depending on the third party's progress towards its performance metrics outlines in their respective contracts. SoCalGas has identified some third party programs that are not making significant progress towards their contract performance metrics and therefore will most likely not be eligible for additional funding. SoCalGas is proposing to eliminate this unawarded incremental third party funding. SoCalGas also proposes to reduce selected resource and non-resource program budgets in its core portfolio. For its resource programs, SoCalGas proposes to reduce incentives available for its gas measures or eliminate its least cost effective measures. In addition to these selected program reductions, SoCalGas proposes as part of its reduction plan to reduce its contribution to the efforts of the Statewide Marketing, Education and Outreach program and the statewide Evaluation, Measurement and Verification studies.

[1] See Joint IOU Comments Section B—Computational Errors.

Upon Commission approval of this proposed budget reduction, SoCalGas will immediately begin notifying its customers of the changes to the programs particularly where there are reductions or eliminations in rebates/incentives for natural gas measures and equipment. Until certainty in natural gas funding is assured for future years, SoCalGas cannot commit to its customers that it will be able to fund incentives for long-term project commitments (e.g., new construction, large commercial/industrial projects) that will install in the future.

The updated budget table at the end of this attachment shows SoCalGas' proposed reductions.

Change to SoCalGas Portfolio Cost-Effectiveness

With these proposed reductions, particularly its resource programs, SoCalGas expects a significant change to its forecasted portfolio cost effectiveness. Given the timeframe to provide its reduction plan and in light of the recent Commission decision that impacts savings assumptions[2], SoCalGas is unable to provide its estimated revised cost effectiveness at this time.

[2] Third Decision Addressing Petition for Modification of Decision 09-09-047 adopted July 14,2011.

Program ID	Program Name(1)	2010-2012 Adopted Program Budget	Gas SWEEP 2011 Budget Reductions: Total SWEEP Budget Reduction Amount	SWEEP Incentive Budget Reduction Amount	Adjusted Program Budget
Statewide Programs					
SCG3602	SW-AgA - Calculated	$ 5,886,576			$ 5,886,576
SCG3603	SW-AgB - Deemed	$ 4,561,000			$ 4,561,000
SCG3604	SW-AgC - Nonresidential Audits	$ 176,521	$ 67,500	$ -	$ 109,021
SCG3605	SW-AgD - Pump Test & Repair	$ 266,539	$ 110,000	$ 100,000	$ 156,539
SCG3606	SW-AgE - Continuous Energy Improvement	$ 64,223			$ 64,223
SCG3607	SW-ComA - Calculated	$ 7,970,900			$ 7,970,900
SCG3608	SW-ComB - Deemed	$ 15,253,471			$ 15,253,471
SCG3609	SW-ComC - Nonresidential Audits	$ 1,833,302	$ 570,000	$ -	$ 1,263,302
SCG3610	SW-ComD - Continuous Energy Improvement	$ 1,029,118			$ 1,029,118
SCG3611	SW-IndA - Calculated	$ 52,350,450			$ 52,350,450
SCG3612	SW-IndB - Deemed	$ 10,067,596			$ 10,067,596
SCG3613	SW-IndC - Nonresidential Audits	$ 1,909,380	$ 315,000	$ -	$ 1,594,380
SCG3614	SW-IndD - Continuous Energy Improvement	$ 1,337,885	$ 130,000	$ -	$ 1,207,885
SCG3615	SW-ResA - Multifamily EE Rebates	$ 8,467,674	$ 500,000	$ 500,000	$ 7,967,674
SCG3616	SW-ResB - Home Efficiency Rebates	$ 34,675,022			$ 34,675,022
SCG3617	SW-ResC - Home Efficiency Energy Survey	$ 2,378,112			$ 2,378,112
SCG3618	SW-ResD - Prescriptive Whole House Retrofit	$ 8,000,000	$ 1,000,000	$ 550,000	$ 7,000,000
SCG3619	L-InstP01 - CA Depart of Corrections Partnership	$ 777,592			$ 777,592
SCG3620	L-InstP02 - CA Community College Partnership	$ 1,055,150			$ 1,055,150
SCG3621	L-InstP03 - UC/CSU/IOU Partnership	$ 1,419,091			$ 1,419,091
SCG3622	L-InstP04 - State of California /IOU Partnership	$ 818,574			$ 818,574
SCG3623	SW-ME&OB - SW Marketing, E&O FYP	$ 5,897,212	$ 1,200,000	$ 1,000,000	$ 4,697,212
SCG3624	SW-ETA - Assessments	$ 3,515,000	$ 350,000	$ 350,000	$ 3,165,000
SCG3625	SW-NCNR - NRNC Savings By Design	$ 4,952,262	$ 550,000	$ 500,000	$ 4,402,262
SCG3626	SW-NCResA - RNC	$ 8,570,086			$ 8,570,086
SCG3627	SW-WE&TA - Strategic Planning & Implementation	$ 756,000	$ 531,000	$ 500,000	$ 225,000
SCG3628	SW-WE&TB - WE&T Centers	$ 8,839,587			$ 8,839,587
SCG3629	SW-WE&TC - WE&T Connections	$ 1,281,871			$ 1,281,871
SCG3647	SW-C&SA - Building Standards Advocacy	$ 822,537			$ 822,537
SCG3648	SW-C&SB - Appliance Standards Advocacy	$ 250,000			$ 250,000
SCG3649	SW-C&SC - Compliance Training	$ 629,999			$ 629,999
SCG3650	SW-C&SD - Reach Codes	$ 99,999			$ 99,999
SCG3651	SW-HVACA - Residential Energy Star Quality Insta	$ 87,168	$ 15,000	$ 14,000	$ 72,168
SCG3652	SW-HVACB - Commercial Quality Installation	$ 55,996	$ 10,000	$ 9,000	$ 45,996
SCG3653	SW-HVACC - Commercial Upstream Equipment	$ 42,013	$ 6,000	$ 3,000	$ 36,013
SCG3654	SW-HVACD - Quality Maintenance Program	$ 203,209	$ 32,000	$ 24,000	$ 171,209
SCG3655	SW-HVACE - Technology & Systems Diagnostics	$ 463,264	$ 80,000	$ 80,000	$ 383,264
SCG3656	SW-HVACF - HVAC WE&T	$ 73,141	$ 13,000	$ 5,000	$ 60,141
SCG3657	SW-HVACG - HVAC Core	$ 55,003	$ 9,000	$ 7,500	$ 46,003
SCG3658	SW-IDSM - SW Integrated DSM	$ 600,122			$ 600,122
SCG3659	SW-ME&O C - ME&O Strategic Plan	$ 443,876	$ 200,000	$ -	$ 243,876
Local Programs					
SCG3600	Local02 - Local Whole Home Performance	$ 5,656,350	$ 1,625,000	$ 1,300,000	$ 4,031,350
SCG3601	Local05 - Local Non-Residential BID	$ 3,114,801	$ 50,000	$ -	$ 3,064,801
SCG3630	LGovP01 - LA County IOU Partnership	$ 650,920			$ 650,920
SCG3631	LGovP02 - Kern County Energy Watch Partnership	$ 312,696			$ 312,696
SCG3632	LGovP03 - Riverside County Partnership	$ 441,178			$ 441,178
SCG3633	LGovP04 - San Bernardino County IOU Partnership	$ 434,576			$ 434,576
SCG3634	LGovP05 - Santa Barbara County IOU Partnership	$ 343,941			$ 343,941
SCG3635	LGovP06 - SBCCOG Partnership	$ 461,898			$ 461,898
SCG3636	LGovP07 - San Luis Obispo County Partnership	$ 321,846			$ 321,846
SCG3637	LGovP08 - Tulare Cnty-Visalia Energy Watch Prtnr	$ 291,434			$ 291,434
SCG3638	LGovP09 - Orange County Cities Partnership	$ 402,465			$ 402,465
SCG3639	LGovP10 - ILG IOU Partnership	$ 443,090			$ 443,090
SCG3640	LGovP11 - Community Energy Partnership	$ 376,520			$ 376,520
SCG3641	LGovP12 - Desert Cities Partnership	$ 75,899			$ 75,899
SCG3642	LGovP13 - VCREA Sub-Program Partnership	$ 504,241			$ 504,241
SCG3643	LGovP14 - Palm Desert IOU Pilot Partnership	$ 433,300			$ 433,300
SCG3644	Local01 - OBF	$ 2,590,871			$ 2,590,871
SCG3645	Local03 - Local Sustainable Communities (RMV)	$ 828,449			$ 828,449
SCG3646	Local04 - Local Strategic Develop & Integ	$ 853,187			$ 853,187
Third Party Programs					
SCG3660	3P-NRes1 - Steam Trap and Compressed Air Survey	$ 3,176,259	$ 49,500	$ -	$ 3,126,759
SCG3661	3P-NRes2 - Energy Challenger	$ 481,414			$ 481,414
SCG3662	3P-NRes3 - Small Industrial Facility Upgrades	$ 2,084,620	$ 222,952	$ 220,672	$ 1,861,668
SCG3663	3P-NRes4 - Program for Resource Efficiency in Private Schools	$ 1,939,519	$ 22,475	$ -	$ 1,917,044
SCG3664	3P-Res01 - On Demand Efficiency	$ 4,318,773			$ 4,318,773
SCG3665	3P-Res02 - HERS Rater Training Advancement	$ 1,715,220	$ 165,589	$ -	$ 1,549,631
SCG3666	3P-Res03 - Multifamily Home Tune-Up	$ 3,758,670	$ 465,000	$ -	$ 3,293,670
SCG3667	3P-Res04 - Multifamily Solar Pool Heating	$ 2,415,308	$ 80,294	$ -	$ 2,335,014
SCG3668	3P-Res05 - Community Language Effic Outreach	$ 998,517			$ 998,517
SCG3669	3P-Res06 - Multifamily Direct Therm Savings	$ 4,115,607			$ 4,115,607
SCG3670	3P-Res07 - LivingWise™	$ 2,745,417			$ 2,745,417
SCG3671	3P-Res09 - Manufactured Mobile Home	$ 8,675,926			$ 8,675,926
SCG3672	3P-Xc01 - Gas Cooling Retrofit	$ 1,623,716	$ 50,000	$ 49,500	$ 1,573,716
SCG3673	3P-Xc02 - SaveGas -- Hot Water Control	$ 4,583,364	$ 499,051	$ 408,536	$ 4,084,313
SCG3674	3P-Xc03 - Upstream High Efficiency Gas Water Heater	$ 2,648,716	$ 53,333	$ 47,333	$ 2,595,383
SCG3675	3P-Xc04 - California Sustainability Alliance	$ 3,657,212			$ 3,657,212
SCG3676	3P-Xc05 - Portfolio of the Future (PoF)	$ 4,512,437			$ 4,512,437
SCG3677	3P-Xc06 - PACE Energy Savings Project	$ 3,675,118			$ 3,675,118
	Subtotal	$ 273,599,996	$ 8,971,694	$ 5,668,541	$ 264,628,302
SCG3678	EM&V - Evaluation Measurement & Verification	$ 11,400,000	$ 500,000	$ -	$ 10,900,000
	Low Income Energy Efficiency	N/A	N/A	N/A	N/A
	Total Energy Efficiency Portfolio	$ 284,999,996	$ 9,471,694	$ 5,668,541	$ 275,528,302