



October 29, 2012

Mr. Edward Randolph, Director
Energy Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

**Re: Pacific Gas and Electric Company's Employee Savings Assistance Program
Updated Budget Report**

Dear Mr. Randolph:

Pursuant to Decision (D.)12-08-044 – *IOUs' 2012-2014 Energy Savings Assistance (ESA) and California Alternate Rates for Energy (CARE) Programs and Budgets*, issued August 31, 2012, Pacific Gas and Electric Company hereby provides updated budget information reflecting add-back ESA measures in accordance with Ordering Paragraph 136 and as clarified by Energy Division staff.

If you have any questions regarding the attached information, please contact Redacted

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Manager, Customer Demand Side Management

cc: Hazlyn Fortune - CPUC
Ava Tran – CPUC
Meredith Allen – PG&E
Sid Dietz – PG&E
Renee Samson– PG&E

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Attachment

PACIFIC GAS AND ELECTRIC COMPANY
ENERGY SAVINGS ASSISTANCE PROGRAM
D.12-08-044 UPDATED BUDGETS AND TABLES

This report complies with Ordering Paragraph (OP) 136 in D.12-08-044, issued August 30, 2012, and as discussed with Energy Division Staff, that required the Investor Owned Utilities (IOUs) to file a petition to modify within sixty (60) days from the date of the decision with updated budget augmentations, testimonies and attendant updated tables (for measures not already accounted for in the decision’s approved budget) for approval by the Commission.

Pacific Gas and Electric Company (PG&E) is not filing a petition to modify (which Energy Division Staff clarified as being optional) as it has approximately \$40.8 million in unspent electric (\$38M) and gas (\$2.8M) funds through September 30, 2012 from pre-2012 program cycles to apply towards the measures the Commission directed PG&E to add back in D.12-08-044.

The attached updated budget tables, reflect the addition of the four add-back measures noted below.

PG&E Add-Back ESA Measures - Summary

Measure	2012-2014 Budget (est.)	Gas/Electric
Duct test & seal	\$7,057,554	Gas
Duct test & seal	\$784,173	Electric
Room air conditioners	\$2,582,103	Electric
Central air conditioners	\$47,116	Electric
Total	\$10,470,946	

The add-back of the duct test & seal measure will necessitate shifting part of the unspent funds noted above from electric to gas. As a result, PG&E anticipates filing a Motion, as authorized in D.12-08-044, OP 135b(iii), by the end of the year, requesting to fund-shift approximately \$4.3 million in unspent funds from electric to gas to cover the budget associated with this measure.

Additionally, pending the Commission’s review of the cost effectiveness filing on October 29, 2012 for the new measures (smart power strips and high efficiency furnaces), PG&E may file a Motion to request to utilize unspent funds for the new measures as appropriate.