BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Reform the Commission's Energy Efficiency Risk/Reward Incentive Mechanism

R.12-01-005 (Filed January 12, 2012)

NOTICE OF EX PARTE COMMUNICATION

Pursuant to Rule 8.4 of the Commission's Rules of Practice and Procedure, The Utility Reform Network (TURN) hereby gives notice of the following *ex parte* communication.

On December 12, 2012 at approximately 3:00 p.m., Marcel Hawiger, staff attorney with TURN, met with Colette Kersten, advisor to Commissioner Sandoval. The meeting took place in a CPUC meeting room and lasted approximately thirty minutes.

Mr. Hawiger stated that TURN supports the ALJ Proposed Decision, given that the utilities were put on notice in Ordering Paragraph No. 5 of D.10-12-049 that the incentive may be suspended for 2010-2012. Mr. Hawiger stated that if the Commission approves the Alternate Proposed Decision, authorizing incentives for 2010 based on a percentage of expenditures, the calculation should

be adjusted to remove administrative costs from total expenditures, consistent with the policy articulated in D.09-09-047. Mr. Hawiger stated that going forward TURN opposes the shared savings model for energy efficiency incentives due to the difficulties it creates for EM&V activities.

December 17, 2012

THE UTILITY REFORM NETWORK

By: /S/
Marcel Hawiger, Staff Attorney

115 Sansome Street, Suite 900 San Francisco, CA 94104

Phone: (415) 929-8876 Fax: (415) 929-1132 Email: <u>marcel@turn.org</u>