

From: Malnight, Steven  
Sent: 4/23/2013 4:00:04 PM  
To: Ferron, Mark J. (mark.ferron@cpuc.ca.gov)  
Cc: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7);  
Berman, Janice S (/O=PG&E/OU=Corporate/cn=Recipients/cn=JSBa); Dietz,  
Sidney (/O=PG&E/OU=Corporate/cn=Recipients/cn=SBD4)  
Bcc:  
Subject: RE: April 24th Workshop: "Building a More Energy Efficiency Future: A National Perspective"

Commissioner Ferron,

I apologize for the poor judgment my team showed in this aspect of the workshop planning and want to assure you that we take our obligation to be good stewards of our customers funds very seriously. In this type of instance, we are very selective about the forums we host to ensure there is significant value for our customers (as we clearly expect this session will deliver) which justify the expense. In addition, when we host events such as this, our practice is to hold workshops or meetings at PG&E facilities as our first choice, using relatively inexpensive catering that we work with frequently. Unfortunately, in this instance, the larger meeting facilities at our offices are undergoing renovation and are temporary closed. The team sought proposals from several local hotels which could accommodate the meeting and were near public transportation and the CPUC. The lowest cost option was selected. Unfortunately, in selecting a new location for the event, the team failed to fully think through the implications. I agree that their lack of foresight and sensitivity created an issue with regard to the cost of the food.

We will take the following actions in order to make the best of this unfortunate situation:

- 1) PG&E shareholders will cover the cost of the conference.
- 2) We will offer attendees who are subject to reporting three alternatives: a) bring or purchase their own food offsite, b) reimburse only for the meal consumed (breakfast or lunch), c) order an alternative meal from the hotel's restaurant to be delivered to them in the workshop.
- 3) We will set up our registration table to ensure that everyone affected by reporting requirements is informed of their options.
- 4) We negotiated a minimum attendance headcount for food much lower than the expected attendance, and excluded CPUC staff from the minimum headcount, in order to avoid paying for unconsumed food.

I apologize that this issue occurred, and sincerely hope that it will not overshadow the potential benefit to be gained from the speakers and topics to be discussed. I also want to thank you personally for your offer to attend, even for a portion of the discussion. I look forward to a great session, with feedback from across the country, on how we can maintain our leadership position in California.

Best Regards,

Steve Malnight

Vice President, Customer Energy Solutions

PG&E

**From:** Banks, Juliane [mailto:juliane.banks@cpuc.ca.gov] **On Behalf Of** Ferron, Mark J.  
**Sent:** Tuesday, April 23, 2013 1:41 PM  
**To:** Berman, Janice S  
**Cc:** Cherry, Brian K; Dietz, Sidney; Malnight, Steven  
**Subject:** RE: April 24th Workshop: "Building a More Energy Efficiency Future: A National Perspective"

Jan,

Thank you for alerting me to this problem. Unfortunately, the CPUC's funds for these sorts of costs are limited, both in terms of amount available and the types of costs we are authorized to use them for – this situation fails on both counts (we cannot pay for food, and my office does not have sufficient discretionary funds to cover these costs even if we could).

We will inform all CPUC employees who plan to attend what their options are.

While I applaud PG&E's initiative and efforts to educate utility staff, Commission staff, and other California stakeholders regarding new developments and potential new directions in the Energy Efficiency space, be advised that I am extremely frustrated by the lack of foresight suggested by this meal cost problem arising so late in the game – or at all for that matter, given that the utilities should be highly sensitized to this issue based on past experience. The late invitation that I received compounds my frustration.

I also find the high costs of these meals quite surprising. We expected that PG&E would negotiate a price that would fall within our annual \$50/year reporting threshold. This raises some flags regarding what this suggests in terms of PG&E's stewardship of ratepayer EE funds. (I assume that this conference is being funded from Commission-authorized ratepayer EE funds, yes?) Also, I assume that at this point you have already been required to commit to a head count – given what I expect will be a significant last-minute reduction in attendees who will be eating these meals, am I right to assume that these are sunk costs to the ratepayers (i.e., that the food our staff will not be consuming will have been paid for by ratepayers)?

It seems that this could have been prevented with a modicum of foresight and sensitivity on your part, given the utilities' long history of dealing with this Commission and the California's Fair Practices law.

The frustrations above aside, I look forward to a productive day tomorrow. I hope to attend for as much as I can in the morning; unfortunately, I have other Commission business in the afternoon.

Mark

**From:** Berman, Janice S [<mailto:JSBa@pge.com>]

**Sent:** Tuesday, April 23, 2013 9:04 AM

**To:** Ferron, Mark J.

**Cc:** Baker, Simon; Clinton, Jeanne; Colvin, Michael [Redacted]; Corey, Jana; [Redacted]

**Subject:** April 24th Workshop: "Building a More Energy Efficiency Future: A National Perspective"

Commissioner Ferron,

We're excited about the upcoming April 24<sup>th</sup> workshop "Building a More Energy Efficiency Future: A National Perspective" at the Parc 55 Wyhdam hotel, and are pleased that more than 20 Commission staff have signed up to attend. However, we've run into an internal CPUC policy regarding 'gifting' of food which we were not previously aware of. My understanding is that the CPUC can decide to pay for the food of the employees who attend, or if the CPUC does not cover the cost, the employee can either reimburse us for the food or choose not to eat.

The costs for food are estimated to be \$35.09 for breakfast and \$72.60 for lunch per person, plus some potential snack or beverage costs that will not be finalized until a after the event. Would it be possible for the Commission to cover these costs? We would like to let Commission staff know the situation in advance, so they can make an informed choice about whether to eat or not.

Other possible options would be for Commission staff to pre-order food from the Hotel or go to a local restaurant in the area during breaks. We'd like to work with you in whatever fashion would make this best for everyone.

I apologize for this last minute issue.

Thanks,

--Jan Berman

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