BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Reform the Commission's Energy Efficiency Risk/Reward Incentive Mechanism Rulemaking 12-01-005 (Filed January 12, 2012)

NOTICE OF EX PARTE COMMUNICATIONS

In accordance with Rules 8.2 and 8.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), the Division of Ratepayer Advocates (DRA), hereby gives notice of the following *ex parte* communications.

On August 29, 2013 at approximately 3:30 p.m., Cheryl Cox, DRA's Policy Advisor, Michael Campbell, Program Manager, and Michaela Flagg, DRA Analyst, met with Jessica Hecht, Advisor to Commissioner Sandoval. The meeting lasted approximately twenty minutes and took place in the Commission building at 505 Van Ness Avenue in San Francisco.

On August 30, 2013 at approximately 3:00 p.m., Ms. Cox, Mr. Campbell, and Ms. Flagg met with Julie Fitch and Jennifer Kalafut, Advisors to Commissioner Peterman. Ms. Kalafut participated in the meeting in person and Ms. Fitch participated via telephone. The meeting lasted approximately 30 minutes and took place in the Commission building at 505 Van Ness Avenue in San Francisco.

During the above referenced meeting, DRA's representatives discussed the Proposed Decision of Administrative Law Judge Pulsifer titled *Decision Adopting Efficiency Savings and Performance Incentive Mechanism* (PD) and expressed DRA's overall support for the PD yet explained two potential sources of concern. More specifically, DRA's representatives recommended the following modifications to the proposed Energy Savings and Performance Incentive (ESPI): (1) that the Commission solely use ex post evaluation results when determining the resource savings component award; and, (2) that the Commission reduce the overall award cap from 9.1% of the energy efficiency (EE) budget to 7% of EE budget.

Further, DRA's Representatives provided Ms. Hecht, Ms. Fitch, and Ms. Kalafut with a handout entitled, "Proposed Decision 2013-2014 Energy Efficiency Portfolios Efficiency Savings and Performance Incentive Mechanism (ESPI)," which is attached hereto as Exhibit 1.

Respectfully submitted,

/s/ JONATHAN KNAPP

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