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

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| Order Instituting Rulemaking Regarding Policies, Procedures and Rules for the California Solar Initiative, the Self-Generation Incentive Program and Other Distributed Generation Issues. | Rulemaking 12-11-005 (Filed November 8, 2012) |

**RESPONSE OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E) TO THE ADMINISTRATIVE LAW JUDGE'S RULING (1) INCORPORATING STAFF PROPOSAL INTO THE RECORD (2) REQUESTING COMMENTS FROM PARTIES AND (3) SETTING COMMENT DATES**


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## I. INTRODUCTION

Pacific Gas and Electric Company (PG&E) provides these comments in compliance with the *Administrative Law Judge's (ALJ's) Ruling (1) Incorporating Staff Proposal into the Record (2) Requesting Comments From Parties and (3) Setting Comment Dates*, issued by ALJ Regina M. DeAngelis on July 2, 2014 (Ruling). The Ruling places the *Staff Proposal for the Implementation of Assembly Bill (AB) 217* (Staff Report) on the record and seeks comment on a number of associated topics. AB 217 provided $108 million in additional funding and extended the sunset date for the California Solar Initiative (CSI) Single-family Affordable Solar Homes (SASH) and Multifamily Affordable Housing (MASH) programs until January 1, 2022.[1] The topics covered in the Staff Proposal are summarized on page 35 of Attachment A of the Ruling. Additional Energy Division questions regarding AB 217 are provided in Attachment B of the Ruling. PG&E is supportive of many suggestions and appreciates the thoughtfulness of Commission Staff in putting this proposal together. PG&E also has a few suggestions to revise

[1] AB 217 was effective January 1, 2014, and included revisions to Public Utilities Code section 2852 governing the MASH and SASH programs.

and further strengthen the Staff Proposal and responds to several topics in more detail below. These include:

- PG&E should continue to administer the MASH program in its service territory,
- Funding between MASH and SASH should be adjusted to better align with megawatt (MW) goals,
- MASH and SASH program reviews should be treated and decided consistently.

## II. DISCUSSION

### A. PG&E Should Continue to Administer the MASH Program in its Service Territory.

PG&E has administered the MASH Program in its service territory since the Commission approval of the program in 2008. As relayed in the Staff Proposal, the CSI low income programs have been very successful.[2] Over 350 MASH projects are already installed or underway in PG&E's service territory. Given this strong track record, PG&E urges the Commission to revise Staff Proposal Recommendation 8, Consolidating MASH administration into a Statewide Program Administrator,[3] and to continue with PG&E serving as the MASH Program Administrator (PA) in its service territory for the following reasons.

#### 1. <u>PG&E has a strong track record of managing MASH effectively and is the most efficient choice for MASH Administration</u>.

As pointed out in the Staff Proposal administrative expenditure history in Table 3, PG&E has run MASH administration extremely efficiently each year since the inception of the program. In fact, PG&E has been so efficient that it has only spent 38% of its total administrative budget including measurement and evaluation (M&E) and marketing.[4] Further analysis shows that PG&E has only spent approximately 30% of its administrative budget if you remove

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[2] Staff Proposal, page 12, "Due to the success of the CSI Low Income Programs and the expected full commitment of existing resources ahead of schedule . . . . ."

[3] This section of these comments also addresses Attachment B, Questions 3 and 4, asking specifically: would it be more efficient and effective to have a statewide third-party program administrator for the MASH program? And, would it be beneficial to pursue competitive bidding to select a single MASH PA?

[4] Staff Proposal, Table 3, page 17.

measurement and evaluation (M&E) and marketing expenditures, or $1.4 million of a total $4.7 million allotted to PG&E for administration.[5]

PG&E is concerned that switching to a statewide Program Administrator for MASH would be a significant step backward and hinder efforts to achieve the policy goals laid out in the Staff Proposal. It would also be an inefficient use of administrative dollars and negatively impact the MASH customer experience. Considering the success and efficiency of PG&E's administration, there is no justification provided in the Staff Proposal for incurring upfront costs and additional time that would be required to put in place a statewide MASH administrator.

In addition, the proposal that there are economies of scale in implementing a larger MASH program is not supported by statistical or economic evidence that substantiates the claim, nor is there any indication that there are additional economies of scale beyond PG&E's extensive program—it is the size of the PG&E program that leads the Staff to conclude bigger is better, but there is no evidence for anything bigger than PG&E being better. There is no causality that can be logically linked to this inference. To the contrary, the Staff Proposal states that the MASH and SASH programs were granted additional funding expressly because of the "success of these programs in bringing solar power to low income communities"[6] and that the "general intent of the legislation is to replicate the success of the programs".[7]

PG&E strongly believes that its efficient management of the MASH program is due to the expertise it has regarding its service territory and its customers, internal coordination, as well as the program specific expertise it has developed over the course of the program since 2008. PG&E capitalizes on this ability to coordinate internally to provide a more seamless experience for MASH customers and is able to continue to leverage shared resources supporting the general market CSI program. Taking a step to change program management for MASH will result in loss of this expertise and processes already in place to seamlessly establish the new MASH requirements required as part of AB 217. Therefore, PG&E urges the Commission to modify the Staff Proposal and continue with PG&E serving as the MASH Program Administrator (PA) in its service territory.

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[5] Data analyzed from the joint IOU working data set.
[6] Staff Proposal, page 4.
[7] Staff Proposal, page 13.

**2. PG&E can lead coordination efforts inherent to the MASH program more effectively than a statewide program administrator.**

The MASH program is inherently dependent on departments, processes, databases, and tariffs specific to the three investor owned utilities (IOUs) and therefore implementing the program successfully is best accomplished by the existing administrators who are familiar with the specific service territory that they serve. Coordination by the current administrators with essential internal IOU departments upon which the MASH processes are dependent will be key to effective, efficient, and seamless implementation of the enhanced program policies under AB 217. Increased coordination with the low income Energy Savings Assistance Program (ESAP), required by AB 217, will be enhanced by PG&E's ability to coordinate internally on meeting the new energy efficiency requirements and to share internal databases. PG&E is in the best position to provide customer support when project interconnection status is needed, to validate customer usage data for the application (needed for system sizing), or to answer a question about the net energy metering tariff or a customer bill. All of these internal communications currently appear seamless to the MASH applicant because of the knowledge of current administrators and longstanding internal coordination. If this program were to be handed to an external administrator, this internal expertise and efficiencies would be lost and would unnecessarily lead to delays in getting the AB 217 MASH program underway. In addition, when specialized expertise is needed, for instance in the area of low income housing documentation requirements, the PAs have jointly obtained cost effective external input that is then applied state-wide. No one is better equipped than PG&E to administer the MASH program that combines distributed generation and energy efficiency in the PG&E service territory.

**3. A Statewide administrator is neither cost nor time effective.**

Administrative dollars have been spent on MASH training, standardization, and efficiency and PG&E and the other current administrators are now at the top of the learning curve with regard to their specific service territories. The current MASH waitlist has projects already requesting 53 MW of incentives, well over the 37.5 MW capacity required to meet AB 217 goals. The total time for a project to move through the pipeline to the Incentive Claim Stage is 18 months and some projects will request 6 month extensions, which means even if it takes one full year to process and reserve the projects on the waitlist, the last payments would be made within a total of three years from funds becoming available. PG&E is concerned that the additional costs, ramp up, learning required, and delays caused by transferring administration to a state-wide administrator have been underestimated by the Staff Proposal; are unnecessary given that PG&E has an existing relationship with waitlisted applicants; and would not be worthwhile considering the short time it could take to administer the incentives.

### 4. PG&E's management of the MASH program will continue to gain efficiencies from administration of the CSI General Market program.

The Staff Proposal itself refers to the "similarities between applicants and the application process for the MASH and CSI general Market Programs"[8] and acknowledges "expected efficiencies from running both the General Market and MASH programs at the same time."[9] However, the Staff Proposal suggests that synergies from shared administration of MASH and CSI General Market no longer exist, but the opposite is true.

All of the reasons supporting the CPUC's initial assignment of MASH administration still exist. The three CSI General Market administrators still have staff working consistently on the program and will need to do so for as many years as there are CSI funded projects underway, possibly out to 2021. Current CSI administrators are still reviewing and approving non-residential projects due to continuous project attrition, are managing the sunset of the program, administering PBI payments which could continue through to 2021, administering RD&D until the end of 2016, managing M&E and other contracts on behalf of CSI and MASH, completing public reporting, and managing projects in the pipeline. The current administrators have put in ample resources to negotiate favorable contracts for the use of and improvements to PowerClerk with the vendors that support the CSI data bases and paid for startup costs, subscription, maintenance, and data integrity efforts. Staff is shared across both MASH and CSI programs as well as other renewables incentive programs so that knowledge can be shared and there is no time or costs wasted in a lag in MASH work for example. Therefore, the same "efficiencies from running both the General Market and MASH programs at the same time"[10] that caused the CPUC to choose the existing MASH administrators still exists as strongly today as it did in 2008.

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[8] Staff Proposal, page 18.
[9] Ibid.
[10] Ibid.

### 5. <u>Continuity in administration provides benefits to low-income building owners and contractors.</u>

The current MASH administrators have established relationships and processes with contractors, customers with projects underway, and the low income housing communities in their respective territories. In addition to our customers preferring to do business directly with PG&E, a change in administrator would be extremely disruptive for the customer experience. Knowledge on current projects would be lost and customers would suffer frustration from lack of continuity. In addition, to select one state-wide administrator would take a significant amount of time and would negatively impact low income building owners on the waitlist, anticipating the administration of the AB 217 funds. All of the current stakeholders benefit from administration of AB 217 dollars occurring as quickly as possible.

## B. PG&E Supports Many of the Other General Staff Recommendations and Proposes to Adjust the MASH/SASH Funding Allocations.

PG&E addresses a number of the general staff recommendations in numeric order.

*Staff Recommendation 1) Retaining all policies in previous Commission decisions and in the CSI Handbook, unless otherwise specified by the Commission.*

PG&E supports Staff Recommendation 1.

*Staff Recommendation 2) Setting solar PV capacity goals of 37.5 MW for MASH, and 12.5 MW for SASH.*

PG&E supports Staff Recommendation 2.

*Staff Recommendation 3) Evenly dividing new funding between programs, allocating $54 million for each.*

PG&E recommends that MASH receive $58 million and SASH receive $50 million to ensure that MW goals assigned to the MASH program can be met. PG&E is concerned that if more than 85% of the applicants for AB 217 MASH incentives opt to participate in the higher incentive program providing $1.40/Watt, then the $54 million in funding for MASH would risk an incentive budget deficit of up to $2,820,000 in order to reach the 37.5 MW goal.[11] To provide for adequate funding, PG&E proposes that $58 million be allocated to MASH and $50 million for SASH.[12]

*Staff Recommendation 4) Ordering the maintenance of valuable CSI Program administrative resources that will be needed to continue administration of MASH and SASH (e.g. PowerClerk and the CSI Handbook).*

PG&E supports Staff Recommendation 4.

*Staff Recommendation 5) Adopting the same semi-annual reporting requirement for both programs.*

PG&E supports Staff Recommendation 5.

*Staff Recommendation 6) Ordering one final program evaluation, and leave any additional measurement and evaluation studies to the discretion of the Energy Division.*

PG&E supports Staff Recommendation 6.

### C. Suggestions to Improve Policy Proposals for the MASH Program

PG&E has some suggestions on the specific proposals for MASH.

*Staff Recommendation 7) Adjusting program and incentive budget allocations to shift money towards incentives.*

PG&E generally supports adjusting MASH program administration and incentive budget allocations to shift money towards incentives to reach maximum benefits for the MASH participants and to accurately reflect costs of administering the program. Because PG&E is unsure of how the market will react to the new MASH incentive levels and how much additional administrative dollars will be needed to administer the new goals of the program, PG&E requests the ability to submit a Tier 2 Advice Letter to move funds within the program from administrative dollars to incentives or within administrative funding categories if that becomes necessary. In addition, as discussed in more detail in item 9 below, PG&E does not support

[11] At the $54 million level, with the proposed 8% administrative funding, there would be $49,680,000 available in MASH incentives. If 85% of participants opted to meet the higher incentive requirements at $1.40/Watt, this would require $49,687,500 in incentive dollars to meet 37.5 MW, $7,500 more than allotted. And if 100% met higher incentive requirements, $52,500,000 in incentive dollars would be needed in incentive dollars to meet 37.5 MW, $2,820,000 more than allotted.

[12] A budget of $50 million for SASH is more than enough to meet the SASH MW goal, see Section D.

using MASH administrative dollars to cover energy efficiency walk-throughs since those costs should be covered with energy efficiency program dollars.

*Staff Recommendation 8) Consolidating Administration into a Statewide Program Administrator.*

PG&E strongly opposes this recommendation as discussed in more detail in Section A of these comments above.

*Staff Recommendation 9) Implementing program design and incentive level changes due to AB 217's capacity and new program goals, resulting in Track 1A and Track 1B incentive levels of $0.90/Watt and $1.40/Watt, respectively.*

PG&E supports the proposal to restructure incentive levels to eliminate the distinction between common and tenant load area and instead implement a two-tiered incentive structure. PG&E has suggestions to improve the Staff Proposal regarding the incentive tier naming, the energy efficiency standards within the two tiers, and the new job training requirements.

**a) Tier naming**

PG&E recommends renaming the incentive tiers in order to remove confusion in PowerClerk and in reporting documents on a going forward basis. There will still be projects in the pipeline with funding from the initial Commission Decision (D).08-10-036 establishing the MASH program, with "Track 1A" representing $1.90/Watt for common area load and "Track 1B" representing $2.80/Watt for tenant area load. In terms of naming the tiers associated with the AB 217 program, PG&E recommends the two tiers to be called Track 1C for meeting the basic AB 217 requirements at $0.90/Watt, and Track 1D for the higher tier at $1.40/Watt.

**b) Energy efficiency coordination**

For the proposal for Track 1C incentives for meeting basic AB 217 requirements, the Staff Proposal states that each MASH applicant, meaning each building owner, should be required to provide a list of all on-site customers eligible for the Energy Savings Assistance Program (ESAP) as part of the application process (customers enrolled in the CARE Program are automatically qualified for the ESAP). However, the building owners do not have access to individually metered tenant rate schedules to determine which tenants are enrolled in the CARE Program since this is confidential customer information. Only the tenants themselves and PG&E have access to this CARE data. PG&E instead recommends implementing a regularly scheduled query of the PG&E billing database that would list new MASH CARE tenants, and deliver the list automatically to ESAP staff on the first and 15th of every month.[13] Subsequently, ESAP staff would follow up with eligible tenants as proposed.

For the proposal for Track 1D, for projects meeting the higher eligibility requirements, the proposed decision states that MASH should pay for on-site walk-through energy audits. While PG&E agrees that the on-site walk-through energy audits should be required, it disagrees that MASH should cover the cost as these costs will already be covered through the IOUs' respective energy efficiency programs. PG&E has confirmed that any energy efficiency work conducted with building tenants eligible to participate in the PG&E ESAP, as mandated by AB 217, would be covered by ESAP. However, ESAP does not conduct walk-throughs of building common areas. For this service, PG&E recommends that a common area walk-through energy efficiency audit be conducted and costs covered by the PG&E Moderate Income Direct Installs (MIDI) program,[14] where applicable,[15] and other energy efficiency programs as available within each respective IOUs' service territory. PG&E recommends that all applicants for higher incentives be required to fill out the initial screening questionnaire used by the Multifamily Energy Upgrade California program, and that questionnaire be passed on to MIDI, or respective energy efficiency (EE) auditors, before the EE audit, to increase standardization across the MASH program. Coordination with EE programs such as MIDI internal to PG&E and the respective administrators programs would create better synergies with other low income programs and maximize ratepayer benefits in line with CPUC policy directives. Guidelines for coordination need to be established. PG&E offers to lead a workshop on Energy Efficiency to include contractors, building owners, MASH administrators and low income Energy Efficiency programs to better understand the building's needs and to set up MASH-Energy Efficiency program coordination standards.

### c) Job Training Requirements

PG&E supports the policy proposed to provide job training and employment opportunities to the low-income community by requiring solar contractors to hire at least one eligible job trainee for at least one full day of work on every MASH installation. However,

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[13] Costs for creation of this automatic query process are estimated at a one-time cost of $4,000 - $10,000.
[14] The PG&E MIDI program operates in Santa Barbara, Napa, Fresno, Monterey, San Benito, Santa Cruz, San Luis Obispo, San Mateo, Kern, Yolo, Madera, Butte, Sutter, Yuba, Tulare and Kings Counties.
[15] In areas where MIDI does not operate, PG&E recommends the applicant use one of the other ratepayer funded Energy Efficiency programs in PG&E's service territory.

PG&E suggests there are some market considerations that should be addressed first and that a MASH job training workshop would be helpful to determine the details of this requirement and to better understand the impact on the solar contractors.

At the December 2013 MASH workshop some contractors voiced concerns that their operations were too small and that a job training requirement would cause undue cost. Additionally some voiced concerns about the safety liability of having inexperienced workers up on the roof. It should also be noted that some contractors subcontract the installation process and the program should address how to handle the job training requirement in those cases. While PG&E supports the proposal for these trainings, more discussion is required to best address the concerns raised by contractors and thoughtfully design this aspect of the enhanced MASH program. PG&E recommends the Commission clearly lay out the goals and program expectations for contractors for these training days.

PG&E proposes a requirement that contractor installation leads complete one training through the Solar Instructor Training Network, a Department of Energy program set up to train the trainer. PG&E proposes that the contractor installation leads should complete the training once and that a contractor trained through the program must be present on the install the day that the job training occurs. PG&E recommends utilizing trainees from training programs that are well established and accepted by the market in order to help alleviate contractor concerns.[16] PG&E offers to lead a workshop including the MASH administrators, the contractor community and potential job training programs that would allow for further discussion on the details of this requirement and provide contractors the opportunity to better understand the level of job training the trainees will previously receive to help increase comfort levels with the requirement.

*Staff Proposal 10) Allowing waitlisted projects to reapply for MASH incentives provided that they have not been built and meet new program requirements under AB 217.*

PG&E is in favor of allowing MASH applicants currently on the waitlist to claim incentives funded under AB 217 as long as 1) the project is not yet built and 2) the Applicant must meet all the requirements and new MASH rules established by the Commission. PG&E does not support requiring MASH waitlisted projects to "reapply" as stated in the Staff Proposal summary. PG&E's understanding is that current applicants on the waitlist applied in order to get

[16] Recommendations for possible job training partners are addressed in Appendix B, question 1.

in line to receive the AB 217 funding. PG&E recommends allowing MASH waitlisted applicants to keep their place on the waitlist, and once the final Commission Decision is released, provide the applicant with 30 days from the Decision issuance date to submit confirmation that their project will meet the new MASH rules and application requirements. Any project that does not submit this confirmation would be removed from the waitlist. Additionally, since it is anticipated that there will be a transition period granted by the Commission for the Program Administrators to implement the new program before beginning to review projects and reserve funding, PG&E recommends allowing the contractors that corresponding grace period to gather documents needed to meet the new application requirements.

### D. Policy proposals for the SASH program

#### 1. MASH and SASH program review should be treated consistently

Both MASH and SASH are meeting their goals[17], and in order to continue this success and minimize customer disruption the current administration should be retained.[18]

However, should the Commission nonetheless determine that a request for proposals (RFP) is needed for MASH; it should modify the Staff Proposal to include an RFP for SASH as well and fully evaluate both programs. This equal treatment makes sense because the goal of the RFP to seek to further improve the low income CSI program applies equally to both SASH and MASH. PG&E also requests that the IOUs have the ability to participate in the RFP to administer both MASH and SASH in their service territories. There may be opportunities to obtain additional synergies and efficiencies across low income programs through IOU participation in both RFPs.

#### 2. Additional SASH proposals

PG&E addresses a number of additional SASH staff recommendations in numeric order below.

*Staff Recommendation 11) Adopting budget allocations for new funding matching those presently in place.*

[17] Staff Proposal, page 8.
[18] PG&E explains in detail in Section A why it should continue to administer MASH in its service territory.

PG&E supports to proposal that SASH budget allocation percentages remain the same. However, should the SASH program be subject to the RFP process, PG&E requests the ability to comment further on the SASH budget allocation percentages as part of the RFP process.

*Staff Recommendation 12) Determining whether another competitive bidding process for SASH Program Administration is warranted, given input from stakeholders.*

PG&E's position is described in detail above in section D1.

*Staff Recommendation 13) Implementing incentive level and program changes due to AB 217's capacity and new program goals, resulting in incentive levels of $3/Watt for all projects.*

PG&E recommends allocating $50 million to SASH and $58 to MASH to adequately ensure MW goals can be reached in both programs. With $50 million in funding, SASH incentive budget would be $42.5 million. At $3/Watt, SASH only needs $37.5 million in administrative dollars to meet the 12.5 MW SASH goal. This would leave a significant buffer of $5 million to fund SASH projects beyond the MW goal or for future program adjustments if necessary.

*Staff Recommendation 14) Permitting Third-Party Ownership (TPO) in the SASH Program under standards to be set by the Commission after input from stakeholders.*

PG&E suggests that Third-Party Ownership (TPO) in the SASH program requires additional investigation[19] and PG&E proposes a workshop for this purpose.

If the Commission chooses to allow TPO in the SASH program, PG&E would like to request that the Commission pay special attention to customer protections considering that recent studies show that the Commission's initial concerns about customer protection and long-term homeowner benefit are still warranted. The recent Navigant "Third Party Ownership (TPO) Market Impact Study"[20] completed in May 2014, found that: 1) TPO's are just $0.01 cheaper in effective cost per watt than a host-owned system[21]; 2) 40% of TPO customers are paying more

[19] Risks with TPO include: 1) Most lease agreements require a credit score of 720 and above; 2) leases would lock low income home owners into the lease for roughly 20 years; and 3) low income residents often will not meet required debt-income ratio.
[20] Navigant Consulting Inc. (May 2014). *Third-Party Ownership Market Impact Study.* Prepared for the California Public Utilities Commission.
[21] Ibid, pp. 5-5

per month than if they had purchased the system[22]; and 3) 8% of TPO customers are paying roughly double (12-16%) the median interest rate (7%).[23] The study also found that residential TPO customers have "little or no opportunity to negotiate their terms."[24] Considering these factors, PG&E requests that the Commission take steps to ensure that the SASH standards for the TPO option: 1) ensure that participating TPO agreements are at least as financially beneficial to the customer as a host-owned system; 2) standardize financial terms for low income customers where possible; 3) protect the customer against terms that could change after contract signing; 4) require that TPO agreements include an affidavit from the customer acknowledging the potential for additional costs associated with the contract; 5) require the TPO to clearly explain that rate changes will affect the economics of a power purchase agreement; and 6) require that TPO agreement provisions spell out what happens in the event that the solar financing company defaults. Another option for SASH is to look into negotiation of simple and standardized low interest rate bank loans for interested SASH participants.

### E. Response to Appendix B Questions

**1)** PG&E has identified two possible solar job training partners in the PG&E territory with strong reputation: Rising Sun Energy and Solar Richmond. In addition, through conversations with the California office of Solar Instructor Training Network (SITN), PG&E has identified the community colleges with strong solar job training programs as possible partners: City College of San Francisco, Diablo Valley College in Concord, Kern County Community College in Bakersfield, and District American River College in Sacramento. In addition, PG&E, in question 9c, recommended partnering with SITN in order to standardize training for contractors to enable them to educate job trainees in the field. According to SITN, solar training programs might opt to attain the IREC-ISPQ (Interstate Renewable Energy Council- Institute for Sustainable Power Quality) certification which certifies the quality of the institution and individuals doing the training.[25]

**2)** This has been recommended through an Advice Letter pending CPUC approval.[26]

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[22] Ibid, pp. 5-7, Figure 5-3.
[23] Ibid, pp. 5-9, Figure 5-4.
[24] Ibid, pp. 2-1.
[25] IREC details can be found here: http://www.irecusa.org/.
[26] CCSE Advice Letter 48 / PG&E Advice Letter 4447-E /SCE Advice Letter 3063-E June 23, 2014.

**3) and 4)** PG&E strongly opposes the inference that a third party state-wide program for MASH would be more efficient or effective and therefore believes competitive bidding is unnecessary and wasteful of administrative dollars, as discussed in detail in Section A above.

**5)** PG&E strongly supports requiring an affidavit, matching that required by the CSI thermal program, that the building owner would submit to attest that the property in question will remain low income for a total period of 30 or more years and describing how benefits equaling at least 30% of the incentive amount will be passed along to on-site tenants. PG&E opposes the idea of requiring building owners to set up an escrow account to offset rising tenant rents because it would be very difficult to validate that this had occurred and infeasible to ensure that the accounts are being used continuously for this purpose.

**6)** This has been recommended through an Advice Letter that is pending CPUC approval.[27] PG&E has also validated through conversations with the Non-profit Housing Association of Northern California that housing departments of each city or county would have record of properties with deed restrictions. For applicants without documentation from HUD or TCAC, the MASH program could potentially require a letter from the respective jurisdiction that verifies that the deed restriction has been registered and that the property is low income.

**7)** PG&E's position is discussed in section D1 above.

**8-10)** PG&E's position is discussed in section D under Staff Recommendation 14 above.

## III. CONCLUSION

PG&E appreciates this opportunity to provide these comments and urges the Commission to revise the Staff Proposal as discussed above.

[27] CCSE Advice Letter 48 / PG&E Advice Letter 4447-E /SCE Advice Letter 3063-E June 23, 2014.

Respectfully Submitted,

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