PACIFIC GAS AND ELECTRIC COMPANY
Energy Efficiency 2018-2025 Rolling Portfolio Business Plan
Application 17-01-015
Data Response

PG&E Data Request No.:	TURN_001-Q07		
PG&E File Name:	EnergyEfficiency2018-2025-RollingPortfolioBusinessPlan_DR_TURN_001-Q07		
Request Date:	February 17, 2017	Requester DR No.:	001
Date Sent:	March 6, 2017	Requesting Party:	The Utility Reform Network
PG&E Witness:	Chris Kato	Requester:	Hayley Goodson

SUBJECT: PG&E 2018-2025 EE ROLLING PORTFOLIO BUSINESS PLAN & BUDGET. TURN DATA REQUEST TURN-PG&E-01.

STATEWIDE PROGRAM ADMINISTRATION

QUESTION 7

On pages 26-27 of PG&E's application, PG&E makes two requests regarding the calculation of budget percentage devoted to statewide programs and subprograms, referencing the requirement in D.16-08-019, OP 6 that "statewide programs and/or subprograms … comprise at least 25 percent of their portfolio budgets." This question is directed at PG&E's proposal to calculate the percentage based only its "program budget," as opposed to its total "portfolio budget" which also includes budgets for EM&V, statewide ME&O, RENs, and CCAs. Given that the Commission in D.16-08-019 required that the 60% budget requirement for third party programs be calculated based on the "utility's total budgeted portfolio, including administrative costs and EM&V" to be "consistent with D.12-11-015 at 82" (D.16-08-019, p. 74), please explain why the Commission should calculate the 25% requirement for statewide programs on a different basis. Is there a reason to distinguish the two funding allocation requirements?

ANSWER 7

While PG&E very much supports the statewide framework, PG&E believes the 25% budget target was determined arbitrarily, and based on flawed data (e.g., PG&E's Res HVAC budget line item includes upstream and downstream program dollars. Therefore, the "quick staff estimate" was inaccurate.) PG&E requests the 25% to be based on its program budget (excluding EM&V, SW ME&O, RENs, and CCAs) because PG&E does not have discretion to allocate funds from these budgets. Additionally, PG&E has little control over any future budget expansions for CCAs and RENs, which could compromise our ability to meet the 25% requirement. As a result, subjecting these funds to the 25% allocation would require PG&E to allocate additional increments of funding, over which it has control, to make up for the earmarked funds.