

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

PG&E Data Request No.:	ORA_01-Q07		
PG&E File Name:	EnergyEfficiency2018-2025-RollingPortfolioBusinessPlan_DR_ORA_01-Q07		
Request Date:	March 1, 2017	Requester DR No.:	PGE001
Date Sent:	March 15, 2017	Requesting Party:	ORA (Office of Ratepayer Advocates)
PG&E Witness:	Meghan Dewey	Requester:	Daniel Buch

SUBJECT: DATA REQUEST NO. ORA BUSINESS PLAN A1701013-PGE001. (ORA_01).

UTILITY IMPLEMENTATION ACTIVITIES

QUESTION 7

Please provide a list of all activities, including administration and support, proposed in your business plan that will not be bid out in compliance with the third-party definition in D.16-08-019.

ANSWER 7

At this time, PG&E anticipates the following programmatic, administration, and operations support activities will not be bid out to third parties.

PG&E plans to retain program/portfolio administration responsibilities that align with PG&E’s regulatory and fiduciary responsibilities as stewards of ratepayer funds, as well as those portfolio administration responsibilities critical to the achievement of portfolio goals. It is important to recognize the segregation of IOU duties and third parties. IOUs have a compliance obligation to the CPUC, and will retain activities that ensure we administer a fully compliant portfolio, avoid conflicts of interest, and ensure verifiable energy efficiency savings.

As PG&E moves to the new statewide and third party model, some of these activities may change where we can find efficiencies and economies of scale. Throughout the rolling portfolio, PG&E will continue to evaluate activities that could be outsourced due to lower costs to ratepayers.

Program Support

Residential Sector

- PG&E staff will maintain the CalTrack system that relies on Advanced Meter Technology to create the energy efficiency baseline and determine savings for the Residential Pay for Performance (P4P) program.
- PG&E will continue to provide program management and coordination support for the Retail Products Platform (RPP) pilot until it moves out of pilot stage, and is

transferred to the lead administrator for the statewide Plug Load and Appliances (PLA) program.

Public Sector

- PG&E will provide program design, program and project management support, strategic planning support, and coordination amongst Local Government Partnerships.

Codes and Standards (C&S)

- PG&E anticipates providing program design guidance for code compliance, national and international standards, code readiness, and reach codes activities.
- PG&E will provide internal collaboration with its resource programs, Commission staff, Energy Commission, and other stakeholders.

Workforce Education and Training

- PG&E will assume overall management of each education center to ensure coordination with overall energy efficiency portfolio needs, as well as with other demand-side management programs, such as the Energy Savings Assistance program (ESA), demand response (DR), and distributed generation (DG).

Financing

- PG&E will continue to support On-Bill Financing (OBF) with internal PG&E staff, as OBF requires significant utility operational expertise to coordinate PG&E tariff and billing functionality.

Administration and Operations Support

Portfolio oversight roles to ensure a compliant portfolio and the appropriate segregation of duties include:

- Regulatory compliance and reporting
- Quality assurance and quality control (QA/QC)
- Contract management for all programs and local marketing outreach
- Portfolio optimization which includes program, measure, budget and cost-effectiveness analyses at the sector, subsector and portfolio level
- Evaluation, measurement and verification (EM&V) contract management support

Other administration and operations support roles necessary to fulfill our roles as portfolio administrator

- Rebate (including financing) and application processing and management
- Customer-facing workforce to complement program implementation, such as engineers (a majority of engineering reviews is outsourced. However, to ensure quality assurance, and avoid a conflict of interest, PG&E retains some

engineering review activities), and account representatives who serve as PG&E's trusted energy advisors.

- Data mining and analytics to provide third parties with access to advanced metering infrastructure (AMI) and other customer data to ensure program performance, and data analytics insights to improve program performance, and to ensure programs meet the needs within its service territory.

While PG&E anticipates retaining certain responsibilities, PG&E plans to reduce labor and total program portfolio costs by 2020, absorbing additional costs of achieving higher goals. As roles and responsibilities evolve, PG&E will adjust its strategy accordingly.