

**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-Q01		
PG&E File Name:	EnergyEfficiency2018-2025-RollingPortfolioBusinessPlan_DR_TURN_001-Q01		
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.**

**ENERGY EFFICIENCY POLICY REQUESTS**

**QUESTION 1**

On page 22 of PG&E’s application, PG&E requests that “the Commission order the exclusion of non-energy related costs from net participant costs in its decision approving the Application and provide for the selection of reasonable cost proxies in an open, transparent process in advance of the program administrators’ ABAL filings in September, 2017.” Regarding this request:

- a. Is it correct that PG&E is requesting the removal of non-energy related costs, rather than the inclusion of non-energy related benefits?
- b. In D.14-10-046, the Commission concluded “that the *concept* of removing project-related, non-efficiency related costs ... from the total cost calculation has merit” but rejected PG&E’s proposal to use a 25% cost reduction “proxy for the cost of product features of an energy efficiency product that are not related to efficiency (such as aesthetics)” because PG&E offered no empirical support for that value. Instead, the Commission stated, “We encourage the relevant working group to reconvene and come up with an empirically-supported proposal for Phase III of this proceeding [R.13-11-005].” (D.14-10-046, p. 100). Please explain how PG&E’s requested relief in A.17-01-015 differs from the relief previously granted in D.14-10-046, including the finding that removing nonenergy related costs finding has merit and the invitation to develop an empirically supported proxy proposal for the Commission’s consideration.

**ANSWER 1**

- a. Yes.
- b. PG&E’s proposal is intended to apply to any program or measure that demonstrates benefits beyond energy savings. This differs from the relief granted in D.14-10-046 in that D.14-10-046 only applied to the home upgrade program and did not address

participant non-energy benefit-related costs.<sup>1</sup> Necessary updates to the cost-effectiveness framework for energy efficiency are within the scope of Phase 3 of the energy efficiency rulemaking (R.13-11-005.) PG&E suggests that the scoping memo in A.17-01-013 state that the removal of project-related non-energy costs from the TRC will be addressed at an early stage of Phase 3 and include the approval of business plans using a TRC of 1.0 as recommended by NRDC in its response to business plans.<sup>2</sup>

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<sup>1</sup> D.14-10-046, p. 98-100.

<sup>2</sup> “Natural Resources Defense Council (NRDC) Response to Program Administrator Applications and Regional Energy Network Motions for Business Plan Approval,” p. 15.