

From: [Hunt, Marshall](#)
To: [Hogle, Jessica](#)
Cc: [Dewey, Meghan](#); [Berman, Janice S](#); [Gandesbery, Mary \(Law\)](#); [Eilert, Patrick L](#)
Subject: Re: House Energy Bill Language (EE Provisions)
Date: Monday, October 19, 2015 10:06:57 AM
Attachments: [image001.png](#)

I will join Pat whenever he schedules a call.

Sent from my iPhone

On Oct 19, 2015, at 11:46 AM, Hogle, Jessica <j8h1@pge.com> wrote:

Marshall/Pat:
Would either of you have time to talk through this today or tomorrow?
Thanks.
Jessica

From: Dewey, Meghan
Sent: Monday, October 12, 2015 7:47 PM
To: Hogle, Jessica
Cc: Berman, Janice S; Gandesbery, Mary (Law); Eilert, Patrick L; Hunt, Marshall
Subject: RE: House Energy Bill Language (EE Provisions)

Hi Jessica –

The following chart provides a list of standards that would be affected if we moved from the LCC method to using a 10-year SPB method to determine standard cost effectiveness.

The chart shows the % efficiency improvement by using the LCC method. Had these standards been developed under a 10-year SPB criteria, the reduction in national impact is 7.0 Quad (DOE standard measurement) in 30-year period. The associated increase in CO2 emission is 408 million tons.

Please let us know if you have more questions, or would like to discuss the data. I have included Marshall Hunt and Pat Eilert who can provide more details as needed.

cid:image002.png@01D102C1.66254FC0

- Meghan

Meghan Dewey | Manager, EE Policy and Strategy
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From: Hogle, Jessica
Sent: Tuesday, October 06, 2015 6:45 AM
To: Dewey, Meghan
Cc: Berman, Janice S; Gandesbery, Mary (Law); Eilert, Patrick L
Subject: RE: House Energy Bill Language (EE Provisions)

Great, thank you!

From: Dewey, Meghan
Sent: Monday, October 05, 2015 10:56 PM
To: Hogle, Jessica
Cc: Berman, Janice S; Gandesbery, Mary (Law); Eilert, Patrick L
Subject: Re: House Energy Bill Language (EE Provisions)

Hi Jessica,
We should be able to quantify the impacts. I'll work with our Codes and Standards team who can run some numbers.

- Meghan

Sent from my iPhone. Please excuse any typos.

Meghan Dewey
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On Oct 5, 2015, at 12:05 PM, Hogle, Jessica <j8h1@pge.com> wrote:

Meghan:

Thank you. Is there any way you could potentially quantify any impacts of the language? That would be more effective for us in conducting outreach to members of our delegation, particularly on impacts resulting from Sec 4151.

Thanks.
Jessica

From: Dewey, Meghan
Sent: Friday, October 02, 2015 4:55 PM
To: Hogle, Jessica
Cc: Berman, Janice S; Gandesbery, Mary (Law)
Subject: RE: House Energy Bill Language (EE Provisions)

Hi Jessica –

Are team has concerns with several of the EE-related sections, as detailed below. Let me know if you'd like to discuss any of our proposed positions.

Sec. 4122. Voluntary verification programs for air conditioning, furnace, boiler, heat pump, and water heater products.

PG&E is concerned that this language concentrates power in the hands of voluntary program administrators such as AHRI and AHAM. This concentration may result in pressure on smaller companies to join, even though the programs are ostensibly voluntary.

PG&E acknowledges that AHRI has a robust testing and challenge process, but notes that they are not independent of the industry. PG&E supports independent random testing by the DOE, and is concerned that this language removes DOE's ability to conduct verification testing.

(A) RELIANCE ON VOLUNTARY PROGRAMS.— For the purpose of verifying compliance with energy conservation standards established under sections 325 and 342 for covered products described in paragraphs (3), (4), (5), (9), and (11) of section 322(a) and covered equipment described in subparagraphs 7 (B), (C), (D), (F), (I), (J), and (K) of section 340(1), the Secretary shall rely on testing conducted by recognized voluntary verification programs that are recognized by the Secretary in accordance with 11 subparagraph (B).

(iii) PERIODIC VERIFICATION TESTING.— The Secretary— “(I) shall not subject products or equipment that have been verification tested under a recognized voluntary verification program described in subparagraph (A) to periodic verification testing to verify the accuracy of the certified performance rating of the products or equipment;

PG&E recommends striking “shall rely” and replacing with “may rely” to allow needed flexibility. PG&E recommends using similar flexible language throughout this section.

Sec. 4123. Facilitating consensus furnace standards.

PG&E notes that the DOE has initiated a Working Group to develop the necessary consensus, and therefore recommends striking this section.

Sec. 4151. Greater Energy Efficiency in Building Codes

PG&E is concerned that this language could have major negative impacts on the DOE standards process. At issue is a major shift from true Life Cycle Cost (LCC) analysis to simple payback analysis. The current DOE LCC method is a robust analytical method that uses best practices decision theory (although PG&E acknowledges that this method may not be widely understood by stakeholders outside the EE industry because of the necessary complexities in the analytical process). Simple payback, by comparison, is an overly simplistic approach that does not allow incorporation of the complexity of utilities’ demographics, climate zones, building stock, and economic diversity.

PG&E supports the use of LCC analysis, and is opposed to any language that would change the DOE Secretary’s ability to continue with the existing LCC method. (Such as the language in (4) ECONOMIC CONSIDERATIONS and Definition 19 in Section 4151 - (19) “COST-EFFECTIVE. The term ‘cost-effective’ means having a simple payback of 10 years or less.”)

Sec. 4152. Voluntary Nature of Building Asset Rating Program

PG&E recommends having this language reviewed by a legislative analyst to ensure that there are no restrictions placed on states that prefer to make such a program mandatory.

Sec. 4162. Clarifying Rulemaking Procedures

PG&E agrees that clarification regarding DOE scheduling is needed. However, in light of the timing of the current electoral cycle, PG&E is concerned that this significant public review period will be taken advantage of by associations opposing higher efficiency standards to delay work till the next Federal Administration, in the hope that the next Administration will have less of a focus on energy efficiency.

PG&E supports stakeholder involvement and transparent processes. However, it is wary of legislation that could make an already lengthy process even longer. PG&E believes that such public input could be achieved without legislation, and therefore does not recommend the addition of another mandatory stage in the code process.

Similar to the comment above: PG&E supports stakeholder involvement, but notes that such review is already happening under the current framework. PG&E does not recommend adding additional regulations and formalities to the process, which could subject the process to unnecessary debate, delay, and stalling.

- Meghan

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Learn about California’s leading model for energy efficiency and how PG&E works with customers and stakeholders to achieve success in saving energy.

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From: Hogle, Jessica
Sent: Tuesday, September 29, 2015 2:14 PM
To: Dewey, Meghan
Cc: Berman, Janice S
Subject: RE: House Energy Bill Language (EE Provisions)

Does the end of the week work? They are marking up the bill in Committee today, and I am not sure when/if it will receive floor consideration.

Jessica

From: Dewey, Meghan
Sent: Tuesday, September 29, 2015 5:05 PM
To: Hogle, Jessica
Cc: Berman, Janice S
Subject: Re: House Energy Bill Language (EE Provisions)

Hi Jessica-
I'll have our teams review. What's our deadline for feedback?

Thanks,
Meghan

Sent from my iPhone. Please excuse any typos.

Meghan Dewey
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On Sep 29, 2015, at 1:46 PM, Hogle, Jessica <j8h1@pge.com> wrote:

Jan:

This week, the Energy and Commerce Committee will mark up an energy bill that includes a variety of measures, including energy efficiency (Title IV). Attached is the managers amendment which was released today.

Please take a look and let us know if there is anything in Title IV that causes you any concerns. For example, Edison has reached out to us indicating that their read on the language would disallow CA from DOE EE dollars unless the state converts to a ten year payback schedule. I've included both the bill in its entirety and a summary.

Thanks.

Jessica

<AINS_HR8_enbill15_008_xml.pdf>

<HMTG-114-IF00-20150929-SD965.pdf>

