

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

Application of Southern California Edison
Company (U338E) for Approval of Energy
Efficiency Rolling Portfolio Business Plan.

Application 17-01-013
(Filed January 17, 2017)

And Related Matters.

Application 17-01-014
Application 17-01-015
Application 17-01-016
Application 17-01-017

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39-M)
REVISED PORTFOLIO AND SECTOR-LEVEL METRICS PROPOSAL**

MARY A. GANDESBERY
EVELYN C. LEE

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
Telephone: (415) 973-2786
Facsimile: (415) 973-5520
E-Mail: ECL8@pge.com

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Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

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**PACIFIC GAS AND ELECTRIC COMPANY’S (U 39-M)
REVISED PORTFOLIO AND SECTOR-LEVEL METRICS PROPOSAL**

I. INTRODUCTION

Pacific Gas and Electric (PG&E) timely files its *Revised Portfolio and Sector-Level Metrics Proposal* (Revised Metrics Proposal) with the California Public Utilities Commission (CPUC or Commission) in accordance with the *Administrative Law Judge’s Ruling Seeking Comment on Energy Efficiency Business Plan Metrics*, issued May 10, 2017 (Metrics Ruling), and the *Administrative Law Judge’s Ruling Modifying Schedule*, issued June 9, 2017 (Schedule Ruling), which extended the filing date to July 14, 2017.

As one of the five program administrators (PAs) whose business plans are being considered for approval in this proceeding, PG&E filed its responses to questions in Attachment A of the Metrics Ruling on May 22, 2017. PG&E participated in the May 26, 2017 metrics workshop hosted by Commission Staff (Staff) to discuss all of the portfolio-sector level metrics proposed by the Metrics Ruling (Staff-proposed Metrics), Staff feedback on PA-proposed Metrics, and responses to Attachment A questions. With the encouragement of the Metrics Ruling, PG&E also participated in additional ad hoc meetings to discuss metrics at the California Energy Efficiency Coordinating Committee (CAEECC) during the month of June, specifically on June 14, 2017 and June 30, 2017. These vigorous discussions resulted in recommendations

on how certain Staff-proposed Metrics should be measured and revealed that the value of certain metrics was unclear. Meeting participants requested further clarifications from Staff to determine whether PAs should include certain metrics in their July 14, 2017 filings. Staff agreed to clarify the metrics that the PAs should use, but no information was provided until the close of business on July 10, 2017. The “Commission Staff Additional Clarifications” modified how some metrics are to be calculated, failed to provide the required clarity for certain other metrics, deleted some of the Staff-proposed Metrics that had been issued by the Metrics Ruling, and introduced new metrics. The changes made at this late stage, and outside of the stakeholder engagement process, were unanticipated, and consequently, did not meet the expectations that were set at the conclusion of the stakeholder process.

Based on the Staff-proposed Metrics that were provided in the Metrics Ruling and refined through the public comment and stakeholder engagement process, PAs have over 150 distinct portfolio and sector-level metrics to be reported annually.^{1/} Nearly 50 of the sector-level metrics are for the Residential sector, alone, compared to approximately 10-15 for non-residential sectors. Moreover, Staff proposed over 30 new metrics on July 10, 2017. Given the significant number of current metrics and administrative costs that will be incurred to report these metrics annually, PG&E recommends the Commission consider the prudence in adding any new metrics to the list of metrics issued by the Metrics Ruling.

II. PG&E’S REVISED PORTFOLIO AND SECTOR-LEVEL METRICS

PG&E’s Revised Metrics Proposal is provided in Appendix 1. It is based on the Staff-proposed Metrics listed in the Metrics Ruling, as refined through the public comment process, the CPUC metrics workshop, and discussions at CAEECC meetings. This process is consistent with the Business Plan Guidance Document prepared by Commission Staff, in which PAs were

1/ Metrics Ruling p. 5

encouraged to collaborate with Commission Staff and evaluation, measurement, and verification (EM&V) experts in developing their business plan metrics.^{2/}

PG&E's Revised Metrics Proposal should be approved because it identifies baselines and targets for appropriate Staff-proposed Metrics using the best available information. In cases where insufficient data exists to propose baselines and targets, PG&E provides proxy data and/or explains the additional research efforts or new processes that are required to track and report the requested information. Appendix 1 also indicates that certain Staff-proposed Metrics should be removed because they are inconsistent with Commission guidance. To enable a comparison of PG&E's Revised Metrics Proposal and the metrics proposed on July 10, the July 10 Metrics are provided in Appendix 2.

As such, PG&E's Revised Metrics Proposal in Appendix 1:

- Includes metrics from the Metrics Ruling as refined through the public comment process, the CPUC metrics workshop, and discussions at CAEECC meetings.
- Excludes those metrics that were included the Metrics Ruling but absent from the July 10 Metrics, with the exception of the portfolio-level metrics in the Metrics Ruling.
- Excludes new July 10 Metrics.

The new metrics in the July 10 Metrics are identified in Appendix 3. Many of the new metrics require data to be expressed at an unprecedented level of granularity. Although the metrics originally proposed in the Metrics Ruling were subject to extensive discussions with Commission Staff, other PAs, and stakeholders, the new July 10 Metrics have not been similarly reviewed. There has been no opportunity for PAs to fully comprehend and respond with reliable information to the Commission Staff's modified metrics proposal. Thus, PG&E is not including

^{2/} *Energy Efficiency Rolling Portfolio Business Plan Guidance*, May 2, 2016, p. 7. PG&E's Business Plan metrics were developed with the assistance of PG&E EM&V and external EM&V experts.

the new July 10 Metrics or those metrics that were significantly restated at this time, given the short notice for the changes. The Commission Staff should articulate the objectives of any new metrics and establish the feasibility of such metrics through additional workshops, and studies if necessary, before program administrators may be required to adopt those metrics. PAs should be allowed to submit their proposals for any additional metrics two weeks after the discussions or studies are concluded.

III. CONCLUSION

The Commission should approve PG&E's Revised Metrics Proposal and authorize PG&E to include its Revised Metrics Proposal in its 2018-2025 Rolling Portfolio Business Plan.

Respectfully Submitted,

MARY A. GANDESBERY
EVELYN C. LEE

By: /s/Evelyn C. Lee
EVELYN C. LEE

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
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Facsimile: (415) 973-5520
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