BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Marin Clean Energy for Approval of its Energy Efficiency Business Plan.	A. 17-01-___ (Filed January 17, 2017)

APPLICATION OF MARIN CLEAN ENERGY FOR APPROVAL OF ITS ENERGY EFFICIENCY BUSINESS PLAN

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I. INTRODUCTION

Pursuant to Article 2 of the Rules of Practice and Procedure[1] of the California Public Utilities Commission ("Commission"), California Public Utilities Code § 381.1,[2] Decision ("D.") 14-01-033, D. 14-10-046, D.15-10-028, and D.16-08-019, Marin Clean Energy ("MCE") respectfully submits this application for approval of MCE's Energy Efficiency Business Plan ("Business Plan").[3] MCE seeks expeditious approval of an expanded set of programs in its Business Plan with this application. These expanded programs are necessary:

1) for MCE to achieve the Total Resource Cost ("TRC") ratio the Commission requires.[4]

2) to employ innovative strategies including: (i) a ten-year vision of customer transformation; and (ii) integration of demand-side resources through a customer-centric Single Point of Contact ("SPOC"); and

3) for MCE to provide comprehensive services to its communities.

[1] All subsequent references to rules are to the Rules of Practice and Procedure unless otherwise indicated.
[2] All subsequent references to codes are to the California Public Utilities Code unless otherwise indicated.
[3] The Business Plan is included as Appendix C to the Testimony served with this application.
[4] D.14-01-033, Ordering Paragraph ("OP") 3 at p. 50; D.14-10-046 at pp. 109-110.

MCE also proposes and seeks approval of four statewide downstream pilot programs as part of this filing as the Commission requires.[5] MCE includes the details of the pilots in the application and testimony, as opposed to within the Business Plan, because the Program Administrators ("PAs") did not reach consensus and so could not include a single proposal. As discussed below,[6] MCE's proposed pilots are cross-cutting and designed to positively impact numerous other downstream programs and thus are fundamentally different from and superior to the more narrowly focused programs the Investor-Owned Utilities ("IOUs") will propose. If MCE's recommended pilots are approved, MCE will work with the other PAs to develop common language to include as an attachment to all the business plans.

To facilitate the Commission's review of MCE's Business Plan, this application also describes how the sector chapters in MCE's Business Plan reflect the work MCE will undertake, addresses a number of other topics in response to the Staff Guidance on business plan filings, and provides a statement of MCE's preparedness for evaluation.

In addition to seeking approval of MCE's Business Plan, this application requests the Commission take the following actions to address the challenge of program overlap among multiple PAs [7]:

1) Designate MCE, in its role as a PA, to be the downstream liaison[8] in its service area and improve program coordination, equity, and cost effectiveness.

2) Attribute all energy savings from statewide programs and downstream programs that

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[5] D.16-08-019, at p. 65, and OP 9 at p. 111.
[6] *See infra* Section V.
[7] The Commission has determined that program overlap may present challenges but has declined to address overlap until the factual situation arose in a program, application, or advice letter. D.14-01-033 at p. 36. The Commission has suggested that overlap may be addressed in a proceeding devoted to a particularized MCE request for funding. D.15-08-010 at p. 9. With this Application, MCE asserts that the issue is now ripe for Commission review.
[8] See infra Section IV for an explanation of role of downstream liaison.

occur within MCE service area to MCE consistent with the Commission's approach to sharing costs and cost effectiveness for statewide programs,[9]

Finally, MCE also requests the Commission resolve two ongoing policy issues related to budgets that will enable MCE to be a more effective PA by approving:

1) a threshold for budget increases to address Community Choice Aggregator ("CCA") service area growth to allow for inclusion of new communities within existing approved programs without triggering a business plan update; and

2) alignment of gas funding[10] and electric funding processes to continue to address climate change and achieve therms savings through comprehensive building upgrades with less administrative burden.

II. BACKGROUND

MCE is the first operating CCA in California. MCE is currently the primary electricity provider in its service area, offering electricity generation to 83% of eligible customers. MCE currently serves over 255,000 customers throughout its service area, which includes the entirety of Marin and Napa Counties and the cities of Benicia, El Cerrito, Lafayette, Richmond, San Pablo, and Walnut Creek. Energy Efficiency ("EE") is a central part of MCE's mission "to address climate change by reducing energy related greenhouse gas ("GHG") emissions through renewable energy supply and energy efficiency at stable and competitive rates for customers while providing local economic and workforce benefits."[11]

The Commission is transitioning to a ten-year rolling portfolio framework for EE

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[9] D.16-08-019.
[10] D.14-10-046, OP 26 at p. 168.
[11] Our Mission. Available at http://mcecleanenergy.org/about-us/.

programs.[12] The Commission anticipates the rolling portfolio framework will reduce market barriers and transaction costs because of the increased certainty of long-term funding, while also balancing the need for appropriate stewardship of ratepayer funds.[13] The Commission took a significant step toward implementing a rolling portfolio when it ended funding cliffs for PAs.[14] The Commission originally intended to invite rolling portfolio applications in 2015.[15] However, it subsequently directed PAs to file their initial rolling portfolio applications on January 15, 2017.[16]

In 2013, MCE administered the first EE programs under the authority granted in § 381.1(a)-(d). These programs were initially restricted by the Commission to serve gaps in IOU programs and hard to reach markets.[17] The Commission subsequently concluded that these restrictions may cause MCE's proposals to fail the TRC test and did not initially impose a minimum cost-effectiveness requirement.[18] In 2014, the Commission lifted the restrictions[19] and imposed the same cost-effectiveness standards on CCAs as IOUs.[20] The 2014 programs were extended to 2015 and beyond while the Commission transitioned to the rolling portfolio.[21]

MCE filed a business plan in October 2015 in Application 15-10-014. The Commission held a prehearing conference on MCE's application in early 2016, but no scoping memo was

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[12] Phase II of R.13-11-005.
[13] Order Instituting Rulemaking Concerning Energy Efficiency Rolling Portfolios, Policies, Programs, Evaluation, and Related Issues, R.13-11-005 at pp. 8-9.
[14] D.14-10-046, OP 21 at p. 167.
[15] D.14-10-046 at p. 31.
[16] D.16-08-019 at p. 3.
[17] D.12-11-015 at pp. 45-46.
[18] D.12-11-015 at p. 46.
[19] D.14-01-033 at p. 14. *See also* D.14-10-046 at p. 120 (Commission clarifying that the restrictions do not apply to gas programs).
[20] *See* D.14-01-033, OP 3 at p. 50 (Applying IOU cost effectiveness standards to CCAs); D.14-10-046 at p. 109-110 (Setting a TRC ratio of 1.25 for IOUs and CCAs).
[21] D.14-10-046 at pp. 30-32.

issued and no other action was taken in that proceeding. Since that filing, the Commission issued D.16-08-019, which changed the rules for statewide and third-party programs, among other things. Additionally, Commission staff issued guidance on the business plan filings.[22] Finally, the California Energy Efficiency Coordinating Committee ("CAEECC")[23] was launched in early 2017 and has provided regular input to the PAs in the preparation of their business plans.[24]

Concurrently with filing this application, MCE is filing a motion to withdraw Application 15-10-014 in that docket. This application supersedes Application 15-10-014.

III. THE COMMISSION SHOULD APPROVE MCE'S BUSINESS PLAN

A. MCE's Expanded Offerings Are Necessary, Innovative, Promote Customer Transformation, and Integrate the Full Spectrum of Demand-Side Resources

The expanded offerings proposed in MCE's Business Plan are necessary for MCE to achieve a cost-effective portfolio. The proposal contains numerous innovative strategies focused on providing a valuable and positive customer experience, including a ten-year approach to customer transformation and integration of demand-side resources through a robust SPOC. MCE seeks to transform customers to become more engaged in seeking energy savings and to reduce barriers to customers accessing multiple demand side resources. MCE respectfully requests that the Commission approve its Business Plan to enable MCE to successfully provide a comprehensive EE portfolio to its communities.

1. Expanded Programs Are Necessary to Meet the TRC Ratio of 1.25

A fundamental component of MCE's Business Plan is the inclusion of new programs that

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[22] Energy Efficiency Rolling Portfolio Business Plan Guidance ("Staff Guidance"). May 2, 2016. Available at http://media.wix.com/ugd/0c9650_17039cf0febd483ca48440bb6ef41d66.pdf.

[23] CAEECC is a stakeholder forum created in response to direction in D.15-10-028 that includes representatives from each PA, Commission staff, and interested stakeholders from throughout the state.

[24] MCE's Notice of Availability includes a link to the Issue Tracker for stakeholder input developed by CAEECC and includes MCE's responses to stakeholder input.

ensure a comprehensive, balanced, and cost-effective portfolio. MCE is required to achieve a 1.25 TRC ratio — the same TRC ratio as IOU PAs — which requires a comprehensive and balanced portfolio. MCE's existing portfolio is restricted to gaps in IOU programs and hard to reach markets, which is insufficient to achieve a 1.25 TRC ratio.

As discussed above, the Commission lifted such portfolio restrictions three years ago.[25] MCE needs an opportunity to launch expanded programs if it is expected to achieve a 1.25 TRC ratio. MCE embraces this shift by proposing new programs in the industrial, large commercial, and agricultural sectors as well as by expanding its existing programs in the small commercial, single-family, and multifamily sectors. MCE anticipates that its new portfolio will be more cost-effective than its existing portfolio.

MCE expects the proposed portfolio to grow more cost-effective over time. The Commission recognized this effect in establishing the TRC "on-ramp" for CCA PAs in their first three years of operation.[26] MCE has experienced a rapid ramp up of existing programs, with savings increasing 45% between 2013 and 2014 and 85% between 2014 and 2015.[27]

Once launched, the new programs in MCE's Business Plan will take time to ramp up operations and develop project pipelines. The administrative burdens will be larger during the ramp up and gradually become more efficient as the programs mature. MCE will optimize its portfolio over time to improve cost-effectiveness (*e.g.* by managing the measure mix and identifying innovative and cost-effective approaches to achieve energy savings). Additionally, elements such as attribution for statewide midstream and upstream activities are anticipated to directly and immediately increase MCE's TRC ratio. It will take time for MCE to achieve a 1.25

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[25] *See supra* at 4; D.14-01-033 at p. 14.
[26] D.14-01-033 at p. 32-34.
[27] Electric savings as reported in the MCE 2013, 2014, and 2015 Annual Reports. Available at http://eestats.cpuc.ca.gov.

TRC and the expanded programs proposed in the Business Plan are a necessary step to achieve this result.

2. MCE's Approaches to Energy Efficiency Are Innovative and Support Customer Transformation

MCE's Business Plan is innovative and supports Commission policy objectives. MCE's ten-year vision for EE embraces customer transformation through a positive customer experience and declining incentives for adopted measures. The plan also integrates the full spectrum of demand-side resources, including EE and water-saving measures, to provide customers with more tools to manage their energy use. The plan responds to the changing needs of the energy market by integrating demand-side management strategies and increasing utilization of advanced metering infrastructure ("AMI") for measurement and verification and customer satisfaction.

3. MCE's Ten-Year Vision Incorporates Customer Transformation

MCE leverages the ten-year planning horizon in the rolling portfolio to embrace customer transformation. This strategy enhances the customer experience because it promotes solutions based on dynamic value propositions and customer needs. The proposal includes a mechanism that ties incentive levels to adoption rates; as adoption of a measure increases, the incentives for that measure decrease. This mechanism phases out mature technologies automatically and supports emerging technologies through higher initial incentives.

MCE's emphasis on transforming EE goes beyond a project-by-project approach to foster a culture where EE is the norm — a program design originally anticipated by the Long Term Energy Efficiency Strategic Plan.[28] The goal of the customer transformation approach is to

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[28] The Long Term Energy Efficiency Strategic Plan, jointly adopted by the CEC and the CPUC, calls for a market in which ratepayer subsidies are no longer necessary. January 2011 Update, Section 1.3 at pp. 4-5. Available at http://www.cpuc.ca.gov/NR/rdonlyres/A54B59C2-D571-440D-9477-3363726F573A/0/CAEnergyEfficiencyStrategicPlan_Jan2011.pdf.

create a positive customer experience to encourage repeat program participation and enhance spillover benefits. MCE anticipates that customers will be transformed through direct participation in the program, leading to both more comprehensive initial projects and to subsequent projects, as well as through indirect participation due to spillover benefits from participating customers. This approach to transforming customers will build over time to create change throughout MCE's communities and support EE and energy management as an important part of life.

4. MCE's Energy Efficiency Programs Integrate the Full Spectrum of Demand-Side Resources

MCE integrates demand-side resources through a customer-centric approach that enables customers to access resources that are relevant to the specific projects they wish to implement. The Business Plan describes MCE's SPOC for customers. The SPOC acts as a facilitator and participant-advocate and remains engaged through project completion. The SPOC assists customers in maximizing the work done on a project through providing and bundling demand-side opportunities, phasing projects to incorporate additional technologies over time, and connecting customers to available financing programs. A Customer Relationship Management ("CRM") system will complement the work performed by the SPOC. These elements will support integration of demand-side resources, an ongoing relationship with customers, and new approaches to managing energy.

B. MCE's Business Plan Structure Reflects MCE's Core Activities

The sector chapters in MCE's Business Plan reflect the work MCE will undertake. The Commission has directed business plans to contain a chapter for six sectors including: (1)

residential; (2) commercial; (3) industrial; (4) agricultural; (5) public; and (6) cross-cutting.[29] The cross-cutting chapter can include measures, strategies, or interventions that do not cleave neatly along sector boundaries.[30]

MCE's Business Plan presents the residential sector as two separate chapters: single family and multifamily. This structure reflects the differences in serving these two subsectors and allows for more tailored approaches for each type of residential property. MCE includes an industrial and agricultural chapter consistent with Commission guidance. MCE provides a workforce chapter as a cross-cutting chapter, which describes MCE's approach to workforce development that applies to all customer sectors.

MCE will include emerging technologies as measures in its portfolio, but may not engage as heavily as other PAs to identify and provide the technical underpinnings to introduce new technologies. MCE includes financing elements embedded in each sector chapter to highlight how these elements will be utilized for different customer segments. Additionally, the SPOC will serve to connect MCE's customers with the financing programs available through the statewide financing pilots.

MCE does not include a distinct public chapter because that sector is primarily served through local government partnerships ("LGPs") in MCE's service area. MCE will continue to expand public-private partnerships (*e.g.* PACE Financing) and collaborate with LGPs to offer innovative approaches. MCE's SPOC will assist customers in accessing LGP programs that serve public agencies. Where opportunities for leveraging MCE's other offerings exist (*e.g.* commercial sector offerings), MCE will bundle these offerings with LGP public sector offerings.

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[29] D.15-10-028 at p. 47.
[30] D.15-10-028 at p. 47.

C. Topics in Response to Staff Guidance on Business Plan Filings

The Staff Guidance raises several topics to be addressed in business plan filings. MCE addresses a number of these items below.

1. Coordination with Related Proceedings

The Staff Guidance called for business plans to contain information on various Commission proceedings that relate to EE. These proceedings include (1) Demand Response ("DR"); (2) the Residential Rate Reform proceeding; (3) the Integrated Distributed Energy Resources ("IDER") proceeding; (4) the Zero Emission Vehicles ("ZEV") proceeding; and (5) the Energy Savings Assistance Program ("ESAP").[31]

MCE has its own DR programs that are not part of Commission authorized or funded DR programs. MCE intends for its EE programs to install equipment that is DR-ready when feasible. Further, the SPOC and integrated demand-side resources approach within MCE's Business Plan will encourage DR participation.

MCE requests the Commission direct Pacific Gas & Electric Company ("PG&E") to support MCE's efforts to align various activities related to residential rate reform with MCE's EE portfolio. The Staff Guidance requested that PAs address their Time of Use ("TOU") marketing, education, and outreach ("ME&O") plans, including the ways in which ME&O efforts will align with California Alternate Rates for Energy ("CARE"), California Climate Credit, EE, and DR.[32] MCE requires support from PG&E to adequately address these topics when delivering its EE portfolio.

As a CCA, MCE provides electric generation service and not transmission and distribution ("T&D") service. The T&D service will impact TOU and CARE rates and is

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[31] Staff Guidance at pp. 7-9.
[32] Staff Guidance at p. 9.

provided by PG&E for MCE's customers. Similarly, as MCE's billing agent, PG&E issues the California Climate Credit and applies the CARE discount. Unlike MCE, PG&E (1) was required to file a TOU ME&O plan; (2) has received allocations of ratepayer funds to develop TOU rate analysis; and (3) administers Commission-authorized and ratepayer-funded DR programs. PG&E has the tools and information MCE needs to respond to the Staff Guidance. Further, MCE's EE programs can serve both unbundled MCE and bundled PG&E customers. MCE requests the Commission direct PG&E to support MCE's efforts to incorporate these residential rate reform topics within its EE portfolio, including TOU billing analysis.

Progress in the IDER proceeding has been limited to pilots and utility incentives to meet distribution grid needs with distributed energy resources ("DERs") in lieu of traditional investments. MCE's SPOC and Integrated Demand-Side Management approach in the Business Plan support the general goals of the IDER proceeding to integrate the various DERs. This approach will help solve problems that cannot be addressed with siloed program delivery (*e.g.* enrolling a customer in a solar program, in an energy storage program, or on dynamic rates when they have purchased an electric vehicle). MCE will continue to track this proceeding and support an integrated approach to demand-side management and DERs.

MCE does not currently have an application before the Commission related to ZEVs. MCE is engaged in the IOU applications regarding ZEVs and intends to coordinate with PG&E to the extent possible to ensure that MCE customers have an equitable opportunity to take advantage of PG&E's Commission-authorized ZEV programs. MCE's proposed SPOC model intends to support customers that are pursuing ZEVs by helping those customers access complementary resources and select appropriate rate schedules.

MCE is engaged in the ESAP proceeding and recently received approval of its pilot program from the Commission.[33] MCE's Low-Income Families and Tenants ("LIFT") pilot is designed to help eliminate the siloed delivery of general EE programs and the ESAP. The LIFT program will provide additional incentives to income-qualified customers and leverage the same outreach and program delivery as MCE's general EE programs. MCE's Multifamily Program has a history of serving a large number of income-qualified customers. MCE's Business Plan continues to support those customers and its LIFT pilot will enhance MCE's program delivery.

2. Utility Audit, Finance, and Compliance Branch ("UAFCB") Auditors Report

The Staff Guidance instructed PAs to identify how PAs' business plan budgets were derived based on the UAFCB Auditor's Report recommendations.[34] The UAFCB report has not been released. As such, MCE's Business Plan does not address any UAFCB recommendations.

3. CAISO's 2016–2017 Transmission Planning Process

Energy Division also instructed PAs to address the California Independent System Operator's ("CAISO") transmission planning requirements that identify locations where additional achievable energy efficiency ("AAEE") is needed.[35] The CAISO 2015-2016 Transmission Plan issued on March 28, 2016[36] does not identify any locations within MCE's service area where additional AAEE is relied upon to meet transmission planning requirements. The CAISO has not issued a board approved 2016–2017 Transmission Plan. However, MCE will consider location targeting of EE based on transmission constraints as the plan is finalized. As such, MCE's Business Plan does not include any needs identified in the CAISO's 2016–2017 Transmission Plan.

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[33] D.16-11-022, OP 147 at p. 492.
[34] Staff Guidance at p. 5.
[35] Staff Guidance at p. 7.
[36] https://www.caiso.com/planning/Pages/TransmissionPlanning/2015-2016TransmissionPlanningProcess.aspx.

4. Pilot Programs and the Business Plan

The Staff Guidance calls for a discussion of pilots underway or contemplated for each sector. MCE currently has a handful of pilots either approved or underway including: an On-Bill Repayment ("OBR") Financing pilot, the LIFT pilot, and a Nest Seasonal Savings pilot. In this filing, MCE is proposing the four downstream statewide pilot programs discussed in Section V below. MCE may pursue additional pilots in the future, especially those that support GHG reductions and IDER. MCE may request funding for additional pilots to test novel approaches and technologies. MCE will propose such pilots via a Tier 2 advice letter to provide Commission staff and stakeholders an opportunity to shape the pilot design, data collection, and Evaluation, Measurement and Verification ("EM&V") methodology prior to launch. MCE may also issue requests for proposals or utilize other competitive solicitation tools for pilots. MCE is likely to fund some MCE-specific pilots out of its operating revenue and is open to a Commission partnership to share in the costs and benefits for those pilots.

D. Statement of MCE's Preparedness for Evaluation

MCE designed its portfolio of programs to collect the necessary data and perform adaptive management to ensure effective evaluation of its proposed portfolio. The Commission requires a statement of evaluation "preparedness."[37] The statement relates to: (1) data collection strategies or intervention to ensure ease of reporting; and (2) internal performance analysis during deployment.[38] MCE focuses on implementing a greater use of AMI data in on-going program measurement and verification.[39] MCE will also utilize the SPOC as an opportunity to

[37] D.15-10-028 at pp. 47-48.
[38] D.15-10-028 at pp. 47-48.
[39] Business Plan at p. 32.

gain real-time feedback from both customers and contractors regarding improved strategies for program implementation, and will implement program improvements in real time, engaging in adaptive management.[40] Through collecting data and conducting internal performance analysis, MCE is prepared to ensure successful evaluation of its portfolio. The metrics that will be used to gauge success of different program intervention strategies are detailed in the sector chapters in the Business Plan. Each sector chapter in the Business Plan also highlights additional evaluation studies that MCE identifies to test innovative or new intervention strategies.

IV. THE COMMISSION SHOULD ADDRESS PROGRAM OVERLAP BY DESIGNATING MCE AS THE DOWNSTREAM LIAISON AND PROVIDING MCE ATTRIBUTION FOR ENERGY SAVINGS WITHIN ITS SERVICE AREA

This application provides sufficient facts to support the Commission acting to address program overlap between a CCA PA and an IOU PA. The Commission recognizes that program overlap may present challenges, but has declined to address overlap until the factual situation arose in a program, application, or advice letter.[41] The Commission has suggested that overlap may be addressed in a proceeding devoted to a particularized MCE request for funding.[42] Given that this application proposes expanded program offerings and is devoted to a particularized MCE request for funding, the Commission must now address program overlap between CCAs and IOUs.

MCE proposes a program coordination approach that accommodates the evolving EE landscape as statewide and third-party programs take on new forms. To facilitate these changes and to enable the cost-effective execution of MCE's portfolio, MCE proposes (i) to assume the role of the downstream liaison, and (ii) to receive savings and budget attribution for all programs

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[40] Business Plan at p. 31.
[41] D.14-01-033 at p. 36.
[42] D.15-08-010 at p. 9.

within MCE's service area.

A. MCE's Role as Downstream Liaison Organizes Overlapping Programs

The role of downstream liaison will require other programs to coordinate with MCE prior to performing outreach to customers in MCE's service area. This coordination will enhance MCE's ability to serve customers as the SPOC for downstream EE programs. MCE is not proposing to provide all outreach activities for non-MCE programs. However, in its role as downstream liaison, MCE will strive to eliminate customer confusion about multiple program offerings and may preclude PG&E third party and other PG&E downstream programs that are duplicative of MCE's offerings from being delivered in MCE's service area. MCE is limiting its ability to preclude duplicative program offerings for statewide and local government programs. MCE's proposal for varied treatment among PAs is based on MCE's experience of productive collaboration with local governments and unproductive collaboration with PG&E.[43] MCE recognizes the Commission's efforts to try a new approach to statewide programs, and thus does not propose precluding any statewide programs from being delivered within MCE's service area.

MCE's portfolio acknowledges and accounts for the fact that its service area also overlaps geographically with the Bay Area Regional Energy Network ("BayREN") and certain LGPs. MCE is actively working to avoid duplication and limit overlap of programs by coordinating with BayREN and relevant LGPs. Where overlap is unavoidable, however, MCE will coordinate marketing and outreach with these partners to minimize customer confusion and maximize program uptake. MCE will also coordinate with the statewide ME&O administrator to ensure the role of downstream liaison is adequately considered.

B. Assigning MCE the Role of Downstream Liaison Is a Manageable Solution to Address Overlap with Other PAs

[43] MCE's collaboration experience is discussed further in MCE Testimony Chapter 4 Section A.

As discussed above, the Commission should address overlap by designating MCE as the downstream liaison within MCE's service area. In this role, if MCE precludes a duplicative offering from a PG&E third party program or other PG&E downstream program, that offering may not be delivered in the portion of MCE's service area.[44] Such an outcome satisfies the statutory requirement to accommodate the need for broader statewide and regional programs[45] because statewide programs are not affected and duplicative regional PG&E programs are not eliminated; MCE will administer a local iteration that provides the same services. Additionally, PG&E will not necessarily be displaced from delivering programs in MCE's service area. PG&E can: (1) administer programs MCE is not administering; and (2) work with MCE to administer programs. MCE is hopeful about future cooperation with third parties and PG&E under its proposal and encourages the Commission to consider adding a component in the Energy Savings Performance Incentive that rewards such collaboration. The Commission should pursue a manageable solution to address program overlap by assigning MCE the role of downstream liaison.

C. MCE's Role as Downstream Liaison Is Necessary to Accomplish Its Statutory Responsibilities

MCE has the sole statutory responsibility for generation procurement activities for CCA customers.[46] MCE has procurement responsibility for approximately 83% of the accounts within its service area.[47] The Legislature and the Commission have recognized EE as a procurement

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[44] Some programs may only be duplicative in subsets of MCE's service area.
[45] Cal. Pub. Util. Code § 381.1(f)(3).
[46] "A community choice aggregator shall be solely responsible for all generation procurement activities on behalf of the community choice aggregator's customers, except where other generation procurement arrangements are expressly authorized by statute." Cal. Pub. Util. Code § 366.2(a)(5).
[47] The other CCAs currently operating in California are similarly dominant in their service areas with a 20% or lower opt-out rate.

resource and placed it at the top of the Loading Order.[48] Thus, the statutorily-required role of MCE in electricity procurement within its service area supports MCE serving as the downstream liaison within its service area for EE, the first procurement resource in the Loading Order.

D. MCE Should Receive Attribution for All Savings from Statewide and Downstream Programs within Its Service Area

Attribution of all savings for statewide and downstream programs within its service area will enable MCE to maintain a cost-effective portfolio. The Commission appropriately authorized all contributing PAs to share the savings attribution for upstream and midstream activities carried out through statewide programs.[49] MCE (1) seeks clarification about the attribution for statewide programs; and (2) proposes to receive attribution of all savings from statewide and downstream program activities within MCE's service area.

MCE seeks to clarify that CCA PAs are eligible to fund and receive savings attribution for statewide programs. When revising the rules for statewide programs, the Commission discussed a role for CCAs to (1) administer;[50] (2) fund;[51] and (3) receive savings attribution.[52] However, the Commission inadvertently referred exclusively to utilities when this discussion was translated into an order.[53] Further, it would be incongruous to allow a CCA to administer a

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[48] § 454.5(b)(9)(C) indicates: "[t]he electrical corporation shall first meet its unmet resource needs through all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible." *See also* State of California Energy Action Plan I, 2003 at p. 4 (defining a loading order with energy efficiency as the primary resource); and the Energy Efficiency Policy Manual at p. 1 (noting energy efficiency is a procurement resource and first in the loading order).
[49] D.16-08-019 at pp. 55-56.
[50] "[T]he lead administrator need not necessarily be a utility…." D.16-08-019 at p. 53.
[51] "But this does not mean that the other program administrators, particularly the utilities and CCAs whose customers will be contributing funding for the program, do not have an important role." D.16-08-019 at p. 54.
[52] "[T]he energy savings will be apportioned to all contributing administrators based on actual customer participation." D.16-08-019 at p. 55.
[53] "The budget for each statewide program in each utility territory shall be counted toward the

statewide program but not fund or receive savings attribution for that same program. MCE requests that the Commission clarify its intent for CCA PAs to be able to fund and receive savings attribution for statewide programs.

MCE proposes to receive attribution of savings and provide funding for all statewide programs and other downstream program activities within MCE's service area. The Commission has not determined how statewide program savings would be attributed between a CCA and an IOU. PG&E has refused to engage in a dialogue with MCE about attribution of statewide programs. MCE requests the Commission attribute all savings achieved in MCE's service area through statewide programs and downstream programs to MCE. MCE's limited geographic range substantially limits its ability to administer a balanced and cost-effective portfolio. MCE's service area is heavily comprised of residential and small-to-mid sized commercial customers. These customer segments are historically among the least cost-effective to serve, especially with comprehensive programs. Competing programs in MCE's service area compound this challenge by increasing the marketing and outreach dollars necessary to reach customers and fragmenting already limited savings opportunities between multiple PAs. MCE requests attribution of savings for all statewide and downstream program activity within its service area to administer a cost-effective portfolio.

MCE acknowledges that a portion of its budget will be used to support these program activities for which MCE will receive attribution. At the time of this filing, MCE does not have the necessary information to incorporate exact budget figures for the statewide programs. MCE anticipates that a portion of the requested budget would go towards these statewide activities.

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cost-effectiveness of each utility's energy efficiency portfolio and each utility shall be given energy savings and Energy Savings Performance Incentive credit consistent with their customers' funding and program participation." D.16-08-019, OP 7 at p. 110.

MCE will remain engaged with the other PAs in the development of statewide program budgets and will request MCE's portion for these programs in its September 1 annual budget advice letter following approval of this application. MCE requests that the Commission direct PG&E to collaborate with MCE to determine the appropriate portion of budget that should be covered by MCE.

MCE requests that downstream program attribution and funding be consistent with the approach for statewide programs. The Commission has directed each PA to contribute funding and receive attribution for the statewide programs based on customer participation.[54] While MCE's forecasted budgets in the Business Plan include funding to support downstream programs within MCE's service area, MCE will need to compare against actual program activity to further refine budget estimates. MCE will utilize data (*e.g.* 2016 savings claims) to estimate the participation in downstream programs in its service area and will request a commensurate budget in its September 1 annual budget advice letter to support all downstream activity within its service area.

E. Designating MCE as the Downstream Liaison and Providing MCE with Attribution of All Savings Ensures Equity and Cost Effectiveness

The Commission can and should restrict program overlap between CCA PAs and IOU PAs to ensure equity and cost-effectiveness of EE programs.[55]

Allowing overlap between MCE's offerings and PG&E's offerings can lead to inequity. First, IOUs have advantages over CCAs that prevent competitive neutrality, including a broader

[54] D.16-08-019 at pp. 54-56.
[55] "The commission may order an adjustment to the share of energy efficiency program activities directed to a community choice aggregator's territory if necessary to ensure an equitable and cost-effective allocation of energy efficiency program activities." Cal. Pub. Util. Code § 381.1(c).

geographic service territory with greater opportunities for high-TRC ratio projects[56] as well as access to more customer data (*e.g.* prior participation data).[57]

Second, inequitable results can arise in the context of program shopping. PG&E employs account representatives that receive financial incentives for referring customers to PG&E's EE programs, instead of the program that best suits a customer's needs. Multiple programs serving the same customers also present challenges for implementing distinct program strategies because they allow customers to shop among programs for the highest incentives. This dynamic undermines the potential for MCE's customer transformation strategy to reduce costs as customers are transformed. Customers may simply choose MCE's program in early years due to relatively high incentives and choose PG&E's program in later years as MCE's incentives decline. Overlapping programs also reduce cost-effectiveness because multiple PAs devote resources to reaching the same projects. These challenges create equity and cost effectiveness concerns that should be alleviated by assigning MCE the role of downstream liaison.

Instead of pitting PAs against each other, the Commission should encourage partnerships between MCE and PG&E. These partnerships should reward PG&E for meaningful collaboration with MCE tied to referrals and data sharing related to program participation. Such partnerships should include incentives paid to IOU account representatives for supporting participation in MCE programs. Establishing MCE as the downstream liaison and providing incentives to collaborate will encourage more effective cooperation between MCE and PG&E while minimizing equity and cost effectiveness concerns related to overlapping programs. Table

[56] This is due to factors such as generally hotter climate zones and a greater proportion of larger industrial and commercial customers.
[57] The IOUs have access to all prior program participation for customers within their service area. This allows the IOU to understand which customers have participated in which programs, improving their ability to target customers.

1 below provides a summary of information about how the role of downstream liaison and savings attribution will be coordinated with multiple types of PAs.

Table 1: Coordination in MCE's Role as Downstream Liaison and with Savings Attribution

	Required to Coordinate with MCE Prior to Outreach	MCE has Authority to Preclude Duplicative Offerings	100% Savings Attribution for Activities within MCE Service Area	100% Budget Attribution for Activities within MCE Service Area
Upstream & Midstream Statewide Programs	No	No	Yes	Yes
Downstream Statewide Programs	Yes	No	Yes	Yes
Third Party Programs	Yes	Yes	Yes	Yes
Other IOU Downstream Programs	Yes	Yes	Yes	Yes
REN Programs	Yes	No	Yes	Yes
LGP Programs	Yes	No	Yes	Yes

V. THE COMMISSION SHOULD APPROVE MCE'S PROPOSED STATEWIDE DOWNSTREAM PILOTS

MCE also proposes and seeks approval of four statewide downstream pilot programs as part of this filing as the Commission requires.[58] MCE includes the details of the pilots in the application and testimony, as opposed to within the Business Plan, because the PAs did not reach consensus and so could not include a single proposal. If MCE's recommended pilots are approved, MCE will work with the other PAs to develop common language to include as an attachment in all the PAs' business plans.

[58] D.16-08-019, at p. 65, and OP 9 at p. 111.

MCE proposes four statewide downstream pilot programs: (1) a Consolidated Workpaper Development Pilot Program;[59] (2) a Transparent Deemed Savings Development Pilot Program;[60] (3) a Consistent Normalized Metered Energy Consumption ("NMEC") Methodology Pilot Program;[61] and (4) a Statewide Data Support Pilot Program.[62] All of these programs enable MCE's favored SPOC approach for a consistent and efficient customer interface.

The IOUs will each likely propose in their business plans four discrete downstream programs to be piloted on a statewide basis. However, MCE's proposed programs cut across all other downstream programs, will ensure greater consistency throughout the state, and reduce overall administrative costs. The Commission should approve these cross-cutting programs designed to positively impact numerous other downstream programs as they are fundamentally different from and superior to the more narrowly focused programs the IOUs will propose.

The Commission ordered PAs to pilot a statewide approach for four separate downstream programs.[63] In doing so, the Commission recognized the benefit of statewide programs run under a lead administrator to ensure consistency throughout the state.[64] Furthermore, the Commission opined that downstream programs would benefit from having "a

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[59] This program would be administered by PG&E and would consolidate the development of all workpapers for all PAs into one program.

[60] This program would be administered by Southern California Edison Company ("SCE") and would replace the existing process for developing deemed values to establish a more transparent process.

[61] This program would be administered by San Diego Gas & Electric Company ("SDG&E") and would develop and maintain a consistent approach for NMEC to cost-effectively support the use of existing conditions baselines as called for by Assembly Bill 802 (2015).

[62] This program would be administered by Southern California Gas Company ("SoCalGas") and would develop a common data platform for all PAs to support statewide program administration, enable EM&V activities across multiple PAs, and other benefits.

[63] *See* D.16-08-019, mimeo at 65, 111 (Ordering Paragraph No. 9).

[64] D.16-08-019 at p. 53.

consistent set of program rules, documentation requirements, savings measurement requirements, etc.…"[65] and that the downstream pilots should "test the use of common elements even with regional or local variations."[66] In ordering the downstream approaches, the Commission called for a "statewide administration framework even though individual program participation activities would still occur at a local level."[67]

MCE's proposed workpaper program, the deemed measure program, and the NMEC methodology program support the statewide creation of a consistent set of rules, documentation requirements, and savings measurement requirements. Each of these programs, in addition to the Statewide Data Support Program, also provide a statewide framework and allow for individual program participation activities to occur at a local level, with regional or local variations. Thus, these programs are consistent with the Commission's direction for the statewide downstream pilots.

In addition, MCE's proposed pilot programs have four additional benefits that will not be found in the IOUs' proposals. First, MCE's programs preserve the ability to locally tailor the downstream customer interface because they pilot common approaches and elements that exist within other downstream programs. Second, MCE's programs have the potential to greatly reduce administrative costs associated with each PA undertaking these activities individually. Third, MCE's programs reduce the challenge of coordinating statewide and non-statewide customer-facing offerings that may result in siloed delivery and multiple customer touches. Fourth, program delivery for implementers will be more consistent across PA service areas. These advantages over the IOU programs are substantial and the Commission should authorize

[65] D.16-08-019 at p. 59.
[66] D.16-08-019, Conclusion of Law 52 at p. 104.
[67] D.16-08-019, Ordering Paragraph 9 at p. 111.

MCE's proposed statewide downstream pilot programs.

VI. THE COMMISSION SHOULD AUTHORIZE A THRESHOLD FOR BUDGET INCREASES BASED ON THE INCLUSION OF NEW COMMUNITIES WITHIN MCE'S SERVICE AREA

CCAs have the potential to include new communities within their service area at any time.[68] MCE's Business Plan includes a service area map, budget, and market characterization based on its existing communities. The Commission's recent decision created a new budget process under the rolling portfolio framework.[69] The new process uses annual budget advice letters to request the actual authorized budget consistent with an approved business plan, while the business plan is intended to provide a general sense of the budget supported by program strategies.[70] If a budget increase is deemed too large to be consistent with an approved business plan, the plan will need to be updated before the budget increase can be approved. MCE anticipates that including new communities will generally not require a reconsideration of the logic or fundamental approach articulated in its Business Plan. However, updating the Business Plan to reflect a newly included community would require considerable administrative work through an application filing and a resulting proceeding.

MCE recommends that the Commission develop a rule to avoid the administrative costs associated with such an application. MCE proposes a threshold of 50% for budget increases based on inclusion of new communities without the need to update the Business Plan. To request such an increase, MCE will submit a Tier 2 advice letter specifying the additional funding,

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[68] In 2015, additional communities joined MCE's service area including unincorporated Napa County and the cities of San Pablo, Benicia, and El Cerrito. As a result of this expansion, MCE served approximately 30% more customers compared to 2014. In 2016, MCE included Walnut Creek, Lafayette, and the cities and towns in Napa County, resulting in approximately 40% more customers than were served in 2015.
[69] D.15-10-028 at pp. 54-57.
[70] D.15-10-028 at pp. 55-56.

including a description of the activities that will be funded, and providing an updated cost effectiveness assessment. MCE will also maintain an updated implementation plan that provides a current service area map with associated market characterization information to reflect any new communities, similar to what is included in the Business Plan for existing communities.[71] The proposed threshold will reduce administrative costs because it will avoid the need for MCE to prepare and for the Commission to review a new business plan application each time a new community is included in MCE's service area. This is particularly useful if the logic and fundamental approach of the business plan does not change. The Commission should address the budget impacts of CCA service area growth by approving this threshold and a Tier 2 advice letter process to request budget increases for new community inclusion.

VII. THE COMMISSION SHOULD DIRECT PG&E TO MODIFY THE GAS FUNDING CONTRACT WITH MCE TO REDUCE UNNECESSARY COMPLEXITY AND ADMINISTRATIVE BURDENS

The Commission should direct PG&E to amend the terms of the gas funding contract with MCE to simplify the gas funding processes by aligning it with the electric funding process. The Commission directed PG&E to enter into a contract with MCE to provide gas funding that is modeled after the contract PG&E has with BayREN.[72] The Commission also directed PG&E to provide a high level of deference to MCE on the terms of this contract.[73] MCE requests that the Commission further direct PG&E to amend the terms of this contract to align it with the process by which MCE receives electric funds. The Commission should direct PG&E to revise the gas funding contract within 60 days of the approval of MCE's Business Plan.

MCE receives electric funds in quarterly installments from PG&E based on MCE's

[71] Business Plan at pp. 21-27.
[72] D. 14-10-046 at p. 119.
[73] D.14-10-046 at p. 119.

approved budget.[74] MCE specifies all unspent electric funds each year in an advice letter filing.[75] This unspent funds advice letter is used to offset the quarterly installments from PG&E in the following year.[76] This process is simple, functional, and administratively efficient.

The gas funding contract requires MCE to invoice PG&E on a monthly basis for expenditures. These invoices are approved both by PG&E and by Energy Division staff. PG&E subsequently transfers the invoiced gas funds to MCE. This process is functional, but involves unnecessary administrative burdens from the invoicing process and introduces complexity that the Commission should eliminate.

The complexity resulting from different treatment of gas and electric funds is unnecessary and should be eliminated. The complexity involves accounting and budget presentment, particularly in the unspent funds advice letter. Since MCE receives electric funds from PG&E prior to making expenditures but receives gas funds after making expenditures, only the unspent electric funds are available to offset future budget transfers. This complexity is unnecessary and should be avoided through amending the gas funding process to align with the electric funding process.

VIII. STATUTORY AUTHORITY AND COMPLIANCE WITH THE COMMISSION'S RULES OF PRACTICE AND PROCEDURE

A. Statutory Authority – Cal. Pub. Util. Code § 381.1(a)-(d)

MCE is applying to administer EE programs under the authority granted in Cal. Pub. Util. Code § 381.1(a)-(d).

B. Categorization – Rule 2.1(c)

MCE proposes that this application be categorized as a "ratesetting" proceeding under

[74] D.14-10-046, Ordering Paragraph 24 at pp. 167-168.
[75] D.14-10-046, Ordering Paragraph 25 at p. 168.
[76] D.14-10-046, Ordering Paragraph 24 at pp. 167-168.

Rule 7.1(e)(2) because it does not clearly fit into any of the categories as defined by Rules 1.3(a), 1.3(d), and 1.3(e).

MCE's application does not meet the definition of adjudicatory in Rule 1.3(a) because it is neither an enforcement investigation nor a complaint.

MCE's application does not clearly fit the definition of quasi-legislative under Rule 1.3(d) because it has components specific to MCE. The specific components include the request for funding for MCE's own programs. Since this application contains components other than quasi-legislative, it is not clearly a quasi-legislative proceeding under Rule 1.3(d).

EE applications filed by IOUs generally meet the definition of "ratesetting" in Rule 1.3(e) because the Commission approves rates for each IOU to collect funds to pay for the EE programs. However, the Commission does not set rates via a CCA application because CCAs are not in the role of revenue collection for Commission-authorized EE programs.[77] A CCA EE application has a ratesetting impact.[78] But the CCA application does not actually involve the Commission setting rates and thus is not a ratesetting application under Rule 1.3(e).

MCE proposes that this application be categorized as a "ratesetting" proceeding under Rule 7.1(e)(2) because it does not clearly fit into any of the categories as defined by Rules 1.3(a), 1.3(d), and 1.3(e).

C. Need for Hearing - Rule 2.1(c)

MCE has endeavored to provide a sufficient record via the application materials to obviate the need for evidentiary hearings. MCE does not recommend hearings at this time. If the need for hearings arises, MCE requests that the resulting hearing schedule allow the Commission

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[77] "For example, PG&E, not [MCE], collects the money that funds the EE programs that [MCE] administers." D.14-01-033 at p. 17.

[78] IOUs may use CCA applications to determine the rate changes they propose in their own applications.

to render a final decision on this application with sufficient time to start implementing the Business Plan at the start of 2018. MCE's proposed schedule is set forth in section VIII.E, below.

D. Issues to be Considered – Rule 2.1(c)

MCE's application requests the Commission approve MCE's Business Plan to enable MCE to successfully provide a comprehensive EE portfolio to its communities. MCE also requests the Commission take action to address the following issues.

- The Commission should approve MCE's proposal for four statewide downstream pilot programs in lieu of approving the IOUs' statewide downstream pilot proposal.
- The Commission should direct PG&E to support MCE's efforts to address residential rate reform topics within its EE portfolio, including TOU billing analysis.
- The Commission should address program overlap by (1) designating MCE as the downstream liaison within its service area; and (2) providing MCE attribution for all savings from statewide and downstream programs in MCE's service area.
- The Commission should clarify that CCAs are eligible to fund and receive savings attribution from statewide programs.
- The Commission should direct PG&E to collaborate with MCE to determine the appropriate portion of budget that should be covered by MCE for statewide programs.
- The Commission should consider adding a component in the Energy Savings Performance Incentive that rewards PG&E for collaboration with MCE's programs.

- The Commission should adopt a threshold of 50% for budget increases for CCA funding based on inclusion of new communities utilizing a Tier 2 advice letter and avoid the need to update a business plan via an application filing.
- The Commission should direct PG&E to amend the terms of the gas funding contract with MCE to simplify the gas funding processes by aligning it with the electric funding process within 90 days of MCE's Business Plan being approved.

E. Proposed Schedule – Rule 2.1(c)

MCE proposes the following schedule for consideration of its application:

File Application	January 17, 2017
Protests Due	February 16, 2017
Reply to Protests	February 28, 2017
Prehearing Conference	March 7, 2017
Scoping Memo	March 15, 2017
Opening Comments	March 31, 2017
Reply Comments	April 7, 2017
Proposed Decision	May 8, 2017
Opening Comments on Proposed Decision	May 29, 2017
Reply Comments on Proposed Decision	June 5, 2017
Final Decision	June 2017

MCE notes that intervenor testimony, rebuttal testimony, and briefing are not included in this schedule because they did not appear necessary for the 2013–2014 applications.[79] Additionally, this application serves a different purpose under the rolling portfolio framework from prior applications. This application requests approval of MCE's high level strategies and a general budget as opposed to a specific authorized budget with specific implementation plans.

[79] A.12-07-001 et al.

MCE anticipates that applications under a rolling portfolio framework can be resolved more expediently than prior EE applications. However, MCE understands the need for additional testimony and briefing may arise and necessitate a deviation from the proposed schedule.

F. Legal Name and Principal Place of Business – Rule 2.1(a)

The legal name of the Applicant is Marin Clean Energy. MCE's principal place of business is San Rafael, California. Its address is 1125 Tamalpais Avenue, San Rafael, CA 94901. MCE is a joint powers authority formed under the laws of California.

G. Correspondence and Communication Regarding This Application - Rule 2.1.(b)

All correspondence and communications regarding this application should be addressed to:

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H. Articles of Incorporation – Rule 2.2

MCE is a community choice aggregator operating as a joint powers authority ("JPA") organized under California law. MCE commenced operations as a JPA on December 19, 2008. MCE is engaged in the provision of electric generation services under the authority granted in Code § 366.2 and EE programs under the authority granted in Code § 381.1. A copy of MCE's current Amended Joint Powers Agreement, executed April 21, 2016 is available on MCE's website.[80]

[80] As of the date of this filing, the most recent Joint Powers Agreement is available at https://www.mcecleanenergy.org/wp-content/uploads/2016/06/JPA-Agreement-with-Amendment-10-on-4.21.16-24-Communities.pdf.

I. Rule 3.2 Requirements

The Rule 3.2 requirements do not apply to this application because MCE does not request authority to increase rates or to implement changes that would result in increased rates. IOU's perform revenue collection for EE programs and typically provide the materials called for under Rule 3.2 in their EE applications. As discussed above in Subsection VIII.B (Categorization - Rule 2.1(c)), MCE is not in a position of revenue collection for EE programs. Thus it is inappropriate for MCE to propose specific rate changes related to this application. The only information called for under Rule 3.2 that MCE can feasibly provide is not meaningful to a ratesetting decision in the context of EE programs. Therefore, it is unreasonable to impose the requirements of Commission Rule 3.2 on this application.

J. Notice and Service of Application

A copy of the application and Notice of Availability of supporting documents are being served on the parties of record in R.13-11-005, Commissioner Peterman, and Administrative Law Judge Fitch.

K. List of Supporting Documents

MCE includes the following links to documents to support this application. These documents are available at http://mcecleanenergy.org/regulatorydocuments/ under "MCE Energy Efficiency Business Plan Application (January 2017)" and at the direct links provided below. These links are also provided in the separate Notice of Availability served concurrently with this application:

- Testimony of Marin Clean Energy Regarding its Application for Approval of its Energy Efficiency Business Plan
  - Available at https://www.mcecleanenergy.org/2017-Testimony
- Marin Clean Energy Efficiency Business Plan
  - Available at https://www.mcecleanenergy.org/2017-EE-Business-Plan

- California Energy Efficiency Coordinating Committee ("CAEECC") Issue Tracker with MCE Responses to Issues
    - Available at https://www.mcecleanenergy.org/2017-CAEECC-Issue-Tracker

IX. REQUEST FOR COMMISSION ORDERS

MCE respectfully requests the Commission approve this application in its entirety by issuing the following orders:

1) Approve MCE's Business Plan.

2) Approve MCE's proposal for four statewide downstream pilot programs in lieu of approving the IOUs' statewide downstream pilot proposal.

3) Direct PG&E to support MCE's efforts to address residential rate reform topics within its EE portfolio, including TOU billing analysis.

4) Address program overlap by (i) designating MCE as the downstream liaison within its service area; and (ii) providing MCE attribution for all savings from statewide and downstream programs in MCE's service area.

5) Clarify that CCAs are eligible to fund and receive savings attribution from statewide programs.

6) Direct PG&E to collaborate with MCE to determine the appropriate portion of budget that should be covered by MCE for statewide programs.

7) Consider adding a component in the Energy Savings Performance Incentive that rewards PG&E for collaboration with MCE's programs.

8) Adopt a threshold of 50% for budget increases for CCA funding based on inclusion of new communities utilizing a Tier 2 advice letter process and avoid the need to update a business plan via an application filing.

9) Direct PG&E to amend the terms of the gas funding contract with MCE to simplify the gas funding process by aligning it with the electric funding process within 90 days of MCE's Business Plan being approved.

X. CONCLUSION

MCE respectfully requests the Commission expeditiously approve this application.

Respectfully Submitted,

Michael Callahan

By: *_/s/Michael Callahan_*

Michael Callahan

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January 17, 2017

VERIFICATION

I, the undersigned, say:

I am an officer of Marin Clean Energy, a Community Choice Aggregator, and am authorized to make this verification on its behalf. The statements in the foregoing *Application of Marin Clean Energy for Approval of Its Energy Efficiency Business Plan* are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct. Executed on January 13, 2017, at San Rafael, California.

Name: Dawn Weisz, Chief Executive Officer