

September 15, 2017

CA Public Utilities Commission
Energy Division
Attention: Energy Efficiency Branch
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298



Advice Letter 26-E

Re: Request for Approval to Shift Funds

In compliance with the California Public Utilities Commission’s (“Commission”) Decision (“D.”) 09-09-047, Ordering Paragraph (“OP”) 43, filed September 24, 2009, and the Energy Efficiency Policy Manual,¹ Marin Clean Energy (“MCE”) submits this filing to request approval to amend MCE’s gas savings agreement with Pacific Gas and Electric Company (“PG&E”) and shift gas savings funds into MCE’s 2017 Multifamily Program budget. This shift of gas savings funds from PG&E to MCE will accommodate project commitments and anticipated gas savings spending for the remainder of 2017.

PG&E supports this fund shift and the attached amendment to the gas savings agreement.

Effective Date: October 15, 2017

Tier Designation: Tier 2

Pursuant to General Order 96-B, Energy Industry Rule 5.2 this advice letter is submitted with a Tier 2 designation.

Purpose

The purpose of this advice letter filing is to seek approval to shift gas savings funds from PG&E to MCE. This fund shift requires an amendment to MCE’s gas savings agreement with PG&E. The shift will increase the gas budget for MCE’s Multifamily Program to accommodate gas savings project commitments and anticipated spending for the remainder of 2017.

Background

MCE currently administers a Multifamily Program with growing participation since its launch in 2013. Historically, enrollment in this program has exceeded capacity, and the Commission

¹ Version 5, July 2013, Section II.7 at p. 13, available at <http://www.cpuc.ca.gov/NR/rdonlyres/7E3A4773-6D35-4D21-A7A2-9895C1E04A01/0/EEPPolicyManualV5forPDF.pdf>.

previously authorized MCE to shift funds to this program to accommodate demand for both MCE's electric and gas savings components.²

In D.12-11-015, the Commission approved MCE's energy efficiency programs for 2013-2014. D.14-10-046 granted a continuation of funding for these programs. D.14-10-046 directed PG&E to contract with MCE to provide funding for MCE's natural gas efficiency measures.³ D.14-10-046 also ordered an original gas funding amount of \$219,000. Subsequently, the Commission increased MCE's gas funding to \$284,700.⁴ MCE and PG&E executed a third amendment to their gas savings agreement to reflect this budget increase.

In 2015, the Commission authorized PG&E to increase the amount of gas funds transferred from PG&E to MCE. PG&E Advice Letter 3642-G/4720-E requested an amendment to the gas savings agreement with MCE to provide an additional \$200,000 above MCE's approved gas savings budget. The increase ensured MCE had sufficient funding to serve its multifamily projects in 2015. Pursuant to the Commission's authorization, MCE and PG&E revised their gas savings agreement to reflect the funding increase.

This advice letter requests a similar gas funding budget increase to ensure MCE has sufficient funding to serve its multifamily projects in 2017.

Multifamily Program Activity

MCE's Multifamily Program has grown significantly since its launch in 2013. MCE's Multifamily Program provides targeted outreach and training to multifamily property owners, contractors, and tenants. The program focuses on providing incentives for electricity and gas efficiency retrofits in multifamily buildings.

At present, the gas savings component of MCE's 2017 Multifamily Program is fully subscribed for 2017. To enable MCE to continue its programmatic gas savings offerings, MCE requires an additional \$200,000 to continue to serve the project pipeline and support program growth and its associated savings through 2017. MCE's anticipated additional need for incentive payments in 2017 is \$200,000.

Fund Shifting for MCE's 2017 Gas Savings Budget

MCE requests authority to amend its gas savings agreement with PG&E and shift an additional \$200,000 in gas funds into MCE's Multifamily gas savings budget. MCE will continue to invoice PG&E for its 2017 gas savings expenditures through December 31, 2017. MCE will use or commit the 2017 gas savings budget increase for customer incentive payments for gas savings

² MCE Advice Letter ("AL") 15-E; MCE AL 20-E; MCE AL 24-E; PG&E AL 3642-G/4720-E.

³ D.14-06-046 at 119.

⁴ D.16-05-004, OP 2 at 13.

measures in 2017. Any amount of the \$200,000 not used or committed by December 31, 2017 will not be dispersed to MCE.

The proposed fund shift is presented in Table 1.

Table 1: Proposed Fund Shift

2017 Multifamily Program Budget⁵	Gas Funds Shifted to MCE from PG&E	New 2017 Multifamily Program Budget	2017 Gas Funds Before Shift	2017 Gas Funds After Shift
\$941,305	\$200,000	\$1,141,305	\$284,700	\$484,700

A copy of the fourth amendment to the gas savings agreement between PG&E and MCE is provided in Attachment 1 of this advice letter.

Notice

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or electronically, any of which must be received no later than 20 days after the date of this advice filing. Protests should be mailed to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Avenue
San Francisco, California 94102
E-mail: EDTariffUnit@cpuc.ca.gov

Copies should also be mailed to the attention of the Director, Energy Division, Room 4004 (same address above).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

⁵ Pursuant to MCE Advice Letter 24-E, this is MCE's Multifamily energy efficiency program budget as of June 3, 2017.

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There are no restrictions on who may file a protest, but the protest shall set forth specifically the grounds upon which it is based and shall be submitted expeditiously.

MCE is serving copies of this advice filing to the relevant parties shown on the service lists for R.13-11-005 and A.17-01-013 *et al.* For changes to this service list, please contact the Commission's Process Office at (415) 703-2021 or by electronic mail at Process_Office@cpuc.ca.gov.

Correspondence

For questions, please contact Nathaniel Malcolm at (415) 464-6048 or by electronic mail at nmalcolm@mceCleanEnergy.org.

/s/ Nathaniel Malcolm

Nathaniel Malcolm
Policy Counsel
MARIN CLEAN ENERGY

cc: Service Lists: R.13-11-005; A.17-01-013 *et al.*

**Attachment 1:
Fourth Amendment to the Agreement
Between Pacific Gas and Electric Company
and Marin Clean Energy for Gas Energy
Efficiency Measures**

**FOURTH AMENDMENT TO THE AGREEMENT BETWEEN PACIFIC GAS AND
ELECTRIC COMPANY AND MARIN CLEAN ENERGY FOR GAS ENERGY
EFFICIENCY MEASURES**

This Fourth Amendment to the Agreement between Pacific Gas and Electric Company (“PG&E”) and the Marin Clean Energy (“MCE”) For Gas Energy Efficiency Measures dated February 5, 2015 (“Agreement”) is made on September_____, 2017 (the “Effective Date”). All terms defined in the Agreement shall have the same meaning in this Fourth Amendment unless otherwise defined.

WHEREAS:

- A. The CPUC ordered PG&E to enter into a contract with MCE for \$219,000 per year until 2025 or until modified or superseded by further Commission direction, to use funds from gas public purpose program charges to pay in whole or in part for MCE energy efficiency programs that have a gas savings component in D.14-10-046, Ordering Paragraph 26 (Decision).
- B. The CPUC increased MCE’s gas budget to \$284,700 per year for the duration of the ten-year rolling portfolio cycle in D.16-05-004, Ordering Paragraph 2.
- C. MCE and PG&E entered into the Third Amendment to the Agreement between PG&E and MCE for Gas Efficiency Measures increasing the annual gas payments that can be made under the agreement to \$284,700 from 2016 through 2024.
- D. MCE has informed PG&E that its 2017 gas budget is insufficient to pay customer incentives for additional energy efficiency projects with gas savings components that may enroll in MCE's multi-family program in 2017.

The Parties agree to amend the Agreement as follows:

1. MAXIMUM CONTRACT AMOUNT

PG&E and MCE with the written approval and instruction by the CPUC Energy Division in accordance with MCE’s advice letter 26-E, agree to increase the maximum contract amount up to an additional \$200,000.00 for gas saving projects installed or committed by December 31, 2017. Any amount of the budget increase in this Fourth Amendment not used for customer incentive payments for gas savings measures for projects installed or committed by December 31, 2017, shall not be disbursed to MCE or otherwise available to MCE or its customers for energy efficiency projects after December 31, 2017, unless committed by December 31, 2017. With the additional \$200,000 the maximum contract amount for 2017 is \$484,700.

IN WITNESS WHEREOF, this First Amendment has been duly signed by the duly authorized representatives of the Parties hereto as of the Effective Date.

Pacific Gas and Electric Company

Marin Clean Energy

By:

By:

Printed: _____

Printed: _____

Title: _____

Title: _____

Date: _____

Date: _____

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY LSE (Attach additional pages as needed)

Marin Clean Energy

Utility type:

ELC

GAS

PLC

HEAT

WATER

Nathaniel Malcolm, Marin Clean Energy

Phone #: 415-464-6048

E-mail: nmalcolm@mcecleanenergy.org

EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL): 26-E

Subject of AL: Request for Approval to Shift Funds

Tier Designation: 1 2 3

Keywords (choose from CPUC listing):

AL filing type: Monthly Quarterly Annual One-Time Other _____

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution: N/A

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL _____

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: October 15, 2017

No. of tariff sheets:

Estimated system annual revenue effect: (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets:

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
EDTariffUnit@cpuc.ca.gov

Utility Info (including e-mail)
Marin Clean Energy
Nathaniel Malcolm, Policy Counsel
(415) 464-6048
nmalcolm@mceCleanEnergy.org

¹ Discuss in AL if more space is needed.