

December 1, 2017

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



Advice Letter 29-E

Re: Identification of Unspent Funds from Marin Clean Energy’s 2017 Energy Efficiency Programs Available for the 2018 Program Budget

Pursuant to Decision (“D.”) 14-10-046, *Decision Establishing Energy Efficiency Savings Goals and Approving 2015 Energy Efficiency Programs and Budgets (Concludes Phase I of R.13-11-005)*, Marin Clean Energy (“MCE”) submits Advice Letter (“AL”) 29-E to identify unspent energy efficiency (“EE”) funds for MCE’s 2018 EE programs.¹

Effective Date: December 31, 2017

Tier Designation: This advice filing has a Tier 2 designation pursuant to Ordering Paragraph (“OP”) 25 of D.14-10-046, which requires MCE “to file a Tier 2 Advice Letter on December 1, 2014 . . . and on December 1 of each successive year until 2024, identifying carry-forward amounts for the next year.”²

Purpose

This compliance filing provides the unspent funds amount required by OP 25 of D.14-10-046. This filing also trues-up the estimated 2016 unspent funds to reflect actual spending through the end of 2016. Finally, MCE presents the quarterly electric funds transfers from Pacific Gas and Electric Company (“PG&E”) to MCE for the 2018 budget based on offsets calculated using the identified unspent funds.

Background

The funding for EE programs is provided by ratepayers, collected by the Investor Owned Utilities (“IOUs”) on authority of the Commission, and subsequently distributed by the IOUs. In MCE’s case, PG&E distributes the Commission-approved budget directly to MCE.

¹ D.14-10-046, OP 25 at p. 168.

² *Id.* at p. 168.

Pursuant to D.14-10-046, MCE is required to file an annual Tier 2 AL on December 1 that identifies unspent funds that can be carried over into the next program year to reduce the amount of electrical funds PG&E needs to transfer to MCE.³

In D.14-10-046, the Commission extended the 2013-2014 annual EE program budgets through 2025.⁴ The Commission directed PG&E to transfer EE budgets annually to MCE, less any amount MCE identifies as unspent.⁵ Table 1 provides a breakdown of the total 2018 budget by electricity and gas funds including programmatic activities and Evaluation, Measurement, and Verification (“EM&V”) activities.

Table 1: 2018 Budget by Electricity and Gas Funds, Including EM&V Funds

	Electricity Funds	Natural Gas Funds	Totals
Authorized 2018 Program Funds ⁶	\$1,301,647	\$284,700	\$1,586,347
Authorized 2018 EM&V Funding ⁷	\$14,195	\$3,262	\$18,177
Authorized Budget for 2018	\$1,316,562	\$287,962	\$1,604,524

MCE receives electricity funds and gas funds through separate processes.⁸ MCE receives electric EE funds from PG&E on a prospective, quarterly basis.⁹ In contrast to the electric funds, MCE invoices PG&E for gas funds on a retrospective, monthly basis.¹⁰ Although MCE’s approved annual budget includes both gas and electric funds, MCE does not receive gas funds for which it does not invoice. Therefore under the current rules, unspent (i.e. non-invoiced) gas funds are not included as “unspent” in MCE’s annual unspent funds ALs.

³ *Id.* at p. 168.

⁴ *Id.*, OP 21 at p. 167.

⁵ *Id.* at p. 125; OPs 24-26 at pp. 167-68.

⁶ This authorized annual budget includes \$1,301,647 in electricity funds and \$284,700 in natural gas funds. D.16-05-004, OP 2 at p. 13.

⁷ MCE’s Annual Budget AL (AL 25-E) and MCE’s Supplemental Annual Budget AL (AL 25-E-A) requests the authorized EM&V budget be transferred to MCE, which increases the total 2018 budget by \$18,177. MCE will allocate the EM&V funding between electric and gas based on the same proportions as in MCE’s underlying annual budgets.

⁸ *See* D.14-10-046 at pp. 119-20; OP 24, 26 at pp. 167-68.

⁹ D.14-10-046, OP 24 at pp. 167-68.

¹⁰ *Id.* at p. 119; OP 26 at p. 168. In D.14-10-046, the Commission directed PG&E to contract with MCE for the provision of gas funding for MCE’s EE gas savings. The monthly invoicing arrangement is embodied in the gas funding contract entered into pursuant to that decision.

True-up of 2016 Unspent Funds

In December 2016, pursuant to D.14-10-046, MCE filed the 2016 Unspent Funds AL.¹¹ The Commission has recognized that because of the December 1 filing requirement, MCE would have to base the unspent funds on a projection of spending for the year.¹² The Commission suggested MCE “use its best estimates for the months for which it does not yet have actual spending data.”¹³ As such, as part of this annual advice letter, MCE provides a true-up of the 2016 unspent funds to reflect actual spending through the end of 2016.

Table 2 provides a true-up of the 2016 unspent funds calculation to reflect MCE’s actual spending through the end of 2016.

Table 2: True-up of 2016 Unspent Funds Available for Carryover

Actual 2016 Unspent Funds (Electric Only)	Projected 2016 Unspent Funds Reported in MCE AL 21-E (used to off-set 2017 funds)	2016 Committed Funds (Electric Only)	2016 Unspent Funds Available to Off-set 2018 Funds
\$416,165	(\$3,714)	(\$189,268) ¹⁴	\$223,183

The true-up of unspent funds from 2016 results in \$223,183 in unspent funds from 2016 available to offset the 2018 budget transfers from PG&E to MCE.

Identification of 2017 Unspent Funds Available for Carryover to 2018

The total unspent EE funds from 2017 available for MCE’s 2018 EE program is \$195,574 as provided in Table 3 below.¹⁵

Because this filing is made before the end of 2017, it includes a projection of 2017 program expenditures. As Table 2 illustrates, above, the true-up 2016 spending results in \$223,183 in additional unspent funds from 2016 that will be carried over to off-set the 2018 budget. Table 3, below, provides the total unspent funds from 2016 and 2017 available for carryover to offset the

¹¹ MCE AL 21-E.

¹² D.14-10-046 at p. 126.

¹³ *Id.* at p. 126.

¹⁴ Pursuant to D.12-11-015 at p. 95, the Commission held that committed funds are not considered unspent.

¹⁵ As of this filing, MCE is awaiting disposition of MCE AL 28-E, which requested authority to shift funds between MCE’s Small Commercial Program and its Financing Program. For the sake of simplicity, this filing presumes Commission staff approval of MCE AL 28-E. This AL can be updated with supplemental materials if directed by Commission staff or if any of these pending dispositions impact the figures included in this AL.

2018 budget transfers from PG&E. Finally, Table 4, below, provides the quarterly electric payments PG&E will transfer to MCE for the 2018 budget, which factors in the carryover amount from Table 3.

Table 3: Identified Unspent EE Funds Available for Carryover to 2017

2016 Unspent Funds True Up	2017 Unspent Electric Funds	2017 Unspent Gas Funds	Total Unspent Funds Available for Carryover
\$223,183	\$195,574	N/A ¹⁶	\$418,757

Table 4: Electricity Funds Payment Schedule

2018 Electric Budget	Unspent Funds Available for Carryover	2018 Electric Budget Less Carryover	2018 Quarterly Electric Payments
\$1,316,562	(\$418,757)	\$897,805	\$224,451

According to current Commission directive, MCE will continue to invoice PG&E on a retrospective, monthly basis for any gas expenditures incurred in 2018.

Conclusion

MCE identifies a total of \$418,757 in unspent funds available to offset the 2018 budget transfers from PG&E. MCE also provides the quarterly electric payments for 2018 in the amount of \$224,451 based on the unspent funds.

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, CA 94102
 Email: EDTariffUnit@cpuc.ca.gov

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

¹⁶ As stated above, the total unspent EE funds available for carryover excludes unspent gas funds.

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

Nathaniel Malcolm
Policy Counsel
Marin Clean Energy
1125 Tamalpais Ave.
San Rafael, CA 94901
Phone: (415) 464-6048
Facsimile: (415) 459-8095
nmalcolm@mceCleanEnergy.org

Alice Stover
Manager of Policy and Planning, Customer Programs
Marin Clean Energy
1125 Tamalpais Ave.
San Rafael, CA 94901
Phone: (415) 464-6030
Facsimile: (415) 459-8095
astover@mceCleanEnergy.org

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 R.13-11-005 and A.17-01-013 et al service lists. For changes to these service lists, 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; A17-01-013, *et al.*

CALIFORNIA PUBLIC UTILITIES COMMISSION

ADVICE LETTER FILING SUMMARY ENERGY UTILITY

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

Company name/CPUC Utility No. Marin Clean Energy

Utility type:

ELC GAS
 PLC HEAT WATER

Contact Person for questions and approval letters: Nathaniel Malcolm

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) #: MCE 29-E

Subject of AL: Identification of Unspent Funds from Marin Clean Energy's 2017 Energy Efficiency Programs Available for the 2018 Program Budget

Tier Designation: 1 2 3

Keywords (choose from CPUC listing): Compliance

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

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution: D.14-10-046

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL¹: n/a

Resolution Required? Yes No

Requested effective date: December 31, 2017

No. of tariff sheets: 0

Estimated system annual revenue effect (%): n/a

Estimated system average rate effect (%): n/a

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: n/a

Service affected and changes proposed¹:

Pending advice letters that revise the same tariff sheets: none

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
1125 Tamalpais Ave. San Rafael, CA 94901
nmalcolm@mcecleanenergy.org

¹ Discuss in AL if more space is needed.