

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: Shalini Swaroop

Phone #: (415) 464-6040

E-mail: sswaroop@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) #: 8-E

Subject of AL: Compliance Filing Regarding Budget and Programmatic Changes to Marin Clean Energy's 2015 Energy Efficiency Programs

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Does AL replace a withdrawn or rejected AL?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 _____

Summarize differences between the AL and the prior withdrawn or rejected AL¹: _____

Resolution Required? Yes No

Requested effective date: December 15, 2014

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 proposed: Budget and Programmatic Changes to Marin Clean Energy's 2015 Energy Efficiency Programs.

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

CCA Info (including e-mail)
Marin Clean Energy
781 Lincoln Ave., Suite 320
San Rafael, CA 94901
sswaroop@mcecleanenergy.org

December 15, 2014

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



Advice Letter 8-E

Re: Budget and Programmatic Changes to Marin Clean Energy’s 2015 Energy Efficiency Programs

Ordering Paragraph (“OP”) 16 of Decision 14-10-046 (the “Decision”), *Decision Establishing Energy Efficiency Savings Goals and Approving 2015 Energy Efficiency Programs and Budgets (Concludes Phase I of R.13-11-005)*, requires Marin Clean Energy (“MCE”) to file an advice letter reflecting budget and programmatic changes adopted in that decision.¹

Effective Date: December 15, 2014

Tier Designation: Tier 2 Designation

The Decision was issued on October 24, 2014 and specifically directed MCE to “file a Tier 2 Advice Letter within 60 days of [the] Decision....”² Thus, this advice letter is timely filed.

Purpose

The Decision provides for MCE’s continued administration of EE programs and funding during the 2015 cycle.³ This compliance filing provides the information required by OP 16 of the Decision and includes:

- (i) Advice Letter Cover Letter Conforming to Energy Division Guidance on Content.
- (ii) Budget Adjustments as Reflected in the Decision.
- (iii) Updated Appendices A, B, C, and D of MCE’s 2015 EE Funding Proposal including:
 - a. Updated Cost Calculators.
 - i. Recalculated Total Resource Cost Test Results (for Combined 2013-2015 Portfolios).
 - ii. Recalculated Program Administrator Cost Test Results (for Combined 2013-2015 Portfolios).
 - iii. Corrections to Measure Level Inputs Identified by Commission Staff.

¹ Decision at p. 166.

² *Id.*

³ *Id.* at p. 168.

This filing also proposes an increase to MCE's 2015 EE budget to account for the expansion of MCE's service territory since the original 2015 Funding Proposal was filed with the Commission. To aid in the Commission's review and approval of this letter, MCE has included two sets of appendices and program budgets, one with the proposed budget increase and one that maintains MCE's current budget as approved in the 2015 Decision.

Background

The Decision authorized MCE to administer its 2015 EE programs.⁴ The Decision also made changes to MCE's EE program budgets and cost calculators including corrections to measure level inputs. As directed in OP 16, Commission staff provided a list of measure level input corrections. The Decision also extended the 1.0 cost-effectiveness for MCE's EE programs through 2015.⁵ MCE incorporated these changes throughout the attached Appendices.

Since MCE filed its 2015 EE Funding Proposal, a number of communities have become MCE member communities. These communities will be enrolled in MCE's service in 2015. This expansion was not contemplated in March of 2014 when MCE submitted its 2015 funding proposal. However, MCE plans to offer its EE programs to all customers throughout its service territory, including within the expanded service territory. To account for these additional customers, MCE is requesting an increase in the 2015 program budget. The proposed increase in funding is proportionately smaller than the increase in MCE customers.

MCE has a small portion of unspent funds from the 2013-2014 program cycle that exceeds the approved 2015 program budget. MCE's proposed budget increase is equal to this remainder. The funding for these EE programs is collected from ratepayers and subsequently distributed by the investor owned utilities ("IOUs") on behalf of the state. MCE requests the Commission authorize this portion of the unspent funds from 2013-2014 be applied to increase the 2015 program budget to account for the expansion of MCE's service territory, as reflected below and in Appendices E-H.

Proposal to Increase MCE's 2015 EE Program Budget

MCE filed its 2015 EE Funding Proposal on March 26, 2014. Since that date, the following communities have joined MCE: Unincorporated Napa County, the City of Benicia, and the City of San Pablo. These expansions will increase MCE's electric generation customer base by approximately 30% in 2015 (from 125,000 customers to 164,000 customers). This is a conservative estimate of the increased customer base for MCE's EE programs because MCE is authorized to "provide energy efficiency programs to[] both their customers and investor-owned utilities' customers."⁶

⁴ Decision, OP 1 at p. 161.

⁵ Decision at p. 166.

⁶ Decision 14-01-033, Conclusion of Law 4 at p. 45.

MCE’s request to retain unspent funds is a disproportionately small increase to the 2015 program budget to account for these additional EE customers. While the increase in electric generation customers is approximately 30%, MCE requests only a 6.7% increase to the 2015 EE budget equaling \$81,442.

MCE is requesting a disproportionately small budget increase relative to its growing customer base for two reasons. The first is that these customers will come online in the middle of the 2015 program cycle and so do not require funding for the entire year. The second is administrative efficiency. The gas funds approved for MCE’s Energy Efficiency programs in 2015 caused a small portion of unspent funds from the 2013-2014 program cycle to exceed the approved 2015 program budget. MCE proposes using these funds, in lieu of returning them and requesting additional funds, to meet the increased 2015 EE program budget needs.

MCE will include its expanded service territory in its next EE Funding Proposal. However, MCE notes that additional member communities may join in the middle of an EE program cycle and may materially increase MCE’s EE customer base. MCE suggests the Commission accommodate future CCA proposals for mid-cycle budget increases through a Tier 2 Advice Letter.

Updates to Reflect Budget Adjustments

The Decision made budget adjustments for MCE. Table 1 illustrates the budget adjustments reflected in the decision with and without MCE’s proposed increase to the 2015 program budget.

Table 1. Budget Adjustments Summary, 2015				
	2015 Approved Budget	2013-2014 Unspent Funds in Excess of 2015 Approved Budget	2015 Proposed Budget Extension	2015 Proposed Budget
All MCE EE Programs	\$1,220,267	\$81,442	\$81,442	\$1,301,709
Electric Funding	\$1,001,267	\$81,442	\$81,442	\$1,082,709
Gas Funding	\$219,000	\$0	\$0	\$219,000

Updates to Appendices A, B, C, and D of MCE’s 2015 EE Funding Proposal

The Decision called for a number of changes to Appendices A, B, C, and D of MCE’s 2015 EE Funding Proposal. Updates to the cost calculators include corrections to measure level inputs identified by Commission staff, budget shifting to maximize cost effectiveness, updates to the Total Resource Cost Test, and updates to the Program Administrator Cost Test. These changes and the new results from the updated tests are available in MCE’s updated Appendices A, B, C,

and D. To demonstrate that the additional funding requested will be used in a cost effective manner, MCE has also provided Appendices E-H, which provide the budget, savings, and cost effectiveness showings for the additional requested funds.

Table 2. Portfolio Summary, 2013-2015				
	2013 Budget ¹	2014 Budget ²	2015 Approved Budget ³	2015 Proposed Budget ³
Budget	\$740,091	\$259,389	\$1,220,267	\$1,301,709
kWh	248,882	5,566,814	3,159,543	3,423,190
kW	2	1,324	186	190
Therm	3,008	428,462	106,377	122,919
TRC	.22	1.63	1.02	1.06
PAC	.22	4.78	1.18	1.23
¹ 2013 Figures are preliminary pending completion of MCE's Annual Report				
² 2014 Figures based upon approved 2013- 2014 Compliance Filing; does not include credit enhancement				
³ 2015 Figures include non-resource programs				

Appendices

List of Appendices:

Appendix A: Budget Request Summary Tables

Appendix B: Budget and Placemat Tables

Appendix C: Savings Allocation and Funding Sources Detail

Appendix D: E3 Calculators

- 2013 Actuals
 - 2013 Roll Up (including financing program expenses, excluding credit enhancement expenditures)
 - 2013 Single Family
 - 2013 Multi-Family
 - 2013 Small Commercial
- 2015 Projections
 - 2015 Roll Up including non-resource
 - 2015 Roll Up Excluding Non-Resource
 - 2015 Single Family
 - 2015 Multi-Family
 - 2015 Small Commercial

Appendix E-H: Mirror Appendices A-D above with the proposed budget increase.

Due to the size of these attachments, they have been made available at: <http://www.marincleanenergy.org/ee>.

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:

Shalini Swaroop
Regulatory Counsel
MARIN CLEAN ENERGY
781 Lincoln Avenue, Suite 320
San Rafael, CA 94901
Phone: (415) 464-6040
Facsimile: (415) 459-8095
E-mail: sswaroop@mceCleanEnergy.org

Beckie Menten
Energy Efficiency Director
MARIN CLEAN ENERGY
781 Lincoln Avenue, Suite 320
San Rafael, CA 94901
Phone: (415) 464-6034
Facsimile: (415) 459-8095
E-mail: bmenten@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 service list. 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 Shalini Swaroop at (415) 464-6040 or by electronic mail at sswaroop@mceCleanEnergy.org.

_____/S/
Shalini Swaroop
Regulatory Counsel
MARIN CLEAN ENERGY

cc: Service List R.13-11-005

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

Order Instituting Rulemaking Concerning Energy
Efficiency Rolling Portfolios, Policies, Programs,
Evaluation, and Related Issues.

Rulemaking 13-11-005
(Filed November 21, 2013)

NOTICE OF AVAILABILITY:

**APPENDICES A-H TO MARIN CLEAN ENERGY
ADVICE LETTER 8-E**

Shalini Swaroop
Regulatory Counsel
MARIN CLEAN ENERGY
781 Lincoln Avenue, Suite 320
San Rafael, CA 94901
Telephone: (415) 464-6040
Facsimile: (415) 459-8095
E-Mail: sswaroop@mceCleanEnergy.org

December 15, 2014

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

Order Instituting Rulemaking Concerning Energy
Efficiency Rolling Portfolios, Policies, Programs,
Evaluation, and Related Issues.

Rulemaking 13-11-005
(Filed November 21, 2013)

NOTICE OF AVAILABILITY

**APPENDICES A-H TO MARIN CLEAN ENERGY
ADVICE LETTER 8-E**

To All Parties of the abovementioned proceeding:

Pursuant to Rule 1.9 of the California Public Utilities Commission (“Commission”) Rules of Practice and Procedure, Marin Clean Energy (“MCE”) hereby provides this Notice of Availability of Appendices A - H to MCE Advice Letter 8-E to Energy Division and the related R.13-11-005 Service List on December 15, 2014.

Appendix A: Budget Request Summary Tables

Appendix B: Budget and Placement Tables

Appendix C: Savings Allocation and Funding Sources Detail

Appendix D: E3 Calculators

Appendix E: Budget Request Summary Tables (Requested Budget)

Appendix F: Budget and Placement Tables (Requested Budget)

Appendix G: Savings Allocation and Funding Sources Detail (Requested Budget)

Appendix H: E3 Calculators (Requested Budget)

The MCE Attachments are available at the following URL:

<http://www.marincleanenergy.org/ee>

To receive hard copies of the MCE Attachments, direct your request in writing to:

MARTHA SERIANZ
REGULATORY ASSISTANT
MARIN CLEAN ENERGY
781 Lincoln Avenue, Suite 320
San Rafael, CA 94901
Telephone: (415) 464-6010
Facsimile: (415) 459-8095
E-Mail: regulatory@mceCleanEnergy.org

The MCE Attachments are available pursuant to this Notice of Availability as of today,
December 15, 2014.

Respectfully submitted,

Shalini Swaroop
Regulatory Counsel

By: /s/ Shalini Swaroop
 SHALINI SWAROOP

For:

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December 15, 2014