October 25, 2013

California Energy Commission
1516 Ninth Street
Sacramento, CA 95814


Dear Commissioners:

San Diego Gas and Electric Company (“SDG&E”) and Southern California Gas Company (“SCG”) (also referred to as the “Joint Utilities”) appreciate the opportunity to provide their comments on “Proposition 39: California Clean Energy Jobs Act – 2013 Program Implementation Draft Guidelines” as requested in the Notice of Staff Workshops. The Joint Utilities support the California Energy Commission’s (“CEC”) Draft Guidelines to implement Proposition 39 that is intended to achieve greater energy efficiency (“EE”) savings from our Local Education Agencies (“LEAs”). In particular, the Joint Utilities support the following in the Draft Plan:

1. The Draft Plan provides flexibility through the various methodologies by which an LEA can choose to develop assumptions for their proposed projects and provide energy savings verification.

2. SCG and SDG&E, as the Draft Guidelines point out, offer benchmarking and audit services that can be used to assist LEAs in developing their project proposals.

3. SCG and SDG&E support the co-funding of projects from their EE program rebates and incentives, wherever feasible.

4. SCG and SDG&E are ready to assist with tracking and reporting of savings by working with LEAs, who participate in our programs, to use EM&V materials developed for their projects that would support their assumptions and savings verification.¹

5. The Joint Utilities support the ongoing effort to standardize the provision of required consumption and billing data, as required by the Draft Guidelines, to facilitate the CEC’s evaluation of the LEA projects.²

The Joint Utilities recommend that the CEC give consideration to the following recommendations:

1. **Energy Savings Reporting Requirements (pages 25-26)**

   The Draft Guidelines state, “The actual annual energy savings is based on the difference between annual energy usage before the project(s) is installed and the annual energy usage after project installation.” The Joint Utilities recommend that calculation methodology defined above should allow for adjustments for weather and changes to operations to more accurately reflect the savings achievements relative to the plan.

2. **Option 3: Other Tools: Data Analytics (page 18)**

   The Joint Utilities recommend updating the last sentence of the section to be consistent with the Public Resource Code citation as follows:

   “…an LEA must provide documentation of prior technical validation of the technology by the Energy Commission, a local utility or the Public Utilities Commission.”

3. **Exhibit F: Effective Useful Life (“EUL”) for Measures in Years (page 49)**

   The Draft Guidelines provide a background for determining the values to be used for a selected list of measures. The Joint Utilities recommend that the Draft Guidelines provide a means to develop an EUL value for measures that are not listed in the table. The Draft Guidelines should also explicitly state that these values will not be updated from the time the Guidelines are adopted to the end of the program. If this is not the case, it would also be useful to inform the LEAs when these values may be updated.

   The Joint Utilities recognize and appreciate the leadership of the CEC and the efforts of all stakeholders towards the development of the Draft Guidelines to successfully implement Prop 39. The Joint Utilities look forward to continuing their participation in the implementation of the program.

Respectfully submitted,

*Tamara Rasberry*

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² Draft Guidelines, page 12.