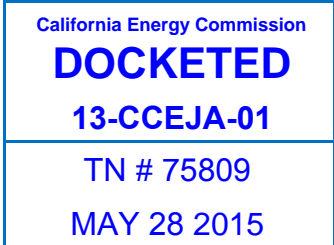


Paul, Patricia@Energy

From: Shirakh, Elizabeth@Energy
Sent: Thursday, May 28, 2015 3:30 PM
To: Energy - Docket Optical System
Cc: khaff@co.tuolumne.ca.us; Wang, Joseph@Energy; Angulo, Armand@Energy
Subject: FW: Our Prop 39 Proposal for requested CEC guidelines changes
Attachments: Proposal to CEC for Prop 39 changes 5-26-15.pdf



Hello Dockets:

Please docket this email and attachment to the Prop 39 Docket. #13-CCEJA-1

Thank you,
Liz Shirakh

From: Kathleen Haff (Rustrum) [<mailto:KHaff@co.tuolumne.ca.us>]
Sent: Tuesday, May 26, 2015 5:15 PM
To: Wang, Joseph@Energy; Shirakh, Elizabeth@Energy
Subject: Our Prop 39 Proposal for requested CEC guidelines changes

Hi Elizabeth and Joseph,

Here is our proposal (attached) to the CEC for suggested changes to Prop 39 guidelines so that all schools will be eligible to participate from our 3 counties (Calaveras, Tuolumne and Trinity). The only way any of them are able to participate now is if they have bond money or some other sort of large revenue stream to contribute to the energy efficiency projects, which most of them do not have.

Thank you so much for your consideration.
Please let us know what you think about this proposal, and if you have any questions.

Best regards,

Kathleen

Kathleen K Haff
TPPA Deputy Director
khaff@co.tuolumne.ca.us

Tuolumne Public Power Agency
2 South Green Street
Sonora, CA 95370
<http://www.co.tuolumne.ca.us/tppa>

209.533.5511 Main Line
209.533.5528 Direct Line
209.533.5510 Facsimiles

Proposal to the California Energy Commission Regarding Prop 39 Funding

Submitted by the:
Calaveras Public Power Agency
Tuolumne Public Power Agency
Trinity Public Utilities District

May 26, 2015

Summary

Three rural California counties (Calaveras, Tuolumne and Trinity) receive a First Preference Federal Power rate as a result of the federal government building major hydroelectric projects within these counties. They are the only three counties in the state to have this designation. This preferential power was granted to the counties by the U.S. Congress to mitigate, in part, the negative impacts the projects had upon the local area. These impacts included the loss of private taxable lands, loss of lands that produced food and fiber, loss of local water resources, and greater demand placed upon local services (such as police and fire protection) to serve the projects' recreational facilities.

The low power rate that the Local Educational Agencies (LEAs) pay in these counties put them at a disadvantage in taking full advantage of the California Clean Energy Jobs Act (Prop 39) funding. This results in some energy efficiency projects not being able to meet the Prop 39 Savings to Investment Ratio (SIR). Thereby the schools may not be able to qualify for Prop 39 funding as envisioned.

Local Educational Agencies in neighboring counties are under Pacific Gas & Electric rates and pay substantially higher power costs. Their energy efficiency projects are more likely to meet the SIR as a result.

In order to level the playing field among these rural counties, our proposal recommends that the LEAs in Calaveras, Tuolumne and Trinity counties be permitted to use comparable PG&E electric rates in development of their Energy Expenditure Plans and calculation of the SIR. This proposal could be incorporated into the next amendment of the California Energy Commission's Prop 39 Guidelines.

Background

The U.S. Congress in 1955 passed the Trinity River Division Act (Public Law 386) providing for the construction of multiple dams and reservoirs in rural Trinity County. Later the Congress passed the 1962 Flood Control Act (Public Law 87-874) which authorized the construction of New Melones dam and reservoir located in Calaveras and Tuolumne counties along the Stanislaus River. **Please see attachment #1.**

Both the Trinity River Division and New Melones Project had significant negative impacts upon the counties. Substantial amounts of private land were acquired by the federal government for the dams,

reservoirs, and area surrounding these facilities. The Trinity River Division added 20,000 acres of public land in Trinity County where public lands already comprise 80 percent of the county's total land area. The New Melones project occupies 30,000 acres in Calaveras and Tuolumne counties. 77 percent of land in Tuolumne County is owned by governmental agencies. 21 percent of the land in Calaveras County is owned by governmental agencies. These private lands were taken off the tax rolls resulting in the loss of tax revenue for local agencies including local school districts. Trinity receives an annual in-lieu tax payment of approximately \$32,000, of which the school districts receive a portion. However, there was no inflation adjustment in this payment so Trinity County is receiving the same amount today as in 1965. Calaveras and Tuolumne did not receive any in-lieu tax payments from the federal government.

To mitigate, in part, the negative impacts of the projects upon the local counties, the U.S. Congress granted 25 percent of the power generated at these facilities for use by the local public agencies. In 1982, the Trinity Public Utilities District (TPUD) was created to take advantage of this power entitlement. Likewise, in 1982 public power agencies were created in Calaveras and Tuolumne to secure the power entitlement. The power agencies (Calaveras Public Power Agency and Tuolumne Public Power Agency) were created under California's joint exercise of powers act. LEAs are members of the power agencies.

Calaveras PPA, Tuolumne PPA provide and TPUD provide electric power at reduced rates to the LEAs in their respective counties. TPUD's FY 2014-15 power rate for schools is 7.5 to 9.45 cents per kWh, Calaveras PPA's rate is 7.5 cents per kWh, and Tuolumne PPA's rate is 8 cents per kWh. In comparison, schools in neighboring counties pay PG&E rates, most likely either their A-1 electric rate at an average cost of 21.2 cents per kWh or PG&E's A-10 electric rate at an average cost of 18.5 cents per kWh. **Please see Attachment # 2.** Schools in these three counties should not be penalized from participating in Prop 39 due to the First Preference Rates they pay. Calaveras, Tuolumne and Trinity are at a major disadvantage in meeting Prop 39's SIR, due to these rates.

Precedent has already been established in this state for using Investor Owned Utility (IOU) rates when considering energy efficiency projects. In Title 24, from the California Code of Regulations, the energy efficiency requirements are based upon IOU rates, even in counties that have other energy providers. Therefore, to equal the playing field where Prop 39 is concerned, it is requested that this standard be kept for Calaveras, Tuolumne and Trinity counties.

Prop. 39 was created, in part, as a way for California schools to pay for energy efficiency projects and produce better learning environments. Without changes made to Prop 39 guidelines, these counties will not be able to fully partake in its many benefits and become more energy efficient.

Proposal/Recommendation

It is respectfully requested that the Prop 39 Guidelines be amended to permit the LEAs in Calaveras, Tuolumne and Trinity counties to use a melded rate of PG&E's current A-1 (Small General Service) and A-10 (Medium General Service) electric rate schedules in preparation for their Energy Expenditure Plans and calculation of the SIRs. The melded rate calculates to 19.85 cents per kWh which comes close to what the neighboring county LEAs currently pay for their power. If this change to the guidelines for these three counties (only) is adopted, it will enable most, if not all energy efficiency projects in these counties to meet the SIR. This one change will help assure the counties' ability to fully partake in Prop 39 funding.

Local Educational Agencies

Calaveras

- Bret Harte Union High School District
- Calaveras County Office of Education
- Calaveras Unified School District
- Mark Twain Union Elementary School District
- Vallecito Union School District

Tuolumne

- Belleview School District
- Big Oak Flat-Groveland School District
- Columbia Union School District
- Curtis Creek School District
- Jamestown School District
- Sonora School District
- Sonora Union High School District
- Soulsbyville School
- Summerville School District
- Summerville Union High School District
- Tuolumne County Superintendent of Schools
- Twain Harte-Long Barn Union School District
- Columbia Community College

Trinity

- Trinity Alps Unified School District

Attachment 1

Flood Control Act of 1962

1955 Trinity River Division Act

SAN JOAQUIN RIVER BASIN

The New Melones project, Stanislaus River, California, authorized by the Flood Control Act approved December 22, 1944 (58 Stat. 887), is hereby modified substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 453, Eighty-seventh Congress, at an estimated cost of \$113,717,000: *Provided*, That upon completion of construction of the dam and powerplant by the Corps of Engineers, the project shall become an integral part of the Central Valley project and be operated and maintained by the Secretary of the Interior pursuant to the Federal reclamation laws, except that the flood control operation of the project shall be in accordance with the rules and regulations prescribed by the Secretary of the Army: *Provided further*, That the Stanislaus River Channel, from Goodwin Dam to the San Joaquin River, shall be maintained by the Secretary of the Army to a capacity of at least eight thousand cubic feet per second subject to the condition that responsible local interests agree to maintain private levees and to prevent encroachment on the existing channel and floodway between the levees: *Provided further*, That before initiating any diversions of water from the Stanislaus River Basin in connection with the operation of the Central Valley project, the Secretary of the Interior shall determine the quantity of water required to satisfy all existing and anticipated future needs within that basin and the diversions shall at all times be subordinate to the quantities so determined: *Provided further*, That the Secretary of the Army adopt appropriate measures to insure the preservation and propagation of fish and wildlife in the New Melones project and shall allocate to the preservation and propagation of fish and wildlife, as provided in the Act of August 14, 1946 (60 Stat. 1080), an appropriate share of the cost of constructing the Stanislaus River diversion and of operating and maintaining the same: *Provided further*, That the Secretary of the Army, in connection with the New Melones project, construct basic public recreation facilities, acquire land necessary for that purpose, the cost of constructing such facilities and acquiring such lands to be non-reimbursable and nonreturnable: *Provided further*, That contracts for the sale and delivery of the additional electric energy available from the Central Valley project power system as a result of the con-

struction of the plants herein authorized and their integration with that system shall be made in accordance with preferences expressed in the Federal reclamation laws except that a first preference, to the extent as needed and as fixed by the Secretary of the Interior, but not to exceed 25 per centum of such additional energy, shall be given, under reclamation law, to preference customers in Tuolumne and Calaveras Counties, California, for use in that county, who are ready, able, and willing, within twelve months after notice of availability by the Secretary of the Interior, to enter into contracts for the energy and that Tuolumne and Calaveras County preference customers may exercise their option in the same date in each successive fifth year providing written notice of their intention to use the energy is given to the Secretary not less than eighteen months prior to said dates: *And provided further*, That the Secretary of the Army give consideration during the preconstruction planning for the New Melones project to the advisability of including storage for the regulation of streamflow for the purpose of downstream water quality control.

The Hidden Reservoir, Fresno River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 37, Eighty-seventh Congress, at an estimated cost of \$14,338,000.

The Buchanan Reservoir, Chowchilla River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 98, Eighty-seventh Congress, at an estimated cost of \$13,585,000.

The project for flood protection on Mormon Slough, Calaveras River, California, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 576, Eighty-seventh Congress, at an estimated cost of \$1,960,000.

Public Law 386

CHAPTER 872

AN ACT

To authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws.

August 12, 1955
[H. R. 4663]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the principal purpose of increasing the supply of water available for irrigation and other beneficial uses in the Central Valley of California, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain, as an addition to and an integral part of the Central Valley project, California, the Trinity River division consisting of a major storage reservoir on the Trinity River with a capacity of two million five hundred thousand acre-feet, a conveyance system consisting of tunnels, dams, and appurtenant works to transport Trinity River water to the Sacramento River and provide, by means of storage as necessary, such control and conservation of Clear Creek flows as the Secretary determines proper to carry out the purposes of this Act, hydroelectric powerplants with a total generating capacity of approximately two hundred thirty-three thousand kilowatts, and such electric transmission facilities as may be required to deliver the output of said powerplants to other facilities of the Central Valley project and to furnish energy in Trinity County: *Provided,* That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than eighteen months from the date of enactment of this Act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached, together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress. The works authorized to be constructed shall also include a conduit or canal extending from the most practicable point on the Sacramento River near Redding in an easterly direction to intersect with Cow Creek, with such pumping plants, regulatory reservoirs, and other appurtenant works as may be necessary to bring about maximum beneficial use of project water supplies in the area.

Central Valley
project, Calif.
Trinity River
division.

43 USC 371 note.

SEC. 2. Subject to the provisions of this Act, the operation of the Trinity River division shall be integrated and coordinated, from both a financial and an operational standpoint, with the operation of other features of the Central Valley project, as presently authorized and as may in the future be authorized by Act of Congress, in such manner as will effectuate the fullest, most beneficial, and most economic utilization of the water resources hereby made available: *Provided,* That the Secretary is authorized and directed to adopt appropriate measures to insure the preservation and propagation of fish and wildlife, including, but not limited to, the maintenance of the flow of the Trinity River below the diversion point at not less than one hundred and fifty cubic feet per second for the months July through November and the flow of Clear Creek below the diversion point at not less than fifteen cubic feet per second unless the Secretary and the California Fish and Game Commission determine and agree that lesser flows would be adequate for maintenance of fish life and propagation thereof; the Secretary shall also allocate to the preservation and propagation of fish and wildlife, as provided in the Act of August 14, 1946 (60 Stat. 1080), an appropriate share of the

16 USC 661-666c.

costs of constructing the Trinity River development and of operating and maintaining the same, such costs to be non-reimbursable: *Provided further*, That not less than 50,000 acre-feet shall be released annually from the Trinity Reservoir and made available to Humboldt County and downstream water users.

SEC. 3. The Secretary is authorized to investigate, plan, construct, operate, and maintain minimum basic facilities for access to, and for the maintenance of public health and safety and the protection of public property on, lands withdrawn or acquired for the development of the Trinity River division, to conserve the scenery and the natural, historic, and archeologic objects, and to provide for public use and enjoyment of the same and of the water areas created by these developments by such means as are consistent with their primary purposes. The Secretary is authorized to withdraw from entry or other disposition under the public land laws such public lands as are necessary for the construction, operation, and maintenance of said minimum basic facilities and for the other purposes specified in this section and to dispose of such lands to Federal, State, and local governmental agencies by lease, transfer, exchange, or conveyance upon such terms and conditions as will best promote their development and operation in the public interest. The Secretary is further authorized to investigate the need for acquiring other lands for said purposes and to report thereon to the Committees on Interior and Insular Affairs of the Senate and House of Representatives, but no lands shall be acquired solely for any of these purposes other than access to project lands and the maintenance of public health and safety and the protection of public property thereon without further authorization by the Congress. All costs incurred pursuant to this section shall be nonreimbursable and nonreturnable.

Report to Congress.

SEC. 4. Contracts for the sale and delivery of the additional electric energy available from the Central Valley project power system as a result of the construction of the plants herein authorized and their integration with that system shall be made in accordance with preferences expressed in the Federal reclamation laws: *Provided*, That a first preference, to the extent of 25 per centum of such additional energy, shall be given, under reclamation law, to preference customers in Trinity County, California, for use in that county, who are ready, able and willing, within twelve months after notice of availability by the Secretary, to enter into contracts for the energy: *Provided further*, That Trinity County preference customers may exercise their option on the same date in each successive fifth year providing written notice of their intention to use the energy is given to the Secretary not less than eighteen months prior to said date.

Payments to Trinity County, Calif.

SEC. 5. The Secretary is authorized to make payments, from construction appropriations, to Trinity County, California, of such additional costs of repairing, maintaining, and constructing county roads as are incurred by it during the period of actual construction of the Trinity River division and as are found by the Secretary to be properly attributable to and occasioned by said construction. The Secretary is further authorized and directed to pay to Trinity County annually an in-lieu tax payment out of the appropriations during construction and from the gross revenues of the project during operation an amount equal to the annual tax rate of the county applied to the value of the real property and improvements taken for project purposes in Trinity County, said value being determined as of the date such property and improvements are taken off the tax rolls. Payments to the public-school districts in the project area affected by construction activities shall be made pursuant to existing law.

Payments to public-school districts.

SEC. 6. There are hereby authorized to be appropriated for construction of the Trinity River division \$225,000,000, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein, and, in addition thereto, such sums as may be required to carry out the provisions of section 5 of this Act and to operate and maintain the said development.

Approved August 12, 1955.

Appropriation.

Public Law 387

CHAPTER 873

AN ACT

To reemphasize trade development as the primary purpose of title I of the Agricultural Trade Development and Assistance Act of 1954.

August 12, 1955
[S. 2253]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 103 (b) of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out "\$700,000,000" and inserting in lieu thereof "\$1,500,000,000. This limitation shall not be apportioned by year or by country, but shall be considered as an objective as well as a limitation, to be reached as rapidly as possible so long as the purposes of this Act can be achieved within the safeguards established."

Agricultural
trade development.
68 Stat. 456.
7 USC 1703 (b).

SEC. 2. Section 106 of such Act is amended by adding the following: "The Secretary of Agriculture is also authorized to determine the nations with whom agreements shall be negotiated, and to determine the commodities and quantities thereof which may be included in the negotiations with each country after advising with other agencies of Government affected and within broad policies laid down by the President for implementing this Act."

68 Stat. 457.
7 USC 1706.

Approved August 12, 1955.

Public Law 388

CHAPTER 874

AN ACT

To amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments.

August 12, 1955
[H. R. 6182]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the table of contents contained in the first section of the Federal Property and Administrative Services Act of 1949 is hereby amended by inserting immediately below "Sec. 605. Effective date." the following:

Federal property
transferred from
RFC.
63 Stat. 377; 64
Stat. 583.
40 USC 471 note.

"TITLE VII—PROPERTY TRANSFERRED FROM THE RECONSTRUCTION
FINANCE CORPORATION

"Sec. 701. Declaration of Policy.

"Sec. 702. Definitions.

"Sec. 703. Property transferred by the Reconstruction Finance Corporation.

"Sec. 704. Limitations.

"Sec. 705. Effective date."

Attachment 2

PG&E Average Total Rate for A-1 and A-10 Chart

Pacific Gas and Electric Company
Bundled Commercial/General Service Electric Rates at a Glance

Rates Effective:
 March 1, 2015, to Present

Rate Schedule	Customer Charge	Season	Time-of-Use Period	Demand Charge (per kW)			Time-of-Use Period	Total Energy Charge (per kWh)			PDP ^{1/} Charges	PDP ^{2/} Credits DEMAND (per kW)			PDP ^{2/} Credits ENERGY (per kWh)			"Average" Total Rate ^{3/} (per kWh)			
				Secondary	Primary	Transmission		Secondary	Primary	Transmission		Secondary	Primary	Transmission	Secondary	Primary	Transmission				
A-1	Single Phase Service per meter/day=\$0.32854 Polyphase Service per meter/day=\$0.65708	Summer						\$0.24176													
		Winter						\$0.16445													
A-1 TOU	Single Phase Service per meter/day=\$0.32854 Polyphase Service per meter/day=\$0.65708	Summer					On peak	\$0.26241	\$0.60									\$0.21152			
							Part Peak	\$0.25308													
							Off Peak	\$0.22468													
		Winter						Part Peak											\$0.17479		
								Off Peak											\$0.15497		
A-6 TOU	Single phase service per meter/day=\$0.32854; Polyphase service per meter/day=\$0.65708. Plus Meter charge=\$0.20107 per day for A6 or A6X;=\$0.05914 per day for A6W ^{4/}	Summer					On peak	\$0.61173	\$1.20									\$0.20341			
							Part Peak	\$0.28551													
							Off Peak	\$0.15804													
		Winter						Part Peak											\$0.18082		
								Off Peak											\$0.14804		
A-10 (Table A)	\$4.59959 per meter per day	Summer		Secondary \$16.23	Primary \$15.22	Transmission \$10.85		Secondary \$0.16116	Primary \$0.14936	Transmission \$0.12137	-								\$0.18503		
		Winter		\$8.00	\$8.20	\$6.29		\$0.11674	\$0.11069	\$0.09583											
A-10 TOU (Table B)	\$4.59959 per meter per day	Summer					Peak	\$0.17891	\$0.16420	\$0.13481	\$0.90										
							Part-Peak	\$0.17087	\$0.15846	\$0.12958											
							Off-Peak	\$0.14642	\$0.13650	\$0.10973											
		Winter						Part-Peak	\$0.12750	\$0.11949											\$0.10392
								Off-Peak	\$0.10654	\$0.10231											\$0.08816
E-19 TOU	Cust Chg/Meter Chg: Mandatory: \$19.71253/day for E19S;=\$32.85421/day for E19P;=\$59.13758/day for E19T. Voluntary: With SmartMeter=\$4.59959/day for E19V, S, P and T. Without SmartMeter=\$4.77700/day for E19 V or X;=\$4.63507/day for E19W ^{4/}	Summer	Max. Peak	\$19.04	\$18.91	\$17.03	Peak	\$0.16233	\$0.14861	\$0.09129	\$1.20										
			Part Peak	\$4.42	\$4.06	\$3.78	Part Peak	\$0.10893	\$0.10219	\$0.08665											
			Maximum	\$15.07	\$12.08	\$7.87	Off Peak	\$0.07397	\$0.07456	\$0.07043											
		Winter	Part Peak	\$0.24	\$0.46	\$0.00	Part Peak	\$0.10185	\$0.09696	\$0.08500											
			Maximum	\$15.07	\$12.08	\$7.87	Off Peak	\$0.07797	\$0.07787	\$0.07214											

^{1/}Peak Day Pricing (PDP) (Consecutive Day and Four-Hour Event Option). All Usage During PDP Event. See specific tariff for further details.

^{2/}Peak Day Pricing (PDP) (Consecutive Day and Four-Hour Event Option). See specific tariff for further details.

^{3/}Average rates based on estimated forecast. Average rates provided only for general reference, and individual customer's average rate will depend on its applicable kW, kWh, and TOU data.

^{4/}Effective May 1, 2006, the voluntary TOU one time reprogramming charge of \$87 if there is a TOU meter already present, and one time \$443 meter installation charge if there is no TOU meter, were eliminated.

^{5/}The lower daily TOU meter charge continues to apply to customers who were on Rate W as of May 1, 2006. Rate X applies to all other customers.

This table provided for comparative purposes only. See current tariffs for full information regarding rates, application, eligibility, average rate limiter and additional options.