

DOCKETED

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Pacific Gas and Electric Comments on Workbook on Proposed SB 350 Energy Efficiency Doubling Goal

Additional submitted attachment is included below.

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DOCKET 17-IEPR-06**

California Energy Commission
Dockets Office, MS-4
Docket No. 17-IEPR-06
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Docket 17-IEPR-06: Pacific Gas and Electric Company Comments on the Workbook on Proposed SB 350 2030 Energy Efficiency Savings Doubling Goal

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to provide comments on the Workbook on Proposed SB 350 2030 Energy Efficiency Savings Doubling Goal. PG&E provides comments including the following key points in response:

- PG&E performed a review of the 2014 IEPR energy efficiency data and the 2014 Navigant Potential Study that forms the basis of the 2014 IEPR and found an anomaly in how decay is accounted for between the two studies. This issue could result in discontinuities between goal setting accounting and goal achievement accounting and requests that the CEC address this issue in setting SB350 doubling goals.

PG&E looks forward to continuing to work with staff on this important effort until the adoption of 2030 efficiency targets in November of this year.

I. 2014 IEPR Decay Treatment

PG&E performed a review of the 2014 IEPR energy efficiency data and the 2014 Navigant Potential Study that forms the basis of the 2014 IEPR and found an anomaly in how decay is accounted for between the two studies. In the following table, table 1, PG&E provides 2013 Potential Model output for PG&E's service territory, on a net basis (line 1). PG&E performs a simple aggregation of this data to produce a cumulative total that doesn't reflect impacts of decay (line 2). PG&E then provides 2014 IEPR Update data from Table 26 of that report, which is on a net basis and cumulative, which includes the impacts of decay (line 3). Finally, PG&E compares lines 2 and 3 to show that the IEPR update total is greater than the Potential Study total

in every year in which comparable data exists (2015-2024). This is the opposite of what one would expect, as the dataset that includes decay would be expected to be considerable lower in the later years, as some measures implemented early in the forecast would have reached the end of their useful life and would no longer be included in the cumulative total, while these measures would still be present in the simple annual aggregation.

PG&E is concerned that this could result in discontinuities between how the target is established and savings is then accounted for against that target. To be more specific, if targets are set with the understanding that those targets include decay when they don't, then achieving those targets will be more challenging as accounting for progress against those goals would presumably include decay, meaning shorter lived measures achieved early in the period, would no longer be available to count towards the target in 2030.

Table 1: Comparison of 2013 Potential Model output (not including decay) and 2013/14 IEPR (including decay)

Line	GWhs	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1	2013 Potential Model - PG&E - net - incremental savings	807	926	857	747	771	803	807	835	829	852
2	2013 Potential Model - PG&E - net - simple aggregation of annual savings	807	1733	2591	3338	4108	4911	5718	6553	7382	8234
3	2014 IEPR Update, Table 26 - PG&E - net - cumulative, including decay	938	1856	2746	3548	4428	5209	6043	6922	7866	8809
4	IEPR update (includes decay) as a % of potential model (no decay)	116%	107%	106%	106%	108%	106%	106%	106%	107%	107%

Notes:

- 2014 IEPR also includes a small amount of savings in 2014 (167 GWhs)
- 2013 Potential Model output produced from Analytica Model release from August 2013

II. Conclusion

PG&E appreciates this opportunity to comment on the Workbook and looks forward to continued participation in this process.

Sincerely,

/s/

Wm. Spencer Olinek