

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



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Order Instituting Rulemaking to Examine
the Commission's Energy Efficiency
Risk/Reward Incentive Mechanism.

Rulemaking 09-01-019
(Filed January 29, 2009)

**RESPONSE OF THE DIVISION OF RATEPAYER ADVOCATES
TO PETITION FOR MODIFICATION
OF DECISION 09-12-045**

Pursuant to Rule 16.4(f) of the Commission's Rules of Practice and Procedure, the Division of Ratepayer Advocates (DRA) submits this response to the Joint Petition of the San Diego Gas & Electric Company ("SDG&E") and Southern California Gas Company ("SoCalGas") for Modification of Decision (D.) 09-12-045 (PFM). SoCalGas and SDG&E request modification of Decision 09-12-045 "because the conclusions reached were based upon incorrect calculations in the Second Interim 2006-2008 Verification Report, which the Commission adopted on October 15, 2009, in Energy Division Resolution E-4272.¹" According to SDG&E and SoCalGas, D.09-12-045 awarded interim incentives to SDG&E and SoCalGas based on a calculation error in the E3 calculator that "omitted years of gas benefits from the [net present value] NPV calculation of [SDG&E's and SoCalGas's] gas energy efficiency measures."² DRA is unable to verify the assertions of SDG&E and SoCalGas regarding the claimed calculation error, and whether their PFM reflects the correct results in the event that there was in fact a calculation error.

¹ PFM, p.1 (footnote omitted)

² PFM, p. 1.

DRA respectfully requests that before the Commission grants the relief requested in the PFM, that it direct the Energy Division to verify the existence and magnitude of the calculation error alleged in the PFM, and that the Commission only grant the relief requested in the PFM to the extent that the Energy Division has verified the claimed error and any revised incentive claim.

Respectfully submitted,

/s/ DIANA L. LEE

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March 22, 2010

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of “**RESPONSE OF THE DIVISION OF RATEPAYER ADVOCATES TO PETITION FOR MODIFICATION OF DECISION 09-12-045**”

in **R.09-01-019** by using the following service:

E-Mail Service: sending the entire document as an attachment to an e-mail message to all known parties of record to this proceeding who provided electronic mail addresses.

U.S. Mail Service: mailing by first-class mail with postage prepaid to all known parties of record who did not provide electronic mail addresses.

Executed on **March 22, 2010** at San Francisco, California.

/s/ ALBERT HILL

Albert Hill