

**Table 1**

<b>SCE</b>			
<b>Top 5 Elements</b>			
	<b>Energy Savings (Net Annual kWh)</b>	<b>% of Portfolio kWh Savings</b>	<b>Scenario 1: Reduce Top 5 Elements by 15%</b>
-- Elements are defined as supported by individual net-to-gross ratios			
Express Efficiency Strategy	582,843,115	18%	495,416,648
CFLs - Grocery	294,133,445	9%	250,013,429
Standard Performance Contract Strategy	252,660,462	8%	214,761,393
Lighting Fixtures	235,939,570	7%	200,548,635
Nonresidential Direct Installation Strategy	233,454,889	7%	198,436,656
Total Savings - Top 5 Elements	1,599,031,482	48%	
Total Savings - Portfolio	3,312,717,359		
Ex Post Change to the Energy Savings of the Top Programs of:			15%
Equals an Ex Post Portfolio Energy Savings Change of:			7%
<b>SDG&amp;E</b>			
<b>Top 5 Elements</b>			
	<b>Energy Savings (Net Annual kWh)</b>	<b>% of Portfolio kWh Savings</b>	<b>Scenario 1: Reduce Top 5 Elements by 15%</b>
-- Elements are defined as supported by individual net-to-gross ratios			
Upstream Lighting Program	283,453,347	29%	240,935,345
Energy Savings Bids	169,459,500	17%	144,040,575
Small Business Super Saver	157,572,849	16%	133,936,922
Express Efficiency Rebate Program	51,424,283	5%	43,710,640
3P KEMA HVAC Training, Installation and Maint.	50,049,164	5%	42,541,789
Total Savings - Top 5 Elements	711,959,142	73%	605,165,271
Total Savings - Portfolio	973,520,284		
Ex Post Change to the Energy Savings of the Top Programs of:			15%
Equals an Ex Post Portfolio Energy Savings Change of:			11%
<b>PG&amp;E</b>			
<b>Top 5 Elements</b>			
	<b>Energy Savings (Net Annual kWh)</b>	<b>% of Portfolio kWh Savings</b>	<b>Scenario 1: Reduce Top 5 Elements by 15%</b>
-- Elements are defined as supported by individual net-to-gross ratios			
Residential CFLs	426,358,196	14%	362,404,467
Commercial T8/T5	262,919,428	9%	223,481,514
Interior High Bay Lighting	144,132,357	5%	122,512,503
Commercial CFLs	125,872,926	4%	106,991,987
Industrial Process	58,334,000	2%	49,583,900
Total Savings - Top 5 Elements	1,017,616,907	34%	864,974,371
Total Savings - Portfolio	3,005,170,000		
Ex Post Change to the Energy Savings of the Top Programs of:			15%
Equals an Ex Post Portfolio Energy Savings Change of:			5%
<b>SCG</b>			
<b>Top 5 Elements</b>			
	<b>Energy Savings (Net Annual kWh)</b>	<b>% of Portfolio kWh Savings</b>	<b>Scenario 1: Reduce Top 5 Elements by 15%</b>
-- Elements are defined as supported by individual net-to-gross ratios			
Local Business Energy Efficiency Program	18,080,999	28%	15,368,849
Express Efficiency Rebate Program	11,409,123	17%	9,697,754
Savings By Design SCG SCE Program	5,291,474	8%	4,497,753
Multi-Family Rebate Program	5,150,642	8%	4,378,046
Home Efficiency Rebate Program	4,689,314	7%	3,985,917
Total Savings - Top 5 Elements	44,621,551	68%	37,928,319
Total Savings - Portfolio	65,312,979		
Ex Post Change to the Energy Savings of the Top Programs of:			15%
Equals an Ex Post Portfolio Energy Savings Change of:			10%

**Table 2A: Statewide**

2nd Claim				
At 100% of CPUC Goal				
PEB	Earnings Rate	Earnings Amount	Claim 70%	Holdback 30%
\$ 2,689	12%	\$ 323	\$ 226	\$ 97

3rd Claim			
Assume One Savings Metric Falls below 95% Threshold			
% of 2nd Claim PEB	3rd Claim Earnings Rate	3rd Claim PEB	3rd Claim True-Up Payment
100%	9%	\$ 2,689	\$ 16
90%	9%	\$ 2,420	\$ (8)
80%	9%	\$ 2,151	\$ (32)
70%	9%	\$ 1,882	\$ (56)

Scenarios				
(all scenarios at the 9% Level of Earnings)				
% of 2nd Claim PEB	3rd Claim Earnings Rate	3rd Claim True-Up Payment	Probability Scenarios	Weighted True-Up Payment
100%	9%	\$ 16	90%	\$ 14
90%	9%	\$ (8)	10%	
100%	9%	\$ 16	80%	\$ 11
90%	9%	\$ (8)	20%	
100%	9%	\$ 16	70%	\$ 9
90%	9%	\$ (8)	30%	
100%	9%	\$ 16	60%	\$ 6
90%	9%	\$ (8)	40%	
100%	9%	\$ 16	50%	\$ 4
90%	9%	\$ (8)	50%	
100%	9%	\$ 16	90%	\$ 11
80%	9%	\$ (32)	10%	
100%	9%	\$ 16	80%	\$ 6
80%	9%	\$ (32)	20%	
100%	9%	\$ 16	70%	\$ 2
80%	9%	\$ (32)	30%	
100%	9%	\$ 16	60%	\$ (3)
80%	9%	\$ (32)	40%	
100%	9%	\$ 16	50%	\$ (8)
80%	9%	\$ (32)	50%	
100%	9%	\$ 16	90%	\$ 9
70%	9%	\$ (56)	10%	
100%	9%	\$ 16	80%	\$ 2
70%	9%	\$ (56)	20%	
100%	9%	\$ 16	70%	\$ (6)
70%	9%	\$ (56)	30%	
100%	9%	\$ 16	60%	\$ (13)
70%	9%	\$ (56)	40%	
100%	9%	\$ 16	50%	\$ (20)
70%	9%	\$ (56)	50%	

**Table 2B: Statewide**

2nd Claim					
At 95% of CPUC Goal					
PEB	Earnings Rate	Earnings Rate	Earnings Amount	Claim 70%	Holdback 30%
\$ 2,443	9%	9%	\$ 220	\$ 154	\$ 66

3rd Claim			
% of 2nd Claim PEB	3rd Claim Earnings Rate	3rd Claim PEB	3rd Claim True-Up Payment
100%	9%	\$ 2,443	\$ 66
90%	9%	\$ 2,198	\$ 44
80%	9%	\$ 1,954	\$ 22
70%	9%	\$ 1,710	\$ -

Scenarios (all scenarios at the 9% Level of Earnings)				
% of 2nd Claim PEB	3rd Claim Earnings Rate	3rd Claim True-Up Payment	Probability Scenarios	Weighted True-Up Payment
100%	9%	\$ 66	90%	\$ 64
90%	9%	\$ 44	10%	
100%	9%	\$ 66	80%	\$ 62
90%	9%	\$ 44	20%	
100%	9%	\$ 66	70%	\$ 59
90%	9%	\$ 44	30%	
100%	9%	\$ 66	60%	\$ 57
90%	9%	\$ 44	40%	
100%	9%	\$ 66	50%	\$ 55
90%	9%	\$ 44	50%	
100%	9%	\$ 66	90%	\$ 62
80%	9%	\$ 22	10%	
100%	9%	\$ 66	80%	\$ 57
80%	9%	\$ 22	20%	
100%	9%	\$ 66	70%	\$ 53
80%	9%	\$ 22	30%	
100%	9%	\$ 66	60%	\$ 48
80%	9%	\$ 22	40%	
100%	9%	\$ 66	50%	\$ 44
80%	9%	\$ 22	50%	
100%	9%	\$ 66	90%	\$ 59
70%	9%	\$ -	10%	
100%	9%	\$ 66	80%	\$ 53
70%	9%	\$ -	20%	
100%	9%	\$ 66	70%	\$ 46
70%	9%	\$ -	30%	
100%	9%	\$ 66	60%	\$ 40
70%	9%	\$ -	40%	
100%	9%	\$ 66	50%	\$ 33
70%	9%	\$ -	50%	

**Table 2C: Statewide**

2nd Claim				
At 120% of CPUC Goal				
PEB	Earnings Rate	Earnings Amount	Claim 70%	Holdback 30%
\$	3,673	12%	\$ 441	\$ 309
				\$ 132

3rd Claim			
Assume One Savings Metric Falls below 95% Threshold			
% of 2nd Claim PEB	3rd Claim Earnings Rate	3rd Claim PEB	3rd Claim True-Up Payment
100%	9%	\$ 3,673	\$ 22
90%	9%	\$ 3,306	\$ (11)
80%	9%	\$ 2,938	\$ (44)
70%	9%	\$ 2,571	\$ (77)

Scenarios				
(all scenarios at the 9% Level of Earnings)				
% of 2nd Claim PEB	3rd Claim Earnings Rate	3rd Claim True-Up Payment	Probability Scenarios	Weighted True-Up Payment
100%	9%	\$ 22	90%	\$ 19
90%	9%	\$ (11)	10%	
100%	9%	\$ 22	80%	\$ 15
90%	9%	\$ (11)	20%	
100%	9%	\$ 22	70%	\$ 12
90%	9%	\$ (11)	30%	
100%	9%	\$ 22	60%	\$ 9
90%	9%	\$ (11)	40%	
100%	9%	\$ 22	50%	\$ 6
90%	9%	\$ (11)	50%	
100%	9%	\$ 22	90%	\$ 15
80%	9%	\$ (44)	10%	
100%	9%	\$ 22	80%	\$ 9
80%	9%	\$ (44)	20%	
100%	9%	\$ 22	70%	\$ 2
80%	9%	\$ (44)	30%	
100%	9%	\$ 22	60%	\$ (4)
80%	9%	\$ (44)	40%	
100%	9%	\$ 22	50%	\$ (11)
80%	9%	\$ (44)	50%	
100%	9%	\$ 22	90%	\$ 12
70%	9%	\$ (77)	10%	
100%	9%	\$ 22	80%	\$ 2
70%	9%	\$ (77)	20%	
100%	9%	\$ 22	70%	\$ (8)
70%	9%	\$ (77)	30%	
100%	9%	\$ 22	60%	\$ (18)
70%	9%	\$ (77)	40%	
100%	9%	\$ 22	50%	\$ (28)
70%	9%	\$ (77)	50%	

**Table 2D: Statewide Scenario 2C with 50% Holdback**

<b>2nd Claim</b>				
At 120% of CPUC Goal				
PEB	Earnings Rate	Earnings Amount	Claim 50%	Holdback 50%
\$ 3,673	12%	\$ 441	\$ 220	\$ 220

<b>3rd Claim</b>			
Assume One Savings Metric Falls below 95% Threshold			
% of 2nd Claim PEB	3rd Claim Earnings Rate	3rd Claim PEB	3rd Claim True-Up Payment
100%	9%	\$ 3,673	\$ 110
90%	9%	\$ 3,306	\$ 77
80%	9%	\$ 2,938	\$ 44
75%	9%	\$ 2,755	\$ 28
70%	9%	\$ 2,571	\$ 11
65%	9%	\$ 2,387	\$ (6)
60%	9%	\$ 2,204	\$ (22)

<b>Scenarios</b>				
(all scenarios at the 9% Level of Earnings)				
% of 2nd Claim PEB	3rd Claim Earnings Rate	3rd Claim True-Up Payment	Probability Scenarios	Weighted True-Up Payment
100%	9%	\$ 110	90%	\$ 107
90%	9%	\$ 77	10%	
100%	9%	\$ 110	80%	\$ 104
90%	9%	\$ 77	20%	
100%	9%	\$ 110	70%	\$ 100
90%	9%	\$ 77	30%	
100%	9%	\$ 110	60%	\$ 97
90%	9%	\$ 77	40%	
100%	9%	\$ 110	50%	\$ 94
90%	9%	\$ 77	50%	
100%	9%	\$ 110	90%	\$ 104
80%	9%	\$ 44	10%	
100%	9%	\$ 110	80%	\$ 97
80%	9%	\$ 44	20%	
100%	9%	\$ 110	70%	\$ 90
80%	9%	\$ 44	30%	
100%	9%	\$ 110	60%	\$ 84
80%	9%	\$ 44	40%	
100%	9%	\$ 110	50%	\$ 77
80%	9%	\$ 44	50%	
100%	9%	\$ 110	90%	\$ 102
75%	9%	\$ 28	10%	
100%	9%	\$ 110	80%	\$ 94
75%	9%	\$ 28	20%	

100%	9%	\$	110	70%	\$	85
75%	9%	\$	28	30%		
100%	9%	\$	110	60%	\$	77
75%	9%	\$	28	40%		
100%	9%	\$	110	50%	\$	69
75%	9%	\$	28	50%		
100%	9%	\$	110	90%	\$	100
70%	9%	\$	11	10%		
100%	9%	\$	110	80%	\$	90
70%	9%	\$	11	20%		
100%	9%	\$	110	70%	\$	80
70%	9%	\$	11	30%		
100%	9%	\$	110	60%	\$	71
70%	9%	\$	11	40%		
100%	9%	\$	110	50%	\$	61
70%	9%	\$	11	50%		
100%	9%	\$	110	90%	\$	99
65%	9%	\$	(6)	10%		
100%	9%	\$	110	80%	\$	87
65%	9%	\$	(6)	20%		
100%	9%	\$	110	70%	\$	75
65%	9%	\$	(6)	30%		
100%	9%	\$	110	60%	\$	64
65%	9%	\$	(6)	40%		
100%	9%	\$	110	50%	\$	52
65%	9%	\$	(6)	50%		
100%	9%	\$	110	90%	\$	97
60%	9%	\$	(22)	10%		
100%	9%	\$	110	80%	\$	84
60%	9%	\$	(22)	20%		
100%	9%	\$	110	70%	\$	71
60%	9%	\$	(22)	30%		
100%	9%	\$	110	60%	\$	57
60%	9%	\$	(22)	40%		
100%	9%	\$	110	20%	\$	4
60%	9%	\$	(22)	80%		

**Table 3: Decreases in NTG ratios and corresponding decrease in PEB**

Source: Scenarios analysis from utility compliance filings for 2006-08 portfolio applications

		(\$M)	(\$M)	(\$M)	% of base case PEB	% drop from base case PEB	
		TRC net	benefits	PAC net	benefits	PEB	
<b>PG&amp;E</b>	Base case	\$	752	\$	1,057	\$ 854	
	75% of current NTG ratios	\$	397	\$	562	\$ 452	53%
	50% of current NTG ratios	\$	42	\$	68	\$ 51	6%
<b>SCE</b>	Base case	\$	1,170	\$	1,378	\$ 1,239	
	75% of current NTG ratios	\$	805	\$	874	\$ 828	67%
	50% of current NTG ratios	\$	439	\$	369	\$ 416	34%
<b>SDG&amp;E</b>	Base case	\$	305	\$	394	\$ 335	
	75% of current NTG ratios	\$	195	\$	231	\$ 207	62%
	50% of current NTG ratios	\$	86	\$	67	\$ 80	24%
<b>SCG</b>	Base case	\$	109	\$	213	\$ 144	
	75% of current NTG ratios	\$	54	\$	116	\$ 75	52%
	50% of current NTG ratios	\$	(1)	\$	20	\$ 6	4%

**TABLE 4: Analysis of PG&E's Portfolio Using Reported Data Through 2nd Quarter 2007**

PG&E									
Top 5 Elements									
	Energy Savings (Net Annual kWh)	% of Portfolio kWh Savings	Scenario 1: Reduce Top 5 Elements by 15%	Scenario 2: Reduce Top 5 Elements by 20%	Scenario 2: Reduce Top 5 Elements by 25%	Scenario 3: Reduce Top 5 Elements by 30%	Scenario 4: Reduce Top 5 Elements by 35%	Scenario 5: Reduce Top 5 Elements by 40%	
Lighting Measures (Res and Non Res)	996,258,992	75%	846,820,143	797,007,194	747,194,244	697,381,295	647,568,345	597,755,395	
Refrigeration	53,594,051	4%	45,554,944	42,875,241	40,195,539	36,443,955	34,300,193	32,156,431	
Industrial (mostly oil well controllers)	40,234,612	3%	34,199,420	32,187,690	30,175,959	27,359,536	25,750,152	24,140,767	
HVAC	33,393,551	3%	28,384,519	26,714,841	25,045,163	22,707,615	21,371,873	20,036,131	
Motors	20,902,813	2%	17,767,391	16,722,250	15,677,109	14,213,913	13,377,800	12,541,688	
Total Savings - Top 5 Elements	1,144,384,020	86%	972,726,417	915,507,216	858,288,015	798,106,313	742,368,362	686,630,412	
Total Savings - Portfolio	<b>1,331,951,283</b>								
Ex Post Change to the Energy Savings of the Top Programs of:			15%	20%	25%	30%	35%	40%	
Equals an Ex Post Portfolio Energy Savings Change of:			13%	17%	21%	26%	30%	34%	