

Decision 09-12-034 December 17, 2009

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to examine the Commission's post-2005 energy efficiency policies, programs, evaluation, measurement, and verification, and related issues.

Rulemaking 06-04-010  
(Filed April 13, 2006)

**ORDER EXTENDING STATUTORY DEADLINE**

**Summary**

Pub. Util. Code § 1701.5(a) provides that ratesetting proceedings shall be resolved within 18 months of the date the scoping memo is issued, unless the Commission makes a written determination that the deadline cannot be met, including findings as to the reason, and issues an order extending the deadline.

The scoping memo for this proceeding was issued on May 24, 2006. Pursuant to Pub. Util. Code § 1701.5(a) and (b), the deadline for resolving this proceeding was established in the scoping memo as December 31, 2008. Decision (D.) 09-01-027 on January 29, 2009, extended the deadline established in the scoping memo for resolving this proceeding by 60 days, to March 1, 2009. D.09-02-020, D.09-04-026, D.09-06-040, D.09-08-019, and D.09-10-050 extended the deadline to December 26, 2009. Today's decision again extends the deadline by 60 days to February 24, 2010.

## **Discussion**

This rulemaking has served as the forum for six major categories of energy efficiency issues: (1) Shareholder Risk/Reward Incentive Mechanism, (2) Evaluation, Measurement and Verification (EM&V), (3) Refinements to Policy Rules and Reporting Requirements, (4) Updates to Energy Efficiency Potentials Studies and Savings Goals, (5) Implementation of 2006-2008 Portfolio Plans and Planning Process for 2009-2011 Program Cycle, and (6) Transition Issues and Filings Related to Pre-2006 Programs. We have issued 17 decisions in this rulemaking on these various topics, including intervenor compensation decisions.

In Decision (D.) 07-09-043 in this docket, we adopted a risk/reward incentive mechanism for the investor-owned utilities' energy efficiency activities. This decision was modified by D.08-01-042. In D.08-12-059, we granted in part and denied in part a Petition for Modification of D.07-09-043 and D.08-01-042. D.08-12-059 provides for Commission review of verification reports of utility energy efficiency savings. Due to the continuing need for review of activities related to the risk/reward incentive mechanism and verification of energy savings, we were unable to resolve this issue before the December 31, 2008 deadline established in the scoping memo.

On January 29, 2009, we opened a new rulemaking, Rulemaking (R.) 09-01-019, to consider risk/reward incentive mechanisms. We recently opened a second new rulemaking R.09-11-014 to deal with other energy efficiency issues going forward. With the issuance of R.09-11-014, there is only a limited need for a forum for the energy efficiency issues within the scope of this proceeding. Pacific Gas and Electric Company (PG&E) filed a Motion in this docket on July 29, 2009, seeking Commission approval to "present worth" future

years of the University of California, Davis' Energy Efficiency Incentive Eligibility upgrades planned for years 2009-2011. Also, PG&E on July 30, 2009, filed a Petition for Modification in this docket to include stand-alone non-generation renewable powered equipment within the policy rules' definition of an energy efficiency measure. This rulemaking remains open solely to consider these two matters. Accordingly, a 60-day extension of the December 26, 2009 deadline is needed.

### **Waiver of Comment Period**

Under Rule 14.6(c)(4) of the Commission's Rules of Practice and Procedure (Rule), the Commission may reduce or waive the period for public review and comment of proposed decisions extending the deadline for resolving ratesetting proceedings. Accordingly, pursuant to Rule 14.6(c)(4), the otherwise applicable § 1701.5(a) statutory deadline for public review and comment is being waived.

### **Assignment of Proceeding**

Dian M. Grueneich is the assigned Commissioner and David M. Gamson is the assigned Administrative Law Judge in this proceeding.

### **Findings of Fact**

1. The scoping memo for this proceeding was issued on May 24, 2006.
2. The deadline for resolving this proceeding in the scoping memo was December 31, 2008.
3. The December 31, 2008 deadline from the scoping memo was extended in D.09-01-027 to March 1, 2009, in D.09-02-020 to April 30, 2009, in D.09-04-026 to June 29, 2009, in D.09-06-040 to August 28, 2009, in D.09-08-019 to October 27, 2009, and in D.09-10-050 to December 26, 2009.
4. R.09-11-014 was opened on November 20, 2009 to consider going-forward energy efficiency issues.

5. Due to the continuing need for review of a Motion and a Petition for Modification filed by PG&E in July 2009, there is a need for this rulemaking to remain open.

**Conclusions of Law**

1. The statutory deadline imposed by Pub. Util. Code § 1701.5(a) and (b) should be extended for 60 days.

2. In accordance with Rule 14.6(c)(4), the comment period is waived.

**IT IS ORDERED** that the statutory deadline for resolving this proceeding is extended to February 24, 2010.

This order is effective today.

Dated December 17, 2009, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
DIAN M. GRUENEICH  
JOHN A. BOHN  
RACHELLE B. CHONG  
TIMOTHY ALAN SIMON  
Commissioners