

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

Application of Pacific Gas and Electric Company for Approval of 2013-2014 Energy Efficiency Programs and Budget (U39M).	Application 12-07-001 (Filed July 2, 2012)
Application of San Diego Gas & Electric Company (U902M) for Approval of Electric and Natural Gas Energy Efficiency Programs and Budgets for Years 2013 through 2014.	Application 12-07-002 (Filed July 2, 2012)
Application of Southern California Gas Company (U904G) for Approval of Natural Gas Energy Efficiency Programs and Budgets for Years 2013 through 2014.	Application 12-07-003 (Filed July 2, 2012)
Application of Southern California Edison Company (U338E) for Approval of Energy Efficiency and Demand Response Integrated Demand Side Management Programs and Budgets for 2013-2014.	Application 12-07-004 (Filed July 2, 2012)

**REPLY COMMENTS OF THE
LOCAL GOVERNMENT SUSTAINABLE ENERGY COALITION
ON PROPOSED DECISION APPROVING 2013-2014
ENERGY EFFICIENCY PROGRAMS AND BUDGET**

JODY S. LONDON
Jody London Consulting
P.O. Box 3629
Oakland, California 94609
Telephone: (510) 459-0667
E-mail: jody_london_consulting@earthlink.net

For THE LOCAL GOVERNMENT
SUSTAINABLE ENERGY COALITION

November 5, 2012

In accordance with the Rules of Practice and Procedure of the California Public Utilities Commission (“CPUC” or “Commission”), the Local Government Sustainable Energy Coalition¹ (“LGSEC”) submits these reply comments on the Proposed Decision of ALJ Fitch, approving programs and budgets for the 2013-2014 energy efficiency transition period. The LGSEC reiterates the modifications recommended in our opening comments, namely:

- Provide flexibility to local government partners to determine how best to position energy audits.
- Include local governments and RENs in the development of evaluation, measurement, and verification (“EM&V”) studies focused on government and REN programs.
- Establish four percent as a cap, and not an absolute spending goal, for EM&V studies.

Additionally, the opening comments have highlighted for the LGSEC the likelihood that contracts for the Transition Period will not be ready on January 1, 2013. If current programs are required to end on December 31, there will be a stop in program activity, which has large ripple effects that taken as a whole undermine California’s energy efficiency initiatives. These ripple effects include:

- economic losses, as contractors put their programs on hiatus until follow-on agreements are in place;
- job losses, as staff are laid off because local governments or contractors cannot pay them;
- customer confusion, as programs are put on hold;
- diminished program effectiveness, as customers become frustrated that the program is

¹ The LGSEC is a statewide membership organization of cities, counties, associations and councils of government, special districts, and non-profit organizations that support government entities. Each of these organizations may have different views on elements of these comments, which were approved by the LGSEC’s Board. A list of our members can be found at www.lgsec.org.

not available when they are ready to take advantage of it.

In order to avoid these detrimental impacts, the Commission should direct the utilities to continue funding local government programs that are continuing into the Transition Period. There are some instances where the Proposed Decision directs the stakeholders to develop new versions of existing programs. In those situations, the existing program should continue until the new program is approved and ready to launch. The entire energy efficiency industry, led by the Commission, has invested billions of dollars and many, many years in building this energy efficiency infrastructure. While it is being improved, the programs should not stop.

The LGSEC has long advocated for a rolling cycle with respect to local government programs. We are hopeful that during the Transition Period, we can assist the Commission in developing an “evergreen” approach to energy efficiency programs that focuses on continuity in program delivery and continual improvement in program design and results.

The LGSEC looks forward to working with the Commission and the other stakeholders during the Transition Period, and continuing to improve energy efficiency opportunities for all Californians. We encourage the Commission to adopt a Decision on the Transition Period at its November 8 business meeting.

Dated: November 5, 2012

Respectfully submitted,



Jody S. London
Jody London Consulting
P.O. Box 3629
Oakland, California 94609
Telephone: (510) 459-0667
E-mail: jody_london_consulting@earthlink.net

For THE LOCAL GOVERNMENT
SUSTAINABLE ENERGY COALITION