September 4, 2018

**Advice \_\_\_\_\_\_\_\_\_\_-E**

(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

**Subject:** **PG&E’s 2019 Energy Efficiency Annual Budget Advice Letter in Compliance with Decision 18-05-041**

# I. Purpose

Pacific Gas and Electric Company (PG&E) hereby submits its 2019 energy efficiency (EE) portfolio budget (2019 EE Budget) by Tier 2 advice letter (AL) in compliance with the *Decision Re Energy Efficiency Goals for 2016 and Beyond and Energy Efficiency Rolling Portfolio Mechanics,* the “Rolling Portfolio decision,” (D.15-10-028)[[1]](#footnote-2) and the *Decision Addressing Energy Efficiency Business Plans* (D.18-05-041)[[2]](#footnote-3) and guidance from the California Public Utilities Commission (CPUC or Commission) Energy Division (ED) staff (Staff). This filing would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

PG&E requests that the Commission approve its 2019 EE Budget, effective as of January 1, 2019 for PG&E's approved EE programs.

# II. Background

## Regulatory Requirements

The Rolling Portfolio Decision required each program administrator to file an advice letter with a budget for the next calendar year’s EE portfolio by the first business day of September each year.[[3]](#footnote-4) The Commission explained:

*The decision on the business plans will not establish a particular amount for cost recovery (for IOUs) or for transfers from IOUs (for CCAs) or for contracting purposes (for RENs). It will establish a “ballpark” figure for spending for the life of the business plan. The annual advice letter filings, not the business plans, will propose detailed budgets for cost recovery, transfer, and contracting purposes.*

PG&E's proposed budget ($340,083,931) includes the currently authorized funding amounts for Marin Clean Energy (MCE) and the Bay Area Regional Energy Network (BayREN).

The *Decision Addressing Energy Efficiency Business Plans* (D.18-05-041)[[4]](#footnote-5), issued May 31, 2018, established September 4, 2018 as the deadline for the 2019 annual budget ALs.

## Filing Requirements

D.15-10-028 requires each EE Program Administrator (PA) to file a Tier 2 advice letter with the PA’s annual EE budget for the coming year in September of each year[[5]](#footnote-6) and requires such advice letters to contain:

* Portfolio cost-effectiveness statement; and
* Application summary tables with forecast budgets and savings by sector and program/intervention.

Furthermore, D.18-05-041 provided additional guidance to PAs in submitting Annual Budget Advice Letters (ABAL). D.18-05-041 requires that the IOU’s ABAL include the following:

* A forecasted TRC that must meet or exceed 1.25, except during program years 2019-2022, when the forecasted TRC must meet or exceed 1.0;
* Forecasted energy savings goals that must meet or exceed Commission established savings goals for each IOU; and
* A forecasted budget that must not exceed the PA’s annual budget in the approved business plans, or (if applicable) the revised annual budget in this ABAL. [[6]](#footnote-7)

If a PA’s ABAL submitted for program year 2019 through program year 2022 fails to meet the criteria above, the PA is to hold a workshop to explain why it failed to meet the above criteria to provide transparency of the challenges in meeting the criteria and potentially aid the PA in revising its business plan pursuant to D.15-10-028 for Commission approval.

## Contents of this Filing

PG&E's advice letter is organized as follows:

* Budget
* Goals
* Cost Effectiveness
* Metrics
* Program and Portfolio Changes
* Prior Years’ Unspent Funds
* Fund Shifting
* Evaluation, Measurement & Verification (EM&V)

In addition to the information above, PG&E’s 2019 EE budget AL includes the following materials:

* Attachments
  + Attachment 1 – CEDARS Filing Confirmation
  + Attachment 2 – TBD
  + Attachment 3 – TBD
  + Attachment 4 – TBD
  + Attachment 5 – Sector Level Metrics: Progress to Date

**III. Discussion**

## Budget

PG&E’s total 2019 EE Budget of $340 million is designed to optimize each of the CPUC metrics, including but not limited to, cost-effectiveness, savings goals, budgets, and Commission mandated budget caps and targets. In addition, PG&E’s portfolio reflects known CPUC measure and program savings modifications for 2019 and portfolio design elements recommended in D.18-05-041. To meet the Commission’s requirements, PG&E proposes significant modifications to its energy efficiency portfolio for 2019, as described herein. These modifications focus on delivering a cost-effective portfolio while beginning the transition to the Commission’s new statewide and third-party model for energy efficiency, with adjustments to meet 2019 net goals.

While PG&E’s target cost-effectiveness is currently at 1.04, this mix and resulting cost-effectiveness may change in 2019 as the Commission releases measure dispositions, DEER updates, and other key inputs which could reduce or improve portfolio savings and cost-effectiveness.

Early notifications of such dispositions would assist PG&E in responding to such changes. PG&E is committed to working closely with the Commission to ensure that its measure and program forecasts utilize the most recent information, while also ensuring that customers, vendors, and PG&E have sufficient certainty in making energy efficiency investment decisions. As cost effectiveness inputs change, PG&E will continue to evaluate the available mix of measures and make portfolio adjustments as necessary. This may include, but is not limited to, fund shifting, measure and program elimination, and modifications to rebate levels.

PG&E is still in the process of developing a final forecast. As such, the tables below do not reflect its final 2019 EE Portfolio Budget. Table 1 below provides PG&E’s 2019 EE portfolio budget.

**Table 1: PG&E Total 2019 Energy Efficiency Budgets[[7]](#footnote-8)**

| **Program Name** | **2019 Budget ($)** |
| --- | --- |
| Residential | 86,690,247 |
| Commercial | 56,242,599 |
| Agricultural | 12,917,212 |
| Industrial | 34,526,330 |
| Public | 49,619,430 |
| Codes & Standards | 21,663,429 |
| Financing | 1,855,466 |
| OBF Loan Pool | 13,500,000 |
| Emerging Technologies | 7,294,725 |
| Workforce Education & Training | 10,429,210 |
| **Programs Subtotal** | **294,738,648** |
| Statewide DSM | 559,206 |
| EM&V (PG&E only)[[8]](#footnote-9) | 12,304,077 |
| **PG&E Subtotal** | **307,601,931** |
| BayREN | 23,950,000 |
| MCE | 8,532,000 |
| 3C-REN | TBD |
| **Subtotal Nonutility** | **32,482,000** |
| **Total EE Budget** | **340,083,931** |

## Goals

PG&E is still in the process of developing a final forecast. As such, the table below does not reflect its final 2019 EE Portfolio Savings.

Table 2 below provides PG&E’s forecast of energy savings and demand reduction for its 2019 EE portfolio. Note that Codes and Standards and Low-Income Energy Savings Assistance Program (ESA) are included in these figures.

**Table 2: PG&E Targets Compared to CPUC Goals**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Electric Savings (GWh/Year)** | **Peak Savings (MW)** | **Gas Savings with interactive effects (MM Therms/Year)** |
| **Programs** | | | |
| CPUC 2019 Goals[[9]](#footnote-10) | 524 | 100 | 19 |
| PG&E 2019 Targets | 608 | 175 | 19.1 |
| *% of Goal* | *116%* | *175%* | *100%* |

## Cost-Effectiveness

PG&E is still in the process of developing a final forecast. As such, the table below does not reflect its final 2019 Total Resource Cost (TRC) test and Program Administrator Cost (PAC) test.

Table 3 below provides the Total Resource Cost (TRC) test and Program Administrator Cost (PAC) test for its 2019 EE portfolio, excluding Codes and Standards. PG&E does not yet have Codes and Standards benefits estimates in this draft stage, and thus the TRC and PAC results presented in Table 3 below for its total EE portfolio exclude Codes and Standards benefits and costs.

**Table 3: PG&E 2019[[10]](#footnote-11) Cost-Effectiveness Results**

|  |  |  |
| --- | --- | --- |
| **Cost-Effectiveness Scenario** | **2019 TRC Forecast** | **2019 PAC Forecast** |
| Total Portfolio with market effects and ESPI, excluding C&S | 1.04 | 1.37 |

TRC and PAC calculations include costs for:

* Resource and non-resource programs, including Financing and OBF loan pool
* PG&E’s portion of Statewide DSM;
* Workforce Education and Training (WE&T)
* EM&V; and
* An estimate of $17 million for PG&E’s ESPI award in 2019.

TRC and PAC calculations exclude:

* Emerging Technologies (ET) program costs;
* Statewide ME&O costs;
* BayREN and MCE benefits and costs[[11]](#footnote-12)
* Recoverable financing costs including credit enhancements approved for the Statewide Financing Pilots in D.13-09-044; and
* Energy Savings Assistance (ESA) program benefits and costs.

## Current Cost-Effectiveness Challenges

As detailed in PG&E’s 2018 ABAL, PG&E currently faces challenges in forecasting an energy efficiency portfolio that meets a 1.0 TRC. While PG&E plans to improve cost-effectiveness in 2019 and beyond through portfolio modifications detailed in its Business Plan, challenges remain in forecasting a 1.0 TRC due to certain structural aspects of California’s cost-effectiveness framework. In addition, there also exist recent market-based challenges (e.g., changes to avoided costs) that are outside of EE industry control. The structural challenges with the cost-effectiveness framework and market-based challenges are discussed in the following sections.

**Cost-Effectiveness Framework Challenges**

Three examples within the cost-effectiveness framework demonstrate subjective rulesets for cost-effectiveness inputs and the application of inputs that embody significant uncertainty. These examples are measure cost definitions, net-to-gross (NTG) rules for disadvantaged communities (DAC) and hard-to-reach (HTR) applications, and the application of uncertain NTG estimates. Measure costs and NTG values are major drivers in the TRC calculation.

First, measure costs often encompass the cost to achieve both energy and non-energy benefits in the TRC analysis. Including measure costs attributable to non-energy benefits such as comfort, safety, increased home value, and other benefits of modern EE programs unnecessarily reduces the TRC, especially for programs and measures that achieve deep savings or for which immediate energy savings are an ancillary benefit, like Smart Thermostats and connected devices. Second, the rules for applying HTR NTG values are subjective and overly restrictive. As noted in Resolution G-3510 Finding 14, the definition of hard-to-reach customers and subsequent NTG assumptions for their projects warrants further study.[[12]](#footnote-13) The current definition of HTR and its application to NTG assignments does not appear to be based on a current nor comprehensive study of the impact of delivery type or customer demographics such as geography, socio-economic status, language, and other factors. Currently NTG also does not consider DAC status or definitions. Because these customer segments (HTR and DAC) are often more expensive to serve, requiring restrictive definitions further reduces TRC through higher implementation costs, creating an additional barrier to achieve policy goals of expanding EE to these sectors. Third, the NTG estimates applied in the TRC calculation carry significant uncertainty from insufficient decision-making documentation, unreliable self-report evaluation methods, and other sources. The uncertainty of NTG estimates was discussed extensively at the Informal NTG Workshop (July 19, 2017, CPUC), where panelists and attendees discussed multiple sources of potential measurement bias and uncertainty.

Another noteworthy challenge to forecasting cost-effectiveness within the existing framework is the current forecast duration of a single year instead of multiple years.[[13]](#footnote-14) Multi-year programs that are currently under development may include forecasted costs but low or no benefits in the first year, which impacts annual cost-effectiveness forecasts. For example, PG&E has multiple subprograms in its 2019 portfolio which are in the development phase, and thus include costs for 2019, but low or no benefits. Once these subprograms ramp up, they will deliver benefits beyond 2019, and contribute positively to cost-effectiveness forecasts. However, since the complete program benefits are not reflected in the first-year view, PG&E’s 2019 cost-effectiveness forecast is impacted.

Lastly, the energy savings goals that guide portfolio efforts do not fully reflect the cost-effectiveness standards the utilities are required to meet. The 2018 Potential and Goals Study uses a TRC threshold of 0.85 to determine eligible measures for inclusion in the economic potential calculation.[[14]](#footnote-15) Depending on the average TRC of measures included in the study, the total energy savings potential calculated may not align with portfolio offerings that are both realistic and enable a portfolio TRC of 1.0. Thus, goals derived from the study may inherently overstate the amount of achievable cost-effective energy savings.

**Market-Based Challenges**

Four major market-based factors are driving diminished portfolio cost-effectiveness compared with previous years. The first factor is the continued decrease in avoided generation costs in the CET that have resulted in a substantial decrease in portfolio benefits. Avoided cost trends that have heavily impacted portfolio cost-effectiveness include decreasing natural gas costs, high electric capacity and transmission and distribution costs during summer peak hours, and a significant drop in mid-day avoided costs due to high saturation of renewable energy during that time. The greenhouse gas adder that has been included into the avoided cost calculator,[[15]](#footnote-16) has only partially ameliorated the negative impact of the new avoided costs.

The second major market-based factor driving diminished portfolio cost-effectiveness is the transition from highly cost-effective, high-volume deemed “widget-based” measures (e.g. compact fluorescent lights (CFLs)) to more comprehensive and expensive projects. This transition has been fueled by changes in market and energy savings potential. PG&E has capitalized on the most cost-effective “low-hanging fruit” measures in past years that are no longer viable due to market saturation, code updates, reduced energy savings potential, and/or other market changes. The remaining savings opportunities are captured through multi-faceted programs that often necessitate higher implementation and/or measure costs. In particular, programs that target higher energy efficiency equipment and practices, high product quality, and deeper retrofits drive a high degree of measure costs into the portfolio. However, increasingly, measure costs are associated with participant investments in benefits unrelated to direct energy savings. For example, customers report that about half of the benefits from participating in the deep home retrofit program, Energy Upgrade California, are non-energy related.[[16]](#footnote-17) Even with the measure cost changes PG&E is forecasting for 2018, measure costs are the most important driver of TRC.

The third factor is an increase in program costs related to policy goals to support DAC, HTR, and Low-Income customers. This service comes with high costs, with recent research showing that EE program delivery to the Low-Income sector typically costs three times as much as other sectors.[[17]](#footnote-18) PG&E anticipates that the costs to serve these sectors will continue to remain high.

Finally, cost-effectiveness will continue to be impacted by the dynamic changes to the EE landscape. Meeting portfolio savings targets and SB 350 goals now requires not only more holistic programs and less reliance on “widgets”, but the growth of financing and pay-for-performance programs, leveraging private investment with incentive dollars, rapidly deploying new technologies, including energy management systems, influencing markets from the top, integration with other distributed energy resources, and investment in the workforce. In the absence of benefits attributed to these activities, these steps are fundamentally at odds with those necessary to achieve a high portfolio TRC: a narrowed set of offerings focused on low cost savings, established technologies, and easy-to-reach customers.

PG&E respectfully requests that the Commission act on the opportunities to improve TRC, which are detailed in the following section.

## Opportunities to Improve Portfolio TRC

PG&E’s Business Plan proposed solutions to address the challenges with the cost-effectiveness framework identified above and improve the cost-effectiveness of EE portfolios moving forward.[[18]](#footnote-19) PG&E recommended that the Commission modify its current cost-effectiveness protocols to provide PAs with the ability to accelerate adoption of new technologies, support deep retrofits, and offer a broad portfolio of programs.

In addition to those recommendations from PG&E’s Business Plan, PG&E has outlined the following next steps to improve portfolio cost-effectiveness:

1. Rationalize cost-effectiveness, within the current policy framework
   1. Address inaccurate and non-EE measure costs
   2. Update outdated NTG values
   3. Incorporate On-Bill Financing savings
   4. Increase EULs, as appropriate
   5. Determine the role of the PAC as a legitimate arm of the “Dual Test”
2. Reduce non-incentive spending where needed
3. Targeted program changes to existing programs
   1. Focused direct install (DI)
4. Solicitation of new programs
   1. Assess opportunities for innovative third party solutions
5. Phase III cost-effectiveness policy changes
   1. Market Transformation
   2. Accounting for “non-resource” programs that support larger state policy goals
   3. Continued rationalization of cost-effectiveness inputs, especially measure costs

## 2019 Program and Portfolio Changes

In this section, PG&E identifies changes to PG&E’s proposed programmatic activity in compliance with the Rolling Portfolio Decision[[19]](#footnote-20) and Business Plan Decision.[[20]](#footnote-21) These changes reflect the substantial shifts necessary to achieve a higher TRC, including:

* Program closures/reductions to sunset or scale back low TRC programs in every sector
* Ramping up cost effective deployment of On-Bill Financing (OBF)
* Tightening contract and administrative spend
* Rationalizing measure costs by removing measure costs not associated with energy savings

These changes will result in a more focused, modernized portfolio that prioritizes resource savings. Please note that PG&E has already sunset the Basic Path of Home Upgrade, Multifamily Energy Efficiency Rebate (MFEER) incentives, the Water Agency Partnerships, and the Code Compliance Incentive Pilot Program, among others.

PG&E plans to sunset the following programs for 2019:

* LED Accelerator (Commercial, PGE210119)
* Light Industrial Energy Efficiency (Industrial, PGE210211)
* California Wastewater Process Optimization (Industrial, PGE21025)
* Industrial Refrigeration Performance Plus (Agricultural, PGE21036)
* Residential Upstream HVAC (Residential, Subprogram of PGE21006)

PG&E plans to make significant reductions in the following programs:

* Air Conditioning Quality Care (Residential subprogram of PGE21006)
* Energy Upgrade California (Residential, PGE21004)
* Primary Lighting (Residential, PGE21041)
  + Budget reduced due to sunset measures
* Plug Load and Appliance Program (Residential, PGE21002)
* Commercial Deemed Incentives (Commercial, PGE21012)
* LGP Sector contract terms review

PG&E plans to increase budgets for the following programs:

* Middle Income Direct Install (MIDI) (Residential, PGE210011)
  + PG&E has revamped MIDI and hopes to expand the program for moderate income, DAC and HTR customers.
* Res Energy Fitness
  + REF assists customers at risk for high user surcharges. PG&E uses REF to test EE + DR technologies and load shifting options to support the TOU transition.
* Res Pay for Performance (P4P) (Residential, PGE210010)
  + PG&E anticipates at least four P4P aggregators in 2019 with two currently in the field.
  + Res P4P can help EE become a competitive resource.
* On-Bill Financing Non-Incentive Pathway (Finance, PGE21091)
  + Heavy interest in OBF-NI from large customers

PG&E has significantly reduced measure costs for the following programs, due to outdated values or substantial non-EE costs:

* Deep Retrofit programs, including:
  + Energy Upgrade California (Residential, PGE21004)
  + Multifamily Upgrade Program (Residential, PGE21003)
* New Construction programs, geared towards supporting the workforce and code advancements, including:
  + Residential New Construction (PGE21005)
  + California New Homes Multifamily (PGE21007)
  + Savings By Design (PGE211025)
* IALC Custom programs, including:
  + Agricultural Calculated Incentives (PGE21031)
  + Commercial Calculated Incentives (PGE21011)
  + Industrial Calculated Incentives (PGE21021)

## EM&V

PG&E proposes an EM&V budget of $12,304,077 consistent with the 4% EM&V budget cap, originally introduced in D.12-05-015 and subsequently upheld by the FA Decision, the Rolling Portfolio Decision, and the Guidance Decision.

The Guidance Decision revises the allocation of EM&V funds, beginning after the EE Business Plans are approved by the Commission, to 60% reserved for Commission staff evaluation efforts and up to 40% for program administrators, to be further divided proportionally among utilities, community choice aggregators, and regional energy networks.”[[21]](#footnote-22) As a baseline, PG&E has split its allocation of EM&V funds 72.5% for the Commission and 27.5% for PAs based on Commission direction.[[22]](#footnote-23)

## Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, facsimile or E-mail, no later than September 24, 2018, which is 20 days after the date of this filing. Protests must be submitted to:

CPUC Energy Division

ED Tariff Unit

505 Van Ness Avenue, 4th Floor

San Francisco, California 94102

Facsimile: (415) 703-2200

E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest shall also be sent to PG&E either via e-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson

Director, Regulatory Relations

c/o Megan Lawson

Pacific Gas and Electric Company

77 Beale Street, Mail Code B13U

P.O. Box 770000

San Francisco, California 94177

Facsimile: (415) 973-3582

E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

**Effective Date**

PG&E requests that this Tier 2 advice filing become effective on January 1, 2019.

**Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service lists for R.13-11-005, A.17-01-013 et al. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission’s Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: http://www.pge.com/tariffs/.

/S/

Erik Jacobson

Director, Regulatory Relations

Attachments

* Attachment 1 – CEDARS Filing Confirmation
* Attachment 2 – TBD
* Attachment 3 – TBD
* Attachment 4 – TBD
* Attachment 5- Sector-level Metrics

cc: Peter Franzese, Energy Division

Service List R.13-11-005

Service List A.17-01-013 et al.

1. D. 15-10-028, Ordering Paragraph (OP) 4. [↑](#footnote-ref-2)
2. D. 18-05-041, Ordering Paragraph (OP) 41-47. [↑](#footnote-ref-3)
3. D.15-10-028, OP 4. [↑](#footnote-ref-4)
4. D. 18-05-041, Ordering Paragraph (OP) 41-47. [↑](#footnote-ref-5)
5. D.15-10-028, OP 4. [↑](#footnote-ref-6)
6. D.18-05-041, p. 133 [↑](#footnote-ref-7)
7. Statewide Marketing, Education and Outreach (SW ME&O) is requested in a separate Commission proceeding and is not reflected in the Total EE Budget. The portion of SW ME&O allocated to EE is reflected in PG&E's cost-effectiveness calculations. [↑](#footnote-ref-8)
8. BayREN, MCE, and 3C-REN’s budgets include EM&V [↑](#footnote-ref-9)
9. D. 17-09-025 [↑](#footnote-ref-10)
10. The 2019 CET User Interface from CEDARS was used to calculate cost-effectiveness. [↑](#footnote-ref-11)
11. BayREN and MCE costs (including EM&V) are excluded. [↑](#footnote-ref-12)
12. Resolution G-3510, Finding 14. [↑](#footnote-ref-13)
13. Prior to the Rolling Portfolio, PAs forecasted 3-year portfolio cycles, which allowed for a longer-term view of cost-effectiveness projections. [↑](#footnote-ref-14)
14. Energy Efficiency Potential and Goals Study for 2015 and Beyond, p. v. (Update to 2018 reference) [↑](#footnote-ref-15)
15. D.17-08-022 [↑](#footnote-ref-16)
16. a. *PG&E Whole House Program: Marketing and Targeting Analysis. Opinion Dynamics Corporation, 2014. CALMAC ID: PGE0302.05* b. *Energy Upgrade California – Home Upgrade Program Process Evaluation 2014-2015*, EMI Consulting, 2015. CALMAC ID: PGE0389.01,  [↑](#footnote-ref-17)
17. The Cost of Saving Electricity Through Energy Efficiency Programs Funded by Utility Customers: 2009–2015. I. Hoffman et al. (LBNL, 2018). [↑](#footnote-ref-18)
18. PG&E’s Business Plan, Portfolio Overview chapter, pp. 45-47. Response of Pacific Gas and Electric Company (U 39 M) to Comments on Attachment A of the Scoping Memo and Ruling and to Attachment B Questions, pp. 12-13. [↑](#footnote-ref-19)
19. D.15-10-028, p. 60. [↑](#footnote-ref-20)
20. D. 18-05-041 [↑](#footnote-ref-21)
21. Guidance Decision, OP 16. [↑](#footnote-ref-22)
22. Consistent with PG&E’s 2015 funding proposal (approved in PG&E Advice Letter 3541-G-C/4550-E-C), PG&E proposes to apply the split to the EM&V budget, and then add the benefits burdens amount to PG&E’s portion of the EM&V budget to align with recorded expenditures. [↑](#footnote-ref-23)