State of California

M e m o r a n d u m

Date: June 9, 2015

To: Randy Kwok, PG&E

              Gay Powell, PG&E

From: ▉▉▉▉▉▉▉▉▉

File No: Project No. 2K13182291 (X362)

Subject: CPUC staff waiver further review

CPUC staff waives further review of the above referenced project. However, PG&E must address the below issues and upload the requested items with the final project documentation onto this project's folder in the CMPA:

- The project's measure costs are not itemized. PG&E must obtain and upload the itemized measure costs, including equipment and labor costs by measure, to the project's CMPA folder.
- The CHW Reset eligibility is still a concern since a facility built in 1976 would have replaced their original chillers by now. That history was not documented. If the chillers were replaced when the 2005 Title 24 went into effect, then the CHW Reset measure may not be eligible. PG&E must determine if and when the facility chillers were replaced, obtain and review the permit for the chiller replacement, and determine the measure eligibility. If the CHW Reset is found to be ineligible, CHW Reset must be incorporated into the baseline modeling and the ex ante savings estimates and incentives revised.
- PG&E intends to pay an incentive for a zero cost measure, a chiller schedule operational change, because the savings and costs are bundled at the project level, and the incentive cap doesn't kick in. This appears to circumvent the program rules not to provide incentives to measures with a one year or less simple payback. The incentive for this measure represents $4,276.66, about 5% of the total incentives. PG&E must provide rationale to justify awarding an incentive for this no cost measure and not following the stipulated program rules.

PG&E shall apply a Gross Realization Rate of 0.9 to the ex ante savings values for this project when filing the final savings claims. Upon completion of this project, please upload all final project documentation to this project's directory in the CMPA. Upon submitting the utility claims for this project to the CPUC, please

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upload to this project's directory in the CMPA a document indicating the project's Claim IDs and the quarter and year in which the project is claimed.

Thank you.