



September 5, 2018

Commissioner Clifford Rechtschaffen  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

**RE: PG&E's Local Government Partnerships (LGPs) Budget Reductions**

Dear Commissioner Rechtschaffen,

Recently, PG&E advised East Bay Energy Watch (local government partnership covering 35 jurisdictions within Alameda and Contra Costa Counties), that its administration, marketing, implementation and non-resource budget for energy efficiency programs would be reduced by 29%. We have also heard that other partnerships throughout the state have been advised of cuts as high as 65%, with some partnerships being eliminated altogether. These substantial cuts to our local government partnership budgets will have an untenable impact on our ability to combat climate change and meet local and state Climate Action goals, such as SB 350. In the wake of what arguably was our most catastrophic fire season in California history, it is unfathomable that the resources provided by local governments to combat climate change are being reduced in a time when these resources are needed more than ever. Our local government partnership provides value and legitimacy to the energy efficiency programs offered by the IOUs, including outreach to our community members who trust us. The elimination of these resources will have a significant impact to our local government goals, our ability to implement courageous CAPs, and our constituents.

The decision to move 60% of the IOU energy efficiency portfolio to third party did not intend to reduce or eliminate LGPs. Undoubtedly, this may be the case, even for 2019, before the third party contracts have been put in place. The IOUs actions now directly contradict Decision 18-05-041 Order #30: "The investor owned utilities must work with Local Government Partnership partners .... and support local governments' efforts to increase local capacity to conduct energy efficiency activities." Unfortunately, we are not seeing that support, only cuts to our budgets. However, we believe that it was not the intention of the CPUC to eliminate LGPs, but is rather an unintended consequence for the sole purpose of meeting a cost-effectiveness criterion imposed by the CPUC on IOUs that is unreasonable and outdated.

CPUC President Rechtschaffen

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Local governments are an integral part of California meeting its goals to make a meaningful impact on climate change. We ask that the CPUC keep these important local government resources and re-evaluate the cost-effectiveness metric currently used to measure the success of energy efficiency programs.

Sincerely,

A handwritten signature in cursive script that reads "Genoveva Garcia Calloway".

Genoveva Garcia Calloway

Mayor

cc: San Pablo City Councilmembers  
City Manager  
Assistant City Manager