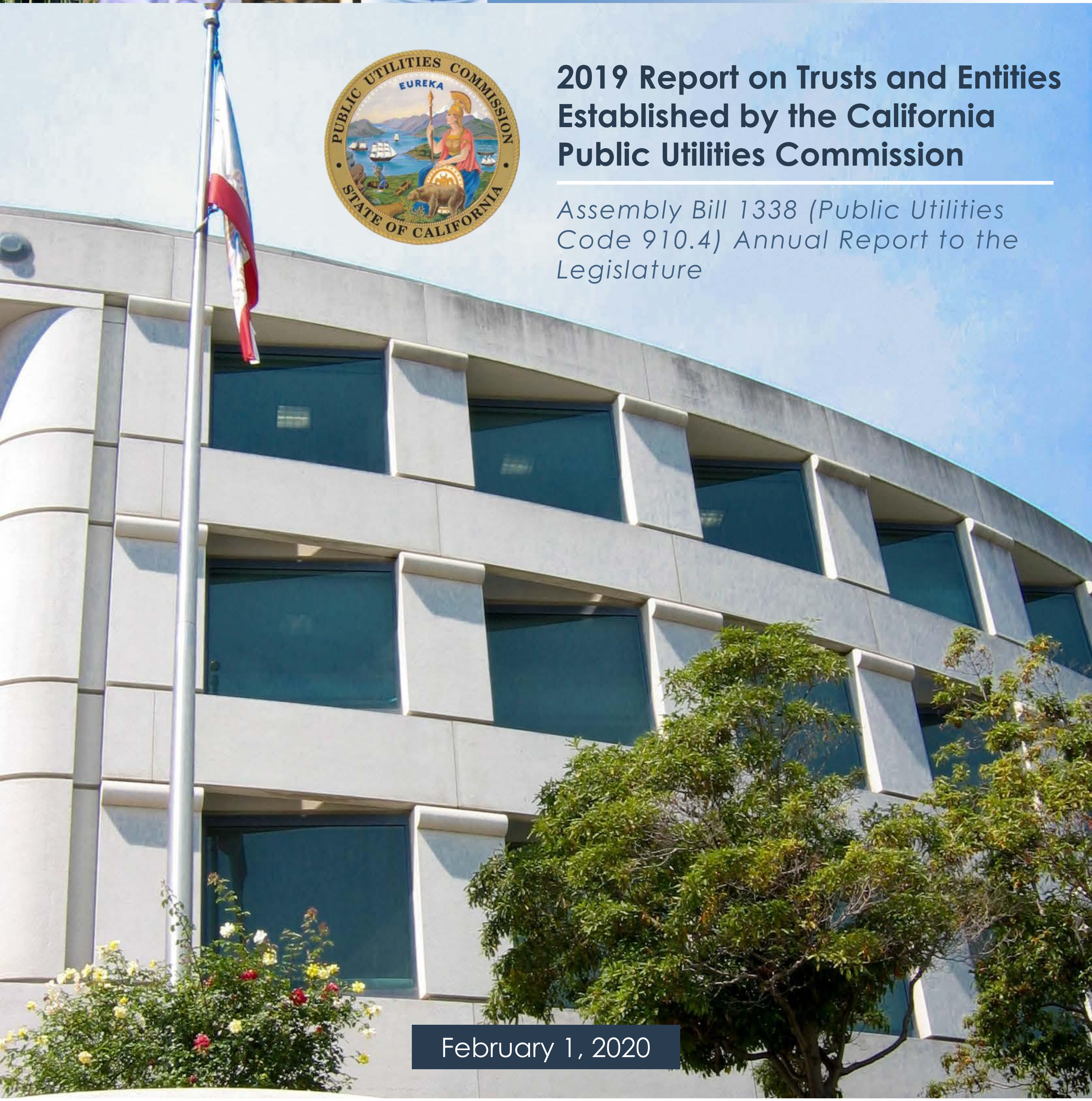

2019 Report on Trusts and Entities Established by the California Public Utilities Commission

Assembly Bill 1338 (Public Utilities Code 910.4) Annual Report to the Legislature

February 1, 2020

CETF
CALIFORNIA EMERGING TECHNOLOGY FUND

CALIFORNIA HUB FOR ENERGY EFFICIENCY FINANCING

California Clean Energy Fund

DCISC
DIABLO CANYON INDEPENDENT SAFETY COMMITTEE

Stewardship Council

2019 Report on Trusts and Entities Established by the California Public Utilities Commission

Assembly Bill 1338 (Public Utilities Code 910.4) Annual Report to the Legislature

CONTENTS

I. INTRODUCTION

This 2019 annual legislative report is submitted by the California Public Utilities Commission (CPUC) to the Legislature pursuant to Assembly Bill (AB) 1338 passed in September 2008. It summarizes annual updates to fiscal and governance information for entities and programs established by the CPUC.

Assembly Bill 1338 (Huffman, 2008)

AB 1338 requires the CPUC to report to the Legislature certain information concerning entities or programs created by order of the CPUC. On January 1, 2016, Section 326.5 of the Public Utilities Code was amended and renumbered to P.U. Code 910.4, which is included in full below:

Public Utilities Code 910.4.
By February 1 of each year, the Commission shall report to the Joint Legislative Budget Committee and appropriate fiscal and policy committees of the Legislature on all sources and amounts of funding and actual and proposed expenditures, both in the two prior fiscal years and for the proposed fiscal year, including any costs to ratepayers, related to both of the following:

(a) Entities or programs established by the commission by order, decision, motion, settlement, or other action, including, but not limited to, the California Clean Energy Fund, the California Emerging Technology Fund, and the Pacific Forest and Watershed Lands Stewardship Council. The report shall contain descriptions of relevant issues, including, but not limited to, all of the following:
   (1) Any governance structure established for an entity or program.
   (2) Any staff or employees hired by or for the entity or program and their salaries and expenses.
   (3) Any staff or employees transferred or loaned internally or interdepartmentally for the entity or program and their salaries and expenses.
   (4) Any contracts entered into by the entity or program, the funding sources for those contracts, and the legislative authority under which the Commission entered into the contract.
   (5) The public process and oversight governing the entity or program's activities.

(b) Entities or programs established by the Commission, other than those expressly authorized by statute, under the following sections:
   (1) Section 379.6.
   (2) Section 399.8.
   (3) Section 739.1.
   (4) Section 2790.
   (5) Section 2851.

Entities or Programs Established by the California Public Utilities Commission

Table 1 shows the actual and proposed expenditures for the prior two fiscal years and current fiscal year for entities and programs established by order of the CPUC. The chapters for each entity and program that follow include further details and required reporting information.

Table 1. Entities and Programs and their Actual and Proposed Expenditures, 2017-2020

Entity	Expenditures	2017-2018	2018-2019	2019-2020
The Pacific Forest and Watershed Lands Stewardship Council	*Proposed*	$7,300,000	$11,400,000	$13,000,000
	Actual	$6,600,000	$6,800,000	N/A
The California Clean Energy Fund	*Proposed*	$3,100,000	$5,500,000	$6,400,000
	Actual	$4,300,000[1]	$5,200,000[2]	N/A
The California Emerging Technology Fund	*Proposed*	$7,310,000	$8,030,000	$9,025,000
	Actual	$6,399,780	$6,543,479	N/A
The California Hub for Energy Efficiency Financing	*Proposed*	$3,668,000	$3,597,000	$2,972,000
	Actual	$2,381,000	$2,867,000	$3,606,000
21st Century Energy Systems – Research and Development Agreement	*Proposed*	$8,099,081	$4,407,490	$1,229,241
	Actual	$7,356,817	$4,223,602	$1,158,625[3]
The Diablo Canyon Independent Safety Committee	*Proposed*	$0	$0	$0
	Actual	$0	$0	$0
Nuclear Decommissioning Trusts	*Proposed*	N/A	N/A	N/A
	Actual	$10,574,408	$8,913,296	N/A
Electric Program Investment Charge (EPIC)	*Proposed*	$555,000,000[4] (2018-2020)		
	Actual	N/A		
TECH and BUILD Programs	*Proposed*	$0	$0	TBD
	Actual	$0	$0	TBD

Additional details for each Trust and Entity are included in the chapters that follow. The fiscal year for the California Clean Energy Fund and EPIC is from January 1-December 31. The fiscal year for all other entities listed is from July 1-June 30.

[1] Overage vs budget funded with additional philanthropic grants.
[2] Estimate of actual expenditures.
[3] Through November 2019.
[4] Proposed allowed funding for the triennial (3-year) investment cycle from January 1, 2018-December 31, 2020.

II. ANNUAL REPORT UPDATES FROM TRUSTS & ENTITIES CREATED BY THE CPUC

1. The Pacific Forest and Watershed Lands Stewardship Council

BACKGROUND

The Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council) was formed as a result of CPUC Decision (D.) 03-12-035 dated December 18, 2003: "Opinion Modifying the Proposed Settlement Agreement of Pacific Gas & Electric Company (PG&E), PG&E Corporation and the Commission Staff, and Approving the Modified Settlement Agreement." Paragraph 6 of Section VI, Subsection C specified that a total of $100 million would be provided to the Stewardship Council for the Land Conservation Commitment and the Environmental Opportunity for Urban Youth. Paragraph 6 further stipulated that funding would be paid over 10 years, to be recovered in retail rates. The Stewardship Council does not receive any additional sources of funding at this time.

The Stewardship Council's mission is to protect and enhance watershed lands and uses and invest in efforts to improve the lives of young Californians through connections with the outdoors. The Stewardship Council has two goals: (1) to ensure that over 140,000 acres of California's pristine watershed lands are conserved for the public good through the Land Conservation Program, and (2) to invest in outdoor programs that serve young people residing in the PG&E service area through the Youth Investment Program.

2019 UPDATES & ACCOMPLISHMENTS

- As of November 14, 2019, the Stewardship Council Governing Board (Board) has approved Land Conservation and Conveyance Plans (LCCPs) for 79 fee donations and/or conservation easement or conservation covenant transactions. These plans describe how the proposed transactions satisfy the requirements of the Settlement Agreement and Stipulation. After the Board approves a LCCP, PG&E then seeks regulatory approval of the transaction from the California Public Utilities Commission, and from the Federal Energy Regulatory Commission, as applicable. The Board has approved LCCP's for approximately 28,000 acres that have been recommended for donation and for more than 49,000 acres that are being retained by PG&E. Approximately 19 additional LCCP's are in the process of being developed or will be developed prior to April 2020.
- As of November 14, 2019, a total of 46 conservation easement and fee title donation transactions have closed. Twelve transactions were closed in 2017, ten in 2018 and sixteen are anticipated for 2019, which shows an upward trend in completion of transactional work.
- Following regulatory approvals, 29 conservation easements were recorded on more than 24,000 acres being retained by PG&E at the following planning units: Doyle Springs, Iron Canyon, Kern River, Lower Bear Area, Middle Fork Stanislaus River, Fordyce Lake, Narrows, Merced River, Lower Drum, Kilarc Reservoir, Wishon Reservoir, Lake Spaulding, McArthur Swamp, Blue Lakes, Chili Bar, Lake McCloud, Mountain Meadows Reservoir, Kerckhoff Lake, Willow Creek, Lyons Reservoir, Battle Creek, Cow Creek, Fordyce White Rock, and Lower Drum.
- To date, fee title has been conveyed for approximately 11,933 acres. Seventeen land donations with conservation easements or conservation covenants have been completed. PG&E has closed fee title conveyance of lands to the University of California, Tuolumne County, Placer County, the Auburn Area Recreation and Park District, the Potter Valley Tribe, Maidu Summit Consortium and the Fall River Resource Conservation District and Fall River Community Services District with conservation easements recorded concurrently with the land transfer. Lands have also been conveyed to the U.S. Forest Service at the Deer Creek, Wishon Reservoir, North Fork Mokelumne River, Lower Bear Area, Blue Lakes, and Fordyce (White Rock) Lake planning units with the conservation covenant recorded concurrently.

2019 Environmental Enhancement Program Accomplishments and Updates

The Enhancement Program is expected to result in approximately $13 million in grants awarded for projects that enhance the beneficial public values of the Watershed Lands and promote productive partnerships involving landowners, conservation easement holders, local communities, youth, and other stakeholders over the life of the Stewardship Council. Examples of some of the projects include habitat restoration, recreational trails and facilities, cultural resource protection and interpretation, forest research, management plans, planning and feasibility studies, and biological and cultural resource surveys.

At the June 2019 Board meeting, the Stewardship Council awarded $5 million to San Joaquin County Office of Education (SJCOE) to acquire and improve Sky Mountain Camp at Lake Valley Reservoir as a youth environmental and science camp that will serve school children, teachers for professional development, and other groups' team building and outdoor recreation activities. SJCOE is an innovative organization that runs one of the oldest, largest, and most successful outdoor education programs in California at Jones Gulch in the Santa Cruz Mountains. SJCOE intends to use the new camp at Sky Mountain to serve additional students, enhance its existing programs, and offer new specialized programs. This enhancement grant provides a legacy project for the Stewardship Council that will expose hundreds of thousands of students to the Watershed Lands in a learning environment, uniquely supporting the preservation of the beneficial public values and promoting youth environmental education. SJCOE will receive a donation of approximately 60 acres at the site and use the grant funding to purchase the camp facilities from the current private camp operator. After completing planning and environmental permitting, SJCOE will use the remaining funds to purchase the current camp assets and to complete necessary camp upgrades to serve the diverse student groups that will visit the camp.

At the September 2019 Board meeting, two additional proposals were awarded on lands donated to Maidu Summit Consortium (MSC) and Madera County:

- *Tàsmam Kojòm Maidu Cultural Park* - MSC will use the $178,800 grant to improve infrastructure for the first Tribal Cultural Park in California and to protect natural and cultural resources that may be impacted from increased visitor use. MSC will improve Yellow Creek Campground on the Property with upgraded restrooms, a new cooking area, a new group campsite, and upgraded existing campsites with food storage lockers and amenities. MSC will also construct a kiosk with interpretive panels and limited connecting trails, along with a meadow restoration project funded with matching grants from U.S. Fish and Wildlife Service and the California Department of Fish and Wildlife.
- *Bass Lake North Fork Regional Trail* - Madera County will use the $502,882 grant to develop a new walk-in campground, a connecting trail, and a staging area for multiple use access to the campground at the property. The County has planned a new regional park at the site and the trail will link other trail segments in the area for the growing regional system. It will also complete a fuels reduction project to prevent catastrophic wildfire damage to the property and surrounding habitat. The Bass Lake North Fork Regional Trail Project addresses the need for development of additional regional outdoor recreational opportunities within the foothill and mountain areas of Madera County. The project will enhance the beneficial public values of natural habitat for fish and wildlife, outdoor recreation, and historic and cultural resources.

Youth Investment Program Accomplishments

As of June 2019, using Stewardship Council and other funding, Youth Outside awarded multi-year and two one-year grants to 39 organizations in the current year totaling $801,500. These grants serve youth in several regions of PG&E's service area, providing transformational outdoor education and open space experiences to over 11,900 youth. Below is a sampling:

- A Youth Outside award to *Acta Non Verba* (Deeds Not Words) connects youth of color from East Oakland to a nature-based farm program. Youth learn about healthy eating and sustainable farming and build savings for their educational future.

- A Youth Outside grant to the *California Indian Museum and Cultural Center* supports their work in empowering youth to reclaim California Indian environmental stewardship of oak woodlands through culturally relevant caretaking.
- A Youth Outside grant to the *Groundwork Richmond* supports programs that help and expand and revitalize the City of Richmond's neglected parks and urban forest canopy. Participants are taught basic biology, ecology, hydrology and public health benefits provided by a healthy urban forest and outdoor activity.

Youth Outside is continuing to diversify in revenue stream to build a sustainable organization beyond the Stewardship Council's lifespan. They maintain a grant-making partnership with Kaiser Permanente and are exploring additional partnerships that will help Youth Outside expand across California. Kaiser Permanente renewed its support for an additional two years, 2018 and 2019, to support Youth Outside's full grantee slate across both years. The funds will also support Youth Outside's Grantee Cohort Series affirming the value to the capacity building that grantees receive through this program.

In 2018 and again in 2019, with a portion of the remaining Youth Investment Program funds, the Stewardship Council provided a grant to the California Council of Land Trusts (CCLT) to help continue a Land Trust Training and Apprenticeship Program for young adults ages 18 to 26. This unique intern program helps to attract, recruit and prepare future land trust and conservation leaders that reflect the diversity of landscapes that land trusts protect, as well as the changing demographics of the state of California. CCLT is leveraging the Stewardship Council's funding to attract additional investment from other partners such as Golden 1 Credit Union and the land trusts themselves. This program is making a difference in enhancing opportunities for young professionals seeking conservation focused internships as well as engaging and empowering the next generation of conservationists.

ANNUAL REPORTING UPDATES

Below is the annual audit reporting information required by statute.

Expenditures

In addition to the information required by statute reported below, the most recently available audit report and tax return are supplied **Table 2** shows the Stewardship Council's actual and proposed expenditures for the two prior fiscal years and for the proposed fiscal year.

Table 2. The Stewardship Council's Actual and Proposed Expenditures, 2017-2020

Fiscal Year	2017-2018	2018-2019	2019-2020
Proposed expenditures (budget)	$7.3 million	$11.4 million	$13.7 million
Actual expenditures	$6.6 million	$6.8 million	N/A

The Stewardship Council has established an independent Audit Committee which oversees a full financial audit of the organization's financial statements and internal controls processes. This annual audit is available to the public via the Stewardship Council's website, as is the organization's IRS form 990: Return of Private Foundation. These reports can be found at:
http://www.stewardshipcouncil.org/public_information/financial_statements.htm

Governance Structure

This section provides links to relevant documents related to the Stewardship Council's governance structure.

a. *Articles of Incorporation:* http://www.stewardshipcouncil.org/documents/background%20documents/Articles%20of%20Incorporation_Amended%204.30.14.pdf
b. *Bylaws:* http://www.stewardshipcouncil.org/documents/background%20documents/Corporate%20Bylaws_Amended%204.30.14.pdf
c. *Settlement Agreement:* http://www.stewardshipcouncil.org/documents/background%20documents/Settlement%20Agreement.pdf
d. *Stipulation Agreement:* http://www.stewardshipcouncil.org/documents/background%20documents/Stipulation%20Signed.pdf
e. *Policies and Procedures:* The board-adopted Policies and Procedures are available upon request.

Schedule of Employees and Compensation

A summary of staff salaries and benefits are provided in **Table 3**, a more detailed breakdown of salaries and benefits for the top five highest paid employees is given in **Appendix 1.1**.

Table 3. General Breakdown of Stewardship Council's Active Staff Costs, 2017-2019

Year	Gross Pay	Benefits	401k	Total
2017	$ 706,614	$ 181,692	$ 19,354	$ 907,660
2018	$ 821,928	$ 204,672	$ 24,410	$ 1,051,010
2019*	$ 555,381	$ 136,968	$ 12,663	$ 705,010

Through 10/31/2019. Additional information on employee compensation is provided in* ***Appendix 1.1*.

In December 2018, three Land Team members tendered their resignations from the Stewardship Council. The Assistant Director of Land Conservation was promoted to the Director level and an additional Land Team Program Manager was hired. The Stewardship Council does not foresee any additional staff changes prior toto anticipated dissolution of the Stewardship Council in 2022.

Staff Transferred or Loaned

No State staff is currently, or has ever, ,been loaned internally or interdepartmentally for this Council.

Contracts, Funding Sources, and Legislative Authority

Under the Settlement Agreement, Section 17(c), PG&E is obligated to fund the Stewardship Council annually over a ten-year period and is authorized by the Commission to recover these payments in rates. PG&E made its tenth and final installment payment to the Stewardship Council in January 2013. However, the Commission is not a party to any of the contracts entered into by the Stewardship Council, except that it is a third-party beneficiary to the Major Grant Agreement that the Stewardship Council entered into with the Foundation for Youth Investment in August 2013. When the Stewardship Council dissolves after it completes its land conservation program work, the CPUC will have the right to succeed to the Stewardship Council's rights, but not its obligations, under the Major Grant Agreement.

For a schedule of professional fees, please see **Appendix 1.2**.

Public Process and Oversight

The Stewardship Council's public process and oversight are guided by its Stipulation Agreement, corporate bylaws, and through board-adopted policies and procedures.

Stipulation Agreement
The Stipulation Agreement provides that:

1. "The meetings of the Governing Board [of the Stewardship Council], including meeting minutes, will be public… The Stewardship Council will publish notice of its meetings in newspapers of general circulation in the counties where affected parcels are located and will maintain a public web site… Before making decisions regarding the disposition of any individual parcel, the Stewardship Council will provide notice to the Board of Supervisors of the affected county, each affected city, town, and water supply entity, each affected Tribe and/or co- licensee, and each landowner located within one mile of the exterior boundary of the parcel, by mail or other effective manner." (Section 11(c))
2. "The Governing Board will make each decision by consensus" (Section 11(a) "Each member of the Governing Board will report to, and back from, the entity he or she represents before the Governing Board takes any programmatic action . . . in order to ensure that consensus represents the views of that entity." (Section 11(b))
3. "The Stewardship Council will provide semi-annual progress reports to the Commission… Each such report will state (1) actual expenditures and progress achieved towards the stated purpose of the Land Conservation Commitment; (2) unresolved disputes within the Governing Board; and (3) anticipated expenditures and actions during the next reporting period." (Section 14)

Corporate Bylaws
The Stewardship Council's corporate bylaws provide as follows:

Section 11. Public Notice of Meetings.

1. All meetings of the Board, including meeting minutes, shall be public; provided, however, that the Board shall have the authority to undertake a closed meeting in appropriate circumstances. The Board shall publish notice of its meetings in newspapers of general circulation in the affected counties within a reasonable time prior to any meeting and shall maintain a public web site that provides notices of its meetings and copies of all meeting minutes. Upon request, all information available on the web site shall be made available in hard copy to members of the public at cost.
2. Before the Board makes any decision regarding any individual parcel of land, the Board shall provide notice to the Board of Supervisors of the affected county, each affected city, town and water supply entity, each affected tribe and/or co-licensee and each landowner located within one mile of the exterior boundary of the parcel, by mail or other effective manner within a reasonable time prior to the meeting at which the Board will make the decision regarding that land.

Board-Adopted Policies and Procedures
The board-adopted Policies and Procedures include the following:

Public Noticing
The Stewardship Council is required to "publish notice of its meetings in newspapers of general circulation in

the counties where affected parcels are located..." It is also required by its Bylaws to "publish notice of its meetings in newspapers of general circulation in the affected counties within a reasonable time prior to any meeting…" Staff will be responsible for meeting the letter and spirit of these requirements through an inclusive and comprehensive public outreach effort.

Stewardship Council 2018-19 Public Outreach Activities, Targeted Media Outreach and Noticing

- The Stewardship Council sends e-mails to the stakeholders in its database regarding Land Conservation program updates and information, and announcements for public Stewardship Council board meetings. As of November 18, 2019, the Stewardship Council database included 13,375 individuals and 5,176 organizations (federal, state and local agencies, nonprofits, schools, tribal entities, foundations and for-profit businesses).
- The Stewardship Council mails notifications to neighboring property owners, the Board of Supervisors of the affected county, each affected city, town and water supply entity, and each affected tribe regarding draft Land Conversation and Conveyance Plans ("LCCP's") for subject parcels of PG&E Watershed Lands. The notification explains how stakeholders can submit public comments on the draft LCCP. The Stewardship Council also disseminates e-mail notices to stakeholders in its database requesting public comment on the draft LCCPs.
- The Stewardship Council sends news releases announcing public board meetings to a media database, which includes approximately 1,000 media outlet representatives.
- The Stewardship Council pays for legal notices to be printed in local papers, noticing all public board meetings. Notices are printed in newspapers serving populations that are located (a) near the place of each board meeting, and (b) in the geographical areas corresponding to the Watershed Lands that are the subject of a recommendation for the selection of a fee donee or conservation easement holder, or a proposed action approving a Land Conservation and Conveyance Plan.
- Logs are maintained for telephone, written, and e-mail inquiries regarding noticing. If a written correspondence is received, an electronic copy is made and saved. E-mail communication is also saved electronically.
- The Stewardship Council's 2018 annual report is available on the Council's website and its availability is announced via email to all stakeholders in our database. Historical annual reports are also available at http://www.stewardshipcouncil.org/public_information/publications.htm#Close.

2. The California Clean Energy Fund

BACKGROUND

The California Clean Energy Fund (CalCEF) is an independent 501(c)(4) non-profit corporation, doing business as CalCEF Ventures. CalCEF was established via a 2003 bankruptcy settlement between PG&E and the CPUC by CPUC D.03-12-035 related to Investigation 02-04-026.[5] PG&E granted $30 million to CalCEF over a five-year distribution period that was derived from shareholders per the terms of the settlement agreement.

Over the years, CalCEF has expanded into a family of entrepreneurial nonprofit organizations focused on the rapid commercialization, deployment, and scale up of low-carbon energy technologies. The CalCEF tripartite framework – comprised of three not for profit corporations, CalCEF Ventures, CalCEF Innovations and CalCEF Catalyst – identifies market barriers, develops and launches innovative financing solutions to overcome those barriers, and invests in the deployment of those solutions. CalCEF is forging a new model of market, policy, and financial innovation to bridge gaps in the development cycle of clean energy technologies.

In 2019, the CalCEF family of organizations rebranded as New Energy Nexus to emphasize the additional global elements and new funding sources it is incorporating into its programming to continue its mission to drive innovation and equity into the global clean energy economy.

Selected highlights of CalCEF's / New Energy Nexus' accomplishments since 2005 include:

- Collaborated with industry leaders to bring new financing solutions to the energy efficiency marketplace;
- Founded the nation's first university center on energy efficiency, located at UC Davis;
- Created the first venture capital impact fund;
- Helped form the industry's first multi-investor platform for tax equity investment;
- Launched the industry's first fund to focus on early-stage financing;
- Collaborated with Lawrence Berkeley National Laboratory to launch CalCharge, aimed at developing and deploying new energy-storage technologies;
- Entered into a contract with the California Energy Commission (CEC) to administer and run the California Sustainable Energy Entrepreneur Development (CalSEED) initiative, which awarded 70 grants to early stage clean energy enterprises within its first three years of programming;
- Implemented Free Electrons, a global advanced accelerator program for clean energy solutions, as the lead program manager; and,
- Launched the New Energy Nexus, a global network of clean energy incubators and accelerators.

Since 2017, all funds provided from the 2003 settlement have been spent down and remaining investment returns are not expected to provide a reliable funding stream for the organization's future work or provide any significant windfalls. The organization is now sustained through other sources of funding.

2019 UPDATES & ACCOMPLISHMENTS

Program accomplishments from the 2019 fiscal year include:

- Awarded 24 Concept awards ($150,000 each) to early stage clean energy start-ups to the CalSEED

[5] Order Instituting Investigation into the ratemaking implications for PG&E pursuant to the Commission's Alternative Plan of Reorganization under Chapter 11 of the Bankruptcy Code for PG&E, in the U.S. Bankruptcy Court, Northern District of California, San Francisco Division, In re PG&E, Case No. 01-30923 DM: http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/32684.PDF.

program's third cohort in 2019 as well as four Prototype awards ($450,000) to concept awardees from the first CalSEED cohort.

- Launched the CalTestBed program in collaboration with University of California Office of the President. Funded by the CEC, this initiative will provide $8.8M in testing vouchers to clean energy innovators to use at one of nearly 30 testing facilities throughout California over the next three years.
- Funded through restricted grants received, CalCEF organizations deployed $3.3 million in program related investments to support clean energy enterprises as a catalytic early-stage investor.
- Launched accelerator programs in Indonesia, Thailand, Vietnam, and the Philippines (CalCEF Innovations).
- Merged with ENVenture, a not for profit organization supporting last mile clean energy entrepreneurship in Uganda (CalCEF Innovations).

ANNUAL REPORTING UPDATES

Below is the annual audit reporting information required by statute. This information represents reporting for CalCEF Ventures, CalCEF Innovations, and CalCEF Catalyst combined.

Expenditures

Table 4 shows the actual and proposed expenditures for the two prior fiscal years and for the proposed fiscal year for CalCEF.

Table 4. CalCEF's Actual and Proposed Expenditures, 2017-2019

Year	2017	2018	2019
Proposed expenditures (budget)	$3.1M	$5.5M	$6.4M
Actual expenditures	$4.3M *(overage vs budget funded with additional philanthropic grants)*	$5.2M *(estimate)*	N/A

CalCEF's fiscal year is from January 1-December 31.

Governance Structure

CalCEF Ventures is governed by a board of between 3-15 directors under its Incorporation Charter and Bylaws filed in 2004 and the 2013 amended and restated Bylaws. CalCEF Ventures appoints the board of directors of CalCEF Innovations, a 501(c)(3) non-profit corporation and CalCEF Catalyst, a 501(c)(6) non-profit corporation. CalCEF Innovations currently has a board of 8 directors while CalCEF Catalyst has a board of four directors.

Governance Overview

CalCEF Ventures has been a limited partner in Clean Energy Advantage Partners since 2011 and is a general partner in Microgrid Catalytic Capital Partners.

a. *Articles of Incorporation:* Articles of Incorporation, 2004.
b. *Bylaws:* Restated Bylaws, 2013.
c. *Settlement Agreement:* http://docs.cpuc.ca.gov/Published/Final_decision/32687.htm
d. *Stipulation Agreement:* No stipulation agreement found.
e. *Policies and Procedures*: Conflict of Interest Policy, 2009.
f. *Current board members:* Vic Shao (since 2018), Jonathan Foster (since 2004), Julie Blunden (since 2013), Ian Rogoff (since 2013).

Schedule of Employees and Compensation

As of December 2019, CalCEF Ventures employs 20 headcount / 19.1 full-time equivalent staff , which includes staff charged out to CalCEF Innovations and CalCEF Catalyst. **Table 5** includes the staff salaries and benefits for all staff across the CalCEF family, now branded as New Energy Nexus. For a summary of staff salaries and benefits supported by the original settlement funds for the past two fiscal years, please see **Appendix 2.1**. Settlement funds were fully spent down as of the end of 2017.

Table 5. New Energy Nexus Staff Salaries

Year	Gross Pay	Benefits	Total
2018	$1,263,687	$135,216	$1,398,903
2019 Year to Date*	$1,637,491	$210,464	$1,847,955

As of December 2019.

Staff Transferred or Loaned

Staff are shared across the CalCEF family of organizations but recorded (accrued) for each organization separately. No state staff is currently, or has ever, been loaned to this organization. No staff from other organizations is on loan to CalCEF.

Contracts, Funding Sources, and Legislative Authority

CalCEF Ventures' initial funding of $30 million comes from PG&E shareholders. The funding extended over a five-year period as follows: $2 million in 2004, $4 million in 2005, $6 million in 2006, $8 million in 2007, and $10 million in 2008. Minor donations of $110,000 (mostly in-kind) were made from other entities during this time period as well. PG&E's role in CalCEF Ventures was limited to providing the $30 million in funding and in appointing three of the initial board members (none remain). Authority for this funding was given in CPUC D. 03-12-035, upon settlement of PG&E's bankruptcy.

CalCEF Ventures invested in new technologies by entering into partnering contracts with certain for-profit venture capital partners, all of which have been wound down by now. CalCEF holds a direct investment in Thetus, a former portfolio company of one of the venture capital funds; the fund has since been dissolved and ownership interest was transferred to CalCEF Ventures. (A detailed list of investments is provided in previous years' AB 1338 Annual Reports).

In 2006, CalCEF Ventures made a grant of $0.5 million to UC Davis for the development of the Energy Efficiency Center, and in 2007 made a second grant of $0.5 million per the terms of the grant agreement. In 2008, CalCEF Innovation was established as a sister organization with $0.5 million to address important gaps in public policy regarding motivation promotion of clean energy technology and business solutions, and to pursue needed policy making and public benefit goals. In 2011 and 2012, CalCEF Ventures co-established two new investment vehicles with operating partners: in 2011, Clean Energy Advantage Partners; and, in 2012, Renewable Energy Trust.

CalCEF Ventures maintains ownership interest in Clean Energy Advantage Partners. The ownership interest in Renewable Energy Trust was first diluted during the years subsequent to the original investment, as expected, through follow-on funding rounds since the seeding stage and exited in late 2016. In 2012, CalCEF Ventures continued its support of the UC Davis Energy Efficiency Center and provided an additional $200,000 grant over the subsequent three years. The investment distribution of the original funding among the partners and grantees can be found in previous AB 1338 Annual Reports.[6]

In September 2016, CalCEF Ventures entered into a contract with the CEC to administer and operate the California Sustainable Energy Entrepreneur Development (CalSEED) Initiative. The program is funded through the Electric Program Investment Charge (EPIC). More details on the program goals can be found inside the Request For Proposal documents for this funding opportunity RFP-15-305 available at: http://www.energy.ca.gov/contracts/RFP-15-305/

In January 2018, CalCEF Ventures was awarded a grant by the CEC to manage the CalTestBed program. The related agreement was finalized in June 2019 and the program has formally launched. More details can be found at: https://www.energy.ca.gov/sites/default/files/2019-05/GFO-17-301_NOPA.pdf

After the initial funding for CalCEF Ventures was spent down, the organization transitioned to a sustainably financed operating model through a combination of grants, including two grants totaling $750,000 from the Economic Development Agency to support regional innovation strategies in California and a private sector grant to support catalytic investments, and other mission-aligned earned income streams. CalCEF Innovations is predominantly funded by philanthropic grants. CalCEF Catalyst receives certain membership and fee-for-service income from the member[7] companies—currently five—in its CalCharge program.

Public Process and Oversight

CalCEF Ventures is a non-profit 501(c)(4) corporation not funded through direct taxation or utility ratepayers. CalCEF Ventures, CalCEF Innovations, and CalCEF Catalyst each have a Board of Directors that provide oversight of program activities.

[6] These investments are not listed in this report since the last investment from the original funding was made in 2013.
[7] Membership is non-voting.

3. The California Emerging Technology Fund

BACKGROUND

The California Emerging Technology Fund (CETF) was established as a non-profit corporation pursuant to orders from the CPUC approving the mergers of SBC-AT&T and Verizon-MCI in 2005 in D.05-11-028 and D.05-11-029, respectively. As a condition of approval of the mergers, AT&T and Verizon were required to contribute to CETF a total of $60 million seed capital over 5 years "for the purpose of achieving ubiquitous access to broadband and advanced services in California, particularly in underserved communities, through the use of emerging technologies by 2010." The funds were transferred by both companies by 2010. The $60 million seed capital funds were fully spent as of June 2017, plus a portion of earned interest and other awarded grants. As of June 30, 2017, CETF retained a little more than $2.3 million in earned interest from the original seed capital to support ongoing operations.

Pursuant to CPUC D.15-12-005 issued on December 9, 2015, additional funds were provided to CETF through a Memorandum of Understanding (MOU) demonstrating public benefit from the mergers of Frontier Communications and Verizon Wireline. As a result of the Decision, Frontier entered into an agreement with CETF to implement a number of activities to close the Digital Divide, including a pass-through of $3,050,000 in funds to re-grant to non-profit community-based organizations (CBOs) throughout its territory in California. CETF does not receive any Frontier funds to support operations.

Pursuant to CPUC D.16-05-007 issued on May 12, 2016, additional funds were provided to CETF through an MOU demonstrating public benefit from the mergers Charter Communications Inc. and Time Warner Cable Inc. and Bright House Networks. As a result of the Decision, on July 1, 2016, Charter agreed in the MOU with CETF to provide $6,500,000 each year for five years for a total of $32.5 million to support CETF's core mission and program activities in Charter territories. Both companies agreed that the work of CETF would remain vendor neutral.

In addition, in February 2019, the City Council of San José voted to engage CETF to assist in the management of grants with local CBOs and public agencies from their Digital Inclusion Fund. Per the action of the City Council and signed agreement, CETF received $20,000 from the City in fiscal year 2018-2019, and will receive $190,000 annually for ten years, to support the San José Digital Inclusion Partnership Program Manager and manage Digital Inclusion grant payments that will flow through CETF. As of December 2019, all CETF funds going forward are from these sources.

In directing the establishment of CETF, the CPUC stated it should pursue the goals of expanding adoption and usage of broadband technology in addition to promoting ubiquitous access: "We understand that without computers and computer literacy neither availability nor access will ensure use. It is low use that is at the heart of the digital divide. CETF should consider the possibility of public-private partnerships to develop community broadband access points that provide both." When CETF became operational in 2007, the Board of Directors developed a Strategic Action Plan with aggressive Overall Goals to achieve and/or cause the following to happen: 98% Deployment and 80% Adoption. Those Overall Goals were achieved in the first decade (per the Decade Report delivered to the CPUC and Legislature in November 2017). In 2017, the CETF approved a new 5-Year Strategic Plan to achieve new Overall Goals: 98% Deployment by Region and 90% Adoption Statewide. CETF is making steady progress towards achieving these Overall Goals.

2019 UPDATES & ACCOMPLISHMENTS

- Managed CBO grants and promotion of affordable offers to achieve 45,909 adoptions;
- Established an INFO line to assist residents statewide and support CBOs to achieve adoptions;
- Led implementation of School2Home in 27 schools in seven districts for 11,000+ students and their

parents (almost 500 students serving as "Tech Experts") and 600+ teachers;

- Conducted a competitive RFP and engaged a new independent evaluator for School2Home;
- Developed "School2Home in a Box" implementation guide for independent use by schools;
- Settled with Frontier to launch a new affordable offer and continue funding of CBO grants;
- Secured action by California Transportation Commission and Caltrans to incorporate broadband into transportation corridor planning;
- Funded and facilitated the identification of Broadband Strategic Corridors by regional consortia;
- Supported and assisted four regional consortia to develop preferred scenarios (two with CENIC) to achieve 98% deployment;
- Facilitated collaboration among Northeast Regional Consortium, Frontier Communications, and GeoLinks on the Northeast Project Phase 1 Application to the California Advanced Services Fund;
- Submitted substantive testimony to the California Air Resources Board for the Cap-and-Trade Auction Proceeds Third Investment Plan (California Climate Investments funding);
- Sponsored preparation of successful Southern California Association of Governments (SCAG) Grant Application to Caltrans to assess the potential of broadband deployment to reduce vehicle miles traveled and greenhouse gases (GHGs);
- Convened a roundtable with a Board of Expert Advisors and completed two workgroup reports on accelerating the deployment of advanced communications and promotion of digital inclusion;
- Conducted a public forum in Sacramento on accelerating deployment of advanced communications and promoting digital inclusion with internet Service Provider (ISPs) and three local government associations (California State Association of Counties, League of California Cities, and Rural County Representatives of California);
- Established the San José Digital Inclusion Partnership and recruited a program manager;
- Negotiated an MOU with T-Mobile (conditioned on the transaction) for significant public benefits;
- Completed two pilot projects with San Diego Gas and Electric (SDG&E) and Southern California Gas Company (SoCalGas) to promote affordable offers;
- Organized and co-sponsored major conference at UCLA on transforming schools and neighborhoods through digital inclusion;
- Co-Sponsored a California Forward Digital Inclusion Roundtable with state agencies; and
- Conducted the 2019 Statewide Survey Documenting 88% adoption (12% unserved and 10% underserved showing the impact of school-based strategies to increase adoption).

ANNUAL REPORTING UPDATES

Below is the annual audit reporting information required by statute.

Expenditures

Table 6 lists CETF's proposed and actual expenditures for the two prior fiscal years and for the proposed fiscal year.

Table 6. CETF's Actual and Proposed Expenditures, 2017-2020

Fiscal Year	2017-2018	2018-2019	2019-2020
Proposed expenditures (budget)	$7,310,000	$8,030,000	$9,025,000
Actual expenditures	$6,399,780	$6,543,479	N/A

Governance Structure

The CPUC Orders specified the initial composition and process for constituting the 12-person CETF Board of Directors: four were to be appointed by the CPUC; four were to be appointed by the companies (three by SBC, of which only one could be an employee, and one by Verizon); and the remaining four to be appointed by the initial eight board members. Initial appointments were made in April 2006 and the Board was fully constituted by the end of June 2006.

Below are links to relevant documents related to CETF's governance structure.

a. *Articles of Incorporation:* http://cetfund.org/governance/articles-incorporation
b. *Bylaws:* http://cetfund.org/governance/bylaws
c. *Settlement Agreements:* The CPUC Decisions authorizing the mergers and the establishment of CETF are D.05-11-028 and D.05-12-011. The Decisions funding the work of CETF since 2016-2017 are D.15-03-005 and D.15-07-009. All these decisions are in the CPUC website by entering the application number (without dashes) in the Proceeding document search function (https://apps.cpuc.ca.gov/apex/f?p=401:1:0::NO:RP) and choosing the tab for "decisions." The application number for each decision is below.
    - D.05-11-028, authorizing Verizon's acquisition of MCI, has the application number A. 05-04-020.
    - D.05-12-011, authorizing SBC's acquisition of AT&T, has the application number A.05-02-027.
    - D.15-12-005, authorizing Frontier's acquisition of Verizon California wireline services, has the application number A.15-03-005 .
    - D.16-05-007, authorizing Charter's acquisition of Time Warner Cable Inc.; Time Warner Cable Information Services (California), LLC; Advance/Newhouse Partnership; Bright House Networks, LLC; and Bright House Networks Information Services (California), LLC has the application number A.15-07-009.
d. *Stipulation Agreement:* No Stipulation Agreement is given for this entity.
e. *Policies and Procedures:* Available upon request.
f. *Current board members:* Available at: http://cetfund.org/aboutus/board.

Schedule of Employees and Compensation

Table 7 shows CETF's employee compensation schedule for the prior two and proposed fiscal years.

Table 7. CETF's Employee Compensation Schedule

Year	Gross Pay	Benefits	Total*
July 2016-June 2017	$1,328,200	$230,176	$1,558,376
July 2017-June 2018	$1,248,691	$231,024	$1,479,715
July 2018-June 2019	$1,263,508	$277,161	$1,540,669

**These numbers reflect audited financials. Benefits include employer retirement contribution.*

Staff Transferred or Loaned

There are no State employees at CETF, nor have there ever been any State staff or employees transferred or loaned internally or interdepartmentally at CETF.

Contracts, Funding Sources, and Legislative Authority

Professional contracts for Fiscal Year 2018-2019 are listed in **Table 8**. A list of completed and current grants is provided in **Appendix 3.1.**

Table 8. List of CETF Contracts

Category	Total Amount
Accounting	$ 80,005
IT Tech Support (Includes Website Support/ Online Grant Services)	$ 52,791
Legal Counsel	$ 105,653
Plan Administrators	$ 4,500
Printing	$ 8,173
Broadband and Adoption Programs	$ 2,297,441
School2Home	$ 1,850,738

As previously mentioned, under the 2005 mergers of AT&T/SBC and Verizon/MCI approved by the CPUC, both companies are obligated to fund CETF annually over a five-year period for a total of $60 million. This funding is from the shareholders of each company and not the ratepayers. Both companies have completed their payments. During fiscal year 2009-2010 CETF was awarded two federal grants from the National Telecommunications Information Agency (NTIA) for a total of $14.2 million, which were completed in fiscal year 2012-2013. As of June 2017, the entire $60 million in seed capital had been spent.

Also in 2017, CETF entered into a MOU with both Frontier Communications, Inc. and Charter Communications, Inc. to implement public benefits as a result of corporate consolidations. CETF is managing charitable funds from Frontier to achieve new broadband adoptions by low-income households in their service areas. CETF will also receive a total of $3,050,000 from Frontier Communications and $32.5 million from Charter through 2021 to continue organizational operations and support School2Home and other digital inclusion programs in their service areas.

Public Process and Oversight

CETF is incorporated as a California 501(c)3 non-profit corporation as a public benefit corporation. It has a Board of Directors that provides oversight. CETF was established with shareholder funds from AT&T and Verizon. There were no ratepayer funds in the seed capital or subsequent funding CETF received.

The California Broadband Council (CBC) was established to marshal the State's resources to increase broadband network deployment, and to eliminate the Digital Divide by expanding broadband accessibility, literacy, adoption, and usage. While CETF President and CEO is a statutory member of the CBC, CETF has made presentations on policy issues and grant programs to this group.

CETF published an Annual Report during the first decade and will publish a bi-annual Progress Report going forward describing the grants to date, the metrics and outcomes of the investments, and detailed financial information. In addition to mailing printed copies, CETF distributes an electronic copy to everyone who signs up to receive one on the CETF website. All the annual reports are posted on the organization's website at: http://www.cetfund.org/annualreports. The Decade Report 2007-2017 was attached as Attachment E in the 2017 AB 1338 Report and presented in a public meeting to the CPUC on November 30, 2017. Going forward, CETF will produce reports every two years and continue sending reports to the CPUC. The IRS Forms 990 for the past three years are available upon request.

CETF hosts a wide range of public forums during the year, including meetings with its Board of Expert Advisors, Regional Consortia, and grantees all designed to provide and solicit information about the grants and future directions. 2019 public forums and workshops are identified in the Highlights and Accomplishments. In addition, CETF is a legal party to proceeding considering the T-Mobile, Sprint, Dish acquisition application, A.18-07-011.

CETF is required by California law to comply with the Non-Profit Integrity Act of 2004. The CETF Board of Directors appoints an independent Audit Committee, which oversees a full audit of the financial statements. The audits are on the CETF website at: http://www.cetfund.org/aboutus/finances/audit.

4. The California Hub for Energy Efficiency Financing

BACKGROUND

The California Hub for Energy Efficiency Financing (CHEEF) was established through CPUC Decision 13-09-044 (the Decision) dated September 20, 2013. The Decision authorizes energy efficiency (EE) financing pilots that leverage ratepayer funds to attract a greater amount of private capital to the energy efficiency retrofit market by reducing risk to lenders.

CPUC entered into a Memorandum of Agreement (MOA) with California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), a state agency associated with the California State Treasurer's Office on July 18, 2014, which is currently extended to June 30, 2020, to administer the CHEEF duties. CPUC and CAEATFA have a relationship through which the CPUC reviews CAEATFA's funding and work as described in the Decision and the MOA between the two. The Decision notes that CPUC oversight is "critical to protecting the integrity of ratepayer funds allocated to support [energy efficiency] financing programs." Both the Decision and MOA also direct the CPUC and CAEATFA to coordinate and execute education and outreach for the energy efficiency financing pilot programs.

The Decision included a draft implementation plan for the CHEEF with the following tasks:[8]

1. Issue competitive solicitations for a Master Servicer (MS), and other technical assistance as needed such as for information technology, data management etc. (The role of the MS is to manage the flow of ratepayer funds and data between the Investor Owned Utilities (IOUs), CHEEF, and financial institutions (FIs)).
2. Create an Information Technology (IT)-driven platform to support the core processes and functions that make on [utility] bill repayment possible and facilitate data collection.
3. Develop procedures for various CHEEF responsibilities such as: approval of forms and protocols for data, transfer between utilities and FIs, and development of lender service agreements.
4. Develop standards for evaluating FI qualifications and approving FIs for pilot participation.
5. Implement Commission-approved protocols for collection of energy and financial data, data sharing, and third-party access to aggregated, anonymous data.
6. Develop framework for type and frequency of reporting to CHEEF by IOUs and FIs. Ensure quarterly information reports on pilots' progress by CHEEF to the Commission as requested by the Energy Division.
7. Coordinate with existing customer and contractor facing tools such as Energy Upgrade California.
8. Provide a mechanism to make minor, mid-course modifications to the pilot programs as needed to better meet the individual objectives of a particular program.

The Decision authorized a total of up to $75,244,931 (including $9,344,931 of CHEEF Pilot Reserve) of IOUs funds for the pilots for a two-year period. Acknowledging that the CHEEF may need to be supported by a master servicer, a trustee bank, a contractor manager, a data manager, and a technical advisor, the Decision allocated $5 million of the budget to cover CHEEF administrative costs and $2 million for CHEEF training and outreach for contractors and financial institutions. While **Table 9** below[9] provides a summary of the actual and proposed expenditures, further details may be found in **Appendix 4.1**.[10]

[8] A full-length Program Implementation Plan for the financing pilots is available through the EEstats website at:http://eestats.cpuc.ca.gov/EEGA2010Files/SCG/PIP/2013/Clean/8%20SCG%20SW%20Finance%20PIP_Clean%20Supplemental%20Filing%20Draft_4.23.pdf.

[9] Data provided by the Director of the CAEATFA per request of the staff of the Energy Division, California Public Utilities Commission on 11/25/2019.

[10] See Appendix 4.1 for Finance Pilot budget with CAEATFA Expenditures (September 2014 through March, 2019).

Table 9. CHEEF's Actual and Proposed Expenditures, 2017-2020

Fiscal Year	2017-2018	2018-2019	2019-2020
Proposed expenditures (budget)	$3,668,000	$3,597,000	$2,972,000
Actual expenditures	$2,381,000	$2,867,000	$3,606,000

The Decision also selected CAEATFA to administer the functions of the CHEEF. Because CAEATFA is a state agency, the Decision recognized that it would be necessary for CAEATFA to obtain legislative budget authority to perform this function. On July 1, 2014, CAEATFA was granted legislative budget authority to act as the CHEEF through December 2015, and later extended to June 30, 2018. The 2018 Budget Act extended CAEATFA's reimbursement and expenditure authority into fiscal year 2020-21.

Inadequate initial staffing levels to address the complexity and scope of work, coupled with high turnover and frequent vacancies due to the limited-term nature of the existing positions, left insufficient resources to effectively meet the desired anticipated timelines for the pilots. Subsequently, CAEATFA requested approval from the CPUC for an additional $8.36 million of the existing $9.3 million contingency fund for administrative support to address the delayed timetable and complexity of the work, and to right-size the number and level of staff resources, through fiscal year 2019-20. The CPUC approved CAEATFA's funding request and released $8.36 million of CHEEF reserve funds.[11]

Roles

Key infrastructure elements needed to implement CHEEF include a Master Servicer, Trustee Bank, Secure Flow of Funds functionality, Contractor Manager, Data Manager, and Technical Advisors. Below are descriptions of each of these roles and information regarding their current status as it relates to CAEATFA's procurement processes.

- *Master Servicer:* The MS plays a key role in the daily administration of the pilots, accepting lender and loan enrollment applications, and processing bill repayment transactions. CAEATFA selected Concord Servicing Corporation (Concord) as the Master Servicer, through a competitive solicitation, and entered into a contract on April 23, 2015. Concord subsequently began the mapping and development of the REEL infrastructure process, while concurrently working with the IOUs to define the various business requirements required of the IOU billing systems to enable the flow of funds and data for On-Bill Repayment (OBR). On January 1, 2018, Concord began providing services under its new two-year contract with the option for an additional one-year extension.
- *Trustee Bank:* The trustee holds the ratepayer funds provided by the IOUs to serve as credit enhancements under the various pilot programs. The Department of General Services (DGS) approved a contract with US Bank on March 11, 2015 to act as the trustee bank. US Bank has worked with CAEATFA to establish holding accounts and reservation accounts for each IOU. As of September 30, 2015, all of the IOUs have transferred credit enhancement funds into their Holding Accounts. On January 8, 2018, US Bank began providing services under its new two-year contract with the option for an additional one-year extension.
- *Data Manager:* The data manager will receive pilot data from the MS and other energy efficiency finance program administrators to prepare it for public presentation and use. It will also receive project energy usage from the IOUs. The data will be aggregated and anonymized according to the combined standards and regulatory requirements of the IOUs and capital providers. Concurrently,

[11] D.17-03-026 affirmed CPUC Rulemaking (R.) 13-11-005: Joint Ruling of Assigned Commissioner and Administrative Law Judge on Financing Pilots and Associated Marketing, Education, and Outreach Activities issued November 22, 2016.

CAEATFA and its agents will continue to collect the appropriate data to ultimately be transmitted to the data manager when it is under contract.

- *Contractor Manager*: The contractor manager enrolls and manages contractors participating in the REEL Program, coordinates with the Statewide Financing Marketing, Education, and Outreach Implementer on outreach, and conduct quality control oversight of projects not participating in an IOU rebate/incentive program. On October 24, 2017, Frontier Energy began providing services under its two-year contract with option for a one-year extension.
- *Technical Advisor*: Technical Advisors provide expertise to CAEATFA in its development and implementation of the CHEEF pilot programs. CAEATFA contracted with Energy Futures Group (EFG) who provides technical assistance to continue research and development, and implementation assistance for the commercial programs. The initial contract term was from March 29, 2017 through February 14, 2019. The most recent contract with the same Technical Advisor started on March 13, 2019 and will end on March 13, 2021.

2019 UPDATES & ACCOMPLISHMENTS

Residential Energy Efficiency Loan Assistance Program (REEL)

CAEATFA launched the first Energy Efficiency Financing Pilots, the Residential Energy Efficiency Loan Assistance Program (REEL), enrolling its first loan in July 2016.

In March of 2017, the CPUC issued D.17-03-026 granting CAEATFA the authority to make several of its requested modifications to make the pilots more responsive to the evolving energy efficiency marketplace. CAEATFA staff has begun implementing modifications into the REEL pilot, including:

- Simplifying measure eligibility for the program and moving toward a statewide list of eligible energy efficiency measures.
- Adopting a single, statewide Customer Information Service Release form.
- Consolidating lenders' separate loan loss reserve accounts by IOU into a single loan loss reserve account for lenders.

REEL's initial two-year pilot term was completed on July 15, 2018. However, to continue the momentum of the pilot, there was not a hard stop of program operation after two years and the pilot will continue issuing loans until the Commission makes a determination about whether a pilot program should be continued, taken to full-scale implementation, or terminated.[12]

In quarter four of 2019, Opinion Dynamics, Inc., selected to perform the evaluation, measurement, and verification (EM&V) process of the REEL pilot program, completed its evaluation. This evaluation will aid the CPUC in deciding the future of the program. The report is expected to be finalized and submitted to the CPUC for its consideration by the end of 2019.

By the end of the first quarter of 2019, the program had enrolled 390 loans (compared with 149 loans by the end of March 2018) with the average loan size of $17,954 and claim-eligible principal totaling $6.67 million since program inception (compared with $2.6 million by the end of March 2018).[13]

The website GoGreenFinancing.com, which was launched at the end of quarter two of 2018, continues to serve consumers and stakeholders in need of financing of their energy efficiency projects.

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[12] D.17-03-026, OP 23.

[13] Available at: https://www.treasurer.ca.gov/caeatfa/cheef/quarterly/2019/20190331.pdf

On-Bill Repayment Programs

Several programs will include On-Bill Repayment (OBR) as a key feature. CAEATFA staff has been working with the IOUs and the Master Servicer (MS) to establish the OBR infrastructure. CAEATFA continues to work with its MS to develop OBR, while concurrently launching off-bill versions of the pilots. CAEATFA is developing plans for "penny testing" with all four IOUs and will consider incorporating OBR functionality for pilots in 2020.

The Small Business Finance Pilot

The Small Business Finance (SBF) pilot program regulations were approved by the Office of Administrative Law and went into effect on Dec. 17, 2018, setting the stage for full program launch that began in 2019.[14] The SBF program seeks to:

1. Provide a state-backed financing program designed to address the energy efficiency challenges faced by small business owners and tenants.
2. Provide an accessible—and attractive—financing option for small businesses.
3. Provide a source of financing that allows deep energy retrofits in existing buildings.

Financing through the program is available to small businesses, nonprofits and market rate multifamily properties (5 or more units) that meet the following business size requirements: 100 or fewer employees, have annual revenue of less than $15 million, or comply with SBA small business size classifications (annual revenue limits range from $750,000 to $38.5 million, depending on industry). SBF is available to both small business property owners and tenants and the program will facilitate a variety of financing instruments for potential customers to consider, including loans, equipment leases, service agreements and savings-based payment agreements. Each participating finance company offers products from this menu of authorized instruments. Small business owners will be able to take out loans up to $5 million. Participants will be eligible to receive a credit enhancement for qualifying measures for up to $1 million of the financed amount.

More information on the CHEEF Pilot Programs, including proposed program guidelines for public comment, is available on CAEATFA's website at: https://www.treasurer.ca.gov/caeatfa/cheef/ and at: https://gogreenfinancing.com.

ANNUAL REPORTING UPDATES

Below is the annual audit reporting information required by statute.

Expenditures

Please see **Table 9** above and **Appendix 4.1**.

Governance Structure

A specific governance structure was not created for the CHEEF; however, D.13-09-044 clarifies that CAEATFA is required to follow public procurement and rulemaking procedures when contracting for CHEEF-managed services and finalizing rules for programs identified in this Decision. Specifically, CAEATFA is bound by Chapter 2 (commencing with section 10290) of Part 2 of Division 2 of the Public Contracts Code, and Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

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[14] Small Business Pilot was launched in October of 2019. CAEATFA reported to the Energy Division of the CPUC that as of Nov. 2019, three enrolled loans totaling $437.8k. Any other pilot not launched by the end of 2019 will be cancelled.

CAEATFA must submit a budget revision request to the Department of Finance and Joint Legislative Budget Committee to approve staff positions to administer the pilots, as well as the ability to utilize ratepayer funds to cover administrative costs to secure their approval for staff positions to administer the pilots and to be authorized to expend ratepayer funds to cover administrative costs. CAEATFA is currently seeking additional funding authority through fiscal year 2022-2023 to implement the pilots through their estimated timetable and evaluation period. Finally, the Memorandum of Agreement between CAEATFA and the CPUC was extended to June 30, 2020.

Staff and Employees and their Salaries and Expenses

Table 10 shows CHEEF's employee compensation schedule for the prior two and proposed fiscal years.

Table 10. CHEEF Salaries and Expenses Authorized for Fiscal Year 2018-19

	State Personnel Classification	State Salary + Benefit
	Staff Services Manager II (Supervisor)	$10,663
Program Manager	Staff Services Manager I (Supervisor) *D&I*	$9,813
	Staff Services Manager I (Specialist) *Compliance*	$9,813
	Staff Services Manager I (Specialist) *D&I*	$9,813
	Staff Services Manager I (Specialist) *D&I*	$9,813
	Staff Services Manager I (Specialist) *Marketing*	$9,813
Support Staff	Associate Governmental Program Analyst (AGPA) D&I	$9,813
	Associate Governmental Program Analyst (AGPA) *D&I*	$8,462
	Associate Governmental Program Analyst (AGPA) *Marketing*	$8,462
	Associate Governmental Program Analyst (AGPA) *Compliance*	$8,462
	Office Technician	$5,609
	Office Technician	$5,609

State salary represents monthly midrange assumption; includes average benefit.

Staff Transferred or Loaned

Other CAEATFA staff may assist with intermittent workload. This assistance is not significant and is not currently quantifiable.

Contracts, Funding Sources, and Legislative Authority

Please see information in **Table 11** below.

Table 11. CHEEF Contracts and Funding[15]

Contract	Current Contract Term	Amount	Amount Paid*	Funding Source
Memorandum of Agreement between the CPUC & CAEATFA	Through June 30, 2020	$0	NA	None

[15] Data provided by the Director of the CAEATFA per request of staff of the CPUC on 11/25/2019.

Contract	Current Contract Term	Amount	Amount Paid*	Funding Source
Receivables Contract between the four Investor-Owned Utilities and CAEATFA	9/01/2014 – 6/30/2020	$15,360,000 (reimbursement only)	NA	Ratepayer Funds
CAEATFA Contract with Master Servicer (Concord Servicing Corporation)	4/23/2015 – 12/31/2017	$1,500,000	$1,278,294	Ratepayer Funds
	1/01/2018 – 12/31/2019	$1,500,000	$814,904	
CAEATFA Contract with Trustee Bank (US Bank)	1/24/2015 – 12/31/2017	$180,000	$160,000	Ratepayer Funds
	1/08/2018 – 12/31/2020	$285,000	$147,500	
CAEATFA Contract with Contractor Manager (Frontier Energy Corp.)	10/24/2017 – 8/31/2019	$1,500,000	$775,680	Ratepayer Funds
	6/04/2019 – 5/28/2021	$1,500,000	$139,096	
CAEATFA Contract (CMAS Service Order) for Technical Assistance (Energy Futures Group)	5/25/2016 – 12/15/2016	$49,963	$49,904	Ratepayer Funds
	3/29/2017 – 2/14/2019	$249,995	$224,193	
CAEATFA Contract with Technical Advisor (Energy Futures Group)	3/13/2019 – 3/13/2021	$299,999	$115,869	Ratepayer Funds

For services through 6/30/2019.

Public Process and Oversight

CAEATFA developed its pilots under state laws regarding public processes and procurement. Regulations are established under the oversight of the Office of Administrative Law, which include establishing the appropriate channels for public input and access. In addition, all contracts are publicly noticed and competitively bid under the oversight of the Department of General Services.

- Regulations for each pilot program are established under California's Administrative Procedures Act:
- Residential Energy Efficiency Loan Assistance Program regulations can be found in Title 4, Division 13, Article 5, Section 10091.1 through Section 10091.15 of the California Code of Regulations.
- The Commercial Pilot regulations can be found at Title 4, Division 13, Article 6, Section 10092.1 through Section 10092.14 of the California Code of Regulations.
- The affordable multifamily pilot regulations can be found at Title 4, Division 13, Article 7, Section 10093.1 through Section 10093.11 of the California Code of Regulations.

CAEATFA's budget and position authority is overseen by the Department of Finance and the Legislature on an annual basis. CAEATFA provides the following reports:

- Quarterly Reports to the CPUC (as required under the Decision and Contract).
- Annual Reports to the State Legislature (Submitted no later than March 31 pursuant to Public Resources Code Section 26017).

5. 21st Century Energy Systems – Research and Development Agreement

BACKGROUND

On December 20, 2012, the CPUC authorized the 21st Century Energy Systems (CES-21) in Decision (D.) 12-12-031.[16] The Decision authorized development of a five-year Cooperative Research and Development Agreement between PG&E, Southern California Edison Company (SCE), and SDG&E (collectively known as the Joint Utilities), and the Lawrence Livermore National Laboratory (LLNL). The program was subsequently modified by 2013 Budget Trailer Bill, SB 96.

In 2014, the CPUC approved D.14-03-029,[17] which modified D.12-12-031 to comply with SB 96. Changes included reducing funding from $152.19 million to $35 million over the five-year research period, narrowing the scope of the program to focus only on cybersecurity and grid integration, minimizing the governance structure, and enhancing CPUC and Legislative oversight of the program.

On April 25, 2014, the Joint Utilities filed a joint Advice Letter containing their proposed cybersecurity and grid integration research and development projects, revised under the new program requirements. The CPUC conducted a thorough and collaborative review of the proposals and convened a consensus-building session among the parties to discuss the issues raised. Ultimately, Resolution (R.) E-4677 was approved on October 2, 2014. R.E-4677 approved, with modifications and additional oversight requirements, the Joint Utilities' proposed cybersecurity and grid integration projects.

On January 17, 2018, the Joint Utilities each filed an advice letter requesting the public release license rights to four cybersecurity software applications developed under the CES-21 program. The CPUC approved this request in R. E-4943 without modification. On September 26, 2019, the Joint Utilities each filed an advice letter requesting the public release license rights to three additional cybersecurity software applications. CPUC staff is currently considering this advice letter.

Program Overview

The Joint Utilities began implementation of the Cybersecurity Project and the Grid Integration Project in 2015, securing multiple subcontractors to conduct the work in addition to LLNL.

The Cybersecurity Project, which focused on next-generation industrial control systems in general and Machine-to-Machine Automated Threat Response (MMATR), had $33 million in funding and sought to develop automated response capabilities to protect critical California infrastructure against cyber-attacks. The project was successful in bringing about meaningful developments towards the first automated system for cyber-attack detection and response. This project achieved the development of a simulation and modeling engine for evaluating the impacts of cyber-attacks on the power grid; an operationally realistic physical test bed for understanding how IOU industrial control systems interfaces, communication technology, and cybersecurity interfaces could be used at real substations; and an automated response research package. In line with the requirements of SB 96 and D.14-03-029, the project was completed in October 2019.

The Grid Integration Project focused on flexibility metrics and standards and studied planning metrics and standards that explicitly considered operational flexibility. The project had $2 million in funding and sought

[16] CPUC D.12-12.031: http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M041/K694/41694931.PDF
[17] CPUC D.14-13-029: http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M089/K292/89292970.PDF

to improve flexibility metrics and thereby improve long term resource planning for California's grid. This research project targeted potential breakthroughs to assess the electric grid's operational flexibility requirements, operating limits of the existing or planned grid to integrate additional amounts of intermittent renewable generation, and additional resources and costs to integrate additional renewable generation. The Grid Integration Project was successful in all of its requirements and officially completed in November 2017.[18]

CES-21 has created ground-breaking research in understanding impacts of cyber-attacks on the power grid at scale and automated response to previously known cyber-attacks, as well as the variety of tools that can help characterize, describe, and prioritize threats to Industrial Control Systems. This research has been recognized by the Department of Energy, the National Security Agency, Department of Homeland Security, numerous national laboratories (beyond LLNL), and the cybersecurity industry at large. The program has informed and contributed to standards and it has pushed the boundaries of research in the power grid cybersecurity domain. The program has identified the path forward for developing an integrated MMATR capability, as well as additional gaps in the grid cybersecurity domain that should be addressed in future research efforts. Finally, the program has identified a role that state of California is uniquely positioned to play in securing our grid against cyber threats.

2019 UPDATES & ACCOMPLISHMENTS

The Joint Utilities completed the Cybersecurity Project in October 2019 and submitted the final CES-21 program report on December 6, 2019. The CPUC expects to review the report and submit it to the Legislature in January 2020.

For more information, please contact Amy Mesrobian (amy.mesrobian@cpuc.ca.gov or 415-703-3175), or Jonathan Lakey (jonathan.lakey@cpuc.ca.gov or 916-327-6786).

ANNUAL REPORTING UPDATES

Below is the annual audit reporting information required by statute.

Expenditures

Table 12 lists CES-21's proposed and actual expenditures for the two prior fiscal years and for the proposed fiscal year.

Table 12. CES-21's Actual and Proposed Expenditures, 2017-2020[19]

Fiscal Year	2017-2018	2018-2019	2019-2020[20]
Proposed expenditures (budget)	$8,099,081	$4,407,490	$1,229,241
Actual expenditures	$7,356,817	$4,223,602	$1,158,625 *(through November 2019)*

[18] The final report on the Flexibility Metrics project, titled *Role of Operating Flexibility in Planning Studies*, was published by Lawrence Livermore National Laboratory on April 26, 2018.
[19] Utilities report expenditures by calendar year. This table provides an estimate of funding by fiscal year by averaging across the two calendar years.
[20] Expenditures for 2019-2020 are available through November 2019. This information will be updated in March 2020.

Governance Structure

Senate Bill 96 (2013) and D.14-03-029 determined that the CES-21 program would be administered by one representative, a Project Manager, from each PG&E, SCE, and SDG&E. These project managers coordinate with LLNL, administer the CES-21 program and the Cooperative Research and Development Agreement (CRADA), and ensure that CES-21 stays within the authorized budget.

Schedule of Employees and Compensation

Because of the structure of the CES-21 program, it is not feasible to provide a full schedule of employees and compensation. Many, if not all, staff working on CES-21 are funded through multiple sources as they perform work for multiple programs, each with their own funding stream, within their respective organizations.

Staff Transferred or Loaned

No CPUC staff have been transferred or loaned internally or interdepartmentally for this program.

Contracts, Funding Sources, and Legislative Authority

Contracts entered into by the CES-21 Program are authorized by D.14-03-029 and funded by CES-21 Program funds. This program is funded through the ratepayers of PG&E, SCE, and SDG&E on a proportional basis, as authorized in D.12-12-031.

Public Process and Oversight

The CES-21 Program is overseen by CPUC staff. The program administrators are required to submit monthly and annual reports outlining key developments. These are reviewed by staff in CPUC's Energy Division and Safety and Enforcement Division. Annual reports are posted on the CPUC's Energy Research, Development & Deployment webpage: https://www.cpuc.ca.gov/energyrdd/.

6. The Diablo Canyon Independent Safety Committee

BACKGROUND

The Diablo Canyon Independent Safety Committee (DCISC) was established as a part of a settlement agreement entered into in June 1988 between the Division of Ratepayer Advocates (renamed Public Advocate's Office) of the CPUC, the Attorney General for the State of California, and PG&E concerning the operation of the two units of PG&E's Diablo Canyon Nuclear Power Plant ("Diablo Canyon"). The agreement provided that:

> *"An Independent Safety Committee shall be established consisting of three members, one each appointed by the Governor of the State of California, the Attorney General, and the Chairperson of the California Energy Commission, respectively, serving staggered three-year terms. The Committee shall review Diablo Canyon operations for the purpose of assessing the safety of operations and suggesting any recommendations for safe operations. Neither the Committee nor its members shall have any responsibility or authority for plant operations, and they shall have no authority to direct PG&E personnel. The Committee shall conform in all respects to applicable federal laws, regulations and Nuclear Regulatory Commission ('NRC') policies."*

The committee acts as an advisory body and has no independent budget.

On January 25, 2007, the CPUC approved a modified charter for the DCISC in D.07-01-028.[21] Section 1.B of the new charter concerns appointments of Committee members. It states that candidates for the Committee membership shall be selected from those applicants responding to an open request for application and requires the CPUC to provide for public comment on the applicants' qualifications and potential conflicts of interest. Under the modified charter, the President of the CPUC is required to review the applicants' qualifications, experience, and background, including any conflicts of interest, together with any public comments, and propose candidates with knowledge, background, and experience in the field of nuclear power plants and nuclear safety issues to that year's appointing authority. The CPUC Energy Division is required to prepare and circulate for public comment, and place on the CPUC public agenda a resolution ratifying the CPUC President's selection of candidates.

2019 UPDATES & ACCOMPLISHMENTS

Following CPUC approval of R.E-5001 in June 2019 ratifying the President's selection of three candidates, the California Attorney General reappointed Dr. Robert Budnitz for a term beginning July 1, 2019 and ending June 30, 2022. In 2018, the Chair of the CEC reappointed Dr. Peter Lam for a term beginning July 1, 2018 and ending June 30, 2021. In 2017, the Governor reappointed Dr. Per Peterson for a term beginning July 1, 2017 and ending June 30, 2020. The DCISC held three public meetings in 2019. The DCISC also recently completed its 29th Annual Report for July 1, 2018 – June 30, 3019; it will be available soon at www.dcisc.org.

ANNUAL REPORTING UPDATES

Below is the annual audit reporting information required by statute. The sections on "Expenditures" and "Contracts, Funding Sources, and Legislative Authority" are not applicable to DCISC because the committee has no independent budget, as stated above.

[21] D. 07-01-028: http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/64007.PDF

Governance Structure

The Committee consists of three members, one each appointed by the Governor of the State of California, the Attorney General, and the Chairperson of the CEC, respectively, serving staggered three-year terms. More information is provided here: http://www.dcisc.org/about/history.php.

The Restated Charter for the DCISC, approved in CPUC D. 07-01-028, is available at http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/AGENDA_DECISION/63383.PDF

Schedule of Employees and Compensation

As approved in PG&E Advice Letter 5515-E, available at https://www.pge.com/tariffs/assets/pdf/adviceletter/ELEC_5515-E.pdf, compensation for members of the DCISC includes the following:

- Annual Retainer of $10,000;
- A fee of $250/hour to attend DCISC meetings;
- A fee of $250/hour for DCISC work performed outside of committee meetings in excess of 40 hours per year; and
- Reimbursement of expenses incurred in the performance of DCISC work.

Staff Transferred or Loaned

There are no CPUC or other State staff hired to work for the DCISC. No State staff is currently or ever has been loaned internally or interdepartmentally to DCISC.

Public Process and Oversight

Agendas, meeting videos, and minutes are available for each DCISC public meeting. Notices for DCISC's public meetings are posted at http://www.dcisc.org/notice.php. The DCISC held public meetings in February, June, and October 2019.

The DCISC provides extensive information to the public concerning Diablo Canyon. Transcripts and minutes of each public meeting and reports of each fact-finding meeting, and an extensive annual report on the safety of Diablo Canyon's operations are available by contacting the committee or at the R. E. Kennedy Library. The DCISC welcomes comment and communication from members of the public and provides an opportunity for such dialogue during every public meeting. In addition, the DCISC administrative office maintains a toll-free 800 telephone line and an E-mail address to respond to questions or requests for information from the public. Written comments or questions may also be directed to DCISC Members by contacting the office of the DCISC Legal Counsel.

DCISC contact information is available at http://www.dcisc.org/contact.php.

7. Nuclear Decommissioning Trusts

BACKGROUND

Pursuant to Order Instituting Investigation (OII) 86, the CPUC conducted an investigation into managing the decommissioning trust funds for California's nuclear power plants. As a result, in D. 87-05-062, the CPUC adopted externally managed trusts as the vehicles for accruing decommissioning funds. Two types of funds were established:

1. The *Qualified Trust* funds are contributions that qualify for an income tax deduction under Section 468A of the Internal Revenue Service (IRS) Code.
2. The *Non-Qualified Trust* funds are contributions that do not qualify for an income tax deduction.

Each utility has a Committee made up of five members who are responsible for directing and managing their nuclear decommissioning trusts. Two of the Committee members are utility affiliated. The three that are not affiliated with the utility are CPUC-approved members who serve five-year terms. The Committees appoint trustees and investment managers. On November 25, 1987, Resolutions E-3060,[22] E-3048,[23] and E-3057[24] approved, respectively, SDG&E, PG&E, SCE's Master Trust Agreements.

Investment Managers

The utilities employ a stable of investment managers and advisors for their decommissioning trusts:

SDG&E:

- Bank of New York – Mellon [Trustee]
- State Street Global Advisors [Qualified trust/U.S. Equity]
- Acadian [Qualified trust/U.S. Equity]
- Earnest Partners [Qualified trust/International Equity]
- Lazard [Qualified trust/International Equity]
- PIMCO [Qualified trust/Intermediate Credit]
- Loomis Sayles [Qualified trust/Intermediate Credit]
- TCW MetWest [Qualified trust/Intermediate Credit]
- Northern Trust [Qualified trust/Municipal Bonds; Nonqualified trust/Municipal Bonds]
- Western Asset [Qualified trust/Municipal Bonds]
- BlackRock [Qualified trust/Municipal Bonds]
- Payden Rygel [Qualified trust/Short Duration]

PG&E:

- BlackRock Financial Management [Qualified trust fixed income]
- NISA Investment Advisors [Qualified trust fixed income]
- PanAgora Asset Management [Qualified trust Non-US equities]
- RhumbLine Advisers [Qualified trust U.S. equity]
- Earnest Partners [Qualified trust fixed income]

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[22] Resolution E-3060 for San Diego Gas and Electric Company:
ftp://ftp2.cpuc.ca.gov/LegacyCPUCDecisionsAndResolutions/Resolutions/E3060_19871125_AL718E.pdf
[23] Resolution E-3048 for Pacific Gas and Electric Company
ftp://ftp2.cpuc.ca.gov/LegacyCPUCDecisionsAndResolutions/Resolutions/E3048_19871125_AL1160E.pdf
[24] Resolution E-3057 for Southern California Edison
ftp://ftp2.cpuc.ca.gov/LegacyCPUCDecisionsAndResolutions/Resolutions/E3057_19871125_AL768E.pdf

- Bank of New York – Mellon [Trustee]

SCE:

- Schroders Investment Management [Qualified trust fixed income]
- BlackRock Financial Management [Qualified trust fixed income]
- AB (formerly Alliance Bernstein) [Qualified trust fixed income]
- PanAgora Asset Management [Qualified trust international equity assets]
- Rhumbline Advisors [Qualified trust U.S. equity assets]
- State Street Global Advisors [Qualified trust U.S. equity assets]
- Pacific Investment Management Company (PIMCO) [Qualified/non-qualified trust fixed income]
- NISA Investment Advisors [Qualified trust fixed income]
- Bank of New York – Mellon [Trustee]

Trustee

Mellon Bank N.A. acts as the trustee for the PG&E, SDG&E, and SCE Decommissioning Trusts by providing custody, record keeping, accounting, taxation, and reporting services on behalf of the trusts.

Fund Balances

The balances for the PG&E, SCE, and SDG&E Trust Funds are shown in **Table 13**.

Table 13. PG&E Trust Fund Balances as of July 31, 2019 and SCE/ SDG&E Trust Fund Balances as of December 31, 2018

Utility	Nuclear Plant	Fund Balance
PG&E	Humboldt Bay Power Plant (HBPP) 3	$156 million
PG&E	Diablo Canyon Power Plant (DCPP) 1	$1,466 million
PG&E	DCPP 2	$1,918 million
SCE	San Onofre Nuclear Generation Station (SONGS) 1	$289 million
SCE	SONGS 2	$1,086 million
SCE	SONGS 3	$1,267 million
SDG&E	SONGS 1	$149 million
SDG&E	SONGS 2	$352 million
SDG&E	SONGS 3	$407 million
SCE	Palo Verde 1	$375 million
SCE	Palo Verde 2	$384 million
SCE	Palo Verde 3	$396 million

Regulations

The Nuclear Regulatory Commission (NRC) has some basic regulations that must be followed regarding decommissioning. These are:

1. Licensees are required to have sufficient funds to decommission the plant [10 CFR 50.75]. Utilities that operate nuclear plants file a report every two years with the NRC showing estimated decommissioning costs according to the NRC methodology, and how much money has been set aside for that purpose. The NRC definition of decommissioning is related only to the 'nuclear' portion of the plant. In California, decommissioning also includes restoring the site to its original condition, which includes additional activities, and which requires accumulation of more funds.
2. After permanent plant shutdown, certain activities may not be performed that would prevent completion of decommissioning [10 CFR 50.82(6)].

In the 2009 Nuclear Decommissioning Cost Triennial Proceeding (NDCTP), the Commission undertook a comprehensive review of the management and administration of these externally managed nuclear decommissioning trust funds for each of the three major investor-owned electric utilities.

In January 2013, the CPUC issued D.13-01-039,[25] which allows for greater flexibility in trust fund management by allowing for increases in the amount of equity investments and lower- rated higher-yield domestic and foreign bonds to increase the overall yield of the decommissioning trust funds. In the course of the NDCTP, the CPUC reviews the trust fund levels and any potential adjustments to amounts paid by ratepayers into the trust funds. The 2012 NDCTP for all California nuclear power plants was approved by the CPUC in D.14-12-082 on December 18, 2014. The 2015 NDCTP for DCPP 1 and 2 and HBPP 3 was approved in D.17-05-020 on May 25, 2017. The 2015 NDCTP for SONGS 1, 2, and 3 and Palo Verde was separated into three phases: Phase 1 was decided in D.18-10-010[26] on October 11, 2018; Phases 2 and 3 were decided in D.18-11-034 on December 7, 2018.

2019 UPDATES & ACCOMPLISHMENTS

The 2018 NDCTP (A.18-03-009) for SONGS and Palo Verde was filed in March 2018 and separated into three phases: Phase 1 was decided in D.19-09-003 on September 12, 2019; Phases 2 and 3 will review the reasonableness of recorded costs and the reasonableness of the decommissioning cost estimates for SONGS units 1, 2, and 3. Phases 2 and 3 of the 2018 NDCTP are still in progress before the CPUC.

The 2018 NDCTP for DCPP and HBPP was filed as A.18-12-008 in December 2018 and is still in progress before the CPUC.

ANNUAL REPORTING UPDATES

Below is the annual audit reporting information required by statute. The sections on "Schedule of Employees and Compensation" and "Contracts, Funding Sources, and Legislative Authority" are not applicable to the Nuclear Decommissioning Trusts.

Expenditures

Tables 14, 15, and **16** below show the actual administrative costs for the utilities' nuclear decommissioning trusts for the last two calendar years.

Table 14. PG&E's Actual Administrative Costs, 2017-2018

Fiscal Year	2017	2018
Actual expenditures	$2,553,000	$2,217,000

[25] D. 13-01-039: http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M047/K475/47475758.PDF
[26] D. 18-10-010 in response to a joint application filed by Southern California Edison Company and San Diego Gas and Electric Company; Applications 16-03-004

Table 15. SCE's Actual Administrative Costs, 2017-2018

Fiscal Year	2017	2018
Actual expenditures	$5,114,113	$4,343,255

Table 16. SDG&E's Actual Administrative Costs, 2017-2018

Fiscal Year	2017	2018
Actual expenditures	$2,907,295	$2,353,041

Governance Structure

As described above, each utility has a Committee made up of five members who are responsible for directing and managing their nuclear decommissioning trusts. Two of the Committee members are utility affiliated. The three that are not affiliated with the utility are CPUC-approved members who serve five-year terms. The Committees appoint trustees and investment managers.

Staff Transferred or Loaned

No State staff is currently or ever has been loaned internally or interdepartmentally to manage nuclear decommissioning trusts.

Public Process and Oversight

As required by their Master Trust Agreements, PG&E, SCE, and SDG&E filed Decommissioning Master Trust reports with the CPUC which included:

- Findings as to whether current trustees and investment managers should be retained or replaced;
- If necessary, justification for using more than one investment manager;
- Voting records of Committee Members and the minutes of Committee meetings; and
- Itemized accountings of master trust administration expenses and their basis.

8. Electric Program Investment Charge (EPIC)

BACKGROUND

The Electric Program Investment Charge (EPIC) is an energy innovation funding program the CPUC established for the benefit of electricity ratepayers. Organized around three program areas— Applied Research and Development (R&D), Technology Demonstration and Deployment (TD&D), and Market Facilitation—EPIC seeks to drive efficient, coordinated investment in new and emerging energy solutions.

Applied R&D and TD&D projects are meant to bring clean energy technologies from earlier stages of development towards commercialization. These project areas are highly diverse, ranging from the development of new forms of biodigesters to the development, patenting, and demonstration of algorithms to help identify downed electricity wires. There is also a wide variety of Market Facilitation projects, which aim to remove non-price barriers to the adoption of these new technologies. These projects have included programs to understand energy use patterns in multifamily homes before and after energy upgrades as well as projects to establish regional innovation clusters.

The CPUC allocates 80% of the EPIC program budget to the CEC to conduct Applied R&D, TD&D, and Market Facilitation. The IOU administrators, PG&E, SCE, and SDG&E, administer the remaining 20% of the EPIC program budget for TD&D projects.

2019 UPDATES & ACCOMPLISHMENTS

2012-2014 (EPIC 1), 2015-2017 (EPIC 2), and 2018-2020 (EPIC 3) Investment Plans

In 2019, all four administrators continued implementing the wide range of research, development, demonstration, deployment, and market facilitation activities from their 2012-2014, 2015-2017, and 2018-2020 portfolios.

Pursuant to D.12-05-037, the Administrators filed their investment plans for 2018-2020 EPIC funds in 2017. The CPUC approved these investment plans in D.18-01-008 and D.18-10-052. All EPIC applications were approved, with some additional modifications and implementation requirements. A total program budget of $555,000,000 was approved for the 2018-2020 investment cycle with the allocation shown in **Table 17**.[27]

Table 17. Authorized Funding for EPIC 3 (2018-2020)

CEC	PG&E	SCE	SDG&E	Total
$444,000,000	$55,611,000	$45,621,000	$9,768,000	$555,000,000

The CEC's 2018-2020 EPIC Investment contains eight strategic objectives: (1) Advance technology solutions for continued energy savings in buildings and facilities; (2) Accelerate widespread customer adoption of distributed energy resources; (3) Increase grid system flexibility and stability from low-carbon resources; (4)

[27] PG&E, SCE, and SDG&E are not allowed to encumber or otherwise commit to spend one-third of their 2018-2020 EPIC funding allocation until they are authorized to do so by a later decision addressing the joint Research Administration Plan application that they are directed to file in ordering paragraph 6 of D.18-10-052.

Increase cost-competitiveness of renewable generation; (5) Create a statewide ecosystem for incubating new energy innovations; (6) Maximize synergies in the Water-Energy-Food nexus; (7) Develop tools and analysis to inform energy policy and planning decisions; and (8) Catalyze clean energy investment in California's disadvantaged communities. Across these areas, the CEC will continue to invest in a wide range of activities related to energy efficiency, demand response, renewable and advanced generation, electric vehicles, smart grid, and energy-related environmental research, development, demonstration, and non-technical market facilitation.

The IOUs also administer a range of projects in TD&D. These TD&D projects fall into the following four investment areas: (1) Renewables and distributed energy resource integration; (2) Grid modernization and optimization; (3) Customer service and enablement; and 4) Cross-cutting/foundational strategies and technologies.

As of December 31, 2019, 203 EPIC projects have been completed at a cost of $888.1 million as displayed in **Tables 18** and **19**.

Table 18. Projects by Administrator and Status

Administrator	Active Projects	On-hold Projects	Canceled Projects	Completed Projects
CEC	186	0	13	140
PG&E	8	59	5	35
SCE	20	2	4	17
SDG&E	4	3	0	11
Total	218	64	22	203

Table 19. Spending by Administrator and Program Area

Administrator	Applied R&D	Technology Demonstration and Deployment	Market Facilitation	Total
CEC	$318M	$287M	$115M	$720M
PG&E	$0	$83.2M	$0	$83.2M
SCE	$0	$68.5M	$0	$68.5M
SDG&E	$0	$16.4M	$0	$16.4M
Total	$318M	$455.1M	$115M	$888.1M

Program Coordination

The administrators coordinate closely with one another and other stakeholders, under the close oversight of the CPUC. Administrators have continued to participate in regular review meetings, conduct joint webinars and workshops, and regularly collaborate on EPIC-related matters through bi-weekly phone calls.

In 2019, the administrators held over 30 EPIC-related public workshops with input and coordination from CPUC Energy Division staff. These workshops covered a variety of topics, ranging from input into the IOU administrators Research Administration Plan to public input on specific projects. Additionally, in February 2019 the administrators organized the annual EPIC Symposium that spotlighted progress in the EPIC

Program and connected with key stakeholders, including the CPUC. Energy Division staff continues to work with the CEC and IOUs to identify areas for knowledge transfer between EPIC research projects and current energy policy proceedings. This coordination work will be formalized and improved through the Policy + Innovation Coordination Group, described in more detail below.

EPIC Evaluation and Program Improvements

In 2016, the CPUC initiated a public competitive Request for Proposals (RFP) for an independent evaluation of the EPIC Program and awarded a contract to Evergreen Economics to evaluate the EPIC Program, its results, and its processes in order to provide recommended improvements for future implementation.

The Final Evaluation Report, published September 8, 2017, found that the program was generally on track, but made recommendations in several areas. The key findings and recommendations from the report were:

1. The guiding principles for the EPIC portfolio should be prioritized to allow for portfolio optimization.
2. The EPIC administrators should share project information in a more topical and coordinated manner to more effectively engage stakeholders.
3. The existing administrative structure should be supplemented with an independent coordinating body to help compile and disseminate program information.
4. The IOU administrators are technically in compliance with program requirements but are not meeting the intent of all requirements.

To address recommendations two and three, the CPUC ordered the establishment of a Policy + Innovation Coordination Group (PICG) in D.18-01-008. In D.18-10-052,[28] which addressed the 2018-2020 EPIC Investment Plans for the IOUs, the CPUC, with input from stakeholders, determined that the CPUC will be responsible for the selection process for the PICG Project Coordinator with the final bid awarded by Commission Decision. Additionally, PG&E was chosen to serve as fiscal manager of the contract with the PICG Project Coordinator, without exercising control over the design or scope of the Coordinator's activities. In 2019, CPUC Energy Division staff developed the public competitive RFP for the PICG Project Coordinator, scored bid submittals, and oversaw the execution of the Project Coordinator contract. This contract was finalized in December 2019, with the first introductory meeting scheduled for January 2020. The PICG will consist of representatives at the program management/leadership level from each of the program administrators and the CPUC. The goals of the PICG are to:

1. Identify timely opportunities for substantive feedback and coordination among EPIC investments and California's energy innovation needs and goals.
2. Provide the support functions that will allow this feedback and coordination to occur effectively.

Open Proceedings

On April 23, 2019, and pursuant to CPUC direction, the utilities jointly filed their Research Administration Plan (RAP) in Application (A.) 19-04-026, addressing recommendations from the Evergreen Economics Program Evaluation that said that the IOU administrators, while technically compliant, were not meeting the intent of all program requirements. One-third of funds for the IOU administrators are being held contingent

[28] D.18-10-052: http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M237/K682/237682608.PDF

upon approval of the RAP.[29] A Proposed Decision approving the RAP was released on December 23, 2019 with a vote by the Commission anticipated February 6, 2020.

On October 10, 2019, CPUC opened R.19-10-005 to consider renewal of the EPIC Program. A prehearing conference on January 14, 2020 determined the parties, position of the parties, scope and schedule of the proceeding, and other procedural matters.

For more information contact Amy Mesrobian (amy.mesrobian@cpuc.ca.gov or 415-703-3175), or Jonathan Lakey (jonathan.lakey@cpuc.ca.gov or 916-327-6786).

ANNUAL REPORTING UPDATES

Below is the annual audit reporting information required by statute.

Expenditures

EPIC is funded through triennial (3-year) investment cycles, with years demarcated by calendar year. Due to the variability in spending across the years in the investment period, fiscal year expenditures may not be indicative of actual expenditures. Listed below are the allowed funding amounts over the last three investment cycles.

Table 20. EPIC Funding

Investment Cycle (calendar year)	2012-2014	2015-2017	2018-2020
Allowed Funding	$467,000,000	$510,000,000	$555,000,000

Governance Structure

EPIC investments are funded under the authorization of the CPUC as established in Phase 1 pursuant to D.11-12-035. Phase 2, pursuant to D. 12-05-037, requires the CPUC to conduct a public proceeding every three years for the period 2012-2020 to consider EPIC investment plans for coordinated public interest investment in clean energy technologies and approaches. Furthermore, D.12-05-037 directed the CEC, SDG&E, PG&E, and SCE, as administrators of the program, to present their investment plans for the triennial program periods for consideration by the Commission.

Schedule of Employees and Compensation

Because of the scale of the EPIC program and its administrative structure, it is not feasible to provide a full schedule of employees and compensation. Many staff working on EPIC are funded through multiple sources as they work on a number of different programs, each with their own funding stream, within their respective organizations.

[29] A proposed decision (PD) for A.19-04-026 was issued on December 23, 2019 and a final Decision is expected to be issued no sooner than 30 days after the PD; therefore, the final decision should be issued in late January 2020.

Staff Transferred or Loaned

No CPUC staff have been transferred or loaned internally or interdepartmentally for this program.

Contracts, Funding Sources, and Legislative Authority

Contracts entered into by the EPIC program administrators are authorized by D.12-05-037 and are funded by EPIC program funds. EPIC is funded by the ratepayers of PG&E, SCE, and SDG&E on a proportional basis.

Public Process and Oversight

The EPIC program is overseen by CPUC Energy Division staff. Additionally, each EPIC administrator submits an annual report to the CPUC in February. The CEC also submits its annual EPIC report directly to the Legislature by March 31 of each year. Annual reports provide updates on the status of the investment plans, projects, funding levels, results, intellectual property development, and technological breakthroughs. In the 2019 Annual Reports, each EPIC administrator provided updates on project status, administrator coordination, public engagement, and budget. The EPIC program administrators also hold public workshops to gain stakeholder input throughout the EPIC funding process. Additional information on public process and oversight is provided in the section on "Program Coordination," above.

9. The Building Initiative for Low-Emissions Development (BUILD) and Technology and Equipment for Clean Heating (TECH) Programs

BACKGROUND

SB 1477 (Stern, 2018) requires the CPUC to develop two pilot programs to promote building decarbonization using $200 million over four years. The Building Initiative for Low-Emissions Development (BUILD) program provides incentives for the deployment of near-zero-emission building technologies in residential housing to reduce building-sector GHG emissions. The Technology and Equipment for Clean Heating (TECH) Initiative provides incentives to advance the state's market for low-emission space and water heating equipment for new and existing residential buildings. Both pilot programs would be funded by GHG auction proceeds from the four gas corporations (PG&E, SDG&E, SoCalGas, and Southwest Gas) that participate in California's Cap-and-Trade program.

SB 1477 further directed the CPUC to provide annual updates regarding both BUILD and TECH to the Legislature as part of the Trusts and Entities Report.

2019 UPDATES & ACCOMPLISHMENTS

On January 31, 2019, the CPUC opened a new rulemaking, R.19-01-011, to implement SB 1477. Workshops were held and a Staff Proposal was released on July 16, 2019, but a final decision formally implementing BUILD and TECH was not issued in 2019.[30] As such, no specific programmatic details are available.

ANNUAL REPORTING UPDATES

As described above, the programmatic details for the BUILD and TECH programs have not yet been developed. Details on program expenditures, governance structure, staff and employees, contracts, and public process will be included in future years of this report.

[30] CPUC and CEC Staff Proposal for Building Decarbonization Pilots – Draft: http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M309/K714/309714196.PDF

III. APPENDICES

Appendix 1. Pacific Forest and Watershed Lands Stewardship Council

Appendix 1.1 Employee Compensation

Table 21. 2019 YTD Schedule of Employee Compensation through October 31, 2019

Title	Gross Pay	Medical & Fringe	401k	Total
Executive Director	$ 109,942	$ 13,798	$ 4,191	$127,931
Director of Land Conservation	$ 97,625	$ 18,884	$ 3,722	$ 120,230
Director of Finance	$ 103,422	$ 35,941	$ 0	$ 139,363
Senior Project Manager	$ 75,590	$ 26,365	$ 2,891	$ 104,845
Other Staff (4)	$ 168,802	$ 41,980	$ 1,859	$ 212,641
Grand Total (8 positions)	***$ 555,381***	***$ 136,968***	***$ 12,663***	***$ 705,010***

Table 22. 2018 Schedule of Employee Compensation through December 31, 2018

Title	Gross Pay	Medical & Fringe	401k	Total
Executive Director	$ 122,100	$ 15,326	$ 4,884	$ 142,310
Director of Land Conservation	$ 119,343	$ 29,797	$ 4,504	$ 153,644
Deputy Director of Land Conservation	$ 92,275	$19,209	$ 3,691	$ 115,175
Director of Finance	$ 114,663	$ 38,598	$ 0	$ 153,268
Senior Project Manager	$ 92,031	$ 21,258	$ 3,681	$ 116,970
Other Staff (5)	$ 281,515	$ 80,483	$ 7,650	$ 369,648
Grand Total (10 positions)	***$ 821,928***	***$ 204,672***	***$ 24,410***	***$ 1,051,010***

Table 23. 2017 Schedule of Employee Compensation through December 31, 2017

Title	Gross Pay	Medical & Fringe	401k	Total
Executive Director	$ 177,625	$ 29,484	$ 6,678	$ 214,087
Director of Land Conservation	$ 114,051	$ 28,448	$ 4,346	$ 146,845
Deputy Director of Land Conservation	$ 51,865	$ 11,107	$ 600	$ 63,572
Director of Finance	$ 97,757	$ 34,521	-	$ 132,277
Senior Project Manager	$ 92,374	$ 28,010	$ 3,695	$ 124,079
Other Staff (5)	$ 172,942	$ 50,122	$ 3,735	$ 226,799
Grand Total (10 positions)	***$ 706,614***	***$ 181,692***	***$ 19,354***	***$ 907,660***

Appendix 1.2 Professional Fees

Table 24. Schedule of Professional Fees YTD as of 10/31/2019 by General Ledger Category

General Ledger Category	Total Paid
Legal Fees	$ 111,673
Accounting Fees	$ 20,558
Graphics & Media Fees	$ 21,718
Investment Management	$ 17,500
Professional Services Fees	$ 7,152
Boundary Surveys	$ 547,951
Baseline Documentation	$ 16,738
Land Planning Fees	$ 31,977
Land Transfer Costs	$ 54,875
Total Consultant Expense	**$ 830,142**

Appendix 2. California Clean Energy Fund

Appendix 2.1 CalCEF Staff Salaries

Table 25. CalCEF staff Salaries Supported by the Original Settlement Funds in Current and Previous Two Fiscal Years

Year	Gross Pay	Benefits	Total
2017	$242,894	$51,324	$294,218
2018	N/A	N/A	N/A
2019	n/a	n/a	n/a

The amount listed above only pertains to the activities of CalCEF Ventures, and only to activities supported by the original settlement funds and its investment returns. Settlement funds were fully spent down as of the end of 2017.

Appendix 3. California Emerging Technology Fund

Appendix 3.1 List of Grantees

Table 26. California Emerging Technology Fund Grantees as of June 30, 2019

NAME OF GRANT	GRANT AGREEMENT AMOUNT
Promotion of Affordable Offers Legacy Fund	***$360,000***
Chicana Latina Foundation	$10,000
El Concilio of San Mateo County	$20,000
Tech Exchange	$25,000
Tech Exchange	$240,000
El Concilio of San Mateo County	$60,000
OCCUR	$5,000
Access Broadband Grants	***$1,606,040***
California State University, Fresno Foundation	$102,000
United Ways of California	$360,000
California Foundation for Independent Living Centers	$120,000
human I-T	$288,000
Delhi Center	$80,040
Inland Empire Section NCNW	$96,000
Southeast Community Development Center	$120,000
Southeast Community Development Center	$25,000
Mothers Helping Others	$18,000
Sigma Beta Xi	$300,000
Priscilla's Helping Hands	$72,000
EveryoneOn	$25,000
Digital Inclusion for People with Disabilities	***$140,000***
World Institute on Disability	$50,000
World Institute on Disability	$60,000
Independent Living Centers of Kern County	$30,000
Neighborhood Transformation	***$155,000***
YMCA of Greater Long Beach	$50,000
Southeast Community Development Center	$25,000
Families in Schools	$25,000
UC Regents, Center for Transformation of Schools	$10,000
City of Long Beach Digital Inclusion Affordable Offers	$10,000
CFEE Smart Housing Neighborhood Transformation	$5,000
Youth Policy Institute	$5,000
YMCA of Greater Long Beach (LB Carmelitos)	$25,000
Institutionalization of Digital Inclusion	***$315,000***
East Los Angeles College Foundation	$10,000

Inland Empire Regional Consortium (SmartRiverside)	$25,000
Inland Empire Regional Consortium (SmartRiverside)	$5,000
California Forward	$50,000
Valley Vision	$30,000
California Association of Council of Governments	$25,000
California Foundation for Independent Living Centers	$25,000
Families in Schools	$25,000
California State PTA	$60,000
Los Angeles Community College Foundation	$10,000
Los Angeles Community College Foundation (City of LA)	$50,000
Frontier Partnership Grants	***$3,000,000***
AGIF Education Foundation of Santa Maria	$109,800
Amador Tuolumne Community Resources, Inc.	$0
California Foundation for Independent Living Centers	$136,200
CSU Chico	$9,060
CSU Fresno	$72,000
human-I-T	$1,462,860
McFarland Unified School District	$54,000
National Asian American Coalition	$72,000
Partners in Education	$18,000
Southeast Community Development Corporation	$300,000
United Ways of California	$390,000
Happy Village	$4,080
Great Harvest Community Center	$90,000
National Council of Negro Women	$12,000
Mothers Helping Others	$36,000
Priscilla's Helping Hands	$54,000
California Community Action Partnership Association	$180,000

Appendix 4. California Hub for Energy Efficiency Financing

Appendix 4.1

Table 27. Finance Pilots Budget with CAEATFA Expenditures (September 2014 – March 2019)

Item	Allocated	Expended/ Encumbered[31]	Balance
CHEEF Administration			
Includes Start-Up costs, CHEEF administrative, direct implementation, outreach and training to finance companies and contractors, and contracting costs[32]	$13,360,000	$8,158,152	$5,201,848
Subtotal CHEEF Administration	**$13,360,000**	**$8,158,152**	**$5,201,848**
Marketing, Education, Outreach (MEO)			
Statewide MEO plan	$ 8,000,000	(TBD)	$8,000,000
CAEATFA outreach and training to finance companies and contractors	$ 2,000,000	$ -[33]	$2,000,000
Subtotal Marketing, Education, and Outreach	**$10,000,000**	$ -[34]	**$10,000,000**
Residential Pilots Credit Enhancement Funds[35]			
Residential Energy Efficiency Loan (REEL)	$25,000,000	$ 913,131	$4,086,869
Energy Financing Line Item Charge (Funding to PG&E)	$1,000,000	TBD	$1,000,000
Affordable Multifamily	$2,900,000	-	$2,900,000
Subtotal Residential Pilots	**$28,900,000**	**$913,131**	**$28,086,869**
Non-Residential Pilots Credit Enhancement Funds			
Small Business sector with credit enhancement	$14,000,000	$ -	$14,000,000
Subtotal Non-Residential Pilots	**$14,000,000**	$ -	**$4,000,000**
Information Technology (IT)			
IT Funding to IOUs[36]	$8,000,000	*(TBD)*	$8,000,000
Subtotal IT Funding to IOUs	**$8,000,000**	***(TBD)***	**$8,000,000**
CHEEF Pilot Reserve			
CHEEF Pilot Reserve[37]	$984,931	$ -	$984,931
Subtotal CHEEF Pilot Reserve	**$984,931**	**$ -**	**$984,931**
GRAND TOTAL	**$75,244,931**	**$9,071,283**	**$66,173,648**

Quarterly expenditures are based on good faith estimates due to a lag in invoice submittals.

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[31] "Encumbered" refers to the credit enhancement funds reserved for enrolled loans under the Residential Energy Efficiency Loan (REEL) Loan Loss Reserve (LLR).

[32] Amount of funds allocated to this section includes the additional $8.36 million that was approved by CPUC Rulemaking 13-11-005: Joint Ruling of Assigned Commissioner and Administrative Law Judge on Financing Pilots and Associated Marketing, Education and Outreach Activities issued November 22, 2016.

[33] The expenses expended for this line item have been included in the expended/encumbered value presented in the CHEEF Administration line item above.

[34] This table is not a comprehensive representation of the budget. It does not reflect CSE's expenditures related to ME&O, the IOUs' expenditures and additional allocations for IT and administration, or other non-CAEATFA costs.

[35] Actual credit enhancement dollars available less funds for operations setup by IOUs.

[36] IT funding to IOUs reports only the initial allocation and does not reflect current IOU expenditures.

[37] This amount reflects the remaining balance after the release of funds that was approved by CPUC Rulemaking 13-11-005: Joint Ruling of Assigned Commissioner and Administrative Law Judge on Financing Pilots and Associated Marketing, Education and Outreach Activities issued November 22, 2016.