

MONTHLY PROGRESS REPORT FOR CONTRACT NO. 500-00-036

PROJECT 1.1 – PROGRAM PLANNING AND ANALYSIS

REPORT PREPARED BY: COMMONWEALTH ENERGY TEAM

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Contractor Project Director:	Patrick Lilly (360) 906-0616
Contractor Project Manager:	David Hanna (858) 481-0081
Commission Project Manager:	Zhiqin Zhang (916) 654-4063

What we planned to accomplish this period:

The CE Team anticipated that the final *Prioritization Report, Task 1.1.10* and *Draft Project 1.1 Report, Task 1.1.11b* would be completed and submitted in July. Commission comments on the previously submitted *Prioritization Report* would be incorporated and available updated information on the Landfill Bioreactor Project 2.1 and Dairy Waste to Energy Project 3.1 would be included at that time.

Additionally, Itron anticipated incorporating internal comments and updating the generation profiles as appropriate, prior to submitting the Task 1.1.8 Generation Profiles final report to the Commission.

What we actually accomplished this period:

Task 1.1.8 Development of Generation Profiles:

- As anticipated, Itron incorporated generation profiles summarizing the anticipated Commonwealth Program RD&D generation, as well as the generation profiles for the fully realized mini-grid developed under Task 1.1.7. As previously reported, work continues to proceed slower than anticipated. However, Itron plans to submit this report to the Commission in August.

Task 1.1.10 Prepare Prioritized List of Projects for PV and Biogas Systems

- As anticipated, the CE Team completed its revisions of the draft Prioritization Report, incorporating the prioritization framework developed in the previous three months. This framework incorporated the objectives of the Commonwealth Business Plan, the Mini-Grid distribution analysis and the technical objectives for the PIER Program, into the prioritization process. In July, the focus on this task involved completing the updating of the decision-making model, which considered

a variety of factors in prioritizing projects to be implemented under this Program and incorporating its results into the report. The areas that the Team was updating efforts were focused in Projects 2.1 and 3.1, where the latest information has been included. The prioritization model includes a mechanism to weight different attributes according to their importance based upon the objectives of the Commonwealth Business Plan, the Mini-Grid distribution system benefits and the technical objectives of the PIER Program. The initial numeric weights assigned previously were finalized, used in the model to provide results of the prioritization effort and incorporated into the report sent to the Commission in mid-July.

Task 1.1.11 Prepare Final Report

- The CE Team continued to integrate the key results for each of the previously completed tasks and the updated information on the prioritization results into the Draft Project 1.1 Report. In general, almost all of the effort associated with preparing the Draft Project 1.1 Report has been completed and limited work was conducted during this period. Finalization of the Draft Program Planning and Analysis Project 1.1 Report will occur upon incorporation of Energy Commission comments on the revised *Prioritization Report*.

How we are doing compared to our plan:

Work continues to progress more slowly than anticipated. Although there have been challenges and delays within a few of the tasks, the majority of these challenges have been resolved, and this has not seriously affected the revised project schedule (Exhibit B) or overall project budget as a whole.

Significant problems or changes:

There are no significant fiscal problems to report on during this period and work is proceeding within the overall Project 1.1 budget. The primary consideration affecting the overall project and program schedule is the relationship between the Commonwealth Business Plan and the overall program in relation to individual projects and tasks. The results of the guidance offered on broad programmatic issues, is being addressed in the decision-making framework model, which is being used to evaluate individual projects. The draft framework of the model submitted to the Commission in February, together with the guidance received from the Commission at the March 9th meeting, will enable this project to be completed in a manner consistent with the overall Program and Commonwealth Business Plan objectives.

What we expect to accomplish during the next period:

It is anticipated that comments and/or approval for the *Prioritization Report*, Task 1.1.10, will be received from the Commission. In addition, once the *Prioritization Report* is

finalized, the Draft Project 1.1 Report (Task 1.1.11.b) will be completed. Additionally, the Task 1.1.8 Final Report will be finalized and submitted to the Commission for final review and approval.

Status of Milestones and Deliverables:

Table 1 below summarizes the status of Project 1.1 task deliverables as of the end of the current reporting period.

Table 1: Summary of Project Status and Deliverables – Project 1.1

Task No.	Description	Start Date		Due Date		Status (%)
		Planned	Actual	Planned ¹	Actual ¹	
1.1.1	“Preliminary definition” of Program mini-grid region	6/5/02	6/5/02	8/4/02	10/31/02	100%
1.1.2a	Develop DB of Agricultural Facilities	6/19/02	7/20/02	01/17/03	11/04/03	100%
1.1.2b	Develop Ag GIS report	6/19/02	8/12/02	01/17/03	11/04/03	100%
1.1.3a	Develop Landfill DB	6/19/02	6/19/02	10/25/02	12/15/02	100%
1.1.3b	Develop Landfill GIS report	6/19/02	6/19/02	10/25/02	12/15/02	100%
1.1.4a	Develop WWT facility DB	6/19/02	6/19/02	10/31/02	12/15/02	100%
1.1.4b	Develop WWT GIS report	6/19/02	6/19/02	10/31/02	12/15/02	100%
1.1.5	Develop BIPV systems DB	8/5/02	8/5/02	12/03/02	2/5/03	100%
1.1.6	Develop T&D System DB	6/5/02	6/26/02	02/16/03	06/10/03	100%
1.1.7	Market Potential Assessment	11/10/02	9/13/02	08/01/03	DR: 07/31/03	100%
1.1.8	Develop Generation Profiles	12/11/02	8/15/02	09/08/03	DR: 9/08/03	99%
1.1.9 a	Conduct Power Flow Analysis (T&D Model)	10/14/02	09/23/02	02/16/03	06/10/03	100%
1.1.9 b	Conduct Power Flow Analysis (Summary Reports)	11/15/02	09/02/03	09/11/03	DR: 09/12/03 FR: 11/28/03	100%
1.1.10	Prepare Prioritized List of Projects for PV and Biogas Systems	12/03/02	11/04/02	DR: 09/10/03	DR: 09/10/03	99%

Table 1: Summary of Project Status and Deliverables – Project 1.1 (continued)

Task No.	Description	Start Date		Due Date		Status (%)
1.1.11a	Prepare Draft Report Outline for Project 1.1	1/17/03	02/10/03	02/21/03	7/13/03	100%
1.1.11b	Prepare Draft Report for Project 1.1	3/08/03	04/18/03	09/26/03		98%
1.1.13	Develop M&E Plans	6/5/02	7/15/03	05/29/03		80%

Note 1: “Planned” dates per revised Program Schedule submitted to CEC on September 17, 2003. “Actual” Dates include both the draft report (DR) date (above) and final report (FR) submittal dates (below), where appropriate.

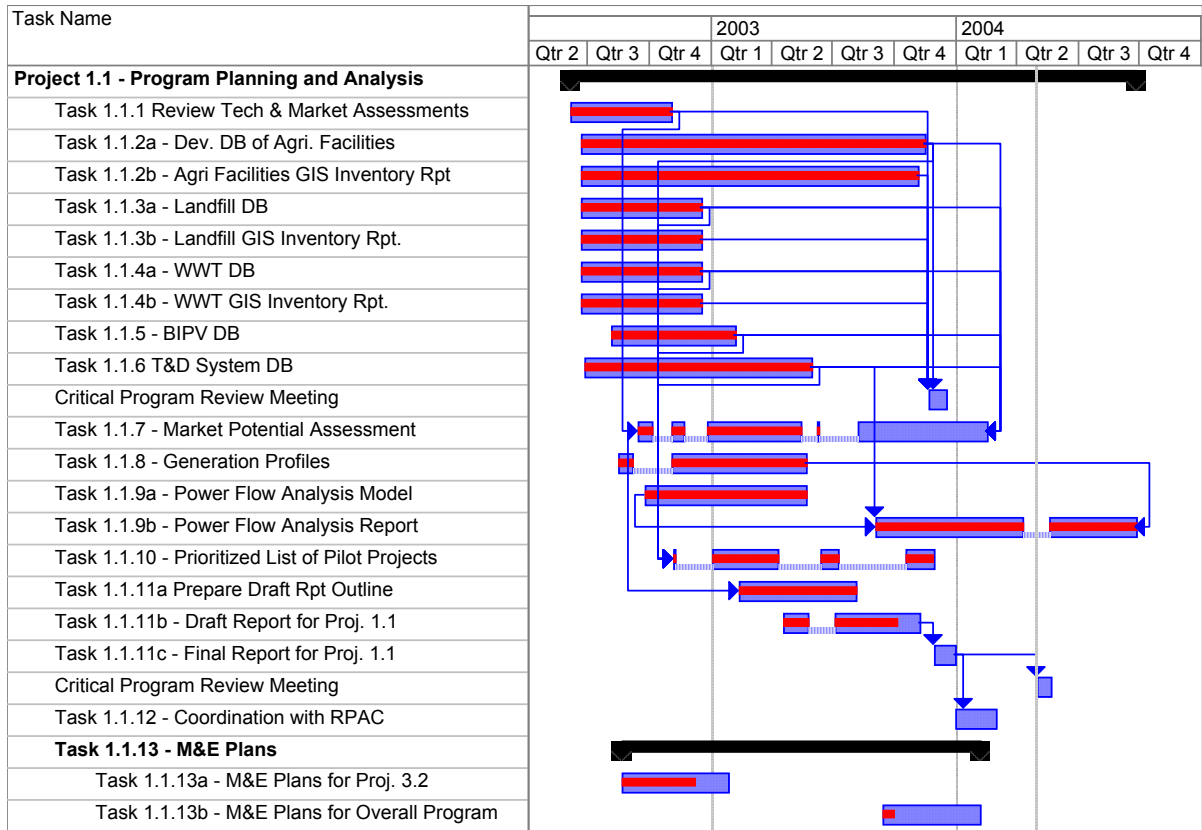
Explanation of any Difference(s) in Project 1.1 Schedule

The following listing provides the explanation for the reported changes in the schedule at the project task/deliverable level:

Task 1.1.10 Prepare Prioritized List of Projects for PV and Biogas Systems – This task started on schedule. Its completion has been delayed by approximately ten months. This will allow for incorporation of the findings of the expanded Mini-Grid analysis, incorporation of the Commonwealth Business Plan goals/objectives and enhanced framework within the process of prioritizing the identified projects under the Program.

Task 1.1.11 – Prepare Final report - The start of this task has been delayed by approximately six weeks. This change was made to accommodate the completion of the tasks related to the agricultural waste database and inventory report, as well as to allow for incorporation of the Mini-Grid T&D impacts analysis and guidance of the RPAC. These changes, however, are consistent with other aspects of the program, which needed to await incorporation of the findings of the Mini-Grid analysis. The finalization of this report was delayed by approximately ten months so that it could incorporate the results of the prioritization efforts. Once completion of the prioritization report occurs, the Draft Project 1.1 Report should be completed within approximately two weeks and the Final Report within one month of completion of the Draft Report.

Overall Schedule for Project 1.1:



Overview of Fiscal Status:

Table 2 below summarizes the fiscal status of Project 1.1 by task as of the end of the current reporting period.

Table 2: Fiscal Status by Task – Project 1.1

Task Number	Budget	Invoiced To-Date	Fiscal Status *
1.1.1	\$ 18,902.00	\$18,902.00	OB
1.1.2a	\$ 85,562.00	\$85,562.00	OT
1.1.2b	\$ 100,562.00	\$100,562.000	OT
1.1.3a	\$ 66,865.00	\$66,865.00	OT
1.1.3b	\$ 66,865.00	\$66,865.00	OT
1.1.4a	\$ 93,136.00	\$93,136.00	OT
1.1.4b	\$ 93,136.00	\$93,136.00	OT
1.1.5	\$ 87,177.00	\$85,780.00	OT
1.1.6	\$ 98,840.00	\$98,840.00	OT
1.1.7	\$ 96,896.00	\$0	OB
1.1.8	\$ 15,363.00	\$0	OT
1.1.9a	\$ 37,040.00	\$37,040.00	OT
1.1.9b	\$ 59,134.00	\$59,134.00	OT
1.1.10	\$187,132.00	\$0	OT
1.1.11a	\$ 18,540.00	\$18,540.00	OT
1.1.11b	\$117,046.00	\$0	OT
1.1.11c	\$27,809.00	\$0	OT
1.1.12	\$ 41,357.00	\$0	OT
1.1.13	\$ 25,251.00	\$0	OT
Project 1.1 Total:	\$1,336,613.00	\$824,362.00	

*Fiscal Status – Please indicate if you are “On Track” (OT), OverBudget (OB), or UnderBudget (UB)

*\$18,000 from Task 1.1.9 originally allocated to SDV/ACCI has been moved to Task 1.1.10 and Task 1.1.11b. SDV/ACCI’s work will be completed under the measurement and evaluation work on Project 3.2.