

From: Khosrowjah, Sepideh  
Sent: 2/25/2010 11:44:18 AM  
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7);  
Campbell, Andrew (andrew.campbell@cpuc.ca.gov); Hughes, John (Reg Rel)  
(/O=PG&E/OU=Corporate/cn=Recipients/cn=J8HS)  
Cc:  
Bcc:  
Subject: RE:

Thanks again.

**From:** Cherry, Brian K  
**To:** Khosrowjah, Sepideh; Campbell, Andrew; Hughes, John (Reg Rel)  
**Sent:** Thu Feb 25 11:40:07 2010  
**Subject:** Re:

I will have John follow up.

**From:** Khosrowjah, Sepideh <sepideh.khosrowjah@cpuc.ca.gov>  
**To:** Cherry, Brian K; Campbell, Andrew <andrew.campbell@cpuc.ca.gov>  
**Sent:** Thu Feb 25 11:39:07 2010  
**Subject:** Re:

Thanks Brian. This information is very interesting. It would be very interesting to understand the roots of this disparity.

----- Original Message -----

From: Cherry, Brian K <BKC7@pge.com>  
To: Khosrowjah, Sepideh; Campbell, Andrew

Sent: Thu Feb 25 10:26:04 2010

Subject:

FYI. I'm sending you this (cut from an internal email that shows the difference in tiers between the three IOUs.

Keith has prepared the following table that compares PG&E's current Schedule E-1, SCE's Schedule D, and SDG&E's Schedule DR rates. These are the "standard" residential rates for each of the three utilities. For SCE, we had to make an assumption about the split of power between DWR and SCE's URG (we assumed 25/75) and for SDG&E we had to average summer and winter rates together.

	PG&E	SCE	SDG&E
Tier 1	11.877	12.187	12.897
Tier 2	13.502	14.274	14.974
Tier 3	27.572	21.265	26.6465
Tier 4	40.577	24.934	28.6465
Tier 5	47.393	28.603	28.6465

The table does show the great disparity between T3 and T5 rates: less than 8 cents apart for SCE and only 2 cents apart for SDG&E, compared to nearly 20 cents apart for PG&E. However, including this table shines a spotlight on the fact that, even if our proposal is adopted, our T3 rate will be higher than the other utilities' T5 rates! This, of course, is due to a number of factors (they use lower BQs, they have a CARE T3 rate, etc.) that we will be trying to fix in Phase 2