

From: [Redacted]  
Sent: 4/12/2010 4:34:48 PM  
To: 'Drew, Tim G.' (zap@cpuc.ca.gov); 'Tapawan-Conway, Zenaida G.' (ZTC@cpuc.ca.gov)  
Cc: Ramaiya, Shilpa R (/o=PG&E/ou=Corporate/cn=Recipients/cn=SRRd); Klotz, Michael (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=MIKe); [Redacted]  
[Redacted] 'Walsh, Natalie' (NFW@cpuc.ca.gov); [Redacted]  
[Redacted] 'don.arambula@sce.com' (don.arambula@sce.com); [Redacted]  
[Redacted] 'Athena M. Besa' (ABesa@semprautilities.com); 'Marian. Brown' (marian.brown@sce.com)  
Bcc:  
Subject: EM&V Decision requirement to report unspent EM&V to ED by 4/23

Hi Zeny/Tim,

I have not yet seen the final EM&V decision posted, but Rev. 1 version (which I believed was the version voted out) requires (at p. 11) that IOUs submit a report to ED within 15 days of the effective date of the decision which documents the EM&V amount unspent as of the effective date of D.09-09-047. The report is due April 23. I have a couple of clarifying questions.

For IOUs to produce a report on total EM&V unspent as of September 2009, we would need ED's estimate of unspent (including committed funds) as well as our own portions of unspent at that time. We went through this exercise in October 2009 getting ED's estimate of unspent for 06-08 (see below and attached) and your estimate that all (or most) of the ED's 2009 EM&V funds would be unspent. (see recap of our discussion below).

Should we continue to use this estimate of ED's unspent for this report or are we only supposed to report the IOUs' portion of unspent EM&V? Also, are you expecting this report to be a joint report or submitted by each IOU?

Thanks for the clarification.

[Redacted]

**From:** [Redacted]  
**Sent:** Friday, October 16, 2009 5:50 PM  
**To:** 'Drew, Tim G.'; 'Athena M. Besa'; 'Marian. Brown'; [Redacted]  
**Cc:** 'Walsh, Natalie'; 'Tapawan-Conway, Zenaida G.'; Ramaiya, Shilpa R; Klotz, Michael (Law)  
**Subject:** Summary of EM&V Carryover Funds Discussion 10/16/09

Here is a recap of the conclusions/clarifications from our discussion regarding EM&V carryover funds - please confirm or correct as needed ~Sandy

The 2010-2012 EM&V level authorized in D. 09-09-047 is \$125 million statewide (4% of the total IOUs authorized budgets including EM&V). The EM&V carryover will be used to cover a portion of the \$125 million and not augment the EM&V budget above \$125 million. The details of the 2010-2012 EM&V projects and activities to be funded within the \$125 million will be determined through the EM&V plan development process - this process does not rely on the level of carryover. However, such activities as CPUC audits of IOU admin costs will need to be included in the overall EM&V plan.

For purposes of ratemaking, IOUs can use the current estimate of Energy Division's remaining EM&V funds shown below (and as shown in the attached file). These amounts are based on the allocation of expected 2006-2008 EM&V project/study budgets compared to IOU authorized amounts. They do not include commitments for 2009 EM&V as Energy Division is expecting little to no EM&V activity/charges for the 2009 program year, with the possible exception of charges related to web portal. PG&E noted that it has paid Energy Division 2009 EM&V-related invoices of ~\$141,000 YTD through August 2009 so an estimate of zero may be too low. However, IOUs do not need a more precise estimate at this time. By mid year 2010 IOUs will need an updated estimate of commitments from ED for 2006-2008 and 2009 in order to reflect the available EM&V carryover in 2011 filed rates (timing of electric rate filings differ by IOU, gas rates are filed by October 31)

EM&V Allocation		Budgeted	Authorized	Remaining
<b>\$ 97,322,463</b>	<b>\$</b>	<b>118,028,661</b>	<b>\$</b>	<b>20,706,198</b>
PGE	0.46	\$ 44,768,333	\$ 54,428,304	\$ 9,659,971
SDGE	0.13	\$ 12,651,920	\$ 14,866,362	\$ 2,214,442
SCE	0.33	\$ 32,116,413	\$ 38,954,240	\$ 6,837,827
SCG	0.08	\$ 7,785,797	\$ 9,779,754	\$ 1,993,957

**From:** Drew, Tim G. [mailto:zap@cpuc.ca.gov]

**Sent:** Friday, October 16, 2009 2:05 PM

**To:** [Redacted] Athena M. Besa; Marian. Brown; [Redacted]

**Cc:** Walsh, Natalie; Tapawan-Conway, Zenaida G.

**Subject:** RE: Updated: EMV Carryover Funds

Hi [Redact] -

Commitments to me means currently encumbered in contracts, or at least allocated to a planned and vetted project. If commitments to the IOUs simply means a set aside that you hope to spend one day, then we may have a problem. I don't think this latter interpretation of commitments should be excluded from the calculation of carry over and the \$125 million cap authorized by D09-09-047. I believe the Decision intended to carry over all unspent funds.

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**From:** [Redacted]  
**Sent:** Friday, October 16, 2009 1:48 PM  
**To:** Drew, Tim G.; Athena M. Besa; Marian. Brown; [Redacted]  
**Subject:** RE: Updated: EMV Carryover Funds

Tim

I have revised the authorized amounts to match what was adopted for 2006-2008, as the percentages were not rounded. Also, does no commitments for 2009 mean no EM&V expenditures are expected for 2009?

[Redacted]

**From:** Drew, Tim G. [mailto:[zap@cpuc.ca.gov](mailto:zap@cpuc.ca.gov)]  
**Sent:** Friday, October 16, 2009 12:50 PM  
**To:** [Redacted] Athena M. Besa; Marian. Brown; [Redacted]  
**Subject:** RE: Updated: EMV Carryover Funds

Hi [Redacted] et al –

Here's my estimate of EM&V carryover from ED's pot (attached). We have no commitments for 2009

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[www.energydataweb.com/cpuc](http://www.energydataweb.com/cpuc)

-----Original Appointment-----

**From:** [Redacted]

**Sent:** Friday, October 16, 2009 9:01 AM

**To:** Athena M. Besa; Marian. Brown; Drew, Tim G. [Redacted]

**Subject:** Updated: EMV Carryover Funds

**When:** Friday, October 16, 2009 3:30 PM-4:00 PM (GMT-08:00) Pacific Time (US & Canada).

**Where:** Call-in [Redacted] meeting # [Redacted]

1. Dial your access number: [Redacted]

2. Enter your MEETING NUMBER: [Redacted] \* preceded and followed by the \* key