

From: Lai, Peter  
Sent: 5/4/2010 4:20:39 PM  
To: Besa, Athena (ABesa@semprautilities.com); Tagnipes, George S. (george.tagnipes@cpuc.ca.gov); don.arambula@sce.com (don.arambula@sce.com); Yamagata, Joy C. (JYamagata@semprautilities.com); Brian Horii (brian@ethree.com); darren.hanway@sce.com (darren.hanway@sce.com); McKinley, Kevin C. (KMckinley@semprautilities.com); Loveless, Berkeley (BLoveless@semprautilities.com); Sickels, Andrew (ASickels@semprautilities.com); [Redacted]  
[Redacted] Ramaiya, Shilpa R (/o=PG&E/ou=Corporate/cn=Recipients/cn=SRRd); eric@ethree.com (eric@ethree.com); [Redacted]  
[Redacted] Tapawan-Conway, Zenaida G. (zenaida.tapawan-conway@cpuc.ca.gov); Walsh, Natalie (natalie.walsh@cpuc.ca.gov); Rubin, Rob (RRubin@semprautilities.com); [Redacted]  
Cc: Clinton, Jeanne (jeanne.clinton@cpuc.ca.gov)  
Bcc:  
Subject: RE: Follow up to postmortem: 2009 Annual Report, Updates to E3 Meeting

Hi All,

This summarizes our telephone conversation on the \$30 per ton of carbon issue. The utilities agreed that a constant nominal value of \$30 per short ton of carbon with no annual escalation, as indicated in the decision, is acceptable to them. The utilities believe that the over-valuation of short lived measure will be balanced by the under-value of long-lived measures. There is no need to filing anything with the Commission to use 2008 MPR adopted Synapes methodology for estimating carbon value.

E3 will make this update in the avoided cost calculator and will provide the utilities a 2009 E3 Calculators for their use in the 2009 annual reporting.

Thanks,

Peter

**From:** Lai, Peter  
**Sent:** Monday, May 03, 2010 5:43 PM  
**To:** 'Besa, Athena'; 'Darren.Hanway@sce.com'; Sickels, Andrew; Loveless, Berkeley; Brian Horii; Don.Arambula@sce.com; Tagnipes, George S.; Yamagata, Joy C.; McKinley, Kevin C.; [Redacted] Walsh, Natalie; Rubin, Rob; [Redacted] Ramaiya, Shilpa R; [Redacted] Tapawan-Conway, Zenaida G.; 'eric@ethree.com'  
**Subject:** RE: Follow up to postmortem: 2009 Annual Report, Updates to E3 Meeting

Thanks All. It looks like 3:30 tomorrow works best for everyone. Please use the call-in number and passcode below.

[Redacted]

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

**From:** Besa, Athena [mailto:ABesa@semprautilities.com]  
**Sent:** Monday, May 03, 2010 5:28 PM  
**To:** 'Darren.Hanway@sce.com'; Lai, Peter  
**Cc:** Sickels, Andrew; Loveless, Berkeley; Brian Horii; Don.Arambula@sce.com; Tagnipes, George S.; Yamagata, Joy C.; McKinley, Kevin C.; [Redacted] Walsh, Natalie; Rubin, Rob; [Redacted] Ramaiya, Shilpa R; [Redacted] Tapawan-Conway, Zenaida G.  
**Subject:** RE: Follow up to postmortem: 2009 Annual Report, Updates to E3 Meeting

I'm with Darren. Thanks.

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

**From:** Darren.Hanway@sce.com [mailto:Darren.Hanway@sce.com]  
**Sent:** Monday, May 03, 2010 4:55 PM  
**To:** Lai, Peter  
**Cc:** Besa, Athena; Sickels, Andrew; Loveless, Berkeley; Brian Horii; Don.Arambula@sce.com; Tagnipes, George S.; Yamagata, Joy C.; McKinley, Kevin C.; [Redacted] Walsh, Natalie; Rubin,

Rob; [Redacted] Ramaiya, Shilpa R; [Redacted] Tapawan-Conway, Zenaida G.

Subject: RE: Follow up to postmortem: 2009 Annual Report, Updates to E3 Meeting

Peter,

I am available for any of those times tomorrow.

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Darren Hanway

Customer Energy Efficiency & Solar Division Southern California Edison

Ph: 626-633-3023 - Internal PAX 43023

Fax: 626-633-3170 - Internal FAX 43170

From: "Lai, Peter" <peter.lai@cpuc.ca.gov>

To: "Besa, Athena" <ABesa@semprautilities.com>, "Tagnipes, George

S." <jeorge.tagnipes@cpuc.ca.gov>, "Yamagata, Joy C."

<JYamagata@semprautilities.com>, "Ramaiya, Shilpa R"

<SRRd@pge.com>, <Don.Arambula@sce.com>,

<Darren.Hanway@sce.com>, [Redacted]

[Redacted] "McKinley, Kevin C."

<KMckinley@semprautilities.com>, "Rubin, Rob"

<RRubin@semprautilities.com>, "Tapawan-Conway, Zenaida G."

<zenaida.tapawan-conway@cpuc.ca.gov>, "Walsh, Natalie"

<natalie.walsh@cpuc.ca.gov>, "Sickels, Andrew"

<ASickels@semprautilities.com>, Redacted "Loveless,

Berkeley" <BLoveless@semprautilities.com>, <SLDa@pge.com>,

"Tapawan-Conway, Zenaida G."

<zenaida.tapawan-conway@cpuc.ca.gov>

Cc: "Brian Horii" <brian@ethree.com>

Date: 05/03/2010 04:45 PM

Subject: RE: Follow up to postmortem: 2009 Annual Report, Updates to

E3 Meeting

Hi Athena and all

Basically Section 9.2 of the Decision directed that "ED should ensure, to the extent possible, that the carbon adder calculation methodology does not over-value short-lived measures." So, I'm following Decision directive.

Thus we should have a call tomorrow to talk through this. Would tomorrow at 11 AM, 3:00 PM, or 3:30 PM work for folks for a quick call?

Thanks.

From: Besa, Athena [mailto:ABesa@semprautilities.com]

Sent: Monday, May 03, 2010 3:48 PM

To: Lai, Peter; Tagnipes, George S.; Yamagata, Joy C.; Ramaiya, Shilpa R;  
Don.Arambula@sce.com; Darren.Hanway@sce.com; [Redacted]  
McKinley, Kevin C.; Rubin, Rob; Tapawan-Conway, Zenaida G.; Walsh, Natalie; Sickels, Andrew;  
[Redacted] Loveless, Berkeley; [Redacted] Tapawan-Conway, Zenaida G.

Cc: Brian Horii

Subject: RE: Follow up to postmortem: 2009 Annual Report, Updates to E3 Meeting

Hi, Peter,

I'm not sure why the \$30/tonne is being reinterpreted when OP5 of the decision clearly states that it is adopted. I've copied the ordering paragraph below for your reference. Thanks!

5. Decision (D.) 06-06-063 is modified to adopt a new set of electric and gas

avoided costs for energy efficiency resources, including a greenhouse gas adder

of \$30/tonne, using generation cost inputs from the most recent

Commission-adopted Market Price Referent as of the date of this order.

Energy Division shall update the natural gas avoided cost for energy efficiency

resources using natural gas price data as of the date of this order.

From: Lai, Peter [mailto:peter.lai@cpuc.ca.gov]

Sent: Friday, April 30, 2010 11:17 AM

To: Tagnipes, Jeorge S.; Yamagata, Joy C.; Besa, Athena; Ramaiya,

Shilpa R; Don.Arambula@sce.com; Darren.Hanway@sce.com; Redacted

Redacted McKinley, Kevin C.; Rubin, Rob; Tapawan-Conway,

Zenaida G.; Walsh, Natalie; Sickels, Andrew; Redacted Loveless,

Berkeley; Redacted Tapawan-Conway, Zenaida G.

Cc: Brian Horii

Subject: Follow up to postmortem: 2009 Annual Report, Updates to E3

Meeting

Hi All,

In D.10-04-029 Section 9.2,

"ED also recommends that the greenhouse gas (GHG) adder be updated using the 2008 MPR value of \$30 per tonne. No party opposed ED's proposal to update the avoided costs for 2009. SCE expressed concern that the GHG adder levelized cost calculation over-values short lived measures, but provided no further detail or examples. ED should ensure, to the extent possible, that the carbon adder calculation methodology does not over-value short-lived measures."

Per this direction ED consulted with E3, and agrees with SCE that the levelized cost of \$30/ton is not the appropriate number to apply across the board. E3 indicated that the appropriate way is to follow the escalation methodology adopted in the 2008 MPR.

Brian, please ask Eric Cutter to chime in to provide clarification to the IOUs. Thanks.

Utilities, please give me your comments.

Thanks,

Peter

From: Tagnipes, George S.

Sent: Wednesday, April 14, 2010 9:56 AM

To: Yamagata, Joy C.; Besa, Athena; Ramaiya, Shilpa R

Cc: Don.Arambula@sce.com; Darren.Hanway@sce.com; Redacted

Redacted McKinley, Kevin C.; Rubin, Rob; Tapawan-Conway, Zenaida

G.; Walsh, Natalie; Lai, Peter; Sickels, Andrew; Redacted

(bloveless@semprautilities.com); Redacted

Subject: postmortem: 2009 Annual Report, Updates to E3 Meeting

Sorry for the technical difficulties, but most of you made it on the call.

The notes are attached.

Below are the major points:

DECISION à E3 will produce an updated 2009 E3 Calculator Engine by the week of 5/3 to 5/7

CLARIFICATION à New E3 doesn't impact Q409 Tracking deliverable.



New E3 does not impact the format of the E3 either. Jeorge already has PGE and SCE Q409 Tracking Data.

CLARIFICATION à The Energy Division is responsible for updating the utility 2009 savings with results from the 2006-2008 study, through ED's verification/performance basis report for 2009, as ordered by the Commission.

DECISION à PGE will take the lead in filing a joint utility request for extension to submit the 2009 Annual report on June 30, 2010

CLARIFICATION à Submitting an annual report on 6/30/2010 does not impact the Q42009 tracking data you already submitted to Energy Division. For Energy Division's verification/performance basis report for 2009, the Q42009 tracking data will be used.

Jeorge S. Tagnipes | 415.703.2451 (direct) | 415.703.2200  
(facsimile) | [jst@cpuc.ca.gov](mailto:jst@cpuc.ca.gov)

CPUC Energy Division - Energy Efficiency Section PLEASE VISIT  
<http://eega2006.cpuc.ca.gov>

From: Yamagata, Joy C. [<mailto:JYamagata@semprautilities.com>]

Sent: Wed 4/14/2010 9:03 AM

To: Tagnipes, George S.; Besa, Athena; Ramaiya, Shilpa R

Cc: Don.Arambula@sce.com; Darren.Hanway@sce.com; Redacted

Redacted McKinley, Kevin C.; Rubin, Rob; Tapawan-Conway, Zenaida

G.; Walsh, Natalie

Subject: RE: Annual Report Due Date

Does anyone have a different passcode number it says that it is  
invalid.

Joy Yamagata

Regulatory Manager

San Diego Gas & Electric Company

Southern California Gas Company

jyamagata@semprautilities.com

From: Tagnipes, George S. [mailto:jeorge.tagnipes@cpuc.ca.gov]

Sent: Monday, April 12, 2010 3:24 PM

To: Besa, Athena; Ramaiya, Shilpa R

Cc: Don.Arambula@sce.com; Darren.Hanway@sce.com; Redacted

Redacted McKinley, Kevin C.; Rubin, Rob;

Tapawan-Conway, Zenaida G.; Walsh, Natalie; Yamagata, Joy C.

Subject: RE: Annual Report Due Date

Are you all available this Wednesday from 9AM - 10AM to briefly discuss the following issues:

a. Changes to E3 from EMV decision (Shilpa)

b. Role of utilities in updating 2009 with results from 2006-2008 studies (Athena)

c. Timing and utilities requesting an extension (May 1 due date was established via 8/8/2007 ruling in R.06-04-010).

If all utilities are available at this time I will send out the call-in info.

George S. Tagnipes | 415.703.2451 (direct) | 415.703.2200

(facsimile) | [jeorge.tagnipes@cpuc.ca.gov](mailto:jeorge.tagnipes@cpuc.ca.gov)

CPUC Energy Division - Energy Efficiency Section PLEASE

VISIT <http://eega2006.cpuc.ca.gov>

From: Besa, Athena [<mailto:ABesa@semprautilities.com>]

Sent: Monday, April 12, 2010 2:48 PM

To: 'Ramaiya, Shilpa R'; Tagnipes, George S.

Cc: Don.Arambula@sce.com; Darren.Hanway@sce.com;

Redacted McKinley, Kevin C.;

Rubin, Rob; Tapawan-Conway, Zenaida G.; Walsh, Natalie;

Yamagata, Joy C.

Subject: RE: Annual Report Due Date

George, in addition to Shilpa's question, I think I sent you a note also inquiring about the decision's direction to use 2006-2008 load impacts to update 2009. How would we go about doing this? Do we wait for the ERT and then try to do match ups on the measure assumptions? I don't

know the IOU's timing on how soon this can be done if that is the expectation.

From: Ramaiya, Shilpa R [mailto:SRRd@pge.com]

Sent: Monday, April 12, 2010 8:36 AM

To: Tagnipes, Jeorge S.

Cc: Besa, Athena; Don.Arambula@sce.com;

Darren.Hanway@sce.com; Redacted

Redacted

Subject: Annual Report Due Date

George,

Hope all is well with you. The annual report for 2009 is due May 1, but the latest EM&V decision (issued Thursday) revised the 2009 avoided costs.

Do you know the ETA for the updated E3? We'll need a month after the release of the final calculator to run the Annual Report and do QA/review.

My understanding is that the Annual Report was ordered in a CPUC decision so it looks like we will also need a letter from Julie authorizing an extension.

Thanks!!

Shilpa