

From: Allen, Meredith  
Sent: 6/1/2010 9:17:51 AM  
To: 'as2@cpuc.ca.gov' (as2@cpuc.ca.gov)  
Cc:  
Bcc:  
Subject: CONFIDENTIAL: Draft Resolution re DTE Stockton

**CONFIDENTIAL**

Andy,

Attached are PG&E's comments and a short document that PG&E prepared on the emissions cost issue in the DTE Stockton draft resolution. The resolution is on Thursday's agenda.

The draft resolution requires PG&E to file an advice letter, if in the future PG&E assumes costs responsibility for GHG emissions associated with the biomass facility. I understand that this possibility is remote but given that the Commission has already decided in other decisions that customers assuming these costs directly is appropriate, we don't believe that the resolution should place inconsistent and additional filing requirements on a biomass facility as compared to a conventional facility.

The draft resolution does require an advice letter for any GHG-related capital costs. We believe that is appropriate given that the Commission has not previously addressed the issue.

Please let me know if you have questions or would like to discuss. I'm out of the office today so cell is the best way to reach me 415-828-5765.

Thanks,  
Meredith  
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