From: Cherry, Brian K
Sent: 10/12/2010 1:01:34 PM
To: 'pac@cpuc.ca.gov' (pac@cpuc.ca.gov)
Cc:
Bcc:
Subject: FW:

Here is the issue I referenced regarding the CARB fee. We filed an AL in Feb and it was rejected in July by ED because they preferred an application. So we file the application in August and we have heard a word from ALJ Long - not even a PHC has been assigned. A memo account would be nice since we are worried about retroactive ratemaking. We don't want to stiff CARB, but to eat this amount on a mandatory fee is ridiculous. Perhaps an Assigned Commissioner ruling or ALJ ruling asking us to file an AL for a memo account ?

From: Allen, Meredith To: Cherry, Brian K Sent: Tue Oct 12 09:14:52 2010 Subject:

I got a message from Dan. Based on conversation with Carol, he is concerned that she and others at the CPUC think that we should eat the fees this year. These fees are not a shareholder cost. They were intended by CARB to be paid by end users.

CARB was very appreciative of the utilities agreeing to collect these fees and then pass along to CARB, as it made it much easier for them. Julie even sent letter to CARB stating that she would help utilities collect the fees. CARB has been very surprised that the CPUC would deny our ability to collect these fees. That has never been their intent. Neither DRA nor TURN has protested these fees. It is completely ridiculous.

Would you please talk with Carol at the en banc and tell her that we can come in and meet with her ASAP?