From: Dietz, Sidney

Sent: 1/3/2011 2:58:28 PM

To: 'Roscow, Steve' (scr@cpuc.ca.gov); 'Kaneshiro, Bruce'

(bruce.kaneshiro@cpuc.ca.gov); 'Gupta, Aloke' (aloke.gupta@cpuc.ca.gov)

Cc:

Subject: Rebilling for KV2C demand customers

## Gentlemen --

Just a quick note on the issue of the rebilling of the KV2C demand customers. As you know, we've rolled out the patch for the meters, and I understand that the rollout has gone well. We decided to wait on the rebilling until after the holidays, and plan to start soon. We will use your suggestion on the rebilling amount -- the greater of 1) the suspected maximum error for the demand charge (the 11.8% and the 37.5% depending on the errors we found) and 2) the change in historical demand charge. If you have any questions, let me know.

Thanks!

yours,

sid