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Sent: 6/7/2011 10:56:40 AM  
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Bcc:  
Subject: Prep for Colvin Gas Surcharge meeting

All,

Just wanted to send a quick note to make sure we are all on the same page for our meeting with Michael Colvin tomorrow. Based on what I have heard from you all over the past couple of weeks, I think these are the basic points we want to cover:

- Maintaining these programs is critical to our customers, our ability to implement EE, and to support state policy (Loading Order, EE decisions, GHG, etc.)
- Unwinding the programs would result in job losses, undermine other programs indirectly (e.g. synergies between gas and electric), and cost a lot of money to stop and restart the programs
- The draft motion seeks flexibility to keep these programs going so that we can continue to generate energy savings without massive disruptions
- This will get us through this year; it is not a long-term fix
- There will still be belt tightening and some cuts to programs
- The motion is general in its approach because the utilities' accounting methods differ
- If Sacramento does raid PPP funds, it is critical to hold the line at \$155 m
- We are working with NRDC and others on legislation to ensure EE funds are spent on EE and not diverted to fill state budget deficits in the future

Please feel free to add, subtract, change, correct, embellish, fold, spindle, mutilate...

Billy

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