

From: Hughes, John (Reg Rel)
Sent: 10/18/2011 11:46:36 AM
To: 'Thomas, Sarah R.' (sarah.thomas@cpuc.ca.gov) Redacted
Redacted
Cc: Emelo, Josephine (josephine.emelo@cpuc.ca.gov)
Bcc:
Subject: RE: GRC Attrition

Sarah-

Hope you feel better. Perhaps we can reschedule in the near future. It's an issue that occurs when the Commission adopts a escalation rate for attrition in the post test year. This occurred in the Edison 2009 GRC and was implicit in the PGE 2011 GRC settlement. I have a couple of slides that illustrate that, for example, if the Commission authorizes say 3% escalation factor of test year revenues for attrition, that the result is something less than 3% when considering authorized plant expenditures for the test year. It's somewhat nerdy ratemaking issue. However, I have a simplified example that I would like to share with you.

Again, take care of yourself and get well soon.

From: Thomas, Sarah R. [mailto:sarah.thomas@cpuc.ca.gov]
Sent: Tuesday, October 18, 2011 11:05 AM
To: Redacted Hughes, John (Reg Rel)
Cc: Emelo, Josephine
Subject: GRC Attrition

I'm going to have to beg off this meeting today - have come down with a cold and am going home now.

Sarah R. Thomas, Esq.
Advisor to Commissioner Mark Ferron
(Legal/Energy/Communications)
California Public Utilities Commission
505 Van Ness Avenue, # 5033
San Francisco, CA 94102
srt@cpuc.ca.gov
www.cpuc.ca.gov
(415) 703-2310 (phone)
(415) 703-2262 (fax)