

From: Redacted  
Sent: 4/27/2012 1:35:14 PM  
To: Cadenasso, Eugene (eugene.cadenasso@cpuc.ca.gov)  
Cc: Horner, Trina (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=TNHC);  
Hughes, John (Reg Rel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=J8HS);  
ram@cpuc.ca.gov (ram@cpuc.ca.gov)  
Bcc:  
Subject: RE: Reimbursement of PPP Surcharge Funds

Eugene

Thanks for your vms. I understood from your message, that ED will be releasing the hold on the PPP surcharge funds with the exception of the EE amounts noted below. As you know, we will be remitting the payment for 1<sup>st</sup> Quarter on Monday, 4/30 and will subsequently follow up with our request for reimbursement shortly thereafter. If you could provide any additional information on the timing of when the EE funds will be released, I would greatly appreciate it.

Thanks!

Redacted

**From:** Redacted  
**Sent:** Thursday, April 26, 2012 11:40 AM  
**To:** 'Cadenasso, Eugene'  
**Cc:** ram@cpuc.ca.gov; Horner, Trina  
**Subject:** RE: Reimbursement of PPP Surcharge Funds

Thanks Eugene!

**From:** Cadenasso, Eugene [<mailto:eugene.cadenasso@cpuc.ca.gov>]  
**Sent:** Thursday, April 26, 2012 11:33 AM

To: [Redacted]

Subject: RE: Reimbursement of PPP Surcharge Funds

[Redacted]

I'm in receipt of the claim and will keep you posted as to its status.

From: [Redacted]

Sent: Thursday, April 26, 2012 10:09 AM

To: Cadenasso, Eugene; Myers, Richard A.

Cc: [Redacted]; Horner, Trina

Subject: Reimbursement of PPP Surcharge Funds

Eugene and Richard

As a follow up to our continuing discussions on the status of the PPP Surcharge remittances to be returned to PG&E, attached please find the following information you requested. I have also attached supporting documentation on the status of unspent/uncommitted Energy Efficiency funds.

**PPP Surcharge Remittance by Program (Attachment 1)** - This attachment delineates the amount of PPP surcharges by program ( Energy Efficiency, Low Income Energy Efficiency, RDD and Board of Equalization (BOE) Administrative costs and CARE) that has been remitted to the BOE on October, 31, 2011 and January 31, 2012. As requested, the amounts to be remitted on April 30, 2012, have also been included by program below:

PACIFIC GAS  
GAS PUBLIC PURPOSE PROGRAM  
Remittances and Reimbursements For the Period July 2

LrGas PPP  
Surcharge  
Remittance  
Period

Energy Efficiency

Low Income Energy Efficiency

	(EE)	(LIEE)
	( a )	( b )
1 3rd Quarter (September 30, 2011)	13,364,401	9,501,181
2 4th Quarter (December 31, 2011)	23,462,304	16,696,045
3 Subtotal		
4 1st Quarter (April 30, 2012)	31,727,462	26,493,207
5 Total Surcharges	68,554,166.50	52,690,433.17

6 Accrued  
Interest  
(through April  
23, 2012)

D. 04-08-010 (p. 7) directs that interest should accrue on PPP surcharge collections while on deposit in the State Fund. The applicable interest rate used is the California State Controller's Office, Division of Accounting and Reporting, Surplus Yield.

<http://www.sco.ca.gov/Files-ARD/smifrate>

The amount to be reimbursed to PG&E for the period September 2011 through December 2011 is \$109,090,997. On April 30, 2011, PG&E will remit \$101,004,680 for the first quarter remittance to the BOE. Of this amount, PG&E estimates that approximately \$97,348.058 should be returned to PG&E.

**Accrued Interest Due on Amounts Held in Fund (Attachment 2)** – This attachment provides Energy Division with PG&E's calculation of the amount of interest that has accrued on surcharge funds for the time period the PG&E's collected funds have been on deposit in the State Fund in accordance with D. 04-08-010 (p. 7). The applicable interest rate used is the California's State Controller's Office, Division of Accounting and Reporting, Surplus Money Investment Fund, Apportionment Investment Yield.

<http://www.sco.ca.gov/Files-ARD/smifrate.pdf>

The total amount of interest owed to PG&E customers for funds on deposit in the State’s Fund through April 23, 201 is \$9,356,207.

**Pre 2010 Unspent/Uncommitted Funds (Attachments 3 and 4)** – In response to concerns expressed by Energy Division, D. 11-10-014 (ordering paragraph 1) directs as follows: “Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Gas Company shall use unspent authorized gas and electric funds from pre-2010 and unspent 2010-2011 Energy Efficiency funds to

offset SB 87 related reductions, if any, in gas Public Purpose Program funding.” As of today, no transfer under SB 87 has occurred and therefore, PG&E has not accessed gas and electric pre 2010 unspent/uncommitted funds to operate its EE Program.

Attached, please find a copy of the March 2012 Report sent to ALJ Farrar and ALJ Fitch, with a copy to Energy Division and ALJ Gamson on April 23, 2012. The report confirms that PG&E has not accessed gas and electric pre-2010 unspent/uncommitted funds to operate its EE Program. The table below summarizes the \$70.8 M in pre- 2010 gas and electric energy efficiency unspent / uncommitted available funds as reported in the Energy Efficiency Monthly Accounting Report.

**Summary of Available Energy Efficiency Funds**

	<b>Electric PGC</b>	<b>Electric Procurement</b>	<b>Total Electric</b>	<b>Gas</b>	<b>Total</b>
2009	(17,264,199.85)	(29,446,791.14)	(46,710,991.00)	(9,429,945.73)	(56,140,936.73)
2006-2008	(4,377,354.65)	(3,126,514.43)	(7,503,869.08)	(573,618.03)	(8,077,487.11)
1998-2005	(4,618,808.15)	(2,342,344.33)	(6,961,152.48)	286,875.41	(6,674,277.07)
<b>Total Pre-2010</b>	<b>(26,260,362.66)</b>	<b>(34,915,649.90)</b>	<b>(61,176,012.56)</b>	<b>(9,716,688.36)</b>	<b>(70,892,700.91)</b>

In summary, PG&E requests that Energy Division the release the current hold on funds such that they can be returned to PG&E as requested above.

Please do not hesitate to give me a call to discuss if you have any questions.

Regards,

Redacted

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Regulatory Relations

Energy Proceedings

Manager, Customer Demand Side Management

Redacted