From: Simon, Jason

Sent: 6/26/2012 7:15:18 PM

To: Redacted

Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe); Mathai-jackson, Grady (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=MGML); Johnson, Aaron (/O=PG&E/OU=Corporate/cn=Recipients/cn=AJJ9); Reilly, Brooke A (/O=PG&E/OU=Corporate/cn=Recipients/cn=BARI1); Douglas, Paul (paul.douglas@cpuc.ca.gov); Dudney, Kevin (kevin.dudney@cpuc.ca.gov)

Bcc:

Subject: RE: Proposal 2 discussion

Redacted

That's great news. I passed the idea along to our LTPP team and they are familiar with the IE proposal. I am cc'ing Kevin Dudney, member of LTPP team to keep him in the loop. Please get back to me ASAP with a final word from your legal team and I will start to incorporate the proposal into a ruling that will go out the first week of July which will ask for comments. Time is relatively tight. I was hoping you could also put together a list of metrics that your team thinks are critical path items that need to be evaluated when determining whether a project is in or out. I have your summary proposal that discusses your methodology. If you want to expand on that please do. Lastly, let's also work with the other IOUs to vet the proposal before we put it in the ruling. I'll work with you after you vet it more internally to set up a call with your counterparts. If you have already done so or have the desire to touch base with them, please feel free and let me know what the response has been.

Thanks again. Let's keep in touch over the next few days.

Jason

-----Original Message-----
From: Redacted
Sent: Tue 6/26/2012 6:44 PM
To: Simon, Jason
Cc: Reilly, Brooke A; Mathai-jackson, Grady (Law); Allen, Meredith; Johnson, Aaron
Subject: Proposal 2 discussion

Jason,

I'm writing to follow-up on last Friday's conversation. Brooke and I have shared the proposal discussed at Peet's with internal stakeholders, and the initial response has been positive. While we would like to run the proposal by a few more internal folks, PG&E is preliminarily on board with the following:

1. Have an independent evaluator utilize a subset of PDSR data, along with independent research, to determine an ON/OFF list of projects for Proposal 2 purposes (LTPP, TPP, etc.). The independent party would be hired by the CPUC, and the CPUC would be the entity responsible for providing the PDSR data to this party.

2. The PDSR data will be provided to the CPUC on some agreed-upon frequency. It will be important to give careful consideration to what subset of the PDSR data fields will be needed by the independent party to make its assessment.

3. While the IOUs may provide general insight on key drivers of project success, any final assessment of an IOU's net short position will be entirely the result of analysis conducted by the independent party.

We will be in touch with you once we have secured full internal sign-off. Let us know what you see as next steps for moving the Proposal 2 discussion forward.

Thanks,

Redacted Manager, Renewable and Clean Energy Strategy | Pacific Gas and Electric Company | Redacted
Redacted