

From: Doll, Laura  
Sent: 9/5/2012 11:23:29 AM  
To: richard.myers@cpuc.ca.gov (richard.myers@cpuc.ca.gov)  
Cc:  
Bcc:  
Subject: GHG Procurement Authority Language | D.12-04-046

Richard --- at this point you are probably thinking, why did I even answer my phone this morning?? Anyway, here's the background info I referenced in my previous email. Thanks again.

Here are the enabling paragraphs/language in the 2010 LTPP decision that gives the IOUs cost recovery for GHG.

[http://www.regrel/Docs/LongTermProcure2010-OIR/Final-Decisions/CPUC/2012/LongTermProcure2010-OIR\\_Final-Dec\\_CPUC\\_20120419\\_D-12-04-046\\_236680.pdf](http://www.regrel/Docs/LongTermProcure2010-OIR/Final-Decisions/CPUC/2012/LongTermProcure2010-OIR_Final-Dec_CPUC_20120419_D-12-04-046_236680.pdf)

#### Decision Language

- Pg. 40 "...we find it reasonable to authorize the utilities to begin procuring greenhouse gas compliance instruments at this time. We accordingly approve the utilities' greenhouse gas compliance instrument procurement plans as modified by this decision."
- Pg. 52 "The utilities are authorized to procure allowances from CARB via a CARB auction or other CARB process."
- Pg. 59 "The cost incurred for the greenhouse gas compliance instrument transactions should be included in each utility's Energy Resource Recovery Account filing for cost recovery."

#### Ordering Paragraphs

- **OP 8(a)** -- Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E) are authorized to procure greenhouse gas allowances, allowance futures and forwards, and offsets and offset forwards

- **OP 10** -- Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company costs incurred for the greenhouse gas compliance instrument transactions should be included in each utility's Energy Resource Recovery Account filing for cost recovery.