

From: Houck, Jason  
Sent: 2/6/2013 10:47:11 AM  
To: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe)  
Cc: Schwartz, Andrew (andrew.schwartz@cpuc.ca.gov)  
Bcc:  
Subject: Franchise fees and uncollectible accounts expense - PG&E AL 4181-E

Hi Meredith,

A quick question about PG&E AL 4181-E Sheet 1 of Electric Preliminary Statement Part GB: GHG Revenue Balancing Account. In section (e) of this sheet, PG&E lists a debit entry equal to the portion of GHG revenue returned to customers, “net of an allowance for franchise fees and uncollectible accounts expense (ff&u).” Could you help me understand why this allowance is included in this account? I understand why it might be typical to include in a revenue balancing account that is intended to cover rate-based expenses, but it is not clear to me why it would be appropriate in this instance. Does this provision mean PG&E intends to use GHG allowance revenue to pay for franchise fees and uncollectible expenses?

I would be grateful if you or one of your staff could explain PG&E’s reason for including this allowance in the GHG Revenue Balancing Account.

Many thanks,

Jason Houck

Analyst, Emerging Procurement Strategies

Energy Division

California Public Utilities Commission

Office: 415.703.1223

Email: [jason.houck@cpuc.ca.gov](mailto:jason.houck@cpuc.ca.gov)