

From: Houck, Jason  
Sent: 2/8/2013 4:50:41 PM  
To: Laura.Genao@sce.com (Laura.Genao@sce.com); Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe); Peacock, Tanya (TPeacock@semprautilities.com) (TPeacock@semprautilities.com)  
Cc:  
Bcc:  
Subject: FW: Draft Agenda - 2/14-2/15 EITE/Small Business Technical Working Group

Apologies, forgot to include you on the original email.

**From:** Houck, Jason  
**Sent:** Friday, February 08, 2013 4:48 PM  
**To:** 'DBarker@semprautilities.com'; 'ken.wittman@libertyutilities.com'; 'james.campbell@pacificcorp.com'; 'cathie.allen@pacificcorp.com'; 'philm@scdenergy.com'; Parrillo, Jordan; 'lbn@mrwassoc.com'; 'ed@clfp.com'; 'beth@beth411.com'; 'patrickm@crossborderenergy.com'; 'FXAl@pge.com'; 'ek@a-klaw.co'; 'klr@a-klaw.com'; 'barbara@barkovichandyap.com'; 'johnt.bloomjr@cemex.com'; 'darren.macdonald@gerdau.com'; 'kaustin@californiasteel.com'; 'jpmosher@aeraenergy.com'; 'derek.b.wheeler@exxonmobil.com'; 'jbussey@chevron.com'; 'David.A.Barge@tsocorp.com'; 'Chailaiwan.C.Mueller@tsocorp.com'; 'stanenhaus@nrdc.org'; 'Robert.thomas@sce.com'  
**Cc:** Schwartz, Andrew; Langton, Adam; Ikle, Judith; Scheehle, Elizabeth@ARB; Semcer, Melissa K.; Hecht, Jessica T.  
**Subject:** Draft Agenda - 2/14-2/15 EITE/Small Business Technical Working Group

Dear All,

Thank you for your interest in participating in the technical working group to be held at the CPUC's headquarters in San Francisco on February 14 and 15, 2013, to discuss proposed methodologies and related issues to implement the allocation of GHG allowance revenue to eligible industries and small businesses.

Attached and copied below is the draft agenda for the working group as well as a list of attendees. In addition to CPUC staff, we will be joined by technical experts from the Air Resources Board.

If you have any questions, please let me know.

Sincerely,

Jason Houck

Analyst, Emerging Procurement Strategies

Energy Division

California Public Utilities Commission

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## **Draft Agenda for Technical Working Group**

### **Emissions-Intensive Trade-Exposed (EITE) Industry and Small Business GHG Allowance Revenue Allocation Methodology (R.11-03-012)**

February 14-15, 2013

Courtyard Room (February 14); Golden Gate Room (February 15)

California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA

Call-in Number (Listening Only):

Redacted

**February 14**

**9:00 – 9:10 am**                    **Welcome, Ground Rules, Purpose of Working Group (Andrew Schwartz)**

**9:10 – 12:00 pm Product-Based Allocation Methodology (Jason Houck and ARB Staff)**

- Overview of proposed formulas in D.12-12-033 Appendix A
- Overview of Parties’ pre-workshop comments
- Discussion about the appropriateness of proposed formulas and Parties’ recommended changes, including the need for true-ups.
- Discussion of formula variables, data sources and data confidentiality
- Discussion about timing-related issues (data collection and verification, data transfer, and revenue distribution)
- Summary of discussion

**12:00 – 1:00 pm Lunch Break**

**1:00 – 3:30 pm**                    **Energy-Based Allocation Methodology (Jason Houck and ARB Staff)**

- Overview of proposed formulas in D.12-12-033 Appendix A
- Overview of Parties’ pre-workshop comments
- Discussion about the appropriateness of proposed formulas and Parties’ recommended changes
- Discussion of formula variables, data sources and data confidentiality.

**3:30 – 5:00 pm**

**Method of EITE Revenue Return (Jason Houck)**

- Discuss how revenue should be returned to eligible EITE entities (e.g. a check or bill credit)
- Discuss whether revenue should be awarded by facility or business entity
- Discuss the information necessary for utilities to allocate revenue to eligible entities
- Discuss utilities' expected implementation costs and timelines

**February 15**

**9:00 am – 12:00 pm**

**Refinery Allocation Methodology (Adam Langdon and ARB Staff)**

- Overview of proposed formulas in D.12-12-033 Appendix A
- Overview of Parties' pre-workshop comments
- Discussion about the appropriateness of proposed formulas and Parties' recommended changes, including the need for true-ups.
- Discussion of formula variables, data sources and data confidentiality
- Discussion about timing-related issues (data collection and verification, data transfer, and revenue distribution)
- Summary of discussion

**12:00 – 1:00 pm Lunch Break**

**1:00 – 2:30 pm**

**Opt-In Eligibility for EITE Revenue Allocation (Adam Langdon)**

- Deadlines to opt-in to the Cap-and-Trade Program
- Discuss alternatives to opting-in to Cap-and-Trade to collect information

necessary to allocate revenue

- [REDACTED] Discuss potential alternative methodologies to calculate the amount of revenue to return to opt-in entities.

**2:30 – 4:30 pm                      Small Business Allocation Methodology (Adam Langdon)**

- [REDACTED] Discuss the formula proposed in D.12-12-033 Appendix B
- [REDACTED] Discuss the timing of utilities’ annual GHG cost forecasts
- [REDACTED] Discuss whether the bill credit should be visible on customer’s bills
- [REDACTED] Discuss how to avoid double dipping if a small business also qualifies for an EITE revenue return.

**4:30 – 5:00 pm                      Closing Comments and Next Steps**

**Participants**

<b>Name</b>	<b>Organization / Representation</b>
Dave Barker	SDG&E
Ken Whittman	CalPeco
James Campbell	PacifiCorp
Cathie Allen	PacifiCorp
Phillip Muller	USS POSCO
Jordan Parrillo	DRA
Laura Norin	California Farm Bureau
Ed Yates	California League of Food Processors
Beth Vaughan	CCC
Patrick McGuire	CCC
Redacted	PG&E
Evelyn Kahl	EPUC
Katy Rosenberg	EPUC
Barbara Barkovich	CLECA
John Bloom	Cemex
Darren MacDonald	Gerdau

Kevin Austin	
Jim Mosher	Aera
Derek Wheeler	ExxonMobil
Julia Bussey	Chevron
David Arlander Barge	Tesoro
Chailaiwan Pang	
Mueller	Tesoro
Stefanie Tanenhaus	NRDC
Robert Thomas	SCE