

Recommended modifications for PG&E model:

1. Allow the user to specify the level of costs to be treated as per customer fixed costs, in \$ per customer year or \$ per customer month, and present cost curve based on such user specified fixed cost along with all other model outputs that are driven by PG&E's "cost-based rates".
2. Allow user the option for choosing the fixed charge values given to CARE and nonCARE customers that differ by more than the percentage discount to CARE tier 1. In other words, one might want the volumetric rates for CARE customers to be 20% less than for those for non-CARE while the fixed monthly charge is 50% less.

Recommended modifications for SCE model:

1. SCE already agreed to enhance the TOU overly option to allow a user to input an on-peak surcharge and the model will calculate a revenue neutral surcredit.
2. To have user options to put in more recent rates, such as GRC 2 settled results (and properly reflect the associated revenues).
3. Allow the user to specify the level of costs to be treated as per customer fixed costs, in \$ per customer year or \$ per customer month, and present cost curve based on such user specified fixed cost along with all other model outputs that are driven by SCE's "cost-based rates".
4. Allow user specified CARE discount rate for TOU scenarios.

The model right now uses the CARE discount from the Non-TOU rate for the TOU scenarios, so the discount for the TOU cannot be changed by the user.

5. Bill impact chart presentation should be symmetric. (to allow 5% increment for both bill increase or bill decrease due to new rate option proposal)

Recommended modifications for SDG&E model: (DRA has been discussing the changes with SDG&E and understands that SDG&E has already working on several of the following requests.)

Higher Priority Issues (to be resolved sooner):

1. TOU rates differentiated by cents: It should be developed to include one more user choice after assigning the surcharge: 1. assign the surcharge, and 2. solve for the credit under the condition of revenue neutrality. So far, SDG&E has created a credit goal seek, but the revenue neutrality goal seek changes the underlying tiered rates. With a TOU overlay, the underlying tiered rates should stay the same with or without the overlay. All the underlying tiered rates should remain the same, including the winter mid-peak.

2. Allow the user to specify the level of costs to be treated as per customer fixed costs, in \$ per customer year or \$ per customer month, and present cost curve based on such user specified fixed cost along with all other model outputs that are driven by SDG&E's "cost-based rates".
3. TOU Ratios: Once user put TOU rate ratio choices, the resulting final TOU rate ratio should match user input choices.
4. Allow for a 3rd CARE tier above 200% of baseline: Accomplished by choosing 4 tiers, setting no differential between tier 2 & 3 ,saying "Yes" to " Fix Tier 1 and find Highest Tier." However, if the user chooses 3 tiers (instead of 4), says "No" to maintain tiers 1 and 2, and "Yes" to "Fix Tier 1 and find the Highest Tier" (like before), it will now be according to that message, solving for Tier 3 (the new highest tier). However, the model still solicits a value for Tier 3, so there is a conflict of user inputs. The correct path is probably not to solicit a value for Tier 3 after Tiers 1 & 2 are determined. This contradiction existed whether or not I just switched the Tiers to 3 or hit the "Reset Inputs" button and started over.

Secondary Priority: Presentation Issues that can be resolved along with the all-party requests:

1. The presentation in columns K & L (TOU presentation on top of tiers for pre CARE discount) is good. However, since it is good, it should be repeated for the presentation of CARE rates post discount found in columns T & U.
2. A print macro for key tables (inputs, resulting rate comparisons, bill impacts + a few impact graphs). Include a user input for "scenario" so the output has a title.
3. User input changes (without hitting the "reset button") led to what DRA called "ghosts." For instance, in the preview model delivered it is set up for a TOU scenario. If the user changes the input to "Non-TOU" the yellow boxes instructing the user to make entries to the right of the input boxes disappear, but the input values themselves (4 and 2 cent price differentials) do not. This can be confusing. Is it a TOU still or not? I checked the results and it was no longer a TOU. I can see management now asking, "If it is not a TOU, why does it still have these 4 and 2 cent charges?"