

From: Houck, Jason  
Sent: 4/23/2013 4:00:18 PM  
To: 'Grace.Vermeer@sce.com' (Grace.Vermeer@sce.com)  
Cc: Laura.Genao@sce.com (Laura.Genao@sce.com); Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe); Franz, Damon A. (damon.franz@cpuc.ca.gov); Peacock, Tanya (TPeacock@semprautilities.com); Langton, Adam (adam.langton@cpuc.ca.gov)  
Bcc:  
Subject: RE: Updates on CnT implementation plan

Thanks Grace. Sorry if we weren't clear about what materials we hoped to see before the call.

Is the GHG Application/ERRA doc you just sent something we can share with Redacted in DRA? I invited Jordan to join the meeting at your suggestion.

Let's try to focus the call tomorrow on the following topics:

### Top Priority

1. GHG cost accounting in an annual application versus ERRA
  - a. Focus should be on how we can make GHG cost forecasting and true-ups work, in practice, in an annual application, and how this application would interact with the ERRA proceeding.
  - b. IOUs also indicated they would explain whether approval of GHG-related costs in an annual application, versus ERRA, would materially impact the IOUs.
2. GHG cost and revenue forecasting
  - a. Continue discussion about whether it is possible to use a common methodology or methodological framework to forecast and true-up GHG costs, as well as to forecast GHG allowance revenue.
3. Implementation timing for each aspect of the revenue return
  - a. Discuss how much time the IOUs will need to implement various aspects of the revenue return. For example, if implementation decisions were approved today, what lead time would the IOUs need before they can implement the climate dividend? Same question applies for passing through GHG costs in rates, implementing the small business revenue return and

returning revenue to EITE customers. The focus here should be mostly on structural barriers – time and costs to make billing system or other changes necessary to implement the returns – though we can discuss other barriers (e.g. outreach needs) as well.

### Secondary Priority

4. Ability to characterize excess bill credits as such, rather than as “overpayments”
5. Bill Limiter Adjustment
  - a. PG&E indicated it would provide ED with more background about the BLA, including sample bills or calculations to help us understand how the BLA works and would interact with the GHG revenue allocation (this is not necessary to discuss at this call; PG&E can forward ED written information)

One additional item we did not discuss the other week (an overview in writing by 4/29, would be preferable): could the IOUs explain their current legal obligations to communicate with master-metered customers and to ensure that master-metered customers pass on costs, bill-credits, and notifications to sub-metered customers? For example, what are current practices and legal obligations regarding whether the IOUs must provide notices about rate increases to master-metered customers? Are IOUs obligated to provide only a single notice to the master-metered customer, or must they provide a notice for each sub-metered customer? Likewise, is the master-metered customer obligated to pass along communications such as rate-increase notifications to sub-metered customers?

Thanks,  
Jason

**From:** Grace.Vermeer@sce.com [mailto:Grace.Vermeer@sce.com]  
**Sent:** Tuesday, April 23, 2013 2:29 PM  
**To:** Houck, Jason  
**Cc:** Franz, Damon A.; Laura.Genao@sce.com; Peacock, Tanya; Allen, Meredith  
**Subject:** Re: Updates on CnT implementation plan

Hi Jason,

Here is the overview document we discussed - again, sorry for the miscommunication on when we'd get you this. This provides a Joint IOU take on the GHG Application and ERRRA Application overlaps, processes, and some key implementation considerations.

We're still finalizing the overview of SCE's GHG forecast methodology, but I'll have that to you shortly.

Thanks,  
Grace

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Cc: "Franz, Damon A." <damon.franz@cpuc.ca.gov>, "Laura.Genao@sce.com" <Laura.Genao@sce.com>  
Date: 04/23/2013 12:27 PM  
Subject: Updates on CnT implementation plan

Hi Grace,

I recall during our conference call on 4/10 that the IOUs indicated they would send us additional detail about questions we posed about their GHG allowance revenue implementation plan. I thought we had targeted Friday, 4/19, for written updates from the IOUs that we would discuss during our call tomorrow, 4/24 at 4pm. Do the IOUs have materials for us review before that call?

Thanks,

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