

From: Houck, Jason
Sent: 5/2/2013 3:15:11 PM
To: 'Grace.Vermeer@sce.com' (Grace.Vermeer@sce.com)
Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAE); [Redacted]
[Redacted]
'Laura.Genao@sce.com' (Laura.Genao@sce.com); 'Peacock, Tanya'
(TPeacock@semprautilities.com); Franz, Damon A. (damon.franz@cpuc.ca.gov)
Bcc:
Subject: RE: 2013 CnT Outreach Advice Letter Follow-Up Items

Hi All,

A quick update regarding timing after speaking with Grace: let's stick with the 5/15 timing for questions 1, 2 and 5; but it is okay to reply to questions 3 and 4 by May 29. Item 7 is an FYI about Energy Division's current thinking about this issue. If I recall your replies to protests correctly, we may only need to follow-up with PG&E about this issue – the point being that cross-marketing of EE and related public purpose programs seems both permissible and reasonable.

Regarding item 6, I was flagging this as an unresolved issue. No immediate response or action from your teams is necessary, though if you feel you can arrive at an amicable understanding with CCA/DAs about this topic and their protests, we would support further efforts to continue talking with them.

Please let me know if you have any other questions.

Thanks,

Jason

From: Houck, Jason
Sent: Monday, April 29, 2013 5:32 PM
To: Grace.Vermeer@sce.com
Cc: Laura.Genao@sce.com; Allen, Meredith; Peacock, Tanya [Redacted] Franz, Damon A.
Subject: 2013 CnT Outreach Advice Letter Follow-Up Items

Dear All,

Thank you for participating on a call on 4/19 to discuss the 2013 Cap and Trade outreach advice letters. We appreciate the work you put into the advice letters, but a few items must be addressed in more detail.

The following are key concerns we raised during the call, as well as recommended timing to move forward. We are flexible on the timing if you have suggestions or concerns.

1. Name of the Climate Dividend

a. OP 11 directed that the Climate Dividend must be attributed to the State of California or the State of California's Cap-and-Trade Program. A line-item credit titled simply "Climate Dividend" seems to fall short of this requirement. For now, please plan to use "California Climate Dividend." We will provide additional guidance about the exact title the IOUs should use where the Climate Dividend appears on bills.

2. Exact language describing the Climate Dividend on bill inserts/onserts

a. We feel that the advice letter should commit to exact language that will be used to describe the Climate Dividend in bill inserts and onserts, and we would like the IOUs, CCA/DA representatives, and Energy Division to come to agreement on this language, which will eventually be included in a supplemental advice letter.

i. Step 1: IOUs each draft language that will be included on residential bills. To the extent this language and the format of these inserts/onserts will be different for e-billed customers, we would like to see draft language for these different billing formats (e.g. paper and e-bills). Target date: 5/15 for first draft to ED. ED will aim to review and provide comments by 5/22. Target date to have final language agreeable to IOUs/ED/CCA/DAs is 5/31. CCA/DA outreach can occur either before sending ED draft language or after ED has had an opportunity to provide redlines, as you see fit.

b. Prominence of Climate Dividend on bills:

i. ED would like to have a better understanding of

where it is possible to display and announce the Climate Dividend on each IOU's residential bills. For example, PG&E mentions listing the Climate Dividend on the page 1 summary alerts bill section as well as the "Adjustments" section, but does not provide information about what an alerts section would look like, where it would be displayed on a customer's bill, or how the Climate Dividend would be characterized in this section. For SCE, is it possible to mention the Climate Dividend in the "Your account summary" portion of a residential customer's bill? In concert with the timing of 2(a) above, can each IOU explain to ED where it is possible to display the Climate Dividend in a prominent location on page 1 of a customer's bill, and can the IOU describe and/or mock-up exactly how the Climate Dividend would appear in this more prominent location?

3. Outreach to e-billed customers and hard to reach customers

- a. ED would like to see more specificity about how the IOUs will reach these customers, with a particular focus on residential customers receiving the Climate Dividend, and an emphasis on proposing a strategy likely to gain a customer's attention. For example, do the IOUs plan to issue a stand-alone email to e-billed residential customers notifying them of the Climate Dividend? Will Climate Dividend outreach to e-billed customers be characterized as transactional so that it will reach customers that have opted out of marketing-related emails? If customers have set up automatic payments, will they receive a different type of outreach (e.g. will the title or content of their automatic payment confirmation email be different than usual?). We would like to see a more detailed plan of action surrounding these customers.
- b. We have the same concerns about hard to reach customers. Exactly how will you "ensure that hard to reach customers receive adequate information and education?" Will you translate bills, use monthly notices in newspapers/radio, etc, in the month prior and concurrent with the Climate Dividend? Details are needed.

4. Detailed Budgets and Priorities

- a. How much of your limited 2013 outreach budget will you allocate to specific activities? You should expect that Energy Division is likely to use the authority granted in OP 11 to have a bill insert distributed to customers in the month prior to and the month concurrent with the first Climate Dividend. How much would this cost relative to your overall 2013 budgets, and how would remaining budgets be spent? Among the lengthy list of outreach activities you propose doing, which are higher priority and have higher potential gains?

5. Samples of Bills

- a. In concert with Items 1) and 2) above, it would be helpful for us to see sample residential

bills for bundled and unbundled customers, so we can understand how and where the revenue returns will be described on bills. Residential bills are our first priority, but we would also like to understand where the volumetric small business return will appear on bills, and how it will be characterized.

6. Agreement with CCA/DA providers about use of logos

a. It would be helpful to continue discussing this issue with AREM and to arrive at an amicable solution, if possible.

7. Inclusion of language that markets energy efficiency, demand-response and related programs

a. Our understanding is that all CA/DA customers pay into these programs and are eligible to participate in these programs. Furthermore, to our knowledge the IOUs are not obligated to withhold marketing about these programs to CCA/DA customers. It seems unnecessary and contrary to the intent of AB 32 to withhold mention of these programs when also notifying/educating customers about their GHG revenue allocations, so long as the customers are eligible to participate in these programs.

Timing

Energy Division would appreciate if your teams could reply to us with responses to these questions and an informal first draft of bill insert/onsert language by May 15. ED will then review and potentially revise proposed bill insert and onsert language related to the Climate Dividend. If the IOUs would like to consult with CCA/DAs before providing this language to ED, we can potentially push the date back for this item; otherwise, CCA/DAs can review language after ED has redlined it. Let us know what coordination approach works best for you on this item.

Would your teams be available for a check-in call early the week of May 20? Let us know a few times that work for you.

Many thanks,

Jason Houck

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