

From: [Redacted]
Sent: 6/11/2013 4:43:31 PM
To: 'karen.miller@cpuc.ca.gov' (karen.miller@cpuc.ca.gov) (karen.miller@cpuc.ca.gov)
Cc: Dietz, Sidney (/O=PG&E/OU=Corporate/cn=Recipients/cn=SBD4); [Redacted]
[Redacted] DeVine, Kyle
(kyle.devine@cpuc.ca.gov) (kyle.devine@cpuc.ca.gov); jkudo@marinenergy.com
(jkudo@marinenergy.com); dweisz@mcecleanenergy.com
(dweisz@mcecleanenergy.com); Portillo, Claudia (Claudia.Portillo@cpuc.ca.gov)
(Claudia.Portillo@cpuc.ca.gov); 'Cooper, Judy' (judy.cooper@cpuc.ca.gov)
(judy.cooper@cpuc.ca.gov)
Bcc:
Subject: Re: Joint comparison

Dear Karen,

As a result of the May 28, 2013, Proposed Decision issued by ALJ Semcer in the Greenhouse Gas Emissions proceeding (R.11-03-012), PG&E proposed additional language to include GHG costs. This was done to ensure compliance with the Proposed Decision if it was voted by the Commissioners on June 27, just prior to when the Joint Rate Comparison mailers will be sent.

PG&E and MCE had agreed upon the GHG language in the Generation Rate and PG&E Delivery Rate sections of the mailer last Friday but this issue has opened up again. The particular matter left unresolved is highlighted below:

Generation Rate is the cost of creating electricity to power your home.

The Generation Rate varies based on your energy provider. PG&E

Generation Rates do not include \$180 million of temporarily deferred costs associated with greenhouse gas (GHG) compliance under the California Cap-and-Trade Program. The cost is estimated to be between \$0.00120 to \$0.00241 per kWh and will be added to PG&E's Generation Rates in 2014.

MCE Generation Rates currently include these costs and MCE customers

will not pay deferred costs in 2014.

PG&E Delivery Rate is a charge assessed by PG&E to deliver electricity to your home. The PG&E Delivery Rate depends on your electricity usage, but is charged equally to both MCE and PG&E customers.

PG&E believes this is an accurate statement and disclosure of its deferred GHG costs which customers will incur in their rates and bills in 2014. When PG&E has CPUC approval to include the \$180 million in rates, it will have the ability to recover the costs over a 12 or 24 month period. This is PG&E's current best estimate and the reason why PG&E has provided a range of costs.

When PG&E and MCE develop its Joint Rate Comparison mailer next year, PG&E's deferred GHG costs will be included in PG&E's generation rate and will

reflect the actual recovery period used.

MCE plans to send you a separate email on this subject.

If you have any questions, please let me know.

Best regards,

Redacted

Senior Case Manager

Pacific Gas and Electric Company

Redacted

From: Redacted

Sent: Tuesday, June 11, 2013 1:06 PM

To: dweisz@mcecleanenergy.com; 'Karen Miller' <karen.miller@cpuc.ca.gov>

(karen.miller@cpuc.ca.gov)

Cc: Redacted; Dietz, Sidney; jkudo@marinenergy.com; DeVine, Kyle (kyle.devine@cpuc.ca.gov); 'Cooper, Judy' (judy.cooper@cpuc.ca.gov); Portillo, Claudia (Claudia.Portillo@cpuc.ca.gov)

Subject: RE: Joint comparison

Dear Dawn and Karen,

Regarding the use of the 2012 “Electric Power Generation Mix” instead of the 2011 numbers, PG&E feels it is important to use the 2011 numbers because they have been submitted to the CEC as part of the Annual Report: Power Source Disclosure Program and an Independent Audit of the Annual Report have been performed as governed by Senate Bill 1305.

Dawn is correct in that the CEC does not “verify” the power generation mix data. However there is an audit requirement on the Annual Power Content Label and the Annual Report. A link to the reporting requirements on the CEC site is provided: <http://www.energy.ca.gov/sb1305/>

Both MCE and PG&E have submitted their Annual Report for their 2012 power generation mix. What remains is the audit which needs to be completed and submitted to the CEC no later than October 1, 2013. As PG&E expressed in our meeting on May 29, we want to use numbers that have been verified and in this case it takes the form of an independent audit.

At this junction, both PG&E and MCE have agreed to disagree on the 2011 versus 2012 numbers and will leave this to the Public Advisor Office to resolve.

Regrettably, both PG&E and MCE have another unresolved issue which is the GHG cost language which we had previously come to consensus with last Friday. PG&E and MCE will provide more information later this afternoon.

Best regards,

Redacted

Senior Case Manager

Pacific Gas and Electric Company

Redacted

From: Dawn Weisz <dweisz@marinenergy.com>

Date: June 10, 2013, 11:47:51 AM PDT

To: [Redacted], Sidney Bob Dietz II
<SBD4@pge.com>

Cc: <jkudo@marinenergy.com>, <karen.miller@cpuc.ca.gov>, "DeVine, Kyle" <kyle.devine@cpuc.ca.gov>, "Cooper, Judy" <judy.cooper@cpuc.ca.gov>, "Portillo, Claudia" <

Subject: Joint comparison

Eric and Sid,

As per my VM to you I wanted to verify that we will be using the 2012 "Electric Power Generation Mix" chart rather than the 2011 chart in the joint comparison. As discussed, we have determined that the CEC does not "verify" the data and it is the reporting obligation that is required to comply with the Annual California Energy Commission: Power Source Disclosure Program.

Also, because the CEC does not verify the data, the footnote to the chart should be changed to read: **Data is from the Annual Report to the California Energy Commission: Power Source Disclosure Program.*

If you can replace the 2011 chart with the 2012 chart in the current draft mailers and adjust the footnote that would be appreciated. Let me know if you have any questions.

Thanks,

Dawn

Dawn Weisz

Executive Officer

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