

From: Redacted
Sent: 8/21/2013 1:40:22 PM
To: Lafrenz, Donald J. (donald.lafrenz@cpuc.ca.gov) (donald.lafrenz@cpuc.ca.gov)
Cc: Hughes, John (Reg Rel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=J8HS);
Hoglund, Teresa J (/O=PG&E/OU=Corporate/cn=Recipients/cn=TJH0)
Bcc:
Subject: Subject for our conference call today (CEMA)

Dear Don,

PG&E is filing an AL to raise transmission rates on 10/1/14 (subject to FERC approval) and would like to include an increase for the CEMA settlement and decision (D.13-06-007). Extract from the said decision is as follows:

Settlement Agreement:

4.1. The Settling Parties agree that PG&E's CEMA-related expense request shall be reduced by \$5.0 million from \$22.844 to \$17.844 million. This includes a reduction in Customer Care costs of 1.331 Million.

4.2. The Settling Parties agree that PG&E's CEMA-related capital request shall be reduced by \$2.5 million from \$26.104 to \$23.604 million, and that PG&E may include these \$23.604 million costs in Rate Base in its 2014 General Rate Case.

4.3. The Settling Parties agree that PG&E's total CEMA-related incremental costs shall be \$41.448 million.

...

4.5. The Settling Parties agree that PG&E's 2013 CEMA revenue requirement shall be \$26.537

million. PG&E's CEMA revenue requirement for 2014 onward shall be recovered but not re-litigated through base revenues via PG&E's General Rate Case.

Decision:

Conclusions of Law

1. PG&E's 2013 CEMA revenue requirement should be \$26.537 million.

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ORDER

1. The settlement between Pacific Gas and Electric Company, The Division of Ratepayer Advocates, and The Utility Reform Network, which is affixed hereto as Attachment A, is approved.

2. Pacific Gas and Electric Company's (PG&E) Catastrophic Event Memorandum Account (CEMA) related expense request shall be reduced by \$5.0 million from \$22.844 million to \$17.844 million. This includes a \$1.331 million reduction in PG&E's CEMA related customer care expenses.

3. Pacific Gas and Electric Company's Catastrophic Event Memorandum Account related capital request shall be reduced by \$2.5 million from \$26.104 million to \$23.604 million.

4. Pacific Gas and Electric Company may include \$23.604 million in its Catastrophic Event Memorandum Account costs in rate base in its 2014 General Rate Case.

5. Pacific Gas and Electric Company's total Catastrophic Event Memorandum Account related incremental costs shall be \$41.448 million.

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7. Pacific Gas and Electric Company's \$26.537 million Catastrophic Event Memorandum Account revenue requirement shall be recovered but not re-litigated through base revenues in Pacific Gas and Electric Company's 2014 General Rate Case until such time as the Commission determines otherwise.

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Could you please let us know whether this is advisable?

Thanks & Regards,

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PG&E

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