

From: Houck, Jason

Sent: 10/18/2013 2:30:30 PM

To: Redacted

Cc: Allen, Meredith (/O=PG&E/OU=Corporate/cn=Recipients/cn=MEAe); Franz, Damon A. (damon.franz@cpuc.ca.gov)

Bcc:

Subject: RE: GHG application accounting

Redacted

The revised confidential supplemental information that PG&E filed on Monday doesn't really clarify the questions I posed last week. PG&E asked for expedited consideration of these applications, and we are trying to work through them as quickly as possible. Can you please assist in this effort by providing full detail to me as requested?

Can you please help me understand why on page 9, line 2 of your revised supplemental information sheet that you plan to amortize \$157,583,000 of 2013 allowance revenue in 2014? This number doesn't match with any others that I can find in your testimony or your supplemental filings. The dollar discrepancies are not large, but I need to understand why this number is not \$158.7 million, which you report on page 1 of your supplemental filing is 50% of expected 2013 revenue and on page 4-2 of your application. What accounts for this difference?

I'm feeling really frustrated that I've had to ask for clarity on several occasions and have not received a reply that is adequate. Maybe I'm being dense, but please do try to help me understand. The dollar figures at issue are trivial, but I cannot overlook inconsistencies that have no justification. I need to understand what that justification is, and at present I do not. Please help.

Less important to me, though still relevant, is the fact that you still do not appear to have accounted for the Targetbase contract in any of the outreach budgets. All other utilities have at least provided an explanation of what pot of revenue will pay for this contract, but PG&E's proposed outreach budgets for 2013 and 2014, and your accounting on p. 9 of the supplemental filing, do not appear to include any line-item for the Targetbase contract. If you address this

elsewhere in your application, my apologies, but could you please point it out to me? If you have not folded the cost of the Targetbase contract into your accounting, can you clarify that that is the case?

I have avoided filing a formal data request, because my ask seemed so simple. Please consider this a formal request, with a deadline of 5pm, Wednesday, October 23, 2013. As always, I'm happy to talk.

Thanks,

Jason

From: Houck, Jason
Sent: Friday, October 11, 2013 12:31 PM
To: [Redacted]
Subject: RE: GHG application accounting

Additionally, I don't see in PG&E's application or supplemental information sheet where you account for 2013 outreach costs. You mention that you expect to spend \$289,000 on outreach in 2013, based on the contents of a data request to ED, but I don't see where this figure made its way into your overall accounting of how much revenue will be available to customers after subtracting forecasted outreach and admin expenses. Your 2013 forecast also does not include your Targetbase expenditures. I have not read yesterday's testimony yet, so if this is addressed in that doc or if I've overlooked this in your application or supplemental info please point it out.

Can you please reply to this request and my email below by COB Monday, 10/14? If that is not possible, let me know what is a reasonable timeframe.

From: Houck, Jason
Sent: Thursday, October 10, 2013 4:31 PM
To: [Redacted]
Subject: GHG application accounting

Hi

Redacted

I'm looking through your GHG application filing again, and I still think the accounting in your Aug 1 testimony (Tables 4-1 and 4-2) and your Sept 18 supplemental filing is errant. I don't understand the justification to list \$159.4m as your 2013 allowance revenue forecast in your supplemental filing, rather than \$158.7 (as an aside, please always include page numbers in your filings!). This forecast should be an unadulterated forecast of revenue to be received from allowance consignment. Yes, we are talking about trivial amounts of money, but we can't ignore inconsistencies and inadequately justified data.

Please correct me if I'm wrong, but Table 4-1 of your Aug. 1 testimony doesn't include 2013 admin costs, either in total or in an amount that reflects how you plan to amortize these costs. These costs are also not reflected in Table 4-2 of your testimony. Shouldn't one of these tables reflect the \$700k of admin costs that you intend to amortize in 2013? As a result, your forecast to return \$525,253M in 2014 seems off by \$700k, and your supplemental filing makes it look like you are avoiding correcting a small error in the testimony.

Can you please help me understand?

-Jason

Jason Houck

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