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Sent: 6/19/2014 10:30:48 AM  
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Cc: Franz, Damon A. (damon.franz@cpuc.ca.gov); Houck, Jason (jason.houck@cpuc.ca.gov)  
Bcc:  
Subject: Discussion of AB 1613 Contracts and GHG allowance purchases

Hi all,

For those of you I haven't met yet, I'm a new analyst in the Energy Division working on CHP and GHG issues. I wanted to reach out to you as we are resuming discussions on AB 1613 contracts and looking for your input.

In the AB 1613 contracts, the Seller elects who (utility or Seller) will procure GHG allowances associated with the electricity sold to the utility. In either case, the utility is responsible for the GHG allowance costs. Energy Division needs to determine:

- When the Seller elects to have the utility procure the GHG allowances
  - What information the Seller needs to provide the utilities to procure the appropriate number of allowances.
  - Timing and frequency of the utility provision of allowances.
- When the Seller procures allowances and the utility reimburses them,
  - The most recent public index to determine the allowance price, which is used to compensate the Seller.

We'd like to get your feedback on next steps to address these issues (e.g., do the utilities want to present a joint proposal, should ED first develop a staff proposal or hold a workshop, etc.). Please let me know if you are available for a 1-hour phone call during the following times:

- [redacted] Tuesday June 24: 9-11am or 1-3pm
- [redacted] Thursday June 26: 9am-noon
- [redacted] Tuesday July 1: 1-3pm
- [redacted] Wednesday July 2: 9-11am or 1-5pm

Thank you and please reach out to me with any questions.

Best,

**Amy Kochanowsky**

Emerging Procurement Strategies

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