

From: Houck, Jason
Sent: 6/23/2014 4:01:28 PM
To: Jacobson, Erik B (RegRel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=EBJ1)
Cc:
Bcc:
Subject: Question about Sample Weighted Average Cost Calculation

Hi Erik,

In the initial Joint Utility Proposal to A.13-08-002, et al, Phase 2, PG&E copied its response to an ORA data request. In PG&E Attachment D-2 (p. 69 on the attached PDF file), PG&E gives an example of how it calculates the weighted average cost (WAC) of GHG compliance instruments.

I'm trying to figure out if the sample WAC of \$89.25 that PG&E provided is correct, in which case I would appreciate if one of your staff can give me a call to explain how PG&E arrived at that number, or if you can clarify if there is a calculation error. When I try to replicate the calculation I arrive at a different WAC, and I'm trying to understand why.

Thanks,

Jason Houck

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