

From: Pitcock, Maril
Sent: 7/24/2014 5:43:35 PM
To: Redacted Mutialu, Rajan
(rajan.mutialu@cpuc.ca.gov); Redacted
Redacted edacted
Cc: Dietz, Sidney (/O=PG&E/OU=Corporate/cn=Recipients/cn=SBD4); Strauss, Robert L. (robert.strauss@cpuc.ca.gov); Caron, Jennifer (jennifer.caron@cpuc.ca.gov); Phillips, Paul S. (paul.phillips@cpuc.ca.gov); Woo, Shirley A (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=SAW0)
Bcc:
Subject: RE: ED Report on PG&E's Failure to Transition Ag Customers to TOU Rates - Maintaining revenue neutrality for PG&E's Ag customer class

Hi Rajan,

I am hopeful that the information below should answer most of your questions. Please let us know if there is anything else we can do to help clarify.

Billed revenue associated with customers that were not defaulted TOU rates in March 2014 is accounted for in the same manner as any other billed revenue. PG&E is not tracking or separately accounting for revenue that would have otherwise been billed on the TOU rate.

Billed revenue for these customers, whether it is higher or lower than what they would have paid if they had been transitioned to TOU in March 2014, will flow to the regular balancing accounts (e.g., DRAM, UGBA, etc). The total revenue will then be compared with the authorized revenue in each account to determine if the total balance in each account is over or undercollected. Any over or undercollection would then be used to set rates in the AET proceeding. In general, over collections will be returned to all customers by reduced rates. Undercollections will increase rates for all customers. No specialized accounting is being prepared for customers that were not transitioned to TOU on the March 2014 transfer date.

On the chance that this question is in reference to the special after-the-fact revenue neutral TOU adjustments that are performed in AET proceedings, PG&E offers the following information. PG&E is required to do a revenue neutral adjustment as part of its 2011 GRC (see D.11-12-053, Appendix F, pp. 7-9) which would be implemented in the AET. This adjustment is related to specific agricultural customers that are transitioned from flat rates to TOU rates. Since no customers were transitioned to mandatory TOU in March 2014, there would be no

revenue neutral adjustment in the 2015 AET for those customers pursuant to the revenue neutral adjustment approved by D.11-12-053.

Please call me (415-973-9944) or [Redacted] if you have questions about this response at [Redacted]
[Redacted]

From: Mutialu, Rajan [mailto:rajan.mutialu@cpuc.ca.gov]
Sent: Wednesday, July 23, 2014 3:00 PM
To: [Redacted] Pitcock, Maril; [Redacted]
Cc: Dietz, Sidney; Caron, Jennifer; Phillips, Paul S.; Strauss, Robert L.
Subject: RE: ED Report on PG&E's Failure to Transition Ag Customers to TOU Rates - Maintaining revenue neutrality for PG&E's Ag customer class

Good afternoon,

After speaking with Sid Dietz, I'm inquiring as to how revenue neutrality for PG&E's Ag class will be maintained given that additional revenue was generated from not transitioning customers to TOU rates. Would this be reflected in PG&E's annual true-up filing next year? If so, would a rate decrease or bill credit be used as a potential tool for resolving the discrepancy? Given the urgency to finalize Energy Division's report, if you could provide details on PG&E's plan for addressing this issue by tomorrow it would be greatly appreciated.

Thanks,

Rajan Mutialu Analyst I Demand Response, Customer Generation, Retail Rates I Energy Division I CPUC
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