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12-02-11
04:59 PM

BEFORE THE
PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Address Utility Cost and Revenue Issues Associated with Greenhouse Gas Emissions.	R.11-03-012 (filed March 24, 2011)

RATE IMPACT MODEL OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E), SOUTHERN CALIFORNIA EDISON COMPANY (U 338 E), AND SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) PURSUANT TO JOINT ADMINISTRATIVE LAW JUDGES' RULING DATED NOVEMBER 16, 2011

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Dated: December 2, 2011

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Address Utility Cost and Revenue Issues Associated with Greenhouse Gas Emissions.	R.11-03-006 (Filed March 24, 2011)

RATE IMPACT MODEL OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E), SOUTHERN CALIFORNIA EDISON COMPANY (U 338 E), AND SAN DIEGO GAS & ELECTRIC COMPANY (U 902 E) PURSUANT TO JOINT ADMINISTRATIVE LAW JUDGES' RULING DATED NOVEMBER 16, 2011

Pursuant to the Joint Administrative Law Judges' Ruling dated November 16, 2011, Pacific Gas and Electric Company ("PG&E"), Southern California Edison Company ("SCE"), and San Diego Gas & Electric Company ("SDG&E") (jointly "Utilities") submit the attached final updated Rate Impact Model. At the request of the Administrative Law Judges, the Utilities have modified the prior Model as follows:

1. Inputs for number of allowances and allowance price, shown in Step 1 on the Instructions tab, are now linked to PG&E's and SCE's calculation of Additional Gen Costs shown in cell C5 on each utility's AB32 Cost & Credit Alloc2 tabs (SDG&E's was already linked).

2. Step 2 has been renamed from "Determine percentage of allowance revenues to be returned to customers as credit" to "Determine what portion of allowance revenues is to be set aside for special programs" and additional functionality has been added in Step 2 to allow a choice for calculating what, if any, portion of allowance revenues are to be set aside for special programs. The user needs to choose from two options:

-Option 1 lets the user type in a percentage of total allowance revenues to be set aside for special programs.

-Option 2 lets the user type in a percentage of allowance revenues calculated at the floor price to be set aside for special programs. Note that Option 2 requires the user to type in a percentage of revenues at the floor price to be set aside and also the floor price per ton[1/] in order to calculate the total dollar amounts to be set aside for each utility.

3. Step 3b on the Instructions tab has been added (and Step 3 has been renamed to 3a) to allow Tier 1 and Tier 2 (T1 & T2) to receive allowance credits, which will be reflected on the Illustrative Bill Impacts2 tabs for each utility. The user will choose "Yes" if allowance revenues are to be given to T1 & T2 or "No" if otherwise. Also, the description for Option 1 under Step 3 has been clarified by adding the phrase "GRC Phase 2-approved allocation for generation rate changes" to the already-present description "as presented in the June 20 Joint Exhibit".

4. Full bill amounts and percent changes have been added for both residential and small commercial bill impacts on Illustrative Bill Impacts2 tabs for each utility.

5. Two bar charts per utility (one for residential and one for small commercial) have been added comparing the change in bills as a result of the cap-and-trade compliance costs before credits are applied and after credits are applied. The two options for credits shown are a per-kWh credit and a fixed credit that is the same for all customers in the class.

6. Logic has been built in to allow the credits to be allocated to T1 & T2 sales on the Illustrative Bill Impacts2 tabs for each utility and a red phrase flag highlighted in yellow has been added at the top of the res bill calculations to let the user know which option was selected.

Copies of the final and updated Rate Impact Model are being served on the service list and provided to Energy Division staff.

1/ The floor price will not be automatically cleared if the user has first selected Option 2 and followed the input steps, then changed back to Option 1. However, the floor price does not affect the calculation for Option 1.

SCE and SDG&E have authorized PG&E to sign this pleading on their behalf.

Respectfully submitted on behalf of the Utilities,

By: /s/
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PACIFIC GAS AND ELECTRIC COMPANY

Dated: December 2, 2011

RATE IMPACT MODEL OF PACIFIC GAS AND ELECTRIC COMPANY, SOUTHERN CALIFORNIA EDISON AND SAN DIEGO GAS & ELECTRIC COMPANY

Instructions

The following tabs (identified in blue) provide the illustrative examples previously provided by the IOUs as the June 20 Joint Exhibit.
The information presented on these tabs will not change with the scenarios identified on this tab.

PG&E	PG&E Summary
	PG&E AB32 Cost & Credit Alloc
	PG&E Illustrative Bill Impacts
SCE	SCE Summary
	SCE AB32 Cost & Credit Alloc
	SCE Illustrative Bill Impacts
SDG&E	SDGE Summary
	SDGE AB32 Cost & Credit Alloc
	SDGE Illustrative Bill Impacts

The following tabs (identified in green) provide the ability to examine alternative revenue allocations and rate design based on the illustrative examples previously provided.
The information presented on these tabs will change with the scnearios identified on this tab.

PG&E	PG&E AB32 Cost & Credit Alloc 2	PG&E Res Chart
	PG&E Illustrative Bill Impacts 2	PG&E Sm Com Chart
SCE	SCE AB32 Cost & Credit Alloc2	SCE Res Chart
	SCE Illustrative Bill Impacts2	SCE Sm Com Chart
SDG&E	SDGE AB32 Cost & Credit Alloc2	SDGE Res Chart
	SDGE Illustrative Bill Impacts2	SDGE Sm Com Chart

Step 1: Input allowance allocation and auction price of allowances

	Input allowances (in tons)	*Input allowance price per ton*
PG&E	20,000,000	$10.00
SCE	20,000,000	$10.00
SD&E	3,000,000	$20.00

Step 2: Determine what portion of allowance revenues is to be set aside for special programs

Choose one of 2 options:

Option 1	Percentage of **total allowance revenues** to be set aside for special programs
Option 2	Percentage of **allowance revenues at floor price** to be set aside for special programs

Option 1 *Select Option*

0% *<== Input % of total allowance revenues to be set aside for special programs (type 0% for all revenues to be returned back to customers)*

Step 3a: Determine allocation to customer class (Must address return to DA and CCA customers)

5 allocation options are included:

Option 1	GRC Phase 2-approved allocation for generation rate changes (as presented in the June 20 Joint Exhibit)
Option 2	System Sales
Option 3	Other: requires inputting allocation factors on "Alt. Allocation Methods" tab under Option 3 (need to total to 100%)

Option 1 *Select Allocation Option*

		For Reference June 20 Joint Exhibit
PG&E		
Residential	35.1%	35.1%
Small	11.9%	11.9%
Medium	15.1%	15.1%
E-19	15.6%	15.6%
Streetlights	0.5%	0.5%
Standby	0.4%	0.4%
Agriculture	5.3%	5.3%
E-20	16.2%	16.2%
System	100.0%	100.0%
SCE		
Domestic	35.8%	35.8%
LSMP	35.3%	35.3%
Large Power	25.5%	25.5%
Ag & Pumping	2.9%	2.9%
Streetlights	0.5%	0.5%
System	100.0%	100.0%
SDG&E		
Residential	35.9%	35.9%
Small Commercial	10.4%	10.4%
M/L C&I	52.9%	52.9%
Agricultural	0.4%	0.4%
Streetlights	0.4%	0.4%
System	100.0%	100.0%

Step 3b: Determine allocation within residential class

No Choose "Yes" if allowance revenues are to be given to Tier 1 & 2 and CARE sales, otherwise choose "No"

Step 4: Determine rate design mechanism

Three rate design mechanisms are presented (1) per kWh credit, (2) Annual credit, and (3) Monthly credit.
The monthly impact of a per kWh credit and monthly credit are also presented on the Illustrative Bill Impacts2 tabs.

	Rate Design Options			For Reference: June 20 Joint Exhibit	
	(A) per kWh Credit	(B) Annual Credit	(C) Monthly Credit	Allowance Credit	Compliance Costs
PG&E					
Residential	$ (0.00225)	$ (15.19)	$ (1.27)	$ (0.00225)	$ 0.00224
Small	$ (0.00248)	$ (51.18)	$ (4.27)	$ (0.00248)	$ 0.00249
Medium	$ (0.00264)	$ (614.87)	$ (51.24)	$ (0.00264)	$ 0.00265
E-19	$ (0.00241)	$ (1,787.13)	$ (148.93)	$ (0.00241)	$ 0.00243
Streetlights	$ (0.00215)	$ (24.60)	$ (2.05)	$ (0.00215)	$ 0.00222
Standby	$ (0.00196)	$ (3,065.05)	$ (255.42)	$ (0.00196)	$ 0.00197
Agriculture	$ (0.00205)	$ (122.55)	$ (10.21)	$ (0.00205)	$ 0.00204
E-20	$ (0.00225)	$ (26,824.75)	$ (2,235.40)	$ (0.00225)	$ 0.00227
System	**$ (0.00234)**	**$ (37.86)**	**$ (3.16)**	**$ (0.00234)**	**$ 0.00234**
SCE					
Domestic	$ (0.00248)	$ (16.86)	$ (1.40)	$ (0.00248)	$ 0.00245
LSMP	$ (0.00245)	$ (114.25)	$ (9.52)	$ (0.00245)	$ 0.00246
Large Power	$ (0.00215)	$ (14,113.74)	$ (1,176.15)	$ (0.00215)	$ 0.00213
Ag & Pumping	$ (0.00195)	$ (208.04)	$ (17.34)	$ (0.00195)	$ 0.00193
Streetlights	$ (0.00140)	$ (27.04)	$ (2.25)	$ (0.00140)	$ 0.00138
System	**$ (0.00235)**	**$ (40.57)**	**$ (3.38)**	**$ (0.00235)**	**$ 0.00235**
SDG&E					
Residential	$ (0.00275)	$ (17.45)	$ (1.45)	$ (0.00275)	$ 0.00278
Small Commercial	$ (0.00297)	$ (50.74)	$ (4.23)	$ (0.00297)	$ 0.00299
M/L C&I	$ (0.00295)	$ (1,291.26)	$ (107.60)	$ (0.00295)	$ 0.00295
Agricultural	$ (0.00283)	$ (79.56)	$ (6.63)	$ (0.00283)	$ 0.00287
Streetlights	$ (0.00204)	$ (37.59)	$ (3.13)	$ (0.00204)	$ 0.00207
System	**$ (0.00287)**	**$ (43.13)**	**$ (3.59)**	**$ (0.00287)**	**$ 0.00287**

			Alternate Allocation Methods			
			Option 1	Option 2	Option 3	
	System Sales	Customer-Months	June 20 Joint Exhibit	System Sales	Other	
PG&E						
Residential	31,162,392,686	55,524,021	35%	36.5%		
Small	9,565,268,359	5,567,688	12%	11.2%		
Medium	11,478,639,853	590,653	15%	13.4%		
E-19	12,934,127,226	209,508	16%	15.1%		
Streetlights	424,641,351	445,114	0%	0.5%		
Standby	359,672,897	2,765	0%	0.4%		
Agriculture	5,164,485,908	1,036,100	5%	6.0%		
E-20	14,392,584,975	14,460	16%	16.8%		
System	**85,481,813,255**	**63,390,309**	**100.0%**	**100.0%**	**0.0%**	*Make sure the total is 100%*
SCE						
Domestic	28,836,392,862	50,907,547	35.8%	33.9%		
LSMP	28,877,871,335	7,423,684	35.3%	33.9%		
Large Power	23,706,677,399	43,370	25.5%	27.9%		
Ag & Pumping	2,968,908,148	334,008	2.9%	3.5%		
Streetlights	720,850,833	447,644	0.5%	0.8%		
System	**85,110,700,576**	**59,156,253**	**100.0%**	**100.0%**	**0.0%**	*Make sure the total is 100%*
SDG&E						
Residential	7,829,000,000	14,811,955	35.9%	37.5%		
Small Commerc	2,103,589,000	1,474,989	10.4%	10.1%		
M/L C&I	10,752,377,000	294,857	52.9%	51.5%		
Agricultural	94,034,000	40,176	0.4%	0.5%		
Streetlights	111,000,000	72,228	0.4%	0.5%		
System	**20,890,000,000**	**16,694,206**	**100.0%**	**100.0%**	**0.0%**	*Make sure the total is 100%*

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATION

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
	Bdld SAP Allocation Factor (2011 AET)	**Additional Gen Costs 179,851,880**	**Bdld Sales**	**Per kWh Gen Increase**	**Total Gen (DA/CCA Imputed)**	**Allocator**	**CARB Allowance Rev ($200,000,000)**	**Total Sales**	**Per kWh Credit**
Residential	38.6%	$69,415,751	31,015,628,009	$0.00224	$2,428,514,377	35.1%	($70,263,382)	31,162,392,686	($0.00225)
Small	13.1%	$23,562,321	9,444,953,217	$0.00249	$820,753,945	11.9%	($23,746,595)	9,565,268,359	($0.00248)
Medium	15.3%	$27,595,137	10,429,952,601	$0.00265	$1,046,038,086	15.1%	($30,264,665)	11,478,639,853	($0.00264)
E-19	13.5%	$24,343,281	10,007,833,568	$0.00243	$1,078,418,008	15.6%	($31,201,502)	12,934,127,226	($0.00241)
Streetlights	0.5%	$942,145	424,641,351	$0.00222	$31,538,113	0.5%	($912,482)	424,641,351	($0.00215)
Standby	0.4%	$692,886	352,145,657	$0.00197	$24,409,749	0.4%	($706,239)	359,672,897	($0.00196)
Agriculture	5.8%	$10,479,259	5,125,153,070	$0.00204	$365,721,975	5.3%	($10,581,310)	5,164,485,908	($0.00205)
E-20	12.7%	$22,821,101	10,070,016,516	$0.00227	$1,117,208,924	16.2%	($32,323,826)	14,392,584,975	($0.00225)
System	**100.0%**	**$179,851,880**	**76,870,323,991**	**$0.00234**	**$6,912,603,178**	**100.0%**	**($200,000,000)**	**85,481,813,255**	($0.00234)

Small Commercial Example - Incremental Monthly Bill Impact

Monthly Usage kWh per month	Current Summer Month Rates (Effective 11/1/11)	Bill Before C&T Costs and Credits	Incremental Monthly Bill impact of compliance costs	Incremental Monthly Bill impact of per kWh Credit	Bill After C&T Costs and per kWh Credits	% Change in Bill Before and After C&T	Incremental Monthly Bill impact of Monthly Credit	Bill After C&T Costs and Fixed Credits	% Change in Bill Before and After C&T	% Change in Bill Due to C&T Costs
Customer Charge ($/mo)	$ 9.00									
750	$ 0.19712	$156.84	$ 1.87	($1.86)	$156.85	0.006%	($4.27)	$154.45	-1.526%	1.193%
1,500	$ 0.19712	$304.68	$ 3.74	($3.72)	$304.70	0.006%	($4.27)	$304.16	-0.172%	1.228%
3,000	$ 0.19712	$600.36	$ 7.48	($7.45)	$600.40	0.006%	($4.27)	$603.58	0.536%	1.247%

Residential Example - Incremental Monthly Bill Impact

Estimated Tiered Rate Impact

Non-CARE T3T5 sales as portion of residential sales	Incremental T3T5 Cost Impact	Incremental T3T5 Credit
23%	$ 0.00953	($0.00960)

Allowance Revenues Not Applied to T1 & T2 Sales

Residential Incremental Monthly Bill Example

Baseline Territory X - Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective 11/1/11)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After C&T Costs and Fixed Credits
Tier 1	$ -	330	$ 0.12233	$ 40.37	$ -	$ -	$ -	$ 40.37		
Tier 2	$ -	99	$ 0.13907	$ 13.77	$ -	$ -	$ -	$ 13.77		
Tier 3	$ 0.00953	71	$ 0.29276	$ 20.79	$ 0.68	$ (0.00960)	$ (0.68)	$ 20.78		
Tier 4	$ 0.00953	0	$ 0.33276	$ -	$ -	$ (0.00960)	$ -	$ -		
Tier 5	$ 0.00953	0	$ 0.33276	$ -	$ -	$ (0.00960)	$ -	$ -		
Total		**500**		**$ 74.92**	**$ 0.68**		**$ (0.68**	**$ 74.92**	**$ (1.27)**	**$ 74.33**
				% Change in Bill	**0.9%**	% Change in Bill Before and After AB32		**0.0%**		**-0.8%**

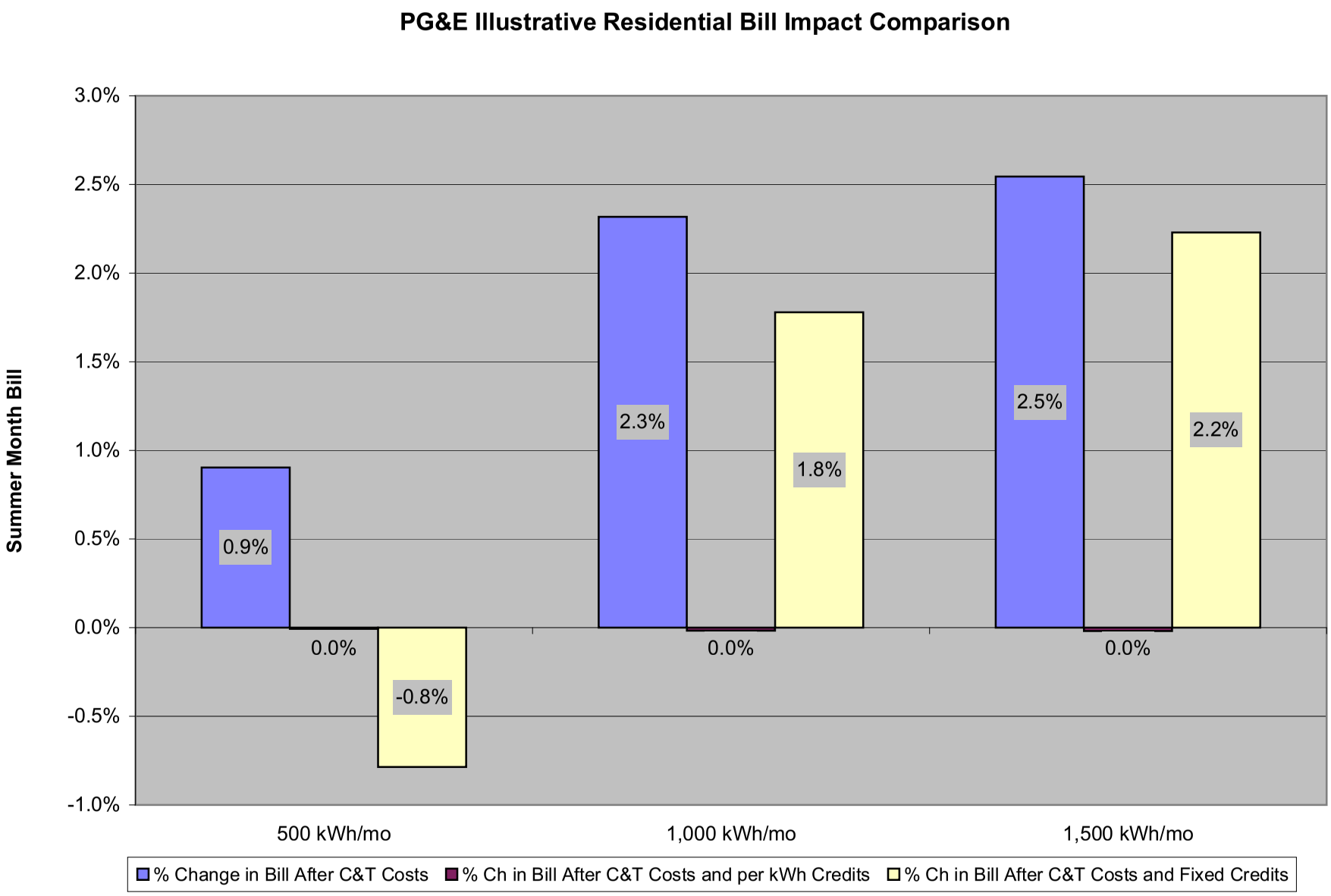
Baseline Territory X - Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective 11/1/11)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After C&T Costs and Fixed Credits
Tier 1		330	$0.12233	$ 40.37	$ -	$ -	$ -	$ 40.37		
Tier 2		99	$0.13907	$ 13.77	$ -	$ -	$ -	$ 13.77		
Tier 3	$ 0.00953	231	$0.29276	$ 67.63	$ 2.20	$ (0.00960)	$ (2.22)	$ 67.61		
Tier 4	$ 0.00953	330	$0.33276	$ 109.81	$ 3.15	$ (0.00960)	$ (3.17)	$ 109.79		
Tier 5	$ 0.00953	10	$0.33276	$ 3.33	$ 0.10	$ (0.00960)	$ (0.10)	$ 3.33		
Total		**1000**		**$ 234.90**	**$ 5.44**		**$ (5.48**	**$ 234.86**	**$ (1.27)**	**$ 239.08**
				% Change in Bill	**2.3%**	% Change in Bill Before and After AB32		**0.0%**		**1.8%**

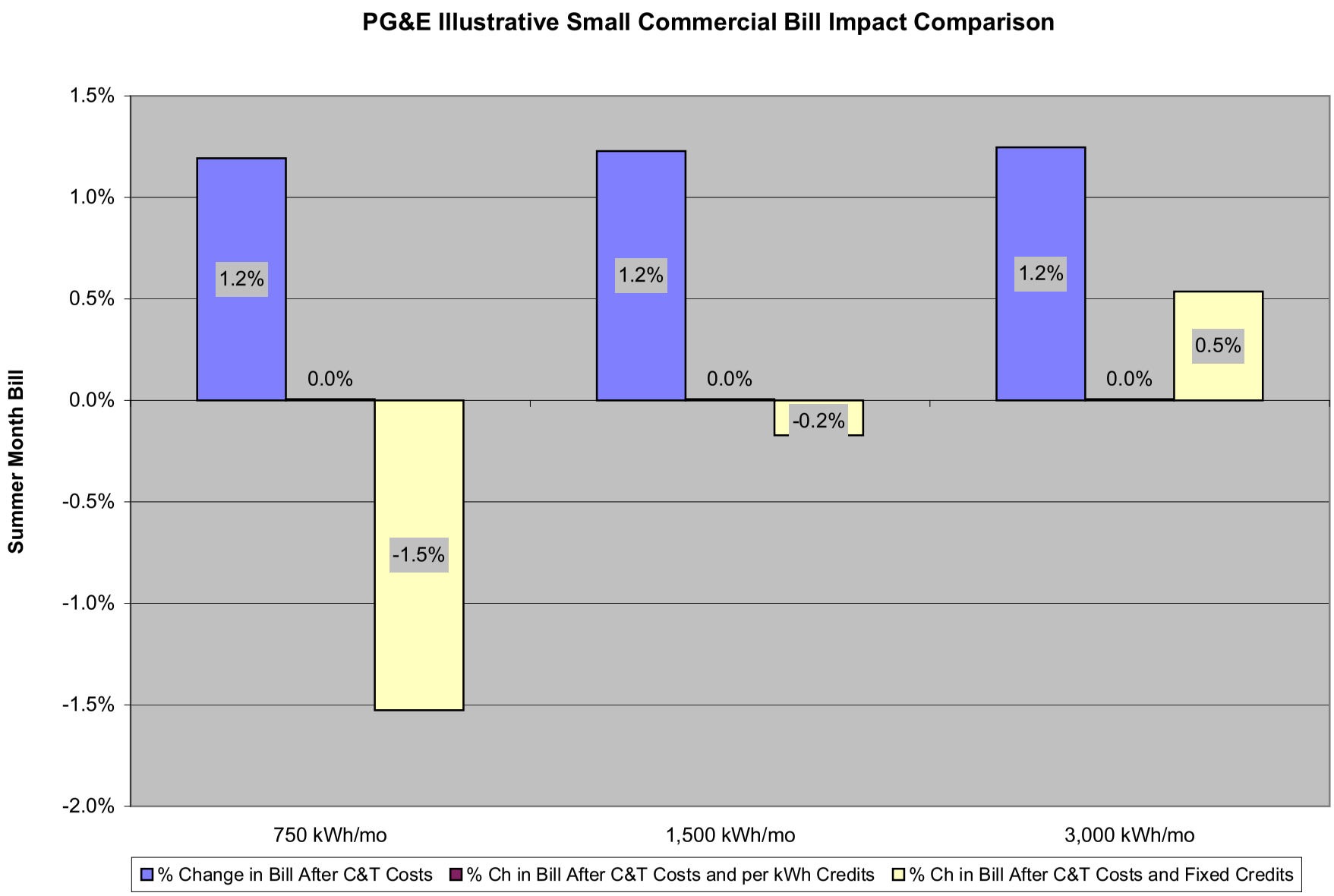
Baseline Territory X - Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective 11/1/11)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After C&T Costs and Fixed Credits
Tier 1		330	$0.12233	$ 40.37	$ -	$ -	$ -	$ 40.37		
Tier 2		99	$0.13907	$ 13.77	$ -	$ -	$ -	$ 13.77		
Tier 3	$ 0.00953	231	$0.29276	$ 67.63	$ 2.20	$ (0.00960)	$ (2.22)	$ 67.61		
Tier 4	$ 0.00953	330	$0.33276	$ 109.81	$ 3.15	$ (0.00960)	$ (3.17)	$ 109.79		
Tier 5	$ 0.00953	510	$0.33276	$ 169.71	$ 4.86	$ (0.00960)	$ (4.90)	$ 169.67		
Total		**1500**		**$ 401.28**	**$ 10.21**		**$ (10.29**	**$ 401.21**	**$ (1.27)**	**$ 410.23**
				% Change in Bill	**2.5%**	% Change in Bill Before and After AB32		**0.0%**		**2.2%**

Assumes 30 billing days, basic service.

	% Change in Bill After C&T Costs	% Ch in Bill After C&T Costs and per kWh Credits	% Ch in Bill After C&T Costs and Fixed Credits
500 kWh/mo	0.9%	0.0%	-0.8%
1,000 kWh/mo	2.3%	0.0%	1.8%
1,500 kWh/mo	2.5%	0.0%	2.2%

	% Change in Bill After C&T Costs	% Ch in Bill After C&T Costs and per kWh Credits	% Ch in Bill After C&T Costs and Fixed Credits
750 kWh/mo	1.2%	0.0%	-1.5%
1,500 kWh/mo	1.2%	0.0%	-0.2%
3,000 kWh/mo	1.2%	0.0%	0.5%


PG&E Illustrative Residential Bill Impact Comparison
Summer Month Bill
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
-0.5%
-1.0%
0.9%
0.0%
-0.8%
2.3%
0.0%
1.8%
2.5%
0.0%
2.2%
500 kWh/mo
1,000 kWh/mo
1,500 kWh/mo
% Change in Bill After C&T Costs
% Ch in Bill After C&T Costs and per kWh Credits
% Ch in Bill After C&T Costs and Fixed Credits


PG&E Illustrative Small Commercial Bill Impact Comparison
Summer Month Bill
1.5%
1.0%
0.5%
0.0%
-0.5%
-1.0%
-1.5%
-2.0%
1.2%
0.0%
-1.5%
1.2%
0.0%
-0.2%
1.2%
0.0%
0.5%
750 kWh/mo
1,500 kWh/mo
3,000 kWh/mo
% Change in Bill After C&T Costs
% Ch in Bill After C&T Costs and per kWh Credits
% Ch in Bill After C&T Costs and Fixed Credits

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATION

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(H)	(I)	(J)	(K)
	Bdld SAP Allocation Factor (June 2011)	**Additional Gen Costs 174,650,958**	**Bdld Sales**	**Per kWh Gen Increase**	**Total Gen (DA Imputed)**	**Allocator**	**CARB Refund ($200,000,000)**	**Total Sales**	**Per kWh Credit/Refund**	**Distribution Allocator**	**PPPC Allocator**	**Bundled Customer**	**DA Customer**
Domestic	40.3%	$70,386,333	28,758,327,035	$0.00245	$2,108,234,276	35.8%	($71,513,081)	28,836,392,862	($0.00248)	50.1%	41.2%	4,234,838	7,458
LSMP	35.2%	$61,417,307	24,952,839,795	$0.00246	$2,083,638,548	35.3%	($70,678,774)	28,877,871,335	($0.00245)	35.1%	34.8%	605,610	13,030
Large Power	20.8%	$36,324,381	17,029,419,832	$0.00213	$1,503,765,338	25.5%	($51,008,986)	23,706,677,399	($0.00215)	11.6%	20.6%	2,861	753
Ag & Pumping	3.2%	$5,561,060	2,886,190,764	$0.00193	$170,707,067	2.9%	($5,790,527)	2,968,908,148	($0.00195)	3.0%	2.7%	27,638	196
Streetlights	0.6%	$961,876	696,549,522	$0.00138	$29,734,853	0.5%	($1,008,631)	720,850,833	($0.00140)	0.3%	0.8%	36,095	1,208
System	**100.0%**	**$174,650,958**	**74,323,326,948**	**$0.00235**	**$5,896,080,083**	**100.0%**	**($200,000,000)**	**85,110,700,576**	($0.00235)	**100.0%**	**100.0%**	**4,907,042**	**22,646**

Small Commercial Example - Incremental Monthly Bill Impact

Monthly Usage kWh per month	Current Summer Month Rates (Effective 06/01/11)	Bill Before C&T Costs and Credits	Incremental Monthly Bill impact of compliance costs	Incremental Monthly Bill impact of per kWh Credit	Bill After C&T Costs and per kWh Credits	% Change in Bill Before and After C&T	Incremental Monthly Bill impact of monthly Credit	Bill After C&T Costs and Fixed Credits	% Change in Bill Before and After C&T	% Change in Bill Due to C&T Costs
Customer Charge ($/mo)	$ 22.30									
750	$ 0.17405	$152.84	$1.85	($1.84)	$152.85	0.007%	($9.52)	$145.16	-5.021%	1.208%
1,500	$ 0.17405	$283.38	$3.69	($3.67)	$283.40	0.007%	($9.52)	$277.55	-2.057%	1.303%
3,000	$ 0.17405	$544.45	$7.38	($7.34)	$544.49	0.008%	($9.52)	$542.31	-0.392%	1.356%

Residential Example - Incremental Monthly Bill Impact

Estimated Tiered Rate Impact

Non-CARE T3T5 sales as portion of residential sales	Incremental T3T5 Cost Impact	Incremental T3T5 Credit
40%	$ 0.00612	($0.00620)

Allowance Revenues Not Applied to T1 & T2 Sales

Residential Incremental Monthly Bill Example

Baseline Region 8 (CEC CZ 8)-Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective 06/01/11)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After C&T Costs and Fixed Credits
Customer Charge ($/mo)			$ 0.88	$ 0.88				$ 0.88		
Tier 1	$ -	310	$ 0.12471	$ 38.66	$ -	$ -	$ -	$ 38.66		
Tier 2	$ -	93	$ 0.14772	$ 13.74	$ -	$ -	$ -	$ 13.74		
Tier 3	$ 0.00612	97	$ 0.22939	$ 22.25	$ 0.59	$ (0.00620)	$ (0.60)	$ 22.24		
Tier 4	$ 0.00612	0	$ 0.26439	$ -	$ -	$ (0.00620)	$ -	$ -		
Tier 5	$ 0.00612	0	$ 0.29939	$ -	$ -	$ (0.00620)	$ -	$ -		
Total		**500**		**$ 75.53**	**$ 0.59**		**$ (0.60**	**$ 75.52**	**$ (1.40)**	**$ 74.72**
				% Change in Bill	**0.8%**	% Change in Bill Before and After AB32		**0.0%**		**-1.1%**

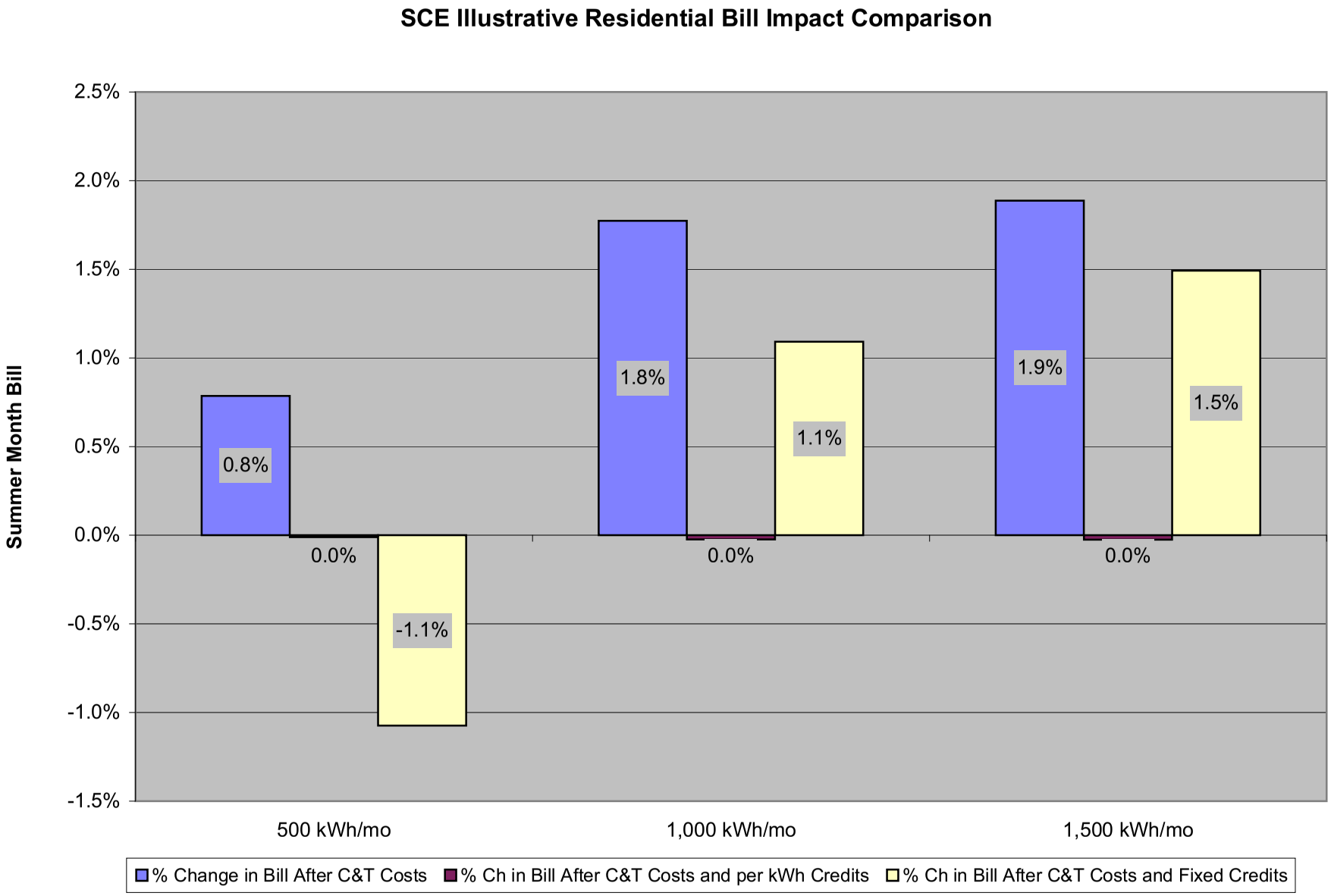
Baseline Region 8 (CEC CZ 8)-Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective xx/xx/xx)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After AB32 Costs and Fixed Credits
Customer Charge ($/mo)			$ 0.88	$ 0.88				$ 0.88		
Tier 1		310	$ 0.12471	$ 38.66	$ -	$ -	$ -	$ 38.66		
Tier 2		93	$ 0.14772	$ 13.74	$ -	$ -	$ -	$ 13.74		
Tier 3	$ 0.00612	217	$ 0.22939	$ 49.78	$ 1.33	$ (0.00620)	$ (1.35)	$ 49.76		
Tier 4	$ 0.00612	310	$ 0.26439	$ 81.96	$ 1.90	$ (0.00620)	$ (1.92)	$ 81.94		
Tier 5	$ 0.00612	70	$ 0.29939	$ 20.96	$ 0.43	$ (0.00620)	$ (0.43)	$ 20.95		
Total		**1000**		**$ 205.97**	**$ 3.65**		**$ (3.70**	**$ 205.93**	**$ (1.40)**	**$ 208.22**
				% Change in Bill	**1.8%**	% Change in Bill Before and After AB32		**0.0%**		**1.1%**

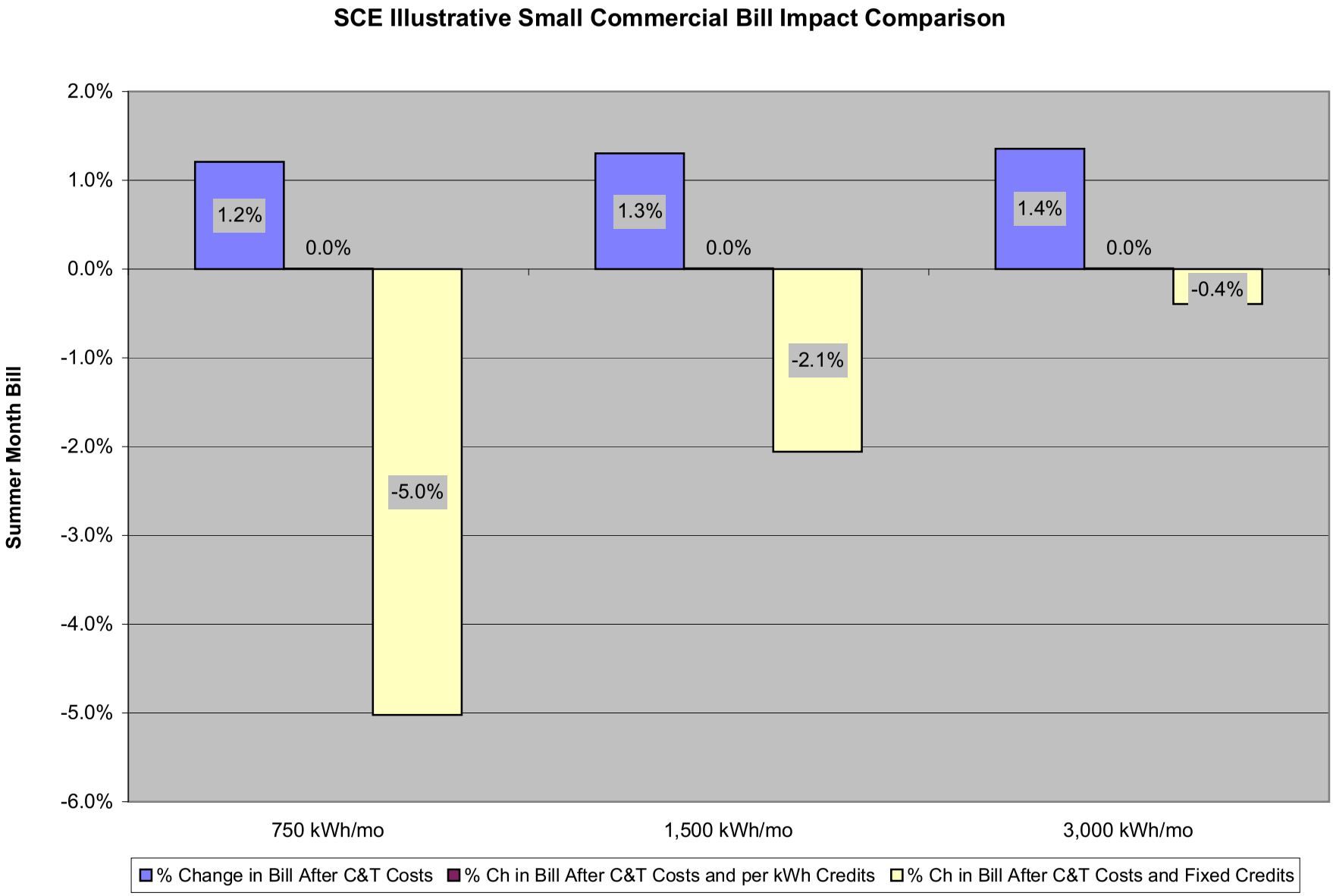
Baseline Region 8 (CEC CZ 8)-Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective xx/xx/xx)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After AB32 Costs and Fixed Credits
Customer Charge ($/mo)			$ 0.88	$ 0.88				$ 0.88		
Tier 1		310	$ 0.12471	$ 38.66	$ -	$ -	$ -	$ 38.66		
Tier 2		93	$ 0.14772	$ 13.74	$ -	$ -	$ -	$ 13.74		
Tier 3	$ 0.00612	217	$ 0.22939	$ 49.78	$ 1.33	$ (0.00620)	$ (1.35)	$ 49.76		
Tier 4	$ 0.00612	310	$ 0.26439	$ 81.96	$ 1.90	$ (0.00620)	$ (1.92)	$ 81.94		
Tier 5	$ 0.00612	570	$ 0.29939	$ 170.65	$ 3.49	$ (0.00620)	$ (3.53)	$ 170.61		
Total		**1500**		**$ 355.67**	**$ 6.71**		**$ (6.80**	**$ 355.58**	**$ (1.40)**	**$ 360.98**
				% Change in Bill	**1.9%**	% Change in Bill Before and After AB32		**0.0%**		**1.5%**

Assumes 30 billing days, basic service.

	% Change in Bill After C&T Costs	% Ch in Bill After C&T Costs and per kWh Credits	% Ch in Bill After C&T Costs and Fixed Credits
500 kWh/mo	0.8%	0.0%	-1.1%
1,000 kWh/mo	1.8%	0.0%	1.1%
1,500 kWh/mo	1.9%	0.0%	1.5%

	% Change in Bill After C&T Costs	% Ch in Bill After C&T Costs and per kWh Credits	% Ch in Bill After C&T Costs and Fixed Credits
750 kWh/mo	1.2%	0.0%	-5.0%
1,500 kWh/mo	1.3%	0.0%	-2.1%
3,000 kWh/mo	1.4%	0.0%	-0.4%


SCE Illustrative Residential Bill Impact Comparison
Summer Month Bill
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
-0.5%
-1.0%
-1.5%
0.8%
0.0%
-1.1%
1.8%
0.0%
1.1%
1.9%
0.0%
1.5%
500 kWh/mo
1,000 kWh/mo
1,500 kWh/mo
% Change in Bill After C&T Costs
% Ch in Bill After C&T Costs and per kWh Credits
% Ch in Bill After C&T Costs and Fixed Credits


SCE Illustrative Small Commercial Bill Impact Comparison
Summer Month Bill
2.0%
1.0%
0.0%
-1.0%
-2.0%
-3.0%
-4.0%
-5.0%
-6.0%
1.2%
0.0%
-5.0%
1.3%
0.0%
-2.1%
1.4%
0.0%
-0.4%
750 kWh/mo
1,500 kWh/mo
3,000 kWh/mo
% Change in Bill After C&T Costs
% Ch in Bill After C&T Costs and per kWh Credits
% Ch in Bill After C&T Costs and Fixed Credits

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATION

Line No.		Authorized Commodity Allocation Factors	Additional Gen Costs $51,058,877	Authorized Bdld Sales	Per kWh Gen Increase	Authorized Total Sales	DA Sales	Total Gen (DA/CCA Imputed)	Commodity Allocation Factors adjusted for DA/CCA	Allocated CARB Allowance Revenues ($60,000,000)	Per kWh Credit	Bundled Credit ($/yr)	DA/CCA Credit ($/yr)	Total Credit ($/yr)
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	Residential	42.5%	$21,674,493	7,810,367,000	$0.00278	7,829,000,000	18,633,000	$544,976,690	35.9%	($21,542,077)	($0.00275)	($21,490,806)	($51,270)	($21,542,077)
2	Small Commercial	12.2%	$6,229,183	2,083,753,000	$0.00299	2,103,589,000	19,836,000	$157,790,211	10.4%	($6,237,200)	($0.00297)	($6,178,386)	($58,814)	($6,237,200)
3	M/L C&I	44.4%	$22,670,141	7,682,982,000	$0.00295	10,752,377,000	3,069,395,000	$802,664,943	52.9%	($31,728,090)	($0.00295)	($22,670,926)	($9,057,164)	($31,728,090)
4	Agricultural	0.5%	$255,294	89,001,000	$0.00287	94,034,000	5,033,000	$6,738,476	0.4%	($266,361)	($0.00283)	($252,105)	($14,257)	($266,361)
5	Streetlights	0.5%	$229,765	110,896,000	$0.00207	111,000,000	104,000	$5,724,270	0.4%	($226,271)	($0.00204)	($226,059)	($212)	($226,271)
6	**System**	**100.0%**	**$51,058,877**	**17,776,999,000**	**$0.00287**	**20,890,000,000**	**3,113,001,000**	**$1,517,894,590**	**100.0%**	($60,000,000)	($0.00287)	**($50,816,283)**	**($9,181,717)**	**($60,000,000)**

Assumptions

Allowances	3,000,000
price/ton $	20

Small Commercial Example - Incremental Monthly Bill Impact

Monthly Usage kWh per month	Current Rates (Effective 9/1/2011 AL2280-E)	Bill Before C&T Costs and Credits	Incremental Monthly Bill impact of compliance costs	Incremental Monthly Bill impact of per kWh Credit	Bill After C&T Costs and per kWh Credits	% Change in Bill Before and After C&T	Incremental Monthly Bill impact of monthly Credit	Bill After AC&T Costs and Fixed Credits	% Change in Bill Before and After C&T	% Change in Bill Due to C&T Costs
Customer Charge ($/mo)	$ 9.56									
750	$ 0.19378	$154.90	$ 2.24	($2.22)	$154.91	0.012%	$ (4.23)	$152.91	-1.282%	1.448%
1,500	$ 0.19378	$300.23	$ 4.49	($4.45)	$300.27	0.012%	$ (4.23)	$300.49	0.085%	1.494%
3,000	$ 0.19378	$590.90	$ 8.97	($8.90)	$590.97	0.013%	$ (4.23)	$595.64	0.802%	1.518%

Residential Example - Incremental Monthly Bill Impact

Estimated Tiered Rate Impact

Non-CARE T3T4 sales as portion of residential sales	Incremental T3T4 Cost Impact	Incremental T3T4 Credit
32%	$ 0.00876	($0.00867)

Allowance Revenues Not Applied to T1 & T2 Sales

Residential Incremental Monthly Bill Example

Inland - Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective 9/1/2011 AL2280-E)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After C&T Costs and Fixed Credits
Tier 1	$ -	336	$ 0.13810	$ 46.40	$ -	$ -	$ -	$ 46.40		
Tier 2	$ -	101	$ 0.15949	$ 16.11	$ -	$ -	$ -	$ 16.11		
Tier 3	$ 0.00876	63	$ 0.29258	$ 18.43	$ 0.55	$ (0.00867)	$ (0.55)	$ 18.44		
Tier 4	$ 0.00876	0	$ 0.31258	$ -	$ -	$ (0.00867)	$ -	$ -		
Total		**500**		**$ 80.94**	**$ 0.55**		**$ (0.55)**	**$ 80.95**	**$ (1.45)**	**$ 80.04**
				% Change in Bill	**0.7%**	% Change in Bill Before and After AB32		**0.0%**		**-1.1%**

Inland - Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective 9/1/2011 AL2280-E)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After C&T Costs and Fixed Credits
Tier 1		336	$ 0.13810	$ 46.40	$ -	$ -	$ -	$ 46.40		
Tier 2		101	$ 0.15949	$ 16.11	$ -	$ -	$ -	$ 16.11		
Tier 3	$ 0.00876	235	$ 0.29258	$ 68.76	$ 2.06	$ (0.00867)	$ (2.04)	$ 68.78		
Tier 4	$ 0.00876	328	$ 0.31258	$ 102.53	$ 2.87	$ (0.00867)	$ (2.85)	$ 102.56		
Total		**1000**		**$ 233.79**	**$ 4.93**		**$ (4.88)**	**$ 233.84**	**$ (1.45)**	**$ 237.27**
				% Change in Bill	**2.1%**	% Change in Bill Before and After AB32		**0.0%**		**1.5%**

Inland - Summer	Incremental rate impact of cost	kWh used	Current Rates (Effective 9/1/2011 AL2280-E)	Bill Before C&T Costs and Credits	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Bill After C&T Costs and per kWh Credits	Estimated Incremental Bill Impact of monthly credit ($/month)	Bill After C&T Costs and Fixed Credits
Tier 1		336	$ 0.13810	$ 46.40	$ -	$ -	$ -	$ 46.40		
Tier 2		101	$ 0.15949	$ 16.11	$ -	$ -	$ -	$ 16.11		
Tier 3	$ 0.00876	235	$ 0.29258	$ 68.76	$ 2.06	$ (0.00867)	$ (2.04)	$ 68.78		
Tier 4	$ 0.00876	828	$ 0.31258	$ 258.82	$ 7.26	$ (0.00867)	$ (7.18)	$ 258.89		
Total		**1500**		**$ 390.08**	**$ 9.32**		**$ (9.22)**	**$ 390.18**	**$ (1.45)**	**$ 397.94**
				% Change in Bill	**2.4%**	% Change in Bill Before and After AB32		**0.0%**		**2.0%**

Assumes 30 billing days, basic service.

Residential Incremental Monthly Bill Example - Summary

Inland - Summer	Estimated Incremental Bill Impact of Costs ($/month)	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1	$ -	$ -	$ -
Tier 2	$ -	$ -	$ -
Tier 3	$ 0.55	$ (0.55)	$ 0.01
Tier 4	$ -	$ -	$ -
Total (500kWh)	**$ 0.55**	**$ (0.55)**	**$ 0.01**

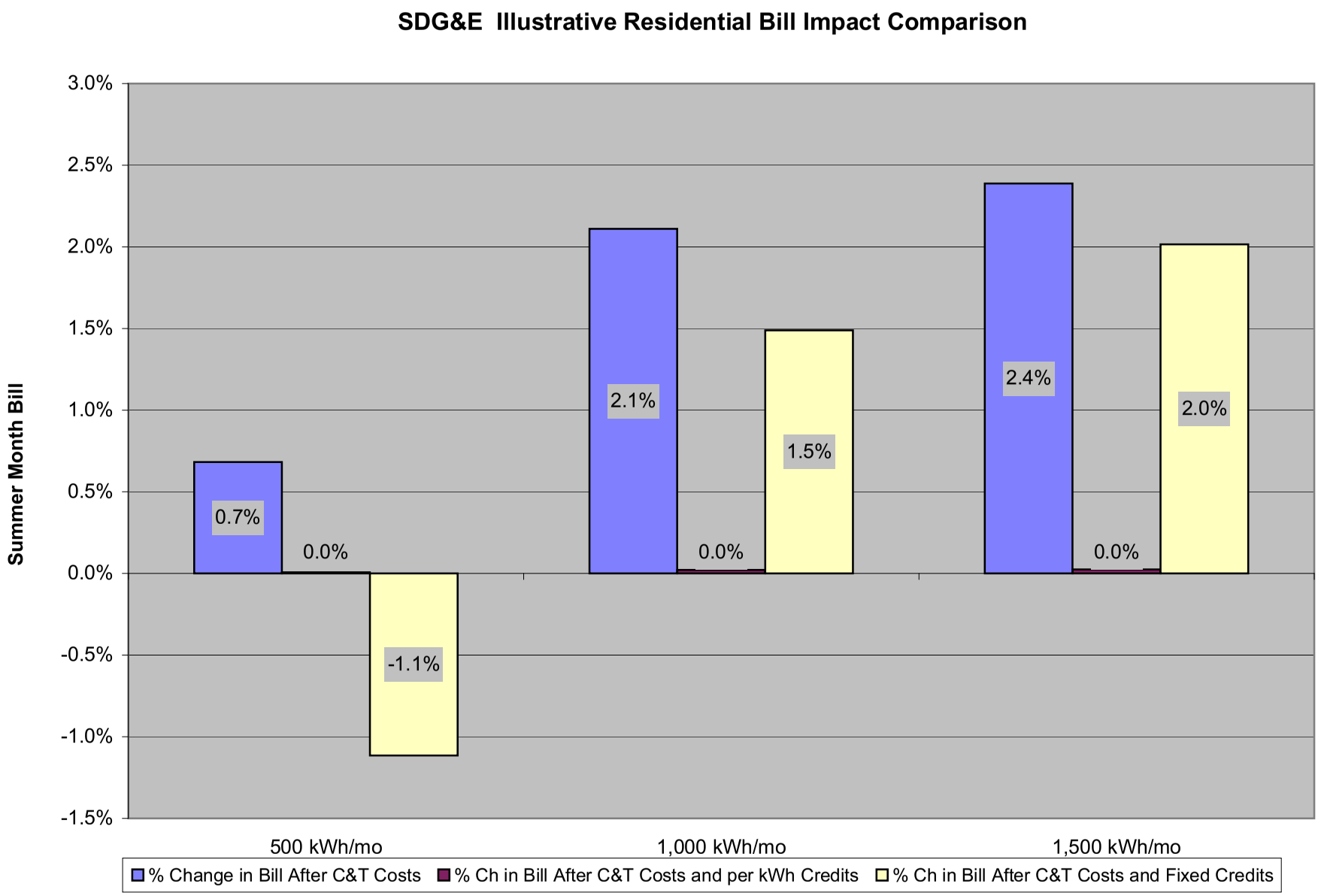
Inland - Summer	Estimated Incremental Bill Impact of Costs ($/month)	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1	$ -	$ -	$ -
Tier 2	$ -	$ -	$ -
Tier 3	$ 2.06	$ (2.04)	$ 0.02
Tier 4	$ 2.87	$ (2.85)	$ 0.03
Total (1,000kWh)	**$ 4.93**	**$ (4.88)**	**$ 0.05**

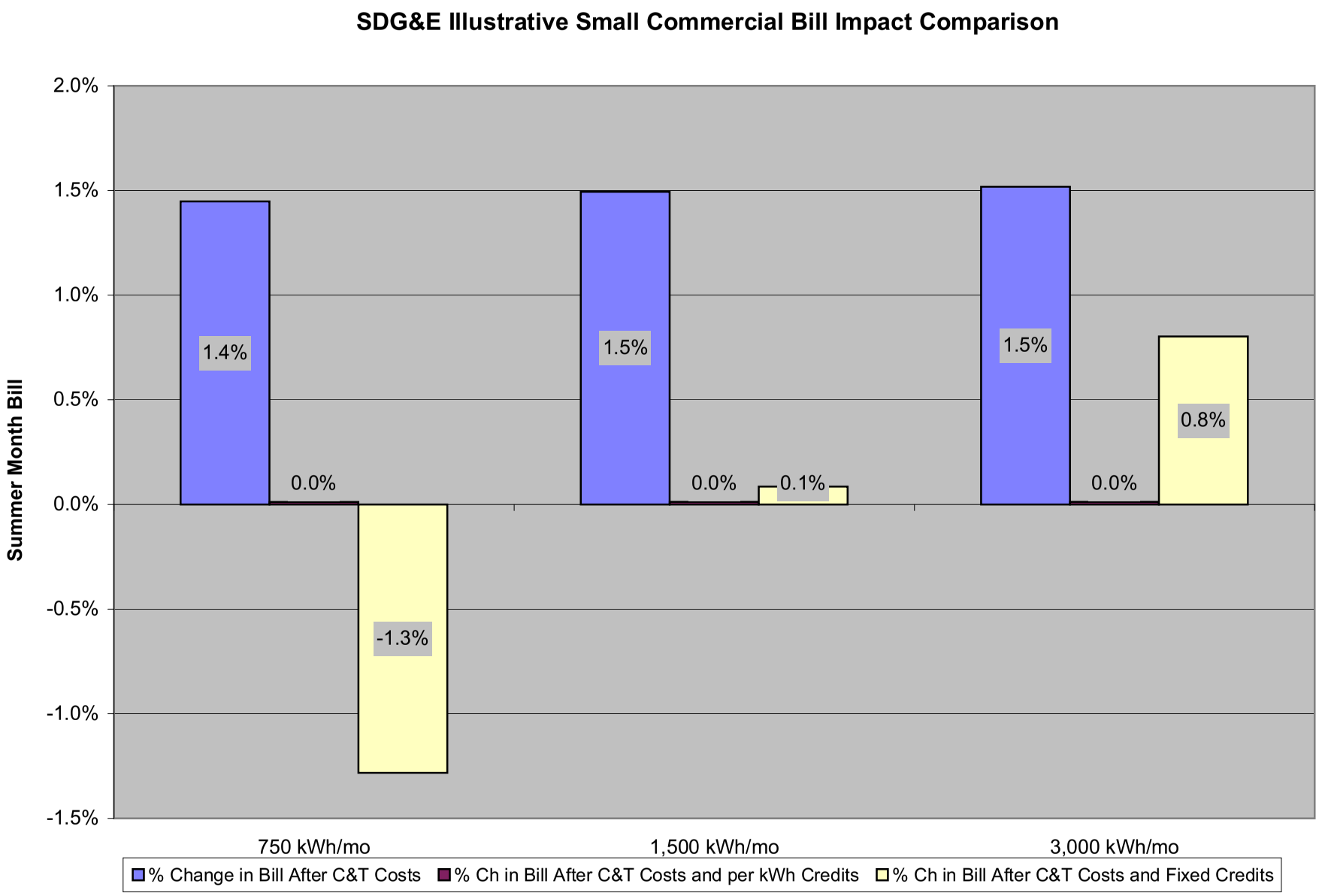
Inland - Summer	Estimated Incremental Bill Impact of Costs ($/month)	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1	$ -	$ -	$ -
Tier 2	$ -	$ -	$ -
Tier 3	$ 2.06	$ (2.04)	$ 0.02
Tier 4	$ 7.26	$ (7.18)	$ 0.07
Total (1,500kWh)	**$ 9.32**	**$ (9.22)**	**$ 0.10**

Assumes 30 billing days, basic service.

	% Change in Bill After C&T Costs	% Ch in Bill After C&T Costs and per kWh Credits	% Ch in Bill After C&T Costs and Fixed Credits
500 kWh/mo	0.7%	0.0%	-1.1%
1,000 kWh/mo	2.1%	0.0%	1.5%
1,500 kWh/mo	2.4%	0.0%	2.0%

	% Change in Bill After C&T Costs	% Ch in Bill After C&T Costs and per kWh Credits	% Ch in Bill After C&T Costs and Fixed Credits
750 kWh/mo	1.4%	0.0%	-1.3%
1,500 kWh/mo	1.5%	0.0%	0.1%
3,000 kWh/mo	1.5%	0.0%	0.8%


SDG&E Illustrative Residential Bill Impact Comparison
Summer Month Bill
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
-0.5%
-1.0%
-1.5%
0.7%
0.0%
-1.1%
2.1%
0.0%
1.5%
2.4%
0.0%
2.0%
500 kWh/mo
1,000 kWh/mo
1,500 kWh/mo
% Change in Bill After C&T Costs
% Ch in Bill After C&T Costs and per kWh Credits
% Ch in Bill After C&T Costs and Fixed Credits


SDG&E Illustrative Small Commercial Bill Impact Comparison
Summer Month Bill
2.0%
1.5%
1.0%
0.5%
0.0%
-0.5%
-1.0%
-1.5%
1.4%
0.0%
-1.3%
1.5%
0.0%
0.1%
1.5%
0.0%
0.8%
750 kWh/mo
1,500 kWh/mo
3,000 kWh/mo
% Change in Bill After C&T Costs
% Ch in Bill After C&T Costs and per kWh Credits
% Ch in Bill After C&T Costs and Fixed Credits

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATION

BDLD Cost Increase: $180,000,000
Auction Proceeds: -$200,000,000

	Forecasted 2011 Sales					Allowance Credit			
Customer Class	**Bundled Sales (GWh/yr)**	**DA/CCA Sales (GWh/yr)**	**Total Sales (GWh/yr)**	**Bundled Rate Increase ($/kWh)**	**Bundled Revenue Increase ($/yr)**	**Credit ($/kWh)**	**Bundled Credit ($/yr)**	**DA/CCA Credit ($/yr)**	**Total Credit ($/yr)**
Res	31,016	147	31,162	$0.00224	$69,472,920	($0.00225)	($69,932,464)	($330,918)	($70,263,382)
Small L&P	9,445	120	9,565	$0.00250	$23,581,726	($0.00248)	($23,447,903)	($298,693)	($23,746,595)
Medium L&P	10,430	1,049	11,479	$0.00265	$27,617,863	($0.00264)	($27,499,688)	($2,764,976)	($30,264,665)
E-19	10,008	2,926	12,934	$0.00243	$24,363,329	($0.00241)	($24,142,289)	($7,059,213)	($31,201,502)
Streetlights	425	0	425	$0.00222	$942,921	($0.00215)	($912,482)	$0	($912,482)
Standby	352	8	360	$0.00197	$693,456	($0.00196)	($691,459)	($14,780)	($706,239)
Agriculture	5,125	39	5,164	$0.00205	$10,487,890	($0.00205)	($10,500,722)	($80,587)	($10,581,310)
E-20	10,070	4,323	14,393	$0.00227	$22,839,896	($0.00225)	($22,615,914)	($9,707,912)	($32,323,826)
Total	76,870	8,611	85,482		$180,000,000		($179,742,921)	($20,257,079)	($200,000,000)

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATION

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
	Bdld SAP Allocation Factor (2011 AET)	**Additional Gen Costs 180,000,000**	**Bdld Sales**	**Per kWh Gen Increase**	**Total Gen (DA/CCA Imputed)**	**SAP Allocator**	**CARB Allowance Rev ($200,000,000)**	**Total Sales**	**Per kWh Credit**
Residential	38.6%	$69,472,920	31,015,628,009	$0.00224	$2,428,514,377	35.1%	($70,263,382)	31,162,392,686	($0.00225)
Small	13.1%	$23,581,726	9,444,953,217	$0.00250	$820,753,945	11.9%	($23,746,595)	9,565,268,359	($0.00248)
Medium	15.3%	$27,617,863	10,429,952,601	$0.00265	$1,046,038,086	15.1%	($30,264,665)	11,478,639,853	($0.00264)
E-19	13.5%	$24,363,329	10,007,833,568	$0.00243	$1,078,418,008	15.6%	($31,201,502)	12,934,127,226	($0.00241)
Streetlights	0.5%	$942,921	424,641,351	$0.00222	$31,538,113	0.5%	($912,482)	424,641,351	($0.00215)
Standby	0.4%	$693,456	352,145,657	$0.00197	$24,409,749	0.4%	($706,239)	359,672,897	($0.00196)
Agriculture	5.8%	$10,487,890	5,125,153,070	$0.00205	$365,721,975	5.3%	($10,581,310)	5,164,485,908	($0.00205)
E-20	12.7%	$22,839,896	10,070,016,516	$0.00227	$1,117,208,924	16.2%	($32,323,826)	14,392,584,975	($0.00225)
System	**100.0%**	**$180,000,000**	**76,870,323,991**	**$0.00234**	**$6,912,603,178**	**100.0%**	**($200,000,000)**	**85,481,813,255**	**($0.00234)**

Small Commercial Example - Incremental Monthly Bill Impact

Monthly Usage kWh per month	Incremental Monthly Bill impact of compliance costs	Incremental Monthly Bill impact of per kWh Credit	Net Incremental Monthly Bill Impact
750	$ 1.87	($1.86)	$0.01
1,500	$ 3.75	($3.72)	$0.02
3,000	$ 7.49	($7.45)	$0.04

Residential Example - Incremental Monthly Bill Impact

Estimated Tiered Rate Impact

Non-CARE T3T5 sales as portion of residential sales	Incremental T3T5 Cost Impact	Incremental T3T5 Credit
23%	$ 0.00954	($0.00960)

Residential Incremental Monthly Bill Example

Baseline Territory X - Summer	Incremental rate impact of cost	kWh used	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1	$ -	330	$ -	$ -	$ -	$ -
Tier 2	$ -	99	$ -	$ -	$ -	$ -
Tier 3	$ 0.00954	71	$ 0.68	$ (0.00960)	$ (0.68)	$ (0.00)
Tier 4	$ 0.00954	0	$ -	$ (0.00960)	$ -	$ -
Tier 5	$ 0.00954	0	$ -	$ (0.00960)	$ -	$ -
Total		**500**	**$ 0.68**	**$**	**(0.68)**	**$ (0.00)**

Baseline Territory X - Summer	Incremental rate impact of cost	kWh used	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1		330	$ -	$ -	$ -	$ -
Tier 2		99	$ -	$ -	$ -	$ -
Tier 3	$ 0.00954	231	$ 2.20	$ (0.00960)	$ (2.22)	$ (0.01)
Tier 4	$ 0.00954	330	$ 3.15	$ (0.00960)	$ (3.17)	$ (0.02)
	$ 0.00954	10	$ 0.10	$ (0.00960)	$ (0.10)	$ (0.00)
Total		**1000**	**$ 5.45**	**$**	**(5.48)**	**$ (0.04)**

Baseline Territory X - Summer	Incremental rate impact of cost	kWh used	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1		330	$ -	$ -	$ -	$ -
Tier 2		99	$ -	$ -	$ -	$ -
Tier 3	$ 0.00954	231	$ 2.20	$ (0.00960)	$ (2.22)	$ (0.01)
Tier 4	$ 0.00954	330	$ 3.15	$ (0.00960)	$ (3.17)	$ (0.02)
	$ 0.00954	510	$ 4.87	$ (0.00960)	$ (4.90)	$ (0.03)
Total		**1500**	**$ 10.22**	**$**	**(10.29)**	**$ (0.07)**

Assumes 30 billing days, basic service.

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATION

BDLD Cost Increase:	$180,000,000
Auction Proceeds:	-$200,000,000

	Forecasted 2011 Sales					Volumetric Credit			
Customer Class	**Bundled Sales (GWh/yr)**	**DA Sales (GWh/yr)**	**Total Sales (GWh/yr)**	**Bundled Rate Increase ($/kWh)**	**Bundled Revenue Increase ($/yr)**	**Credit ($/kWh)**	**Bundled Credit Revenue ($/yr)**	**DA Credit Revenue ($/yr)**	**Total Credit Revenue ($/yr)**
Domestic	28,758	78	28,836	$0.00252	$72,542,058	($0.00248)	($71,319,481)	($193,600)	($71,513,081)
LSMP	24,953	3,925	28,878	$0.00254	$63,298,338	($0.00245)	($61,072,234)	($9,606,540)	($70,678,774)
Large Power	17,029	6,677	23,707	$0.00220	$37,436,889	($0.00215)	($36,641,720)	($14,367,266)	($51,008,986)
Ag & Pumping	2,886	83	2,969	$0.00199	$5,731,379	($0.00195)	($5,629,196)	($161,331)	($5,790,527)
Streetlights	697	24	721	$0.00142	$991,336	($0.00140)	($974,628)	($34,003)	($1,008,631)
Total	74,323	10,787	85,111		$180,000,000		($175,637,260)	($24,362,740)	($200,000,000)
Check:	*74,323*	*10,787*	*85,111*		*$180,000,000*				*-$200,000,000*

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATION

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(H)	(I)	(J)	(K)
	Bdld SAP Allocation Factor (June 2011)	**Additional Gen Costs 180,000,000**	**Bdld Sales**	**Per kWh Gen Increase**	**Total Gen (DA Imputed)**	**SAP Allocator**	**CARB Refund ($200,000,000)**	**Total Sales**	**Per kWh Credit/Refund**	**Distribution Allocator**	**PPPC Allocator**	**Bundled Customer**	**DA Customer**
Domestic	40.3%	$72,542,058	28,758,327,035	$0.00252	$2,108,234,276	35.8%	($71,513,081)	28,836,392,862	($0.00248)	50.1%	41.2%	4,234,838	7,458
LSMP	35.2%	$63,298,338	24,952,839,795	$0.00254	$2,083,638,548	35.3%	($70,678,774)	28,877,871,335	($0.00245)	35.1%	34.8%	605,610	13,030
Large Power	20.8%	$37,436,889	17,029,419,832	$0.00220	$1,503,765,338	25.5%	($51,008,986)	23,706,677,399	($0.00215)	11.6%	20.6%	2,861	753
Ag & Pumping	3.2%	$5,731,379	2,886,190,764	$0.00199	$170,707,067	2.9%	($5,790,527)	2,968,908,148	($0.00195)	3.0%	2.7%	27,638	196
Streetlights	0.6%	$991,336	696,549,522	$0.00142	$29,734,853	0.5%	($1,008,631)	720,850,833	($0.00140)	0.3%	0.8%	36,095	1,208
System	**100.0%**	**$180,000,000**	**74,323,326,948**	**$0.00242**	**$5,896,080,083**	**100.0%**	**($200,000,000)**	**85,110,700,576**	**($0.00235)**	**100.0%**	**100.0%**	**4,907,042**	**22,646**

Small Commercial Example - Incremental Monthly Bill Impact

Monthly Usage kWh per month	Incremental Monthly Bill impact of compliance costs	Incremental Monthly Bill impact of per kWh Credit	Net Incremental Monthly Bill Impact
750	$ 1.90	($1.84)	$0.07
1,500	$ 3.81	($3.67)	$0.13
3,000	$ 7.61	($7.34)	$0.27

Residential Example - Incremental Monthly Bill Impact

Estimated Tiered Rate Impact

Non-CARE T3T5 sales as portion of residential sales	Incremental T3T5 Cost Impact	Incremental T3T5 Credit
40%	$ 0.00631	($0.00620)

Residential Incremental Monthly Bill Example

Baseline Region 8 (CEC CZ 8)-Summer	**Incremental rate impact of cost**	**kWh used**	**Estimated Incremental Bill Impact of Costs ($/month)**	**Incremental rate impact of credit**	**Estimated Incremental Bill Impact of per kWh credit ($/month)**	**Net Bill Impact with per kWh credit ($/month)**
Tier 1	$ -	310	$ -	$ -	$ -	$ -
Tier 2	$ -	93	$ -	$ -	$ -	$ -
Tier 3	$ 0.00631	97	$ 0.61	$ (0.00620)	$ (0.60)	$ 0.01
Tier 4	$ 0.00631	0	$ -	$ (0.00620)	$ -	$ -
Tier 5	$ 0.00631	0	$ -	$ (0.00620)	$ -	$ -
Total		**500**	**$ 0.61**		**$ (0.60)**	**$ 0.01**

Baseline Region 8 (CEC CZ 8)-Summer	**Incremental rate impact of cost**	**kWh used**	**Estimated Incremental Bill Impact of Costs ($/month)**	**Incremental rate impact of credit**	**Estimated Incremental Bill Impact of per kWh credit ($/month)**	**Net Bill Impact with per kWh credit ($/month)**
Tier 1		310	$ -	$ -	$ -	$ -
Tier 2		93	$ -	$ -	$ -	$ -
Tier 3	$ 0.00631	217	$ 1.37	$ (0.00620)	$ (1.35)	$ 0.02
Tier 4	$ 0.00631	310	$ 1.95	$ (0.00620)	$ (1.92)	$ 0.03
	$ 0.00631	70	$ 0.44	$ (0.00620)	$ (0.43)	$ 0.01
Total		**1000**	**$ 3.76**		**$ (3.70)**	**$ 0.06**

Baseline Region 8 (CEC CZ 8)-Summer	**Incremental rate impact of cost**	**kWh used**	**Estimated Incremental Bill Impact of Costs ($/month)**	**Incremental rate impact of credit**	**Estimated Incremental Bill Impact of per kWh credit ($/month)**	**Net Bill Impact with per kWh credit ($/month)**
Tier 1		310	$ -	$ -	$ -	$ -
Tier 2		93	$ -	$ -	$ -	$ -
Tier 3	$ 0.00631	217	$ 1.37	$ (0.00620)	$ (1.35)	$ 0.02
Tier 4	$ 0.00631	310	$ 1.95	$ (0.00620)	$ (1.92)	$ 0.03
	$ 0.00631	570	$ 3.59	$ (0.00620)	$ (3.53)	$ 0.06
Total		**1500**	**$ 6.92**		**$ (6.80)**	**$ 0.12**

Assumes 30 billing days, basic service.

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATION

BDLD Cost Increase:	$51,058,877
Auction Proceeds:	-$60,000,000

	Authorized Sales			Bundled	Bundled	Allowance Credit			
	Bundled	DA/CCA	Total	Rate	Revenue		Bundled	DA/CCA	Total
	Sales	Sales	Sales	Increase	Increase	Credit	Credit	Credit	Credit
Customer Class	(GWh/yr)	(GWh/yr)	(GWh/yr)	($/kWh)	($/yr)	($/kWh)	($/yr)	($/yr)	($/yr)
Residential	7,810	19	7,829	$0.00278	$21,712,820	-$0.00275	-$21,490,806	-$51,270	-$21,542,077
Small Commercial	2,084	20	2,104	$0.00299	$6,230,421	-$0.00297	-$6,178,386	-$58,814	-$6,237,200
M/L C&I	7,683	3,069	10,752	$0.00295	$22,664,797	-$0.00295	-$22,670,926	-$9,057,164	-$31,728,090
Agricultural	89	5	94	$0.00287	$255,433	-$0.00283	-$252,105	-$14,257	-$266,361
Streetlights	111	0	111	$0.00207	$229,555	-$0.00204	-$226,059	-$212	-$226,271
System	17,777	3,113	20,890		$51,093,026		-$50,818,283	-$9,181,717	-$60,000,000
Check:	*17,777*	*3,113*	*20,890*		*$51,058,877*				*$1,517,894,590*

ILLUSTRATIVE EXAMPLE OF AB 32 COST AND CREDIT ALLOCATIO

Line No.		Authorized Commodity Allocation Factors	Additional Gen Costs $51,058,877	Authorized Bdld Sales	Per kWh Gen Increase	Authorized Total Sales	DA Sales	Total Gen (DA/CCA Imputed)	Commodity Allocation Factors adjusted for DA/CCA	Allocated CARB Allowance Revenues ($60,000,000)	Per kWh Credit	Bundled Credit ($/yr)	DA/CCA Credit ($/yr)	Total Credit ($/yr)
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	Residential	42.5%	$21,674,493	7,810,367,000	$0.00278	7,829,000,000	18,633,000	$544,976,690	35.9%	($21,542,077)	($0.00275)	($21,490,806)	($51,270)	($21,542,077)
2	Small Commercial	12.2%	$6,229,183	2,083,753,000	$0.00299	2,103,589,000	19,836,000	$157,790,211	10.4%	($6,237,200)	($0.00297)	($6,178,386)	($58,814)	($6,237,200)
3	M/L C&I	44.4%	$22,670,141	7,682,982,000	$0.00295	10,752,377,000	3,069,395,000	$802,664,943	52.9%	($31,728,090)	($0.00295)	($22,670,926)	($9,057,164)	($31,728,090)
4	Agricultural	0.5%	$255,294	89,001,000	$0.00287	94,034,000	5,033,000	$6,738,476	0.4%	($266,361)	($0.00283)	($252,105)	($14,257)	($266,361)
5	Streetlights	0.5%	$229,765	110,896,000	$0.00207	111,000,000	104,000	$5,724,270	0.4%	($226,271)	($0.00204)	($226,059)	($212)	($226,271)
6	**System**	**100.0%**	**$51,058,877**	**17,776,999,000**	**$0.00287**	**20,890,000,000**	**3,113,001,000**	**$1,517,894,590**	**100.0%**	($60,000,000)	($0.00287)	**($50,818,283)**	**($9,181,717)**	**($60,000,000)**

2011 Forecasted Customers (system) TOTAL	
1. RESIDENTIAL	1,234,330
2. SMALL COMMERCIAL	122,916
3. MED & LARGE COMM/IND	24,571
4. AGRICULTURAL	3,348
5. LIGHTING	6,019
TOTAL SYSTEM	1,391,184

Assumptions

Allowances	3,000,000
price/ton $	20

Verify allocation to bundled customer class
42.3%
12.2%
44.6%
0.5%
0.4%
100.0%

Small Commercial Example - Incremental Monthly Bill Impact

Monthly Usage kWh per month	Incremental Monthly Bill impact of compliance costs	Incremental Monthly Bill impact of per kWh Credit	Net Incremental Monthly Bill Impact
750	$ 2.24	($2.22)	$0.02
1,500	$ 4.49	($4.45)	$0.04
3,000	$ 8.97	($8.90)	$0.07

Residential Example - Incremental Monthly Bill Impact

Estimated Tiered Rate Impact

Non-CARE T3T4 sales as portion of residential sales	Incremental T3T4 Cost Impact	Incremental T3T4 Credit
32%	$ 0.00876	($0.00867)

Residential Incremental Monthly Bill Example

Inland - Summer	Incremental rate impact of cost	kWh used	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1	$ -	336	$ -	$ -	$ -	$ -
Tier 2	$ -	101	$ -	$ -	$ -	$ -
Tier 3	$ 0.00876	63	$ 0.55	$ (0.00867)	$ (0.55)	$ 0.01
Tier 4	$ 0.00876	0	$ -	$ (0.00867)	$ -	$ -
Total		**500**	**$ 0.55**		**$ (0.55**	**$ 0.01**

Inland - Summer	Incremental rate impact of cost	kWh used	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1		336	$ -	$ -	$ -	$ -
Tier 2		101	$ -	$ -	$ -	$ -
Tier 3	$ 0.00876	235	$ 2.06	$ (0.00867)	$ (2.04)	$ 0.02
Tier 4	$ 0.00876	328	$ 2.87	$ (0.00867)	$ (2.85)	$ 0.03
Total		**1000**	**$ 4.93**		**$ (4.88**	**$ 0.05**

Inland - Summer	Incremental rate impact of cost	kWh used	Estimated Incremental Bill Impact of Costs ($/month)	Incremental rate impact of credit	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1		336	$ -	$ -	$ -	$ -
Tier 2		101	$ -	$ -	$ -	$ -
Tier 3	$ 0.00876	235	$ 2.06	$ (0.00867)	$ (2.04)	$ 0.02
Tier 4	$ 0.00876	828	$ 7.26	$ (0.00867)	$ (7.18)	$ 0.07
Total		**1500**	**$ 9.32**		**$ (9.22**	**$ 0.10**

Assumes 30 billing days, basic service.

Residential Incremental Monthly Bill Example - Summary

Inland - Summer	Estimated Incremental Bill Impact of Costs ($/month)	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1	$ -	$ -	$ -
Tier 2	$ -	$ -	$ -
Tier 3	$ 0.55	$ (0.55)	$ 0.01
Tier 4	$ -	$ -	$ -
Total (500kWh)	**$ 0.55**	**$ (0.55**	**$ 0.01**

Inland - Summer	Estimated Incremental Bill Impact of Costs ($/month)	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1	$ -	$ -	$ -
Tier 2	$ -	$ -	$ -
Tier 3	$ 2.06	$ (2.04)	$ 0.02
Tier 4	$ 2.87	$ (2.85)	$ 0.03
Total (1,000kWh)	**$ 4.93**	**$ (4.88**	**$ 0.05**

Inland - Summer	Estimated Incremental Bill Impact of Costs ($/month)	Estimated Incremental Bill Impact of per kWh credit ($/month)	Net Bill Impact with per kWh credit ($/month)
Tier 1	$ -	$ -	$ -
Tier 2	$ -	$ -	$ -
Tier 3	$ 2.06	$ (2.04)	$ 0.02
Tier 4	$ 7.26	$ (7.18)	$ 0.07
Total (1,500kWh)	**$ 9.32**	**$ (9.22**	**$ 0.10**

Assumes 30 billing days, basic service.