

March 15, 2010

VIA E-MAIL: jcostant@arb.ca.gov; jblakesl@arb.ca.gov

Jon Costantino
Jeannie Blakeslee
Office of Climate Change
California Air Resources Board

Re: Administrative Fee Pursuant to AB 32

Dear Mr. Costantino and Ms. Blakeslee:


Southern California Edison Company ("SCE") appreciates the opportunity to provide comments on the Modified Regulation Order for AB 32 Cost of Implementation Regulation ("Modified Regulation Order"), posted by the California Air Resources Board ("CARB") on February 26, 2010.

The Modified Regulation Order proposes new language to be added to the Assembly Bill ("AB") 32 Cost of Implementation Fee Regulation, including modifications to the methods by which CARB will calculate the administrative fees for regulated entities. Currently, however, the Modified Regulation Order does not explain whether regulated parties may have access to the data and specific calculations used in assessing each invoiced fee. SCE is concerned that an invoice may only contain a limited amount of data, such as a simple per unit fee (\$/ton, \$/MWh), applied to a simple quantity (ton, MWh), without adequate detail. SCE recommends that each invoice include a description of the data and calculations for each entity on a sufficiently granular level such that a regulated entity can verify or confirm the various components to the assessed fee. Alternatively, CARB should make this data available upon request of each invoiced entity.

In addition, SCE recommends that CARB develop and establish a dispute resolution process for entities assessed the AB 32 administrative fee. A clear and transparent dispute resolution process will provide regulatory certainty for regulated entities and an efficient solution for all parties should questions or disagreements arise regarding the invoiced fees.

SCE appreciates the opportunity to provide these comments and looks forward to continued communications with CARB on this topic.

Very truly yours,



Joe M^cCawley