

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric Company for Approval to Revise its Electric Marginal Costs, Revenue Allocation, and Rate Design, including Real Time Pricing, to Revise its Customer Energy Statements, and to Seek Recovery of Incremental Expenditures. (U39M).

Application 10-03-014  
(Filed March 22, 2010)

**NOTICE OF *EX PARTE* COMMUNICATION**

Pursuant to Rule 8.3(a) of the Commission's Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) hereby gives notice of the following *ex parte* communication. The communication occurred on Thursday, March 25, 2010, at approximately 10:00 a.m. at the offices of the California Public Utilities Commission in San Francisco. The communication was oral and included handouts, which are attached. [Rule 8.3(a)(c)]

John Hughes, Director- Regulatory Relations, PG&E, initiated the communication with Andrew Campbell (Advisor to Commissioner Nancy Ryan) and Sepideh Khosrowjah (Chief of Staff to Commissioner Nancy Ryan). Also in attendance from PG&E were Brian Cherry, Vice President-Regulatory Regulations, and Dennis Keane, Manager-Electric Rates. [Rule 8.3(b)]

The PG&E representatives discussed the attached handouts that outline the main subjects of Application No. 10-03-014. Mr. Keane started the discussion by identifying the major changes in the filing including decreasing the baseline quantities in tiers 1 and 2, introducing a monthly residential customer charge of \$3.00 for Non-CARE and \$2.40 for CARE customers and collapsing Tiers 3, 4 and 5 into one rate.

Mr. Hughes stated that the proposed PG&E tier 5 rates would be more in line with what Southern California Edison (SCE) and San Diego Gas and Electric (SDG&E) customers currently pay for usage in the upper tiers. Mr. Hughes also pointed out that PG&E is also proposing a Tier 3 CARE rate. SCE and SDG&E currently have a Tier 3 CARE rate.

Mr. Keane discussed the effect that the PG&E proposal would have on customers who live in Kern County. He showed that customers living in this area who have to use air conditioning in the summer due to the intense heat would have lower bills than last summer.

Mr. Cherry and Mr. Keane next discussed the implementation of the proposed customer charge. Mr. Keane referred to the handout that illustrated many investor owned utilities throughout the nation have a monthly customer charge. Mr. Cherry than discussed the handout that shows many of the municipal utilities in California have monthly fixed charges in excess of what PGE has proposed in this application. For example the Sacramento Municipal Utility District (SMUD) currently has a \$7.00 monthly fixed charge. [Rule 8.3(c)]

To obtain a copy of this notice, please notify Sally Cuaresma at (415) 973-5012 or via email at [a2c7@pge.com](mailto:a2c7@pge.com).

Respectfully submitted,

/s/ BRIAN K. CHERRY

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Attachments

Dated: March 30, 2010

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL OR U.S. MAIL

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of San Francisco; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is Pacific Gas and Electric Company, Regulatory Relations Department B10C, 77 Beale Street, San Francisco, California 94105.

I am readily familiar with the business practice of Pacific Gas and Electric Company for collection and processing of correspondence for mailing with the United States Postal Service. In the ordinary course of business, correspondence is deposited with the United States Postal Service the same day it is submitted for mailing.

On March 30, 2010, I caused to be served a true copy of:

**NOTICE OF EX PARTE COMMUNICATION**

[XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service list for A.10-03-014 with an e-mail address, including Andrew Campbell, Sepideh Khosrowjah, Commission Nancy Ryan and ALJ Karen Clopton.

[XX] By U.S. Mail – by placing it for collection and mailing, in the course of ordinary business practice, with other correspondence of Pacific Gas and Electric Company, enclosed in a sealed envelope, with postage fully prepaid, addressed to CPUC ALJ Karen Clopton.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on March 30, 2010, at San Francisco, California.

/s/ SALLY CUARESMA  
Sally Cuaresma  
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**CALIFORNIA PUBLIC UTILITIES COMMISSION**  
Service List: A.10-03-014 – Last Changed: March 25, 2010

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