BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Authority to Increase Revenue Requirements to Recover the Costs to Implement a Program to Improve the Reliability of Its Electric Distribution System (U39E).

Application 08-05-023 (Filed May 15, 2008)

NOTICE OF EXPARTE COMMUNICATION

Pursuant to Rule 8.3(a) of the Commission's Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) hereby give notice of the following *ex parte* communication. The communication occurred on Monday, April 5, 2010, at approximately 3:00 p.m. at the offices of California Public Utilities Commission. The communication was oral and written materials were used and are attached to this notice. [Rule 8.3(a)(c)]

John Hughes, Director-Regulatory Relations, PG&E, initiated the communication with Karl Meeusen, Advisor to Commission President Michael R. Peevey. Also in attendance from PG&E was Kevin Dasso, Senior Director-Asset Strategy and Planning. [Rule 8.3(b)]

Mr. Dasso started the meeting with an overview of the Cornerstone Improvement Project (CIP). He stated that CIP gives the Commission the choice between two reliability standards, specifically the "adequate service" standard contained in the 2011 General Rate Case (GRC) and a higher standard that is addressed in CIP. Mr. Dasso pointed out that PGE's service outage measurement standards, SAIDI and SAIFI, consistently are inferior to the other major investor owned utilities in California.

Mr. Hughes stated that CIP would bring new employment opportunities to the northern

California economy. He added that the proposed one-way balancing account would ensure that ratepayers are not paying for CIP costs until the plant is in service. [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.

Respectfully submitted,

/s/ BRIAN K. CHERRY Brian K. Cherry Vice President, Regulatory Relations Pacific Gas and Electric Company P.O. Box 770000, Mail Code B10C San Francisco, CA 94177 Phone: 415-973-4977 Fax: 415-973-7226 E-mail: BKC7@pge.com

Attachments

Dated: April 8, 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 April 8, 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.08-05-023 with an e-mail address.

[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 all parties of record on the service list for A.08-05-023 who do not have an email address.

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 April 8, 2010 at San Francisco, California.

<u>/s/ Sally Cuaresma</u> Regulatory Relations Pacific Gas and Electric Company P.O. Box 770000, Mail Code: B10C San Francisco, CA 94177 Phone: 415-973-5012 Fax: 415-973-7226 E-mail: A2C7@pge.com

CALIFORNIA PUBLIC UTILITIES COMMISSION

Service Lists: A.08-05-023 - Last Changed: March 24, 2010

SERVED VIA ELECTRONIC MAIL:

nes@a-klaw.com; mdjoseph@adamsbroadwell.com; pfoley@adamsbroadwell.com; Golden, Patrick (Law); thomas.long@sfgov.org; pfa@cpuc.ca.gov; norman.furuta@navy.mil; bfinkelstein@turn.org; bcragg@goodinmacbride.com; Patrizio, Mark (Law); wbooth@boothlaw.com; rliebert@cfbf.com; julien.dumoulin-smith@ubs.com; zango@zimmerlucas.com; Jheckler@levincap.com; keith.mccrea@sutherland.com; ralphdennis@insightbb.com; mcnultfa@sce.com; case.admin@sce.com; liddell@energyattorney.com; RGiles@semprautilities.com; rkoss@adamsbroadwell.com; srovetti@sfwater.org; tburke@sfwater.org; andre.devilbiss@recurrentenergy.com; jim.howell@recurrentenergy.com; luke.dunnington@recurrentenergy.com; mflorio@turn.org; Smith, Bruce T; filings@aklaw.com; Rohde, Lauren; cem@newsdata.com; cem@newsdata.com; Middlekauff, Charles (Law); Abrams, Jennifer; CPUCCases@pge.com; RegRelCPUCCases; Mitchell, Mark (ESC); mrw@mrwassoc.com; dmarcus2@sbcglobal.net; rschmidt@bartlewells.com; rschmidt@bartlewells.com; wendy@econinsights.com; brbarkovich@earthlink.net; garrick@jbsenergy.com; kenneth.swain@navigantconsulting.com; atrowbridge@daycartermurphy.com; bds@cpuc.ca.gov; dkf@cpuc.ca.gov; dkl@cpuc.ca.gov; kms@cpuc.ca.gov; bruce.foster@sce.com; mjd@cpuc.ca.gov; swc@cpuc.ca.gov; txb@cpuc.ca.gov; kev@cpuc.ca.gov

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Samara Rassi Fellon-McCord and Associates 9960 Corporate Campus Drive, Suite 2500 Louisville, KY 40223-4055