From: Velasquez, Carlos A. Sent: 4/20/2010 4:19:16 PM

To: Horner, Trina (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=TNHC);

Redacted

Cc: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7);

Hartman, Sanford (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=SLHb); Lindh, Frank (frank.lindh@cpuc.ca.gov); Clanon, Paul (paul.clanon@cpuc.ca.gov);

Fitch, Julie A. (julie.fitch@cpuc.ca.gov); Kahlon, Gurbux

(gurbux.kahlon@cpuc.ca.gov); Roscow, Steve (steve.roscow@cpuc.ca.gov)

Bcc:

Subject: RE: MEA Phase I expansion

Hi Trina – thanks for the heads up. I feel it may be useful to clarify with MEA if the opt out notices that are being sent to additional customers are not, actually, for a 2nd phase of MEA/MCE service. CCAs are not limited to the number of phases they can use to implement the CCA program per Commission rules.

"As we stated in D.04-12-046, the statute does not restrict phase-ins in any way, including those applicable to residential customers. Accordingly, the utilities' tariffs may not include any language limiting phase-ins. (**Decision 05-12-041, p27**)

If MEA, in actuality, notified Redacted of a second phase, the issues you've raised are moot.

----Original Message----

From: Horner, Trina [mailto:TNHc@pge.com]

Sent: Tuesday, April 20, 2010 3:14 PM

To: Kahlon, Gurbux; Fitch, Julie A.; Velasquez, Carlos A.; Roscow, Steve Cc: Clanon, Paul; Lindh, Frank; Cherry, Brian K; Hartman, Sanford (Law)

Subject: MEA Phase I expansion

Julie, Gurbux, Steve, Carlos:

I need to make you aware of a new development in the Marin Energy Authority's CCA program, of which PG&E recently became aware. In a phone call to PG&E yesterday, Dawn Weisz confirmed to Redacted that MEA has expanded their Phase 1 to include an additional 3,000 customers and began initial notifications of the additional Phase 1 customers on April 10. Ms. Weisz sent PG&E emails on April 11 and April 12, stating in the April 11 email that "I wanted to let you know that we are noticing some additional customers at this time and will pass along the customer list 30-days before cut over or sooner if we can work out an arrangement on how customers are contacted." Calvin had followed up to ask MEA for more details on their proposed expansion of Phase 1, but as I understand it Ms. Weisz was on vacation and did not return the call until yesterday.

In accordance with CPUC Resolution E-4250, and to avoid any further customer confusion, as a result of MEA's expansion of its Phase 1 without providing their Phase 1 customer list, PG&E plans to hold off sending out the "opt out rescission" letters to non-Phase 1 MEA customers until MEA provides PG&E a complete list of their Phase 1 customers, including the additional 3,000 Phase 1 customers that it began notifying on April 10. The "opt out rescission" letters to the non-MEA area customers -- the so-called "generic" letters -- would of course be unaffected by this development.

Also, as a result of MEA's expansion of its Phase 1 without providing their Phase 1 customer list, the CPUC Resolution permits PG&E to solicit opt-outs from all customers throughout MEA's service territory until MEA provides their complete Phase 1 customer list.

In order to avoid continued customer confusion resulting from MEA's phasing of its CCA program, as well as to ensure an orderly coordination of electricity services to customers by MEA and PG&E, we are hopeful that MEA will reconsider its decision not to provide PG&E immediately with its complete Phase 1 customer list. However, we wanted to notify you of this development and keep you informed. Please feel free to call me if you have any questions.

Trina

415-973-6490