



**Pacific Gas and
Electric Company™**

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Mr. Honesto Gatchalian
California Public Utilities Commission
Energy Division
Tariff Files, Room 4005
DMS Branch
505 Van Ness Avenue
San Francisco, CA 94102

Subject: Protest Response to Pacific Gas and Electric Company Advice 3115-G -- Revision of PG&E's Gas Rule 9

Dear Mr. Gatchalian:

Pacific Gas and Electric Company ("PG&E") hereby responds to the only protest to PG&E's Advice Letter 3115-G, filed by the Modesto Irrigation District ("MID"). The purpose of Advice Letter 3115-G was to revise Gas Rule 9 to notify customers that PG&E will disclose customer-specific information as necessary to comply with regulations, court orders, or laws requiring such disclosure, including the requirements of new Federal Energy Regulatory Commission ("FERC") regulations promulgated in Order Nos. 720 and 720-A.

While MID does not object to the proposed tariff change *per se*, it suggests that provision be made for reasonable efforts to obtain customer consent in the event that disclosure of customer-specific information is required by regulations, court orders or laws. MID also suggests that PG&E provide customers advance notice of any disclosure of confidential customer information where customer consent is not given.

PG&E appreciates MID's concerns regarding the required release of customer-specific confidential information. PG&E does not treat the release of customer information lightly. The proposed revisions to Gas Rule 9 were intended to strike a balance between customer privacy interests and PG&E's compliance with laws and regulations.

The currently effective PG&E Gas Rule 9.M allows PG&E to release customer confidential information only if PG&E obtains the customer's electronic signature or written consent. The proposed revision to PG&E's Gas Rule 9 was written so as to allow the release of customer confidential information without the customer's consent *only* in circumstances in which disclosure is required to comply with regulations, court orders or laws.

Therefore, MID's suggestion that PG&E should be required to make reasonable efforts to obtain the customer's consent even under circumstances in which PG&E is required to release customer information in order to comply with laws, regulations, or court order, would add to PG&E's burden, for no corresponding customer benefit. In the case of FERC Order Nos. 720 and 720-A, for example, PG&E has identified in excess of 100 customers that may be impacted by the FERC's new regulations. It would be unduly burdensome to require PG&E to obtain consent from over 100 customers, as MID suggests, where disclosure is required with or without customer consent in order to comply with FERC regulations. In addition, there may be new regulations in the future that impact far greater than 100 customers, rendering a requirement to make reasonable efforts to obtain consent nearly impossible. Also, if PG&E is required by court order, law or regulatory rule to disclose or provide information, there is no benefit to try to obtain a customer's consent for an action that is out of PG&E's and the customer's control, since PG&E would be required to disclose the information even if consent was withheld.

However, PG&E does not object to providing notice to affected customers regarding the release of any confidential information where appropriate, as suggested by MID.¹ In fact, in circumstances in which it is appropriate, it is PG&E's general practice to provide customers with notice of any release of confidential information. That general practice was followed in the case of FERC Order Nos. 720 and 720-A, which provided the impetus for PG&E's Advice Letter filing. PG&E is in the process of identifying the customers that will be impacted by FERC Order Nos. 720 and 720-A and notifying them of the posting of their scheduled gas usage on a daily basis beginning July 1, 2010. However, because the appropriateness and the method of notice are situation-specific, PG&E does not believe it appropriate to memorialize any specific notice requirements in Gas Rule 9.

Respectfully submitted,

Handwritten signature of Jane Yura in cursive script.

Vice President - Regulation and Rates

cc: Julie Fitch - Energy Division
Maria Salinas – Energy Division
Ann L. Trowbridge - Day, Carter, Murphy LLP
Kerry C. Klein - Attorney, PG&E
Service Lists – A.09-05-026 and A.09-09-013

¹ There may circumstances in which customer notice would not be appropriate, such as a criminal investigation.