

From: Clanon, Paul  
Sent: 5/13/2010 11:44:55 AM  
To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)  
Cc:  
Bcc:  
Subject: CCA Change-of-Service Notices Not Permitted

In case you need any further ammunition internally. We didn't mention this in yesterday's letter, but there's a specific prohibition against sending letters like the one from last week. It would have been verboten even two years ago in San Joaquin. These are from D.05-12-041.

COL 46. The utilities should not notify customers of their change in service to the CCA, which is the subject of two CCA notices. The utilities may include this information in their regular bill inserts but may not charge CCAs or CCA customers for it.

#### 11. Confirmation Letters (Section J.4)

The utilities propose to send prospective CCA customers a formal notification of the change in the customer's service to the CCA. The utilities propose to charge the CCA for this notice. Each customer notification would be billed to the CCA at a rate of \$.40 per customer, and would be levied for each customer that did not opt-out of the CCA's service. The utilities believe this notice will reduce customer confusion and assure that the customer has intended to change service to the CCA. The CCAs object to this notification and being billed for it, observing that it could cost a city like San Francisco as much as \$140,000. During the period before the CCA's initial cut-over, customers will receive four notices of their opportunity to opt-out of CCA service. Although the utilities argue that such a notice is required to inform the customer of a changed account number, we find such information may be reasonably provided in the first relevant bill, or where the customer requires it at an earlier date, the utility may provide it in response to a telephone call. It would be inefficient to provide such notices to all customers in order to serve the interests of a few. If a utility can in the future provide evidence of a costly or pervasive problem in this regard, we will reconsider our decision. We find no compelling justification for the utility's additional notification with its associated cost, which could be substantial and provides no particular benefit to the CCA or its customers in light of other notice requirements. We reject this utility proposal.