From: Pocta, Robert M.

Sent: 6/18/2010 4:29:27 PM

To: Yura, Jane (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=JKY1)

Cc:

Bcc:

Subject: RE: PG&E RO/ other

Not sure on a timing for a response. It will probably take awhile since parties are preparing for hearings; it's tough to coordinate amongst us.

**From:** Yura, Jane [mailto:JKY1@PGE.COM] **Sent:** Friday, June 18, 2010 4:24 PM

**To:** Pocta, Robert M.

Subject: RE: PG&E RO/ other

Mark, thx -- if they get stuck, please let me know.

On the balancing accounts, we are proposing instead of the traditional 1-way, (such as in vegetation management), rather than putting into rates the cap, which we then build a plan to spend -- we would agree to an amount to put into rates that seems reasonable considering the forecasts. The two-way then provides forecast volatility protection for those areas. It's more concept than fully defined at this point, including what the caps would be.

Do you know if you will be able to provide a response sometime soon?

thx

Jane

**From:** Pocta, Robert M. [mailto:robert.pocta@cpuc.ca.gov]

**Sent:** Friday, June 18, 2010 3:48 PM

To: Yura, Jane

Subject: RE: PG&E RO/ other

There may still be some minor R/O issues and we still have the plant / capital expenditures matter. But I'm letting the team deal with them.

One clarification is on the additional reductions related to the various balancing accounts – is PG&E proposing to reduce its request for these items by \$50 million and cap it at the lower amount? If so, - are you essentially proposing a one-way balancing account up to the cap? Or am I misinterpreting the proposal. Thanks.

**From:** Yura, Jane [mailto:JKY1@pge.com] **Sent:** Thursday, June 17, 2010 12:42 PM

**To:** Pocta, Robert M. **Subject:** PG&E RO/ other

Mark, just checking in -- are there any outstanding issues on the RO model functioning from your perspective? Just let me know/give me a call. Also, do you need any other information from our meeting earlier this week?

Thx Jane