From: Mike Florio

Sent: 6/8/2010 10:18:24 AM

To: Redacted

Cc: Middlekauff, Charles (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=CRMd);
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Bcc:

Subject: Re: RCEC - Draft Joint Motion to Withdraw SB695 Treatment

Thanks, Alice. We can go with your simple TURN footnote or the longer one that I sent you a short time ago. I'd also prefer that the motion be a bit more explicit about exactly what is meant by "without prejudice" in the last sentence. I'm concerned that AReM or another proponent of cost shifting to bundled customers will argue that because the amended contract is being approved without an explicit cost allocation finding that the right to apply 695 in the future has somehow been waived, or that such treatment would be "retroactive." I'm thinking about something along the following lines:

"In light of these developments in the LTPP Rulemaking, the controversy that the SB 695 implementation proposal has created in this proceeding, and the fact that the costs of the RCEC project will not impact PG&E's rates until several years from now, the Joint Parties now respectfully move to withdraw their request in the Joint Petition that D.09-04-010 be modified to implement SB 695 for the RCEC PPA at this time, on the condition that the Commission affirm that such withdrawal is without prejudice to any party's right to seek implementation of SB 695 for the RCEC Project in the LTPP Rulemaking proceeding (*i.e.*, R.10-05-006) 4/ or other appropriate proceeding."

I hope this (or something similar) works for everyone. THANKS, Mike

At 03:29 PM 6/8/2010, you wrote:

All - Attached is the draft joint motion to withdraw our request for SB 695 treatment for the RCEC PPA. Please provide any comments by noon tomorrow -- we'll shoot to file this on June 10.

Redacte

Redacted
Attorney
Pacific Gas and Electric Company

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