

From: Gray, Jeffrey  
Sent: 6/4/2010 11:48:28 AM  
To: mdjoseph@adamsbroadwell.com (mdjoseph@adamsbroadwell.com);  
joc@cpuc.ca.gov (joc@cpuc.ca.gov); [Redacted]  
[Redacted]; Mike Florio  
(mflorio@turn.org)  
Cc: Horner, Trina (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=TNHC);  
Middlekauff, Charles (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=CRMd);  
Gray, Jeffrey (JeffreyGray@dwt.com)  
Bcc:  
Subject: Re: Russell City - PG&E proposing that Joint Parties file motion to withdraw  
request for SB 695 cost allocation treatment w/o prejudice

Alice:

This approach works for RCEC.

Jeff

**From:** [Redacted]  
**Sent:** Friday, June 04, 2010 11:15 AM  
**To:** Mike Florio; Gray,  
Jeffrey; mdjoseph@adamsbroadwell.com; joc@cpuc.ca.gov  
**Cc:** Middlekauff,  
Charles (Law) (CRMd@PGE.COM); TNHc@PGE.COM  
**Subject:** Russell City -  
PG&E proposing that Joint Parties file motion to withdraw request for SB 695  
cost allocation treatment w/o prejudice

All -

PG&E would like the Joint Parties to file a  
motion in the Russell City proceeding to withdraw without prejudice the Joint  
Parties' request for SB 695 cost allocation treatment for the Russell City PPA  
net capacity costs.

The principal reason we would cite for withdrawing the SB 695 request is that R.10-05-006 (LTPP rulemaking), issued on May 13, 2010, will consider issues associated with implementation of SB 695; thus, it is appropriate to withdraw SB 695 request in the Russell City proceeding without prejudice to our right to advocate our position in this rulemaking.

Also, as those of you who attended the PHC can confirm, eliminating the SB 695 request will remove a potentially contentious issue from the Russell City proceeding and allow for more expedited consideration of our requested approval of the 1st Amendment to 2nd APPA.

Let me know if you have any objection to joining in this motion, which I would like to file early next week - I'll share a draft of the motion with everyone -

Thanks

Redacted

Redacted

Attorney

Pacific Gas and Electric Company

Redacted