From: Mike Florio

Sent: 6/4/2010 11:40:12 AM

To: mdjoseph@adamsbroadwell.com (mdjoseph@adamsbroadwell.com);

ioc@cpuc.ca.gov (ioc@cpuc.ca.gov): Redacted

Redacted Mike Florio

(mflorio@turn.org); Gray, Jeffrey (JeffreyGray@dwt.com)

Cc: Horner, Trina (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=TNHC);

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

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

Ouch! I just filed comments in the LTPP saying the issue should be addressed here and not there! I can agree to sever the issue to a later decision in this docket separate from contract approval, but not to remove it entirely. Mike.

Sent via BlackBerry from T-Mobile

Redacted From:

Date: Fri, 4 Jun 2010 11:14:43 -0700

To: Mike Florio<mflorio@turn.org>; Gray, Jeffrey<JeffreyGray@dwt.com>;

<mdjoseph@adamsbroadwell.com>; <joc@cpuc.ca.gov>

Cc: Middlekauff, Charles (Law) (CRMD@PGE.COM) < 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.	ł
Let me know if you have any objection to joining in this motion, which I would like to file early next weel I'll share a draft of the motion with everyone -	k -
Thanks	
Redacted	
Attorney	
Pacific Gas and Electric Company	
edacted	