From:	Marc D. Joseph	
Sent:	6/4/2010 12:11:16 PM	
To:	joc@cpuc.ca.gov (joc@cpuc.ca.gov); mflorio@turn.org (mflorio@turn.org); Redact Redacted 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

We have a strong preference to see this proceeding move as quickly as possible. So, while we do not want the non-bundled customers to avoid paying for their rightful obligations, any option that removes the issue from this proceeding is worth pursuing.

Marc D. Joseph Adams Broadwell Joseph & Cardozo (650) 589-1660 mdjoseph@adamsbroadwell.com

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From: Mike Florio [mailto:mflorio@turn.org]
Sent: Friday, June 04, 2010 11:40 AM
To: Redacted Mike Florio; Gray, Jeffrey; Marc D. Joseph; joc@cpuc.ca.gov
Cc: Middlekauff, Charles (Law) (CRMD@PGE.COM); TNHc@PGE.COM
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:		<pre>' <alr4@pge.com>'</alr4@pge.com></pre>

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.

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

Alice

Redacted

Attorney
<u>Pacific Gas and Electric Company</u>
Redacted