

From: Middlekauff, Charles (Law
Sent: 10/14/2010 4:43:01 PM
To: Peck, David B. (david.peck@cpuc.ca.gov); Obiora, Noel (noel.obiora@cpuc.ca.gov)
Cc: Jacobson, Erik B (RegRel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=EBJ1);
[Redacted]
Bcc:
Subject: URGENT: A.09-09-021 - DRA Ex Parte Notice

Noel and Dave:

I am very concerned about the following statement in DRA's ex parte notice:

"PG&E's primary concern is to rate base the [Redacted] capital cost of Oakley for the benefit of shareholders, not insuring system reliability for ratepayers."

I raised the same issue in my voice mail to both of you yesterday. First, the capital costs of the Oakley Project are confidential information, so DRA should not be making any statements regarding the capital costs. The fact that this was included in a public filing is a violation of the ALJ's confidentiality order and raises serious concerns. Second, and more importantly, the capital costs cited by DRA are wrong. The Initial Capital Costs per the Partial Settlement Agreement, that DRA signed on to, are \$1.14 billion, not the [Redacted] cited by DRA. See Partial Settlement, Appendix A, Item #2.

Given the seriousness of these two issues (*i.e.*, disclosure of confidential information and misstatements in Commission filings), we need to remedy this situation immediately. Please call me as soon as possible so that we can discuss this situation. We probably cannot remedy the disclosure of confidential information. However, at a minimum, DRA needs to file a supplemental ex parte indicating the clear error in its statements.

I look forward to your prompt response.

Charles Middlekauff

From: Gonzalez, Roscella [mailto:roscella.gonzalez@cpuc.ca.gov] **On Behalf Of** legal_support
Sent: Thursday, October 14, 2010 4:09 PM
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Subject: A.09-09-021 - DRA Ex Parte Notice

Electronic Format: PDF

Serving Party: DRA

In case of problems with the e-mail or the attached document, contact the following person:

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Note: to update your e-mail address, please follow the procedure in Rule 1.9(e) of the Commission's Rules of Practice and Procedure.