

From: Peck, David B.  
Sent: 10/14/2010 5:54:53 PM  
To: Middlekauff, Charles (Law) (/O=PG&E/OU=Corporate/cn=Recipients/cn=CRMd);  
Obiora, Noel (noel.obiora@cpuc.ca.gov)  
Cc: Jacobson, Erik B (RegRel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=EBJ1);  
Redacted  
Bcc:  
Subject: RE: URGENT: A.09-09-021 - DRA Ex Parte Notice

Hi Charles,  
We have been publicly referring to the Oakley plant as a Redacted power plant for quite a while during the LTRFO proceeding with no issues raised by PG&E.

Also, attached is the Public version of the settlement agreement. In the public Attachment A, there is a revenue requirement on page 4 of Attachment A. Redacted  
Redacted That is what we are using as a basis of the cost.

**From:** Middlekauff, Charles (Law) [mailto:CRMd@pge.com]  
**Sent:** Thursday, October 14, 2010 4:43 PM  
**To:** Obiora, Noel; Peck, David B.  
**Cc:** Redacted Jacobson, Erik B (RegRel)  
**Subject:** URGENT: A.09-09-021 - DRA Ex Parte Notice  
**Importance:** High

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  
**To:** [Redacted]; CPUCCases@pge.com; JPacheco@SempraUtilities.com; [Redacted]; Gandesbery, Mary (Law); Tisdale, Matthew; RegRelCPUCCases; WKeilani@SempraUtilities.com; abb@eslawfirm.com; [Redacted] anne.cleary@mirant.com; barmackm@calpine.com; bcragg@goodinmacbride.com; blaising@braunlegal.com; [Redacted] cem@newsdata.com; Middlekauff, Charles (Law); dbehles@ggu.edu; Peck, David B.; dmarcus2@sbcglobal.net; douglass@energyattorney.com; ed.mainland@sierraclub.org; Farrar, Darwin; eklebaner@adamsbroadwell.com; filings@a-klaw.com; gohara@calplg.com; jeffgray@dwt.com; john.chillemi@mirant.com; jpacheco@water.ca.gov; julien.dumoulin-smith@ubs.com; kdw@woodruff-expert-services.com; [Redacted] klatt@energyattorney.com; [Redacted] lcottle@winston.com; liddell@energyattorney.com; [Redacted] mcox@calplg.com; mdjoseph@adamsbroadwell.com; mflorio@turn.org; michaelboyd@sbcglobal.net; mmattes@nossaman.com; mpa@a-klaw.com; mrw@mrwassoc.com; Obiora, Noel; nes@a-klaw.com; [Redacted]; sean.beatty@mirant.com; Haine, Steven K.; slazerow@cbecal.org; steven@iepa.com; [Redacted] todd.edmister@bingham.com; vidhyaprabhakaran@dwt.com; will.mitchell@cpv.com; william.kissinger@bingham.com; wmc@a-klaw.com; wynne@braunlegal.com; Shmidt, Yuliya  
**Cc:** Cox, Cheryl; WebDra; Obiora, Noel  
**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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