

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Integrate and Refine Procurement Policies and Consider Long-Term Procurement Plans.

Rulemaking 10-05-006
(Filed May 6, 2010)

**NOTICE OF *EX PARTE* COMMUNICATION
OF PACIFIC GAS AND ELECTRIC COMPANY**

Pursuant to Rule 8.3(a) of the Commission's Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) hereby gives notice of the following ex parte communication. The communication occurred on Tuesday, December 14, 2010, at approximately 10:30 a.m., and 11:00 a.m. (respectively) at the offices of California Public Utilities Commission. The communication was oral and a handout was provided, which is attached to this notice. [Rule 8.3(a)(c)]

Erik Jacobson, Director-Regulatory Relations, initiated the communication with Michael Wheeler (Advisor to Commissioner Dian Grueneich), Robert Kinosian (Advisor to Commissioner John Bohn), and Paul Phillips (Advisor to Commissioner Timothy Simon), collectively. Mr. Kinosian joined in the meeting with Mr. Wheeler. Also in attendance for PG&E were Todd Strauss (Senior Director-Energy Policy, Planning, and Analysis), and Veronica Andrews (Senior Director-Short-Term Electric Supply). [Rule 8.3(b)]

Mr. Jacobson said that it was very important to eliminate language in the Proposed Decision that suggests the Commission plans to conduct after-the-fact reasonableness

reviews of the Investor Owned Utilities' defensive bidding strategies. Mr. Strauss explained the need for flexibility to respond to rapidly changing market conditions and recommended eliminating the stop loss limit. Ms. Andrews described PG&E's proposal to notify the Procurement Review Group and Energy Division of its defensive bidding strategies at least 24 hours in advance of implementation and provide the Director of Energy Division with authority to revoke such strategies. [Rule 8.3(c)].

To obtain a copy of this notice, please notify Sally Cuaresma at (415) 973-5012 or via email at a2c7@pge.com.

Respectfully submitted,

/s/ BRIAN K. CHERRY

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Attachment

Dated: December 17, 2010

CERTIFICATE OF SERVICE BY ELECTRONIC MAIL OR U.S. MAIL

I, the undersigned, state that I am a citizen of the United States and am employed in the City and County of San Francisco; that I am over the age of eighteen (18) years and not a party to the within cause; and that my business address is Pacific Gas and Electric Company, Regulatory Relations Department B10C, 77 Beale Street, San Francisco, California 94105.

I am readily familiar with the business practice of Pacific Gas and Electric Company for collection and processing of correspondence for mailing with the United States Postal Service. In the ordinary course of business, correspondence is deposited with the United States Postal Service the same day it is submitted for mailing.

On December 17, 2010, I caused to be served a true copy of:

**NOTICE OF *EX PARTE* COMMUNICATION
OF PACIFIC GAS AND ELECTRIC COMPANY**

[XX] By Electronic Mail – serving the enclosed via e-mail transmission to each of the parties listed on the official service lists for R.10-05-006 with an e-mail address.

[XX] By U.S. Mail – by placing it for collection and mailing, in the course of ordinary business practice, with other correspondence of Pacific Gas and Electric Company, enclosed in a sealed envelope, with postage fully prepaid, addressed to all parties of record on the service lists for R.10-05-006 who do not have an email address.

I certify and declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

December 17, 2010, at San Francisco, California.

/s/ Sally Cuaresma
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CALIFORNIA PUBLIC UTILITIES COMMISSION

Service Lists: R. 10-05-006 – Last Changed: December 16, 2010

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