From: Brown, Carol A.

Sent: 2/28/2011 10:19:10 PM

To: Cherry, Brian K (/O=PG&E/OU=CORPORATE/CN=RECIPIENTS/CN=BKC7)

Cc:

Bcc:

Subject: RE:

Happy to talk with him tomorrow

----- Original Message -----

From: Cherry, Brian K <BKC7@pge.com>

To: Brown, Carol A.

Cc: Jeffrey.Linam@amwater.com <Jeffrey.Linam@amwater.com>

Sent: Mon Feb 28 18:26:59 2011

Subject:

Carol - can you help out Jeff here ? CalAm is in an untenable situation
where your help would be greatly appreciated. Can he call you tomorrow ?

 From: Jeffrey.Linam@amwater.com [mailto:Jeffrey.Linam@amwater.com]Sent:
Monday, February 28, 2011 05:51 PM

To: Cherry, Brian KSubject: Fw: ALJ Walwyn

Ruling on Monterey WRAM under-collection & Customer Notice

Brian,I hope you are doing well. I really appreciate all of your advice and
support over these past months. I will be in SF for the month of April in
settlement negotiations on our rate case and I will definitely plan some
time to get together. I was planning to see about giving you a brief call
tomorrow to talk about an issue of importance to our company. We have an
untenable situation at the Commission and are having difficulty getting
anyone to engage on it. I know that a large part of this is because of the
turmoil at the Commission and no one wanting to do anything before the
confirmation hearings, etc. But we have been undercollecting in our
Monterey District to the tune of 30% per year. It is a combination of
factors including rate design, demand forecasts and conservation. We

undercollected 30% in 2010 and are on track to undercollect another 30% this year. We filed an application jointly with the other Class A water utilities to expedite the amortization of our fixed cost balancing accounts and Walwyn is causing tremendous problems for us. The case is assigned to Peevey but because he rarely if ever gets involved in water issues and, we continue to simply undercollect. Do you have any advice on how we can get Peevey or others to take notice? Walwyn is on her fourth pre-hearing conference and there is no end in site.